

Advertising - a Necessary “Elixir of Life” for Capitalism: On the Critique of the Political Economy of Advertising

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Abstract: This contribution aims to lift the ideological veil of apologetics and pseudo-criticism on advertising with the help of a reality-based systematic analysis that contributes to a materialistic theory of advertising. The content-related and methodological basis of such a theory is a Critique of the Political Economy of Advertising oriented towards the critique of capitalism and academic knowledge originally presented by Karl Marx and current societal analyses based on it. In this context, the academic objective is to consider the economic, political, and societal functions of (media) advertising. In doing so, the elementary economic and ideological functions of advertising for the existence and further development of the market economy and capitalist economic and societal systems become recognisable. Advertising then no longer appears as a necessary evil but as a *necessary "elixir of life"* for the media industry, the economy, and capitalism as a whole. Based on the applied critical political-economic analysis, it becomes clear that on the level of capitalism as an economic and societal system, advertising thus contributes economically *and* ideologically to the *stabilisation* of the systemic foundations of capitalist societies (the capital-labour relationship, the regime of accumulation; the economic, societal, and political [advertising] functions of the media). It is shown that a Critique of the Political Economy of *Advertising* – especially from the point of view of the necessarily growing importance of advertising for media production – also contributes to the development of a Critique of the Political Economy of the *Media*.

Keywords: advertising, Critique of the Political Economy of the Media, capitalism

“Whether we like or dislike advertising, it is a necessary component of the capitalist economic system” (Bücher 1926, 256).

“For the capitalist propaganda of commodities acts at the same time as propaganda for capitalist commodity production” (Haug 1972a, 37).

“Just as there is no point in lamenting the fallen without fighting the war, so there is no point in sounding the alarm about advertising and all that goes with it without clearly pointing out the source of the evil: the monopolistic and oligopolistic corporation and the price-competitive bypassing business practices that are an integral component of its modus operandi. [...] But the liberal do-gooders ignore all this” (Baran 1966, 13).

1. Introduction

In academia and practical life, advertising is often presented in a pseudo-critical attitude as a necessary evil, if it is not, for once, evaluated in a glorifying way as fundamentally positive for the economy and society in the interest of the advertising industry. This apologetic shedding of crocodile tears is often accompanied – in defence

of a suspicion of manipulation – by an exculpatory reference to the allegedly scientifically proven far-reaching ineffectiveness of advertising (Schweiger and Schrattenecker 1986, 210). Criticism of advertising is thus largely exhausted in a culturally pessimistic moralising agitation about the (sinister) secret (!) seducers à la Vance Packard¹. But even “where there was criticism, enlightened cynical affirmation spreads” (Haug 2001, 201), combined with the disappearance of reality in ideology up to advertising and consumption as religion.

In Economics, too, especially in traditional welfare Economics, a distinction is often made between “good” and “bad” advertising (for a critique, see Baran and Sweezy 1967, 121-123), with *only* “bad” advertising being criticised as a means used for misleading, seducing² and manipulating humans and as a waste of money. This gives the impression that it is only a question of goodwill to fight “bad” advertising, to abolish it or at least to mitigate its negative effects. In this view, the fact that advertising is *inevitably* an essential part of the capitalist economic and social system is deliberately overlooked. Accordingly, for “good” and “bad” advertising *alike*, the associated functions and effects with *negative* consequences for individuals and society have to be ascertained.

This contribution aims to lift the ideological veil of apologetics and pseudo-criticism on advertising somewhat with the help of a reality-based systematic analysis that contributes to a materialistic theory of advertising. Such theorising would fall short if it were limited to advertising in the mass media. The theory and practice of advertising in the media can only be understood and made accessible to an empirically founded theory if the meaning and functions of advertising for the media economy are reflected in the context of its economic, political, and societal functions for the entire economy as well as for the continuity of the capitalist societal formation in general. In this way, it can also be understood why in capitalism the entire individual, social and societal life becomes an “illusion industry” or “diversion industry” (Haug 1972a, 152-158) due to the systemic omnipresence of economic and political, advertising.

The content-related and methodological basis of such a theory is a Critique of the Political Economy of Advertising oriented towards the critique of capitalism and academic knowledge originally presented by Karl Marx (*Capital Volume 1*: German: 1962 [1867, 1890]; English: 1990 [1867, 1890])³ and its various further developments (for example Heinrich 2012, 2004). In this context, the academic objective is to consider the economic, political, and societal functions of (media) advertising, which are *necessary in the* interest of the fundamental continuation of capitalist production and capitalist relations of life, in the general context of societal conflicts of power, access, and distribution. In doing so, the *elementary economic* and *ideological* functions of advertising for the existence and further development of the market

¹ Packard's diverse works contain a great deal of useful information that can support a critical view with empirical evidence (Packard 1957), but at the same time they also show “the strength and weakness of the kind of criticism which knows how to judge and condemn the present, not to comprehend it” (Marx 1990 [1867, 1890], 638 {German: Marx 1962 [1867, 1890], 528}).

² This leads in individual cases to a rather terse negative assessment of advertising, such as by Joan Robinson (1968, 70): “Much of advertising serves to *create needs* for useless or harmful objects which one then supplies. The consumer would obviously be better off without the needs and without the delivery” (italics in original).

³ Friedrich Engels edited volumes 2 and 3 of *Capital. Critique of Political Economy* after Marx's death based on the available manuscripts (Marx 1963 [1893], 1989 [1894]; English: Marx 1991 [1894], 1992 [1893]).

economy and capitalist economic and societal systems become recognisable. This means that there is a *fundamental* importance of advertising for the entire material, economic, social, political and cultural human life⁴. Advertising then no longer appears as a necessary evil but as a *necessary "elixir of life"*⁵ for the media industry, the economy, and capitalism as a whole. For the media industry, especially for private commercial broadcasting (radio and television), it proves to be virtually the only meaning of life.

A Critique of the Political Economy of *Advertising* – especially from the point of view of the necessarily growing importance of advertising for media production – also contributes to the development of a Critique of the Political Economy of the *Media* (Knoche 2002)⁶. In addition to the *economic* functions of advertising and the media, the associated, equally *necessary production of ideology*⁷ is a contribution to the constitution of individual and societal consciousness. Ideology and the behavioural patterns aligned with it are an essential element in developing a theory of advertising in the media that is in line with reality.

The focus of the analysis is on business advertising, i.e., all measures by business enterprises that serve to promote the sale or profitable sale of commodities. Included are therefore sales-promoting marketing measures, both in the relationship between producers and distributors/traders as well as marketing directed at consumers who are also seen as so-called “end users”. Also included are advertising measures that become effective through the design of commodities especially as branded articles (Haug 1972b). Finally, there is an understanding of advertising that goes beyond the purely economic functions and includes the *societal-political* functions of advertising.

In this context, some indications of the economic and political (life) necessity of advertising as the “elixir of life” for the safeguarding and continued existence of capitalism as an economic and social system are given below. The mass, successful use of advertising as a comprehensive sales promotion is thus seen as indispensable (Haug 1963) for the economic survival of individual business enterprises and thus closely connected to the existence and further development of capitalism.

2. The Necessity of Successful Advertising

"The very offspring of monopoly capitalism, the inevitable by-product of the decline of price competition, advertising constitutes as much an integral part of the system as the giant corporation itself" (Baran and Sweezy 1966, 122).

From a Political Economy perspective, "advertising consists of special communication measures or strategies aimed at influencing the 'advertised' (target groups) in a way that serves the profit or dominative interests of the advertisers" (Aufermann 1973, 544).

⁴ These central functions of advertising are thus seen as essential “systemic elements” required for the current stage of capitalism. Accordingly, demands for an “abolition” or “restriction” of advertising are demands for systemic change.

⁵ According to Brockhaus, an “elixir of life” is a “magic drink” that gives “strength and beauty” and acts as a “life-prolonging agent”. Horkheimer and Adorno (2002, 131; 1947, 171) refer to advertising as an “elixir of life” for the culture industry.

⁶ For a further development of the Critique of the Political Economy of Advertising as part of the Critique of the Political Economy of the Media, see chapter 7 in Fuchs (2024, 2023).

⁷ As a “commodity aesthetic” (Haug 1972a, 1972b, 1975, 2001), advertising serves to create and maintain a general climate of consumption as well as to legitimise the overall system and power.

This applies to capitalist economic and societal systems in which the continuous production of goods is indispensable for the desired accumulation of capital. What is important here is that the capital advanced by the capital owner flows back in full with a profit. However, this is not possible or not possible to a sufficient extent without successful advertising (see figure 1).

Advertising as a means of avoiding "existential crises" of capitalism

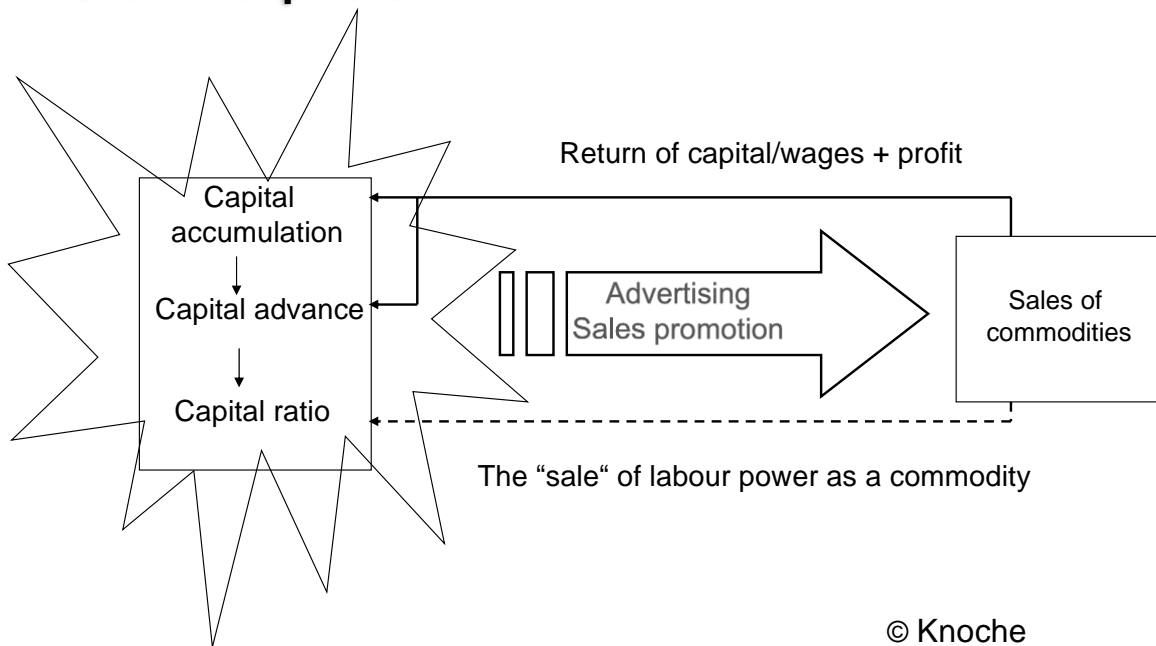


Figure 1: Advertising as a means of avoiding existential crises of capitalism

In the sense of securing the existence of individual enterprises and capitalism as a whole, it is also fundamentally necessary that the mass of wage-dependent people who do not own capital be induced through advertising to buy so many commodities that their wages are thus consumed as completely as possible and thus the advance wage flows back in full to the capital-accumulating commodity owners. This is also done, among other things, by workers paying housing rents to the owners of capital as owners of rented houses and flats. From the point of view of those who accumulate capital, it is even advantageous if those who are wage-dependent buy more commodities than they can afford, so that they must borrow from the sellers of commodities or thus also contribute to the capital accumulation of banks. This kind of profitable capital and wage reflux is of elementary importance for the maintenance of the capital relation. Elementary here is, on the one hand, the compulsion of those who do not own capital to sell their labour power permanently and, on the other hand, the right of the owners of capital to use this labour power profitably permanently.

The profitable purchase (respectively sale) of commodities also has a positive effect on the stabilisation of the capital relation insofar as the large majority of the population cannot build up capital, or cannot do so to a sufficient extent, which would enable them *not to* have to contribute to the capital accumulation of the capital owners as dependent workers. The wage, which is too low in relation to commodity prices and quantities, is usually completely consumed by the purchase of commodities, mostly already by the purchase of the necessary means of subsistence (food, health, housing). The

stabilisation of the capital relation is also achieved to a not inconsiderable extent by persuading people through advertising to invest their small savings in entrepreneurial self-employment with the help of loans. This often ends predictably after a more or less short time in bankruptcy and, in the worst case, unemployment, due to the hopeless competition with the large companies that dominate the markets.

Successfully advertised small shareholders who make their saved money available to the capital owners for their capital accumulation also reproduce the capital relation in a special way, especially when their shares are systematically devalued (cold expropriation)⁸. All these people are an ideal basis for the maintenance of the capital relation, which is vital in a double sense (for capital owners and for those who depend on them for work). It is rightly called “manipulation“ to “induce citizens to behave in a way that may well bring them advantages as buyers but considerable disadvantages as producers: The acceptance of the existing economic system through economic practice“ (Lay 1980, 201).

Conversely, the relationships shown in figure 1 mean: If there was *no* or *not enough* successful advertising,

- then there would be no sufficient purchase of commodities,
- consequently, no sufficient capital accumulation and return of the advanced capital,
- with the outcome that individual companies enter crisis or crash,
- in the worst case, there would be a crisis or crash of the capitalist economic and societal system as a whole.

The starting point of the analysis is the development from the original competitive capitalism with the greater importance of price and quality competition to oligopoly or monopoly capitalism with the extensive replacement of this competition by advertising competition (Baran and Sweezy 1966, 1967). In the course of the intensification of competition between oligopolies (“monopolistic competition“), price and quality competition would have a negative effect on all the companies involved, so that attempts are made to secure markets and market shares that are as stable as possible through (long-term) advertising strategies as well as to achieve an expansion of consumption overall in the common interest. Advertising thus becomes the “principal weapon of the competitive struggle” (Baran and Sweezy 1966, 116) with the aim of achieving a capital accumulation appropriate for the oligopolists. Advertising also proves to be an effective means of driving out capital-poor competitors, i.e., forcing them to give up their business activities. According to Baran and Sweezy (1966, 110-111), stimulating *demand* to create and expand product markets thus becomes a *leitmotif* of economic and government policy. Thus, the question is not *whether* demand should be stimulated by advertising, but *how*. Consequently, there is a *compulsion* to advertise as a *necessary* means to realise the desired accumulation of capital as the purpose and goal of capitalist societies.

⁸ A vivid picture with a multitude of empirical evidence on the negative effects of media advertising for (listed) investments (“market manipulation“, “stock market media and the economisation of the public“), especially for small shareholders, is provided by Schuster 2001.

3. Why Capitalism Needs Advertising

The following phenomena can be identified as causes for the necessity and benefit of advertising for capital accumulation (see figure 2):

- The capitalist mode of production with its tendency towards the necessary increase of labour productivity generates, in interaction with the prevailing regime of accumulation and its tendency towards an inevitable over-accumulation, an increased pressure of capital valorisation and accumulation.

Why Capitalism Needs Advertising

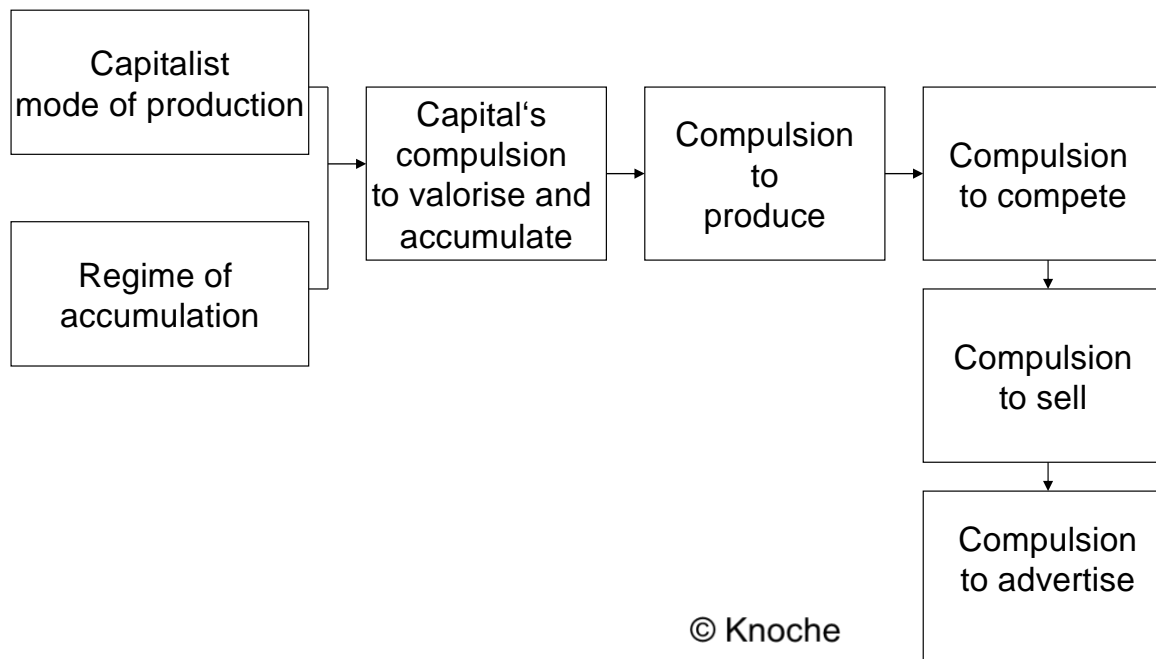


Figure 2: Why capitalism needs advertising

- This leads to an increased compulsion to produce commodities with a tendency to overproduction, which increases the compulsion to sell commodities via the compulsion to compete.
- Altogether, this leads to an increased compulsion to advertise, which is seen as positive for solving the capital utilisation problems produced by the aforementioned constraints themselves.
- Here, advertising is seen as an effective means of coping with the general crisis-proneness of capital accumulation and is visibly used successfully at great expense.

An essential peculiarity of the capitalist regime of accumulation consists in the fact that for the permanent realisation of capital accumulation, in the interest of the owners of capital, the higher the already accumulated capital, the more must be permanently produced and sold. Therefore – largely without regard to a corresponding societal demand – mass production and sales must be incessantly carried out. This is also necessary, because only mass production with high labour productivity produces the

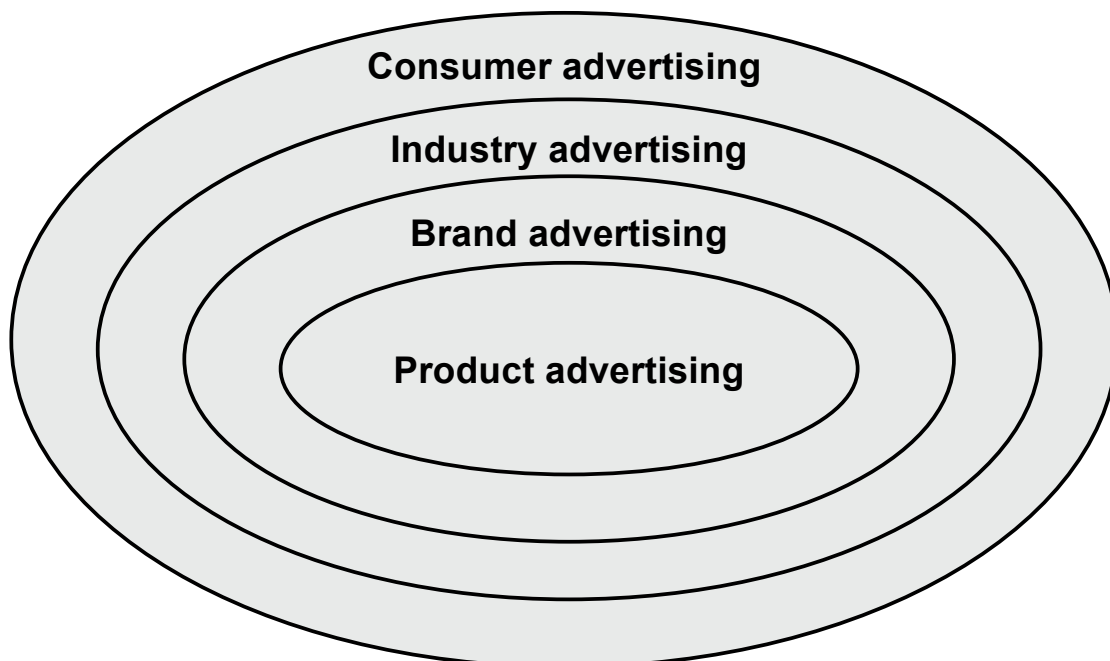
necessary unit cost regression. There is therefore a *permanent compulsion* for the mass production and sale of commodities far beyond the real societal demand. In this context, advertising is a necessary means to enable the sale of all these products through effective stimulation and thus also to accelerate the return of the capital advanced plus profit.

4. Economic and Ideological Functions of Advertising

“Advertising, as an expression of the immanent laws of capitalist commodity production, can only be grasped in its entirety if it is understood that it is an economic instrument that fulfils its task in the reproduction process of capital by way of ideological influence. The economic side must therefore never be separated from the ideological side and vice versa, [...] and any analysis that turns exclusively to one of the inseparably linked sides as the object of investigation must ultimately fall short“ (Lindner 1977, 144).

Four closely related types of *necessary* advertising can be distinguished according to their respective main economic-ideological objectives and functions (see figure 3). In their interaction, they by no means serve the purpose of market transparency, as is continuously claimed by advertisers. On the contrary: the large companies, which mainly advertise at immense expense, achieve their goals precisely by creating the most confusing possible lack of transparency of the market in their own interest – primarily through successful brand advertising. The brand orientations built up with great advertising efforts are supposed to be decisive for consumers’ buying behaviour.

Types of advertising necessary for capitalism



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Figure 3: Types of advertising that are necessary for capitalism

4.1. Product Advertising

Special product advertising is part of brand advertising, i.e., it is also a means of competition between individual capitals. Particularly in largely saturated product markets, it has the special function of forcing the process of artificial product obsolescence (on the central function of “planned obsolescence” Knoche 2005, 51-57), which is important for the successful accumulation of capital, into the consciousness of buyers/consumers with the help of the positively connoted concept of innovation and to induce them to make corresponding purchases (Baran and Sweezy 1967, 129-131). This clearly shows that the owners of capital are only interested in consumption as the use or consumption of a commodity to a very limited extent, but are fundamentally interested in the sale of the commodity. Advertising must be used to achieve – and empirical evidence shows that this is achieved to a large extent – that potential buyers regard their purchased, still usable commodities as obsolete and therefore buy new commodities of the same product type (replacement purchases), although these products would still be usable for a long time. However, this central type of advertising is not only used for the competition between the individual capitals within a sector but also across sector boundaries. A prerequisite for successful innovation advertising (also for new media and media techniques, see Knoche 2005) is, among other things, that on the level of general consumer advertising, “the new”, “the fashionable”, “the trendy”, “the hip”, and hipster commodities are generally anchored as positive images in the consciousness of consumers.

4.2. Brand Advertising

Special brand advertising is a particularly important means in the competition between individual capitals. As is well known, brand advertising is a central means in the competition for selling commodities to consumers and, as a consequence, also in the cut-throat competition, which is expressed in a progressive increase of industry-wide concentration levels. In this respect, it is not surprising that, due to the elementary importance of brand advertising strategies for the sale of commodities, media are also increasingly being situated as brands and advertised accordingly (Siegert 2001).

4.3. Industry Advertising

Special advertising that serves the common goal of the capital owners of an entire industry that contains all companies producing commodities of a certain type. The industry that uses such advertising stands in competition with all other more or less related industries, to secure enough sales of commodities in each case so that the competitive struggles within the respective industry do not have a profit-reducing effect. The goal of industry advertising is that the capitalists who are active in a particular industry as a whole can continue to accumulate capital successfully. Basically, all industries compete with all others in the sense of a competitive struggle between the particular capital valorisation interests of capital fractions. Joint industry advertising also promotes the concentration of the economy insofar as, for example, other industries as a whole are more or less crowded out.

For the car industry, for example, there is a *common* interest in getting people to buy cars in competition with the use of public transport, planes, ships, bicycles, etc. But there is also another common interest to promote the purchase of cars, for

example, in competition with all other commodities (clothes, food, etc.), especially since the purchase of cars in a pronounced way hinders the purchase of other commodities as a result of the additional necessary petrol purchases, maintenance work, repairs, insurances, and replacement purchases. The special sectoral advertising of the car producers is also aimed at obliging the state to expand the road networks.

4.4. Consumer Advertising

Consumer advertising is advertising that uses various *ideological* justifications to present consumption in all its forms – and capitalism in a broader sense – as positive for consumers, for *the* economy and thus for the common good. This type of advertising can be described as *ideological* because it works with justifications that pretend to be in the general *interest of the general public*, while at the same time concealing the particular interest of the owners of capital to accumulate ever more capital and sell ever more commodities. Consumption is presented as the realisation of freedom and equality of individuals and as a sign of a good and just society. General consumer advertising thus also serves to legitimise capitalism as the best possible economic system and society. Consumer advertising is therefore about advertising in the service of the interests of total capital in competition with other possible interest groups in society (for example, wage-dependent workers). Consumer advertising is about the systemic competition of capitalism with other possible economic and societal systems. In this respect, capitalist advertising for commodities also generally acts as propaganda for capitalist commodity production or capitalism as the best possible economic system and society (Haug 1972a, 137)⁹.

The ideological character of advertising is expressed in all types of advertising (special product advertising, brand advertising, industry advertising). But ideology is primarily disseminated in general “image advertising”, above all via the *media* as *public relations* and via editorial or programme contributions. It is recognisable that “the programs of the mass media, even in their non-commercial portions, stimulate “consumption” and channel “it into certain patterns” (Habermas 1991, 191-192; German version: Habermas 1962, 210).

Here we can already see how important it is for the owners of capital that the mass media function as advertising media whose owners have an equally strong interest in general consumer advertising. The *editorial* contributions/programmes that generally advertise consumption can thus be seen on the one hand as a free service provided by the mass media in the interest of all capital owners. On the other hand, it can also be assumed that the payment for only seemingly free services is included in the often astonishingly high and excessive advertising prices. The advertisers therefore pay not only for the labelled advertising but also for the advertising editorial and programming environment. For this purpose, advertising in the form of sponsoring is also a much used means of payment. Advertising thus contributes in many ways to the “subsidizing of the ideological media” (Horkheimer and Adorno 2002, 132).

In practice, a unity of the economic and the ideological is clearly recognisable. Thus “it cannot be overlooked that advertising as a societal phenomenon does not consist of the individual advertising communication, but of the totality of the advertising communications of all individual advertisers” (Lindner 1977, 145). Advertising for

⁹ For the criticism of Wolfgang Fritz Haug’s theory of commodity aesthetics by several authors and Haug’s response, see the contributions in Haug (1975) and in Rexroth (1974).

special commodities is therefore always also advertising for the commodity form of the products themselves, in that it makes a universal purchasability of the advertised abundance and variety of commodities appear as something natural, in principle and generally accessible to everyone in the same way: “the satisfaction of needs in commodity form appears as the satisfaction of needs par excellence” (Paris 1972b, 26).

5. The (Re)Flow of Capital and Capital Accumulation by the Means of Advertising and Commodity Sales

“The average citizen, who is both a worker and a consumer, is seized by his fear of losing the job that means his social existence; the fear of crisis brings him close to his consumer duty. [...] The unspoken utopia of the ‘sociology of prosperity’ is the smooth exploitation of consumers in the sense of the smooth circulation and multiplication of capital. King Customer himself becomes a commodity” (Horn 1972, 203).

Capital (re)flow and capital accumulation through advertising and sales of commodities

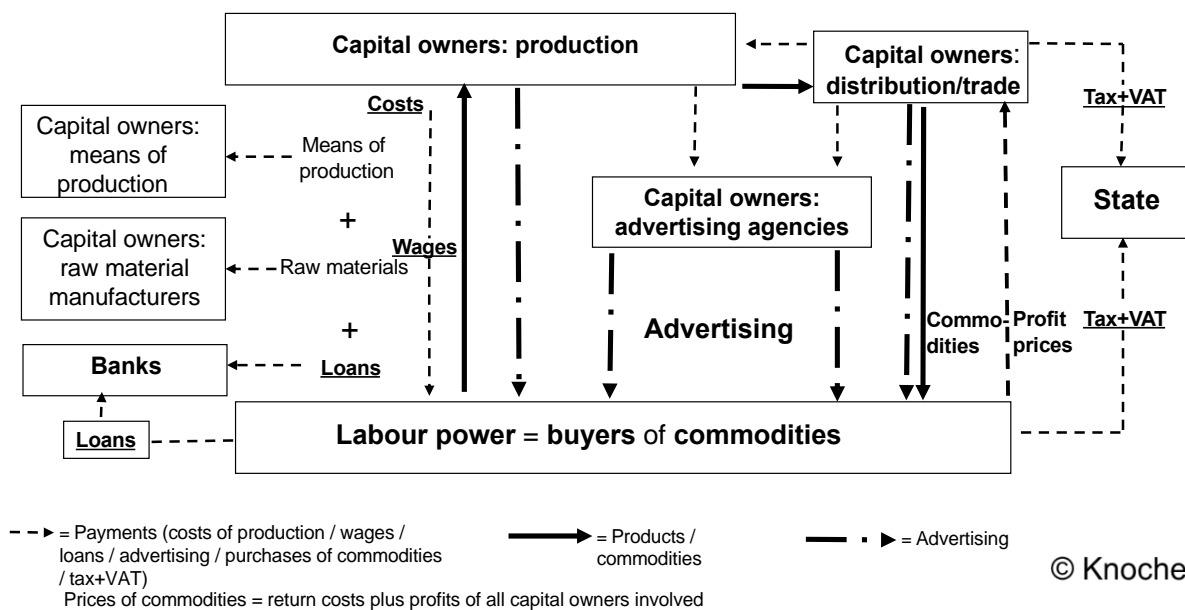


Figure 4: Capital (re)flow and capital accumulation through advertising and commodity sales

Advertising is generally always necessary in the sense of a kind of *collective advertising* of co-ordinated or (partly) competing advertising measures in the same way for the realisation of the individual capital accumulation of different individual capitals. Advertising is also necessary for the tax maximisation of the state, a considerable part of which benefits the individual capitals in the form of all kinds of direct and indirect subsidies. This joint advertising serves the fundamentally common capital valorisation interests of various capital fractions, to whose capital accumulation the commodity buyers ultimately contribute directly or indirectly (see figure 4):

1. The capital owners of commodity production do not really use their capital as their (sunk) cost, as is always the impression. Rather, they advance capital through the purchase of means of production, raw materials, and the purchase of the commodity labour power, which is euphemistically called (fair) wages. In addition, interest on loans is usually advanced. All the capital referred to as costs is not lost capital such as the consumption of wages as food costs for the dependent workers, but it is replaced again by the sale of the commodities and even increased.
2. The producers of commodities indeed have to pay a purchase price to the owners of capital in the industries that create means of production and resources, as well as to the banks, which then reimburse them for their costs plus profit, i.e., an increase in capital. However, this is not a fundamental problem for the owners of capital insofar as these expenses are completely reimbursed by the buyers of commodities.
3. In contrast, the workers, as immediate producers, do not own the products they produce, so they cannot sell them to the capital owner at a profitable market price. These products temporarily become the property of the capital owners until they are sold to consumers. The owners of capital can sell commodities for the purpose of increasing their invested capital.
4. In order to realise the sale successfully, the capital owners of commodity production must also buy advertising from the capital owners of advertising agencies, this too at a price that brings them the replacement of the capital advanced and its increase. Advertising is on the one hand directed at the potential buyers of commodities, but on the other hand also at the capital owners of distribution (merchant's capital), who in turn have to advertise to the end consumers.
5. The decisive thing now is that the buyers have to pay a profit price with their purchases of commodities, which ensures that all capital owners involved in the production and distribution and advertising of the respective commodities get back the capital advanced plus a surplus. The buyers of commodities, as so-called end consumers, have to also pay the value-added tax to the state, which is included in the price of the commodities. In the end, it is the buyers of commodities who have to pay the value-added tax, while the owners of capital have the possibility of offsetting the value-added tax and passing it on to the final consumer.

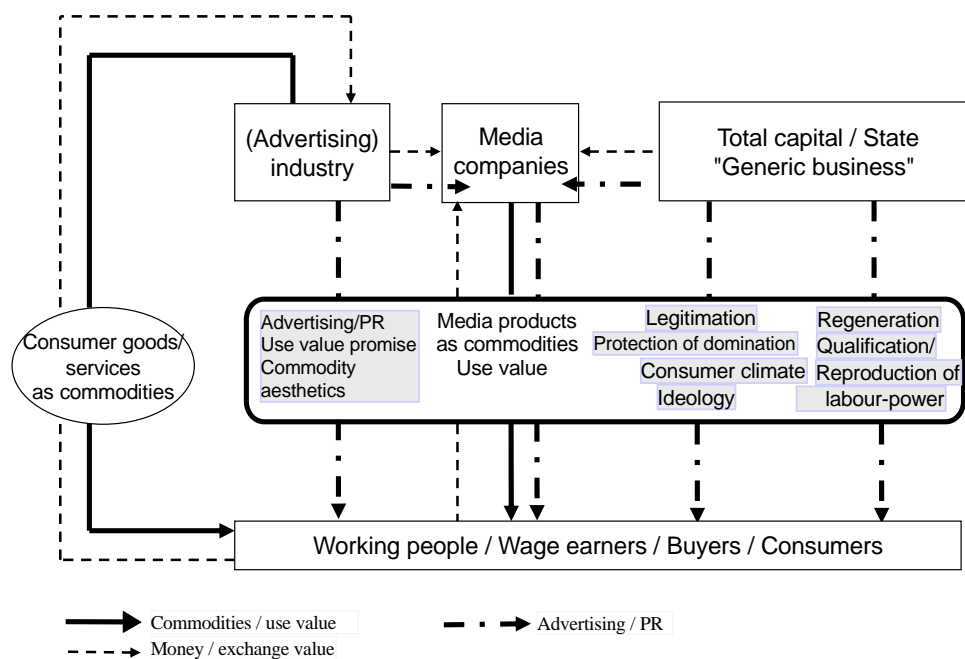
Advertising, in addition to other socialisation mechanisms, usually successfully contributes to commodity buyers acting blatantly against their own interests and thus even contributes to widening the gap between capital owners and non-capital owners, between the rich and the poor, and between the powerful and the dependent.

6. The Functional Relationship between the (Advertising) Industry and Media Companies

“The mass media are primarily present as an advertising medium because certain sectors of industry prefer artificial product differentiation and image advertising to price and quality competition, to the detriment of the consumer” (Prokop 2000,141)

The functional relationship between the advertising industry and media companies is determined by the fact that the media are extremely willingly made available as advertising media in their own interest (source of financing), but also in the overriding (self-)interest of securing capitalism as an economic and societal system¹⁰. In this respect, media companies equally serve their own capital accumulation interest¹¹ and likewise that of the entire advertising economy. This is done in the co-ordination of paid advertising, processing of free PR material and co-ordinated (sponsored) journalistic/programme contributions (see figure 5). Advertising is thus also a necessary “elixir of life” for media companies’ capital accumulation in several respects: in the form of necessary advertising *revenue* from advertising orders from business and the state, as well as a necessary *advertising* medium for the sale (obtaining coverage) of media products as commodities. Finally, they function as *advertising media for the sale of consumer goods and services as commodities* as well as for the ideological advertising measures of collective capital (capital as totality) and the state.

(Advertising) industry and media companies



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Figure 5: The (advertising) industry and media companies

Consequently, non-advertising media production also willingly and intensively serves the generic business for collective capital (to which media capital also belongs) in the sense of maintaining good business relations. Various forms and contents of media production are also used for parties and the state in the fundamental interest of all

¹⁰ The term “advertising dependence” of the media, which is often used – also with critical intent – is a slightly misleading description of this functional relationship. Rather, it is clearly a business relationship with mutual fulfilment of functions.

¹¹ Not insignificant to this is the growing use of visibly successful advertising, partly in the form of self-advertising, to promote the sale of media products of all kinds.

owners of capital in legitimising capitalism, protecting domination, maintaining a general climate of consumption, and spreading ideologies. In addition, media production fulfils to a considerable extent the function of reproducing the labour force in the interest of the owners of capital by contributing to the regeneration, qualification, and repair of labour power. The private-sector media enterprises and, similarly, the public broadcasting corporations take over here as a basic capitalist service “in the sense of industrial, late-capitalist planning and demand management, the task of general and product-specific conditioning of the recipients into consumers (this also applies to the political sphere and thus generally characterises the socialisation effect of the media)” (Hennig 1972, 36).

In the course of the global expansion of the privatisation – and thus capitalisation and commercialisation – of the media industry (Knoche 1999, 2001, 2016, 2021), an intensification of the *real subsumption*, so named after Marx (1969, 45-64; 1962 [1867, 1890], 1023-1038), of the *public sphere under capital as well*, via a product and advertising context of the media network, has become effective. Real subsumption means “that hitherto relatively autonomous domains are integrated into the valorisation context and that the use-values, information, and ideologies produced in this context are directly employed to stabilize the system of rule” (Negt and Kluge 1993, 178; German version: Negt and Kluge 1972, 297) In this respect, no independent economic public sphere was developed as an advertising public sphere, but the journalistic representation of privileged economic private interests in the media was always linked to political interests¹². Media are consequently indispensable for “the ideological stabilisation of the framework conditions of the capitalist economy” (Aufermann 1973, 558), i.e., for the ideological reproduction of capitalist relations of production and forms of intercourse.

7. Summary: Functions and Consequences of Successful Advertising

“In principle, one must assume that every kind of advertising is done with manipulative intent. Hardly any company will advertise its products with philanthropic intentions, but always in order to change buyer behaviour for its own benefit. But that means manipulation”¹³ (Lay 1980, 200).

From the perspective of a Critique of the Political Economy of the Media, this work has characterised advertising in its various manifestations as a fundamentally necessary “elixir of life” for the realisation of the accumulation of capital by individual owners of capital, including media companies, and the safeguarding of capitalism as an economic and societal system. Based on specific capitalist commodity production – intensified in the current stage of global oligopoly or monopoly capitalism – advertising functions as an indispensable means of profit realisation, since “the continuous realisation of the commodity capital produced into fungible money capital is a basic condition for the relatively crisis-free functioning of the system” (Paris 1972a, 58). Advertising contributes to the acceleration and thus to the important temporal

¹² Habermas (1991, 190 [German version: Habermas 1962, 208, 210]) speaks of “a transparent connection between the tendency toward capitalist big business and an oligopolistic restriction of the market, on the one hand; and, on the other, the proverbial soap operas, that is, a flood of advertisement which pervades the mass media’s integration-oriented culture as a whole”.

¹³ The question of manipulation, which is controversially discussed from various sides in connection with advertising, cannot be dealt with in depth here.

shortening of the capital accumulation process and, beyond that, as has been shown, to the consolidation of the general conditions of reproduction and accumulation (“capital relation”) of capitalism.

These are the theoretical-practical starting points for a fundamental political-economic critique of advertising and the function of the media as advertising media. This critique attempts to recognise the largely negative contexts of function and effect of all-encompassing advertising for a large part of individuals and society as largely inevitable from the necessary functions for the accumulation of capital by individual owners of capital. In this way, advertising and the media do not become the focus of a primarily moralising critique and outrage about the excesses of advertising as avoidable exceptions, as is the case with the criticism of manipulation as “*cultural criticism*” from the left and from the right – and from the centre” (Haug 1980, 10). In the approach I take, the critique of advertising is not artistic critique¹⁴, which complains about the low level or the stultifying effect of advertising. Rather, the critique of advertising should be a social and societal critique where the function and consequences of advertising are understood and explained as essential elements in the context of the function, effect, and development of the prevailing economic and societal system. In this way, it is not the phenomenon of advertising that becomes the focus of critique, but the dominant interest in capital accumulation that necessarily produces advertising and its corresponding consequences.

In conclusion, based on a Critique of the Political Economy of the Media, the main functions and consequences of successful advertising mentioned in figure 6 can be summarised as follows:

¹⁴ Boltanski and Chiapello's (2005, 2003) analysis of the development of critique and the processing of critique in capitalism builds on what I see as a useful distinction between artist critique and social critique to characterise two approaches to the critique of capitalism that partially and at times overlap.

Functions and consequences of successful advertising

Prevention	Progress	Stabilisation
<ul style="list-style-type: none"> • Overproduction • Overaccumulation • Capital realisation problems 	<ul style="list-style-type: none"> • Concentration of capital • Market concentration • Gap between the rich and the poor • Gap between power and dependence 	<ul style="list-style-type: none"> • Capital-labour relationship • Regime of accumulation • Mass media's advertising functions • Capitalist society

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Figure 6: The functions and consequences of successful advertising

Corresponding to the aforementioned positive economic function of advertising concerning the promotion of individual capital accumulation, the *prevention* of overproduction, over-accumulation and capital valorisation problems can be named as advertising's *preventive functions*. Since advertising especially fulfils competitive functions, it contributes to the accelerated *progress of* worldwide capital and market concentration. Due to the process of capital accumulation accelerated by advertising, the gap between the rich and the poor and the powerful and the dependent is visibly widened on a gigantic scale worldwide. On the level of capitalism as an economic and societal system, advertising thus contributes economically *and* ideologically to the *stabilisation* of the systemic foundations of capitalist societies: the capital-labour relationship, the regime of accumulation, the economic, societal, and political (advertising) functions of the media.

This contribution was written as an attempt to contribute to the theoretical foundations of a Critique of the Political Economy of the Media and especially of advertising, in the field of Media and Communication Studies with a critical-enlightenment impetus. What is relevant here is a point that Wolfgang Fritz Haug already problematised self-critically in 1980:

“Not that enlightenment is not necessary! But it is not sufficient. A one-sided cognitive orientation perhaps strengthens unhappy consciousness but does not necessarily strengthen the ability to act” (Haug 1980, 12).

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