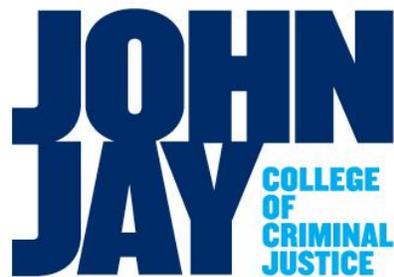


DEPARTMENT OF ECONOMICS

Working Paper

**State-Run Capitalism vis-à-vis Private (Quasi) Communism:
The Cases of the British Broadcasting Corporation's Symphony Orchestra
and the London Symphony Orchestra**

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This paper compares two organizations: the British Broadcasting Corporation's Symphony Orchestra (BBC SO) and the London Symphony Orchestra (LSO). I argue that the former is a capitalist enterprise, while the latter (notwithstanding some exploitative "moments") has a communist class structure, contrary to what their ownership, public and private respectively may suggest. The mainstream press frequently links state-run enterprises with "socialism" or "communism," while private sector enterprises are revered as their antithesis, i.e., free market capitalism. This conflation arises because the funding for the public sector enterprises comes directly from taxpayers, while private enterprises are funded without or with little government financial assistance. While taxpayer funding might provide a condition of existence for public sector sites of production, it is not the "defining" moment for the economic identity of an organization. Rather, from a Marxian perspective, focus on the surplus production, appropriation, and distribution identifies the specific mode of production. Moreover, it is often debated whether private enterprises are more efficient and public organizations are more equitable. Nonetheless, as I argue here, whether an enterprise is organized privately or by the State, that is not the sole measure of its class structure. Indeed, there are examples of public sector enterprises that are arranged like capitalist ones, and examples of private sector firms that are communist.

With the fall of the Soviet Union and the other Communist¹ states, there has been a pervasive notion that Marx was wrong and that massive central government control over the means of production is simply unsustainable. Indeed, there was and continues to be a toppling of Communist states, from the fall of the Berlin Wall to sweeping economic changes in Cuba today, thus "proving" that big government control is not a path for sweeping economic and social improvements. It has been argued elsewhere that while the Soviet Union et al. may have been *Communist*, they were not *communist* (Resnick and Wolff, 2002). In those Communist states, while workers produced the surplus, they were not the appropriators, nor were they the distributors of it—rather, that privilege went to the governments' managers.

¹ When discussing the social/political/economic process of government control, I use "Communism" throughout the paper to differentiate it from the class process of communism. The latter is defined as the collective appropriation and distribution of surplus by those who produced it.

It was these managers who made the decisions about the production of commodities, whether goods or services and who often received hefty bonuses for meeting and/or surpassing requirements—awarded by their superiors, who may have been hundreds of miles away. To secure their own conditions of existence, or possibly to improve them, the managers often made production decisions in their own best interests, not necessarily for the public at large, thereby contributing to the considerable shortages and long lines that figured prominently in the mainstream press. That is, the producers of the surpluses in these Communist enterprises did not appropriate or distribute it; had they been given the opportunity to be included in such decisions, there might have been radically different outcomes. This paper will examine two specific sites of production, the state-run British Broadcasting Symphony Orchestra and the privately organized London Symphony orchestra. It will be shown that the former is a capitalist enterprise, while the latter is principally communist.

To accomplish the capitalist/communist distinction, the methodology of New Marxian Class Analysis (NMCA) is employed. Within the NMCA framework, the issue of private or public ownership, control, funding, and the like does *not* distinguish the particular mode of production or the class structure within an enterprise; that distinction is made by identifying the *direct* producers, appropriator(s) and subsequently distributor(s) of any surplus produced (Resnick and Wolff, 1989). In other words, by identifying the individual(s) who first receive any *extra* value (the surplus) of a commodity produced, we are able to determine the class structure (mode of production) of that organization. If the surplus producers are not identical to the appropriators, *exploitation* is said to exist (Marx 1976, 251). Marx sought to expose and subsequently to eradicate the evils of exploitation—or in his own terms the “social theft” from the workers. Thus since the governments in the Communist bloc appropriated the surplus, the

workers in these countries were indeed exploited. Had they not been, there might have been drastically different outcomes.

NMCA Methodology:

First developed by Richard Wolff and Stephen Resnick in their seminal work, *Knowledge and Class* (1989), the primary focus of New Marxian Class Analysis (NMCA)² is to acknowledge and subsequently explore ways to eliminate worker exploitation, which exists not only in capitalism, but also in slave and feudal class processes. Because the capitalist, slave master, or feudal lord has the unambiguous position of surplus appropriator, exploitation is present in all three modes of production.³ Fortunately, there is an alternative class process in which exploitation is nonexistent, and that is a communist class process. Within communism, the workers who produce the surplus also appropriate it and make distributions from it, and thus they make payments from it secure their conditions of existence as a communist enterprise and to further enrich their lives. To be sure, capitalists also make payments from the appropriated surplus in order to secure their own conditions of existence; however, this differs from a communist class process, in that the capitalists did not produce the surplus. Since exploitation is reprehensible, it is imperative to expose capitalism for what it is and to demonstrate, by means of real world examples, that alternatives are not only possible but also preferable.

NMCA is considered “new” precisely because it does not prioritize or “essentialize” ownership or power over the means of production as most traditional Marxists have done for over a century. It represents a different but more accurate reading of Marx, which therefore makes it “new.” Indeed, Marx often used the term “ownership”; however, the word typically

² I first termed this analysis NMCA in my dissertation, Unions and the Strategy of Class Transformation: The Case of the Broadway Musicians (University of Massachusetts, 2006).

³ Since this paper focuses on capitalism and possible transitions from it to a communist class process, I drop the reference to the slave and feudal class processes from this point on.

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appears as a rallying cry in his diatribes to the masses, an unembellished pedagogical strategy intended to make his ideological approach more straightforward and understandable. Indeed, although capitalists often own or control the means of production, that is not the defining characteristic of the class structure.

In the NMCA framework, one must first examine how a particular site of production is organized. Moreover, within this framework, is important to differentiate NMCA from other types of Marxian analyses. Within NMCA, the word *class* is an adjective, i.e., it describes a noun, but it is NOT itself a noun (Resnick and Wolff, Knowledge 26). This may be controversial in that for decades, maybe even for centuries, the term “class” has been used as a noun, as in the “middle class,” the “working class,” the “upper class” and the like. This is misleading, however. For how does one delineate between upper, middle and lower classes? Any attempt to do so is synthetic at best. If on the other hand, we use *class* as an adjective to define the various positions and processes people hold or do, the conundrum vanishes. This is particularly emancipating to researchers, activists, and teachers because it gives them great latitude in their discussions and subsequent suggestions for improving the working conditions of a particular enterprise’s workers or the site of production.

Class Processes:

Within NMCA there are two distinct *class* processes, the fundamental and the subsumed. In the former, surplus is produced and appropriated, while in the latter, the surplus is distributed and received. Participants in an enterprise can hold one or multiple class positions. If a participant has no *direct* relationship to the surplus, then that person is said to hold a non-class position. Within a capitalist enterprise, workers produce surplus value, while capitalists appropriate the surplus and subsequently make distributions from it to secure their conditions of

existence as capitalists. Thus the workers hold the fundamental class position as surplus value producers and the capitalist holds the fundamental class position as the appropriator, who simultaneously holds the subsumed class position as surplus value distributor.

Workers *sell*⁴ their *labor power*⁵ to capitalists for a wage, but receive no payment for the value of the goods and/or services (commodities) they produce that is in excess of said wage. That is, they produce *more* than they are paid for. The capitalist directly appropriates this excess, i.e., the surplus, and subsequently makes payments from it to maintain his/her position as a capitalist. That is, s/he makes payments from the surplus to secure his/her conditions of existence as a capitalist. For example, capitalists pay the State in the form of taxes so that their “private property” rights are protected and their “contracts” are enforced. In fact, capitalists make multiple payments of this kind: to their lawyers, accountants, private security, managers, stockholders, and even to retailers in the form of discounts.

Indeed, in every mode of production, capitalist, feudal, slave, or communist,⁶ surplus is created, but only in communism is exploitation nonexistent; therefore it is the mode of production preferred by most Marxists. The capitalist enterprise described above is unacceptable

⁴ The idea that workers “sell” their labor power instead of “renting” it as the mainstream economics (neoliberal/neoclassical) texts maintain, is itself a controversial issue. Most Marxists contend that once a worker sells his/her time to a capitalist, that time is not recoverable, as would be the case if one were to “rent” his time. For example, a landlord receives back the same apartment after renting it; workers never receive their time back.

⁵ According to Marx, anything that has both “use value” and “exchange value” is a commodity, thus *labor power* is a commodity. The capitalist values its use and pays a wage to the workers in return for its sale.

⁶ There is also the “ancient” mode of production in which the worker him/herself also appropriates and distributes any surplus produced. There is a debate about *self-exploitation*, however that is not germane to this argument/analysis. Anyone who has ever known anyone who is/was a “sole proprietor” knows quite well that many of these worker/owners typically overwork and attempt to do just about everything themselves. This results in high rates of failure and also a “lonely” existence. The on-going debate is whether or not these “ancient” entrepreneurs engage in “self-exploitation.” (See Hotch, 1994)

because it is not only exploitative but also alienates workers from the product of their labor. It is an inefficient way to produce goods and/or services, and it often results in high turnover rates, ennui, lack of control/voice, undemocratic practices, and myriad physical and psychological problems. Finding an alternative is of utmost importance. Moreover, with worker surplus appropriation, *true* workplace (economic) democracy is attainable—not so in a capitalist enterprise.

As will be shown below, through the lens of NMCA, I will make the case that the BBC SO, while state-run, owned, and supported, is a capitalist enterprise. Conversely, the case will also be made that the “private” LSO⁷ exhibits many of the attributes of a communist enterprise where the surplus is produced and appropriated by the same individuals.⁸ Indeed, it is important to note, that when they developed the LSO enterprise structure, the founders and subsequent members did not (and still do not) think of its structure as communist in NMCA terms. Nor do I believe that the founders of the LSO were being “revolutionary,” although they did know that the decision to form the orchestra was a radical one (Morrison, 2004).⁹ Many of the LSO’s initial ideals remain in place today. On the other hand, the BBC SO is maintained by taxpayers’ money, with a class structure and operation that is fundamentally different from that of the LSO.

The BBC SO:

The BBC had difficulty engaging “suitable” or “worthy” orchestras to play on its “wireless” network in the 1920s. By the 1930s, the BBC SO was conceived and subsequently

⁷ The LSO receives some support from the state and has had to compromise their communist position to receive these payments. This will be developed further below.

⁸ There are a two “caveats” to the LSO’s communist distinction; hence I refer to it simply as “quasi” communist to address any concerns.

⁹ An economic “revolution” is one that changes class structures; a transformation from capitalism to communism would be an economic revolution. In contrast, in a political revolution the class structure may remain the same; it is the political leadership that is overthrown, with one leadership replaced by another. (See Resnick and Wolff, 2002).

came to fruition. Their primary work was to produce music for the BBC radio, as is still the case today: the BBC SO's main customer continues to be the BBC, although the orchestra now performs live and also appears on television and the Internet, as well as on the radio. In addition, the BBC SO often has public performances both on tour and at the Barbican in London, where it is one of two resident orchestras. One of the most "prestigious" of these public engagements is the annual London "proms."

As I have said, the British Broadcasting Corporation is a state-run (supported and funded) enterprise; BBC-SO is part of the "music production department" in the BBC hierarchy (Maitlis, 49). The SO governance structure is much like any subsidiary of a typical capitalist firm. A managing director and a senior producer govern the SO; the former is directly subordinate to the BBC's editorial manager and the controller, both of whom hold high-ranking BBC positions. The editorial manager makes *all* of the editorial decisions as to what, when, and how much the orchestra plays, while the other manager controls *all* of the music played on the BBC radio and other media. The BBC SO's "principal conductor" is appointed from senior managers, without input from the musicians.

According to Sally Maitlis, who wrote her psychology dissertation on the various governance structures of the British orchestras, "regular, formal meetings" between the orchestra members and management are very rare, although the musicians do elect a five-member committee to represent their "interests"(49). Nonetheless, even though the orchestra committee convenes bi-weekly, it appears that the managers impose most of the governance and they make most decisions informally (Maitlis, 50). That is, there is no "formal" discussion of working conditions, repertoire, hours, tours, and the like between the high-level managers and the musicians. There are informal discussions between the musicians and the conductors during

breaks, but any decisions that they make are at best suggestions and may or may not be implemented by the upper managers.

As mentioned above, the orchestra committee meets bi-weekly, which would lead one to believe that their voices are heard and possibly even heeded by managers. This however, is not the case. On the contrary, as Maitlis contends, the committee deals only with “tea and toilet” issues—i.e., trivial issues, not vital ones of a financial and artistic nature (50). Indeed, as I found in a previous investigation of the Broadway Musicians, the orchestra committee considered all “important” issues to be the management’s prerogative (Mulder, 2009). Even so, Maitlis concludes that the musicians are content with their current working conditions—indeed, it appears to me that the musicians believe that they are not unlike other workers in the predominantly capitalist British economy. As Maitlis states, it is an “us and them” work structure. Their level of job satisfaction is not uncommon within capitalism, given that capitalism is culturally and socially acceptable—reprehensible though it may be.

The LSO:

As mentioned above, the BBC SO is but one orchestra that calls the Barbican its home; the other is the London Symphony Orchestra. In fact, the LSO headquarters are also located in the Barbican. Unlike the BBC SO the LSO is a private non-profit enterprise, although it does receive some funding from the state.¹⁰ The orchestra has been in existence since 1904, when four musicians from the Queen’s Hall orchestra opted to form their own enterprise because of what they thought were detrimental conditions dictated by management (Morrison, 2004). The class structure of the Queen’s Hall Orchestra was much like that of the BBC SO; it was hierarchical,

¹⁰ It would be redundant to call a government agency a “non-profit,” in that governments are not in “business” to reap profits. Instead, they are supposed to ensure or promote the general welfare of the people.

and there was little if any input from the musicians. After a new dictum regarding the use of deputies¹¹ was pronounced, four musicians resigned and started their own orchestra, the LSO.¹²

The new orchestra's enterprise structure was unlike that of the Queen's Hall Orchestra, particularly the hierarchal component. The musicians opted instead for a more egalitarian structure, one of "self-governance." They found no reason for a "boss" and chose to function as a collective, in which all the members had the same rights, working conditions, and privileges. This remains the case today. From the very beginning, the LSO organized itself as a democracy, one in which all the orchestra members have an equal say and share the responsibilities that come with self-governance. Each orchestra member holds ten shares of the LSO at a cost of £1 each. Shares are not saleable to any third party at any time; indeed, when a musician separates from the LSO, s/he MUST sell back his/her shares to the orchestra.¹³

The LSO members elect their own orchestra committees and board of directors ("the board"), who then choose their own "chairman."¹⁴ It is important to note that the chairman MUST be a playing musician and a member of the collective. In the early days of the LSO, the board met quite often and made all the decisions concerning the orchestra's affairs, no matter how mundane. While this is no longer the case, the orchestra committees continue to meet at regular intervals, with the board meeting every third week and the entire orchestra every quarter.

¹¹ "Deputies" are substitute musicians who take the place of the regular orchestra members when they have more lucrative engagements, or have some other reason to absent themselves. Note, the use of deputies/substitutes has and remains a contentious issue in most orchestras, even small ones such as those on Broadway (Mulder, 2009).

¹² There were many controversial issues between the management and the orchestra members, but the ban on the use of deputies was the proverbial "straw that broke the camel's back." Orchestras then and now are perennially underfunded, and thus musicians must and do take on other work to support themselves.

¹³ There are a maximum of 1000 shares, thus the maximum number of members cannot exceed 1000.

¹⁴ The current chairman is Lennox McKenzie, a long-standing LSO member and violinist.

The most notable difference between the orchestra's past and present structure is that the board now hires non-playing members to administer its daily operations. A hired Business Manager and a Secretary,¹⁵ along with approximately 60 staff members, do everything from arranging tours, fund-raising, and escorting VIPs, to maintaining the financial accounts.

The LSO also has a finance committee that includes members of the orchestra and the Secretary (*ex officio*). An appointee by the British Arts Council (BAC) chairs the committee and there are two additional "independent" members. The inclusion of these three "independent" members was a compromise that the BAC coerced the orchestra to make to avoid any possible "conflicts of interest" and in order to receive much-needed state funding.¹⁶ The "independent" members typically act solely in an advisory capacity.

Unlike the BBC SO, whose management engages (or disengages) the conductors/music directors, the board of the LSO hires (and fires) them. This has been the case since the LSO's inception; indeed, early in its history, the LSO board opted to dismiss the renowned Edward Elgar (Morrison 2004, 41). Typically, though, LSO conductors are contracted for three-year terms by the board and remain at the behest of the orchestra members. This is not to say that the conductor/music director wields too little power, in fact, given his stature in the industry and his profound experience, lack of "power" does not appear to be an issue for an LSO conductor.

One last word about the enterprise structure; because it is self-governing, the musicians via the board enjoy many benefits not offered to their BBC SO counterparts. One such benefit is the offer of additional private health insurance that supplements the British National Health Service. This gives the musicians more options as to what doctors, hospitals, and particular

¹⁵ The Secretary is a management administrative position.

¹⁶ Note though, should the funding not be deemed necessary, or if the independent finance committee members are no longer welcome, the musicians can change this.

treatments they might prefer. It also gives them “faster” access to specialists and the like. This is extremely important to the musicians when the illness interferes with their work, as in cases of carpal tunnel syndrome or tinnitus. This benefit is also offered to all the employees of the LSO.

Yet another benefit that the LSO musicians embrace is their ability to engage deputies. The LSO members realized that the use of deputies was often problematic, but they did not want to relinquish their ability to engage substitute musicians. Thus they developed an alternative structure of having two principal musicians at every major position and forming a list of acceptable substitutes.¹⁷ This novel job-sharing approach resolved many of the musicians’ and the conductor’s concerns about the quality of their performance. Such a collective decision/solution would not have been probable had the LSO not had a self-governing structure.

The BBC SO: Capitalist Class Process

While it might be surprising given that it is state controlled, an analysis of the BBC SO via NMCA reveals that even though administrated by the state, the orchestra’s structure is capitalist. This determination negates the conventional assumption that state- run enterprises are or must be socialist or communist.

The BBC SO’s hierarchal structure intimates, particularly to a New Marxian theorist, that some *exploitative* class structure might be functioning and that further investigation is thus warranted. The initial inquiry is whether or not a commodity is being produced, and in this case, the BBC SO musicians do produce a commodity, music, that has both use and exchange value. While they produce music, they simultaneously produce surplus, and as such they occupy fundamental class positions as surplus producers. Conversely, the musicians do not appropriate the surplus; consequently they are exploited, because someone other than the *direct* surplus

¹⁷ This is known as the “dual principal” program.

producers appropriates it. The appropriators, in this case the BBC Executive Board (BBC EB),¹⁸ are the other fundamental class occupants and hold the dubious position as exploiters.

Because they appropriate the surplus, the BBC EB also distributes it; thus they also hold the subsumed class position as surplus distributors. They subsequently make payments from the surplus to ensure its conditions of existence, or in other words, so that orchestra remains a viable institution. It should be noted that the board members may or may not see their positions as exploitative; indeed, they may be sitting on the board for purely altruistic reasons. In the NMCA framework, *why* people occupy such positions is irrelevant. No judgments are implied, except that the enterprise is exploitative in nature.¹⁹

The musicians receive wages ranging from £25,500 to £50,000 for their fundamental class position as surplus producer.²⁰ These wages are paid for the “necessary” labor they perform. As is the case with many US enterprises, the EB director, Graham Ellis, who is but one member of the board and who holds the fundamental class position as appropriator, receives a salary of £210,000 annually; 4-8 times more than the musicians. Mr. Ellis’s salary is a distribution of the surplus, and therefore he holds not only his fundamental class position as a member of the board who are the surplus appropriators, but also holds two subsumed class positions, that of distributor and receiver of the surplus value.

¹⁸ Currently Graham Ellis is the acting director of the BBC music division <http://www.bbc.co.uk/aboutthebbc/insidethebbc/managementstructure/seniormanagement/> accessed March 24, 2013.

¹⁹ The *primary* objective of NMCA is to establish and elucidate the existence of exploitation and how abhorrent it is, even if all or any of the participants take pleasure in their roles.

²⁰ This range is from approximately \$39,000 - \$76,000 annually. It should be noted, however, that some musicians receive premium payments for their roles as principals or for other reasons. These payments will be addressed further when subsumed class positions/payments are discussed. See: http://www.prospects.ac.uk/musician_salary.htm (accessed May 5, 2013).

Mr. Ellis and the board also make subsumed class payments to various other entities to secure their conditions of existence as surplus appropriators. Such payments might include premiums to musicians who have “star” appeal, for some extra administrative work required by a principal, for the rental of the Barbican, or for any administrative staff that ensures the smooth running of the orchestra—lawyers, accountants, stagehands, ticket agents, ushers, and publicists, to name a few. These payments might be deemed necessary to ensure an audience, for the “realization” of the surplus.

The critical issue in determining the various positions the agents occupy and receive payments for is that the musicians have no voice in these distributions, such as who receives them and how much they receive. The lack of surplus self-appropriation is the pivotal indicator that the class process is indeed exploitative, and we must determine whether it is an example of capitalism, feudalism, or slavery. Obviously, slavery can be immediately eliminated since ownership of human beings is illegal in the United Kingdom. Secondly, the worker to remain with the BBC SO *ad infinitum* can rule out feudalism since there is no moral or contractual obligation. Therefore, while state run, the operative class process is indeed capitalism. Simply stated, the workers produce surplus that is immediately taken from them and doled out by other agents, not of their choosing. The various surplus recipients are deemed *necessary*²¹ by the BBC EB (appropriators); otherwise the payments would be summarily eliminated.

The *direct* surplus recipients, i.e., subsumed class occupants, may or may not employ workers to ensure their own conditions of existence. For example, the advertisers might employ secretaries, designers, janitors, and a sales staff, just to name a few. When we examine the BBC SO, it is clear that these workers do not receive a *direct* payment from the surplus produced by

²¹ What is necessary and what is not, is a matter of interpretation. Indeed, it is a site for struggles, which will be addressed below.

the musicians, thus within the NMCA framework, the advertiser's employees do not hold a class position, that is they hold *non-class* positions. Of course, if one analyzed the advertiser's enterprise structure, this would not be the case; however, it is important to distinguish between class positions and non-class positions with regard to the specific enterprise under investigation (the BBC SO).

Since these non-class employees do not produce surplus for the BBC SO, they are deemed "unproductive" workers. They are unproductive, simply because they do not produce surplus, and the BBC SO musicians are deemed "productive" workers because they do. It is important to note, however, that no primacy whatsoever is given to either type of worker—both are equally critical to the production and/or realization of the surplus. The distinction must be made because of the potential struggles and alliances that can ensue when the attempt is made to transform an exploitative class process to one that is not. For example, the musicians might form alliances with the surplus recipients' workers because of the relatively high surplus payments received by both executive boards—an alliance possibly not previously thought of because some alliances, such as musicians with musicians from other orchestras might be thought of as more "organic." However, as will be addressed below, an alliance between exploited musicians with non-exploited musicians might prove to be problematic. The alternative alliance mentioned above is but one possibility; my point is that through the lens of NMCA, atypical associations and support might be uncovered that would have remained hidden with Marxian or other types of analyses.

BBC SO Class Struggles:

Another feature of NMCA is the discernment of struggles; both class and non-class, because understanding existing and possible struggles is paramount if a class transformative

agenda is pursued. Struggles occur within the fundamental and subsumed class processes, between classes, and between class and non-class occupants. For example, as noted above, the executive board director, Graham Ellis, receives a salary that is 4-8 times higher than the musicians'. It seems obvious that this is a point of contention for at least some of the musicians, no matter how revered Mr. Ellis, may or may not be. Thus, if the surplus-producing workers, i.e., the musicians believed that his salary was not commensurate with his level of participation, a struggle might ensue—this would be deemed a fundamental class struggle, because both parties hold fundamental class positions.

Another example of a class struggle would be an inter-class struggle. For example, Mr. Ellis and the board might think they paying an excessive rent for the Barbican. They might even threaten to move the BBC SO to another venue, of which there are many in London, making this a very credible threat. This would be a subsumed class struggle since it is one over the distribution and receipt of the surplus.²²

Class/non-class struggles could occur between either fundamental class or subsumed class occupants and non-class occupants. The most obvious would be between a subsumed class payment recipient and his/her workers over salaries and working conditions. A less obvious example would be a struggle between the surplus distributors and the recipients' workers.²³ The former might threaten to take their business elsewhere if the non-class employees refuse concessions, such as reduced health care benefits, and thus an inter-class struggle would ensue.

²² If the site of production were a typical for-profit private capitalist firm, one could envision an inter-class struggle, i.e., between fundamental class and subsumed class occupants. For example, stockholders who receive dividends and hold subsumed class positions as surplus recipients might not appreciate what they think are too high salaries for the board of directors. Conversely, the board would object to any decrease in salary, thus a fundamental/subsumed class process would ensue.

²³ This might not be obvious in the orchestral music industry, but in cases like Wal-Mart for example, it is prevalent.

Understanding and analyzing the positions, payments, and struggles could have positive psychological effects on the workers; such as simply assuring them that their concerns are validated. It might even have positive effects on the environment; for example, the workers might decide to use more ecologically sustainable technologies and transportation. Unambiguous changes might also be pursued, from choosing a variety of musical scores in an effort to prevent not only ennui but also the physical harm that can come from performing the same piece repeatedly, to employing technologies that are not as damaging to the musicians' hearing—many musicians suffer from tinnitus. Cultural conditions, in the United Kingdom, as in the United States, support capitalism in many ways, from early education and the tendency to discourage creativity and displays of nonconformity, to simply thinking that working for a wage and relinquishing any voice/input is unavoidable. Moreover, if more enterprises, government or private, were to undertake a class transformative agenda, laws and institutions would be changed to accommodate alternatives to capitalism, instead of supporting them.

An Alternative—The LSO²⁴: A (Quasi) Communist Enterprise:

As mentioned above, the LSO was organized from its inception with a radically different type of structure from that of the Queen's Hall orchestra. The founders realized that working under a "dictatorship" was not in their best interests, and they set up an arrangement that was more inclusive and worker participatory, one that embraces self-governance and democratic practices. Since 1904, the LSO's self-governance structure has been a communist enterprise in the NMCA sense of the term. However, given the global capitalist conditions of existence under which it exists, there are "moments" when a communist class process does not prevail. As will

²⁴ The LSO and the BBC SO are but 2 of the 5 London orchestras; the others are the London Philharmonic, the Royal Philharmonic, and the Philharmonia. All but the BBC SO are private enterprises; the BBC SO is the only truly capitalist enterprise. All of my on-site research was at the LSO, and it is therefore my primary focus.

be discussed below, some of these “moments” are imposed on them by global capitalism and therefore can be rectified with some minor changes.

As with the BBC SO, the LSO musicians produce a commodity—music—that has use and exchange value for public consumption. Like the members of the BBC SO, the LSO musicians produce surplus, but that the extent of the similarities in work organization. The founding fathers of the LSO set up a democratic system that has withstood time, indeed, over 100 years. Most of the basic tenets, which are formalized in their bylaws, have changed little in the years since 1904. Of course, some changes have been necessary because of technological advances in performance practice and also in transportation, communication, and the like. Moreover, because creative strategies are encouraged, the LSO has expanded its operations and has formed a relationship with a prestigious music college (the Guildhall School), holds free or low cost lunch time concerts, holds amateur classes that are open to the public (LSO Discovery), and has established its own record label (LSO Live) and a music education center (LSO St. Luke’s). All of these “expansions” were created to ensure current and future audiences for the orchestra. The LSO has a vision and has made plans that will ensure its longevity.

Within the NMCA framework, the less than 100 LSO member²⁵ musicians like their BBC SO counterparts hold the fundamental class positions as surplus producers. But that is where the similarity ends. The LSO member musicians also hold the fundamental class positions as the surplus appropriators; therefore they also hold the subsumed class positions as surplus distributors. This means that the orchestra members make all of the decisions on how to distribute these monies. Some payments are of course required, but most are negotiable.

²⁵ I use the term “member” here to distinguish between the LSO shareholders who MUST be playing musicians, and “deputy” musicians, who are not members, but who do produce surplus. This will be discussed more below.

Therefore, the operative class process is indeed communist—the workers who produce the surplus also appropriate it.²⁶

As do the BBC SO musicians, the LSO musicians receive wages on a “per performance” basis; that is, they are paid every time they produce a service, whether at a public performance, a recording session, or rehearsals. Their wages are commensurate with those of the BBC SO musicians, but they receive just over the “scale” wages that the Musicians Union of England negotiates, with the LSO average wage being approximately £40,000.²⁷

The LSO bylaws have clear procedures as to who can be on the various committees and who cannot; most consist solely of playing member musicians, except for the financial committee mentioned above, and are all democratically elected by the members. Moreover, if the members choose, they may also opt to change the composition of the financial committee, but that will result in decreased state funding, if not in total withdrawal of those monies. It is important to note that the member musicians themselves made this decision.²⁸ The “small” stipends member musicians are paid for their committee participation are also subsumed class payments. Unlike the BBC SO board, the LSO board members earn very little for their participation, and struggles over these payments do not exist. This is not to say there are not

²⁶ The non-communist “moments” will be addressed below. Most of them though can be addressed within the constraints of the LSO.

²⁷ <http://www.artsjournal.com/slippeddisc/2012/09/a-conductor-takes-stock-of-orchestral-wages.html> (accessed April 2, 2013).

²⁸ As mentioned above, although the British Arts Council appoints 3 non-playing members to the committee—including the chairman—and the LSO Secretary is an *ex officio* member, the non-playing members act in an advisory capacity, and while there could conceivably be struggles and conflict, this does not seem to be the case. The external committee members represent just a “moment” of a non-communist class process—and only if they oppose the decisions of the musicians on the committee.

conflicts within the LSO on other matters, but according to the archivist, Libby Rice, these are “sorted out” very quickly.²⁹

Like any enterprise, the LSO must make various payments from the surplus to subsumed class occupants for such services as advertising, accounting, performance scheduling, ushering services, housekeeping, and the like.³⁰ They also make subsumed class payments to the business manager, secretary, and approximately 60 staff members who perform many of the functions previously mentioned. These employees therefore occupy subsumed class positions because they are *direct* recipients of some of the surplus. In the early days of the LSO, the member musicians themselves performed many of these tasks, however, they collectively and democratically made decisions that would let them focus more on their craft while hired professionals or workers are responsible for the other tasks.³¹

Most of the work performed for the LSO—fund-raising, event planning, tour bookings, and even escorting royalty and other VIPs—is done “in house.” However, if work is outsourced, then the workers for those firms, for example catering employees, hold non-class positions with respect to the LSO. By and large, the LSO remains fairly self-sufficient, however. During my month-long research visit, the organization seemed to me to be extremely efficient. The non-class workers seemed to have a laudable sense of self-worth, which translated into low worker turnover, despite their relatively low wages. Since these employees do not produce surplus, they are considered non-productive workers, no matter how essential and high ranking their positions

²⁹ Personal interview, September 2011.

³⁰ Direct employees of the orchestra members do much of this work in-house.

³¹ In the beginning, the musicians even booked their own tours and passage to the various venues. Indeed, in 1912, they were booked on the maiden voyage of the Titanic, but they opted to change plans and came to the US a week earlier on another ship—thereby saving the future of the LSO. The boarding paperwork remains in the archives of the LSO at their headquarters at the Barbican.

may be; they are employed by and at the behest of the productive workers, thus making rendering the class process non-exploitative.

In some types of Marxian analyses, the ability of one group to have the authority to hire/fire employees would negate any communist determination. However, there is a difference between surplus appropriation and exploitation with democracy. The member musicians can—and often do—choose to include the non-surplus producing workers in decision-making. The member musicians who are the *direct* appropriators of the surplus are *not* exploited, nor are the staff, who ensures the realization of the surplus, but are nonproductive workers.³² Moreover, like the Broadway Musicians (Mulder, 2009) and the BBC SO musicians, most of the LSO musicians own and care for one of the means of production, namely their own instruments. Within the NMCA framework, this is irrelevant. Ownership of the means of production is not a necessary condition of existence.

LSO Non-Communist Moments (Quasi-Communism):

Because the LSO operates within a global capitalist environment, the class structure is somewhat compromised by non-communist “moments”. These “moments” are internal to the LSO, however, and can be addressed and rectified if the member musicians choose to do so. The first non-communist “moment” is the role of the conductor. The conductor serves at the will of the members. While the conductor wields much power,³³ s/he is considered an exploited worker, because in his/her role as the organizer of the music, s/he is a surplus producing orchestra member. In Volume 3 of Capital, Marx states specifically that an orchestra’s conductor in his/her

³² As I have discussed in prior work, nonproductive workers may be abused, mistreated, or basically disregarded, but if they do not produce surplus, they are not exploited. (See Mulder 2011.)

³³ And as the conductors in most major orchestras, including the BBC SO, are also paid very handsomely.

position as coordinator of the music and holds the fundamental class position of surplus producer (1981, 507).³⁴ In reality, the conductor has very much the authority that one would expect. If this is abused, however, the member musicians could release him/her, although this happens very rarely. Furthermore, the conductor is typically revered and paid a salary that is in at least the six figures, thus his “exploitation,” while very real, may be considered quite irrelevant. The conductor’s exploitation could be eradicated if for example, the musicians offered him/her membership in the orchestra, thus because of the limitation of 10 shares, s/he would have only as much influence as any other musician.³⁵

A second “moment” however, is more of a matter of injustice for temporary workers—much like the debate about the use of adjunct faculty on college campuses. This issue concerns the roles and democratic participation of the deputy musicians. These substitute musicians perform and produce surplus, just as the member musicians that they are temporarily replacing. However, they are not “members” of the LSO orchestra, and thus they do not appropriate the surplus they produce. That is, since the deputies are not shareholders, they do not participate in elections or serve on committees. While they hold the fundamental class position as surplus producer, they do NOT hold fundamental class position as surplus appropriators—making them exploited workers, with the member musicians being the exploiters. Many LSO members were once deputies; the deputies experience something like an ongoing audition, which gives the

³⁴ “On the one hand, in all labour where many individuals cooperate, the interconnection and unity of the process is necessarily represented in a governing will, and in functions that concern not the detailed work but rather the workplace and its activity as a whole, as with the conductor of an orchestra. This is productive labor [of surplus] that has to be performed in any combined mode of production.” (Marx, 1989, 507)

³⁵ If the conductor were to participate as a member, his/her power would need to be addressed—but this could be done relatively easily using “secret ballots” and other such schemes.

deputy the chance to decide whether s/he wants to be part of the orchestra and gives the members the opportunity to decide whether they want the deputy to join them.

It would be possible to allow the deputies to hold a fundamental class position as surplus appropriators. For example, the deputies could elect one or more representatives, depending on their numbers, to represent them on the committees on a “percentage” basis. Another strategy might be for the deputies to hold a portion of a share corresponding to the amount they work. For example, if they work 25% of the time, they would have a ¼ share and the same level of voting/participation rights. As these suggestions demonstrate, it would be possible to eradicate the exploitation of the deputies. To my knowledge, however, this issue has not been addressed to date.

The exploitative “moments” notwithstanding, the issue of class struggles within the LSO has been largely eliminated, thanks to their communist (self-governing) class structure. Of course, problems arise, particularly regarding the lack of funding and public support—but these issues are pervasive in the symphonic industry. Our concern here is how issues are addressed: in the BBC SO, the highly paid Executive Board dictates to the musicians the “solutions,” while at the LSO, issues from the most mundane to the most critical are dealt with democratically by the surplus-appropriating, self-governing musicians.

CONCLUSION:

This paper has demonstrated that the NMCA methodology does not define an enterprise’s structure is not defined by power or ownership when using. It has emphasized how public enterprises may organize themselves as capitalist, while private enterprises may indeed be communist. We found that the BBC SO is a state-run capitalist enterprise while the LSO is

private communist enterprise, thereby confirming the hypothesis. This does not imply that in either structure, the musicians are happier or experience greater job satisfaction. In fact, a survey by Sally Maitlis revealed that the BBC SO orchestra members are quite satisfied with their jobs. It is my contention, however, that this “satisfaction” could quickly wane were unwelcome changes imposed by the Executive Board. Conversely, since the LSO board is composed of orchestra members, thus would attempt to only make decisions that will improve their circumstances

I have shown that although the LSO’s basic enterprise structure is communist, it has exploitative “moments” that must be addressed in order to make the enterprise truly communist. While the member musicians enjoy democratic practices, it should be noted that their 60 or so support staff workers do not. These workers ensure the LSO’s conditions of existence yet have little to no voice in the enterprise’s operations. Thus, while I argue that the musicians should remain the surplus appropriators, some decisions regarding the size and recipients of the surplus should be made by all the workers in the enterprise. Clearly, a communist enterprise does not necessarily have to be democratic—that is simply one possible structure that the workers might choose.

Most importantly, even given the moments of exploitation, we have seen that there are alternatives to the basic capitalist model, whether state-run or privately run. It is not merely some utopian vision that only optimists or radicals espouse. Indeed, many of the members of the LSO are quite conservative; even the forefathers of the LSO did not intend to make a revolutionary change—although they did so, from the NMCA perspective.³⁶ We have also seen that

³⁶ A change in class structure, i.e., class transformation from one mode of production to another, is deemed a “revolution” within most Marxian analyses.

government employers can be as exploitative as their private sector counterparts and can command equally exorbitant salaries.

The point remains that essentializing ownership, power or treating *class* as a noun makes problematic the actual study of the site of production at hand. With minor changes, the LSO can transform into a purely communist and a more democratic institution. On the other hand, given the complex bureaucracy that the BBC SO confronts, along with the quest of the Executive Board to retain their positions and their lucrative salaries, significant revolutionary changes would be required, possibly of the type that the LSO musicians made in 1904. It is an interesting coincidence that the Queen's Hall orchestra, the one the LSO musicians originally fled, was a state enterprise whose major annual performance was England's "proms." Now the honor of performing at the proms goes to the only state-run orchestra in London, the BBC SO.

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