

SCIBE

WORKING PAPER NR.

2

SCARCITY + CREATIVITY IN THE BUILT ENVIRONMENT

## THE PRODUCTION OF VALUE

Jon Goodbun

# THE PRODUCTION OF VALUE - SCARCITY/ABUNDANCE: REALITY/IDEOLOGY: SOCIAL/NATURAL

# 2

A Working Paper for SCIBE  
Jon Goodbun

Scarcity is a term that can be used to describe and think about aspects of 'reality'. However, whenever this term is used, it also simultaneously performs and produces an ideology (a complex term, which I use here in the classic Marxian sense of 'false consciousness').

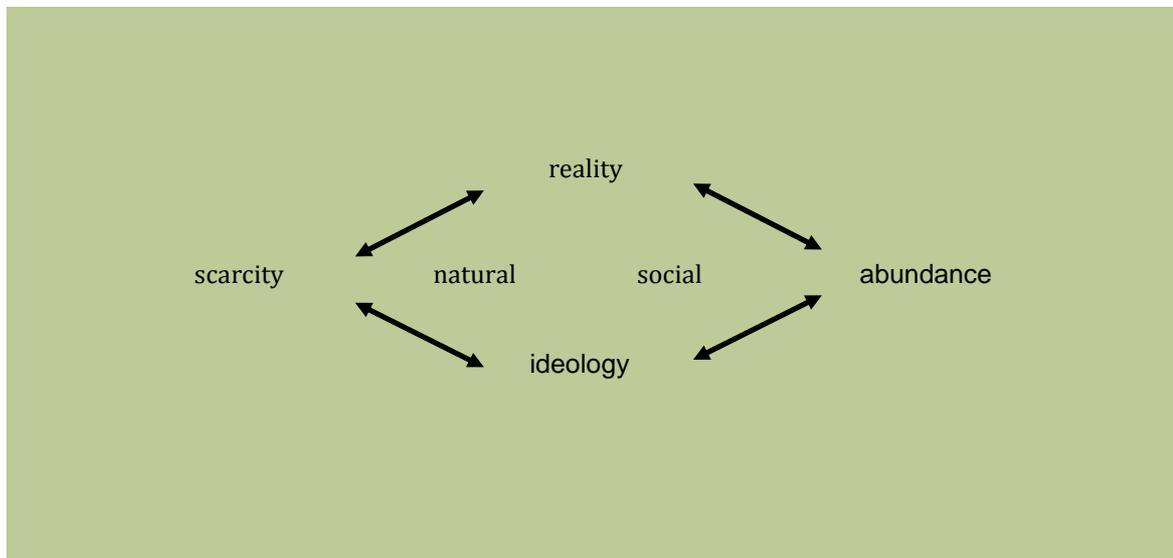
I'll start by considering how scarcity as a concept is used to describe aspects of our 'reality'. There is for us today a dominant global system of production: capitalism. Real 'scarcities' can be said to play real roles in the way that this system dynamically regulates and reproduces itself. That is to say, at any given instant there are real limits and real barriers to real 'metabolic' material resource and energy flows.<sup>1</sup> These limits and barriers are defined and produced by a combination of natural and social factors. They are relational: the product of dynamic systemic relations. That is to say, there *are* systemic limits to the possible metabolic flow of any given resource in the system, at a given time, and the concept of scarcity has been used to try to both describe and manage this condition.

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<sup>1</sup> For example, at any given moment there are a more or less quantifiable number of trees suitable for timber in the world - that is some kind of finite limit, at least temporarily.

The concept of scarcity describes a specific kind of relation between supply and demand within a system of resource flows. Specifically of course, scarcity describes a condition of limited resources in comparison to demand. Scarcity is in this sense the binary pair of the concept of abundance (which I will return to). In summary then, at any given instant, there *can be* real chronic scarcities within a system. Equally, the concept in general refers to a supply/demand ratio. This is broadly the role that the concept plays in describing resource relations in classical economics.

Figure 1



In addition to this, the concept of scarcity plays an *ideological* role. That is to say, it *naturalises* – it makes *obscure* – the *social* component of the limits of, and barriers to, these flows. These social aspects can take many forms. For example, in capitalism, the processes that determine who gets what proportion of the available materials and energy is *mediated* by a range of social constructs such as money, ownership, technology, nationality etc. These mediations determine not just the allocation of resources, but also the ownership and management of the system or flow. Clearly, those in the system who own and manage these flows have a vested interest in maintaining scarcities. Scarcities, the control of resources, are real social

power.<sup>2</sup> Importantly, these social mediations are obscured, and made to look inevitable, natural, the democracy of the market etc, and the ideology of scarcity plays a key role in maintaining this ‘false consciousness’ culturally and politically.

If scarcity can be understood as a dialectical relation between reality and ideology, which itself unfolds into a further dialectical relation between the natural and the social (I will return to this), it also works dialectically with abundance, in a related way. Abundance as a concept also has real and ideological moments. As with scarcity, what I mean by its real moment is broadly the same as the way that it operates in classical economic theory. And classically in capitalist economics, certain natural resources are imagined to be abundant (such as air, water from rivers, waste sinks etc.) Abundance describes a condition in which a resource flow can be considered infinite and inexhaustible for a given system. For example, oxygen is typically considered to be abundant on the surface of the earth (leaving aside questions of pollution etc for the moment). If you are planning for a herd of cows, oxygen will not figure as a resource issue, whereas other resource flows will.

Like scarcity, the socio-cultural uses of the concept of abundance also promote various forms of false consciousness, most notably perhaps the idea that we can extract as much as we want from the planet. So, we literally get hit conceptually in both directions by these two terms... and this keeps people confused!

Importantly, precisely the same kind of argument and ideological construction that can be found in classical economics, tends to be used within certain traditions of environmental theory, but reversed. Most notably, there are repeated references to the idea that the earth is a “closed

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<sup>2</sup> In energy supply for example, big power companies are amongst the most obstructive organisations re local decentralised generation, and most supportive of technologies such as nuclear, which require centralised organisational forms that facilitate the control and production of relative scarcity. And as I think the social ecology anarchist Murray Bookchin noted, a wind farm owned by a multi-national power corporation is not an alternative technology!

system”, and that natural resources are finite, limited and scarce.<sup>3</sup> There are important moments of truth in all of these statements, but there are problems with such formulations too. The earth is not really a closed system, as whilst it is true that certain material resources are effectively finite, it is equally true that the natural world is constantly engaged in self-production (autopoiesis), in very complex ways. The most extreme version of the ‘limits to growth’ discourse, which can be found in some forms of deep ecology, describes humans as a species that is uniquely outside of and in opposition to nature. These forms of deep ecology are often a curious mirror image of the kinds of western thinking that they seek to oppose, and in both cases a total nature/culture distinction is drawn.

I mention this, as I think that it is crucial to try to grasp the way that the dialectical relation between the real and ideological performance of scarcity and abundance, unfolds into a further dialectical relation between the natural and the social. To repeat, scarcity is a concept that provides a series of mechanisms for managing the human metabolic relation with nature in ways that obscure the social form of these relations. Scarcity is a primarily social construct, not a natural necessity. It is produced by what Neil Smith and David Harvey have described as “uneven development” in “the social production of nature”.<sup>4</sup>

Harvey and Smith have tried to develop a dialectical model of the concept of nature, primarily through a Marxian theory of “uneven development”, which describes the way that capital works as a process in

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<sup>3</sup> These statements are frequently fed into various ideas within ecological politics that challenge the notion of the perpetual economic growth that is broadly agreed (from Marxists to greens to classical economists) to be an internal necessity of capitalistic processes of circulation and accumulation.

<sup>4</sup> I group Harvey and Smith together here as these concepts were clearly developed in some way together, and Smith was a student of Harvey’s. The key texts here are David Harvey, *Justice, Nature and the Geography of Difference*, (Oxford: Blackwell, 1996) and Neil Smith *Uneven Development - Nature, Capital and the Production of Space* (Athens, GA: University of Georgia, 2008). John Bellamy Foster has also made useful contributions to this discussion in various places, eg John Bellamy Foster, *Marx’s Ecology* (New York: Monthly Review Press, 1999).

space (and in time).<sup>5</sup> Smith captures some of the complex relations that define nature and space:

...the problems of nature, of space, and of uneven development are tied together by capital itself. Uneven development is the concrete process and pattern of the production of nature under capitalism.<sup>6</sup>

The question of “the production of nature” as set out in the above two quotes is a complex and apparently paradoxical one, and many thinkers have struggled with this. It is either rejected as absurd (“how can humans produce nature?”) or is taken to mean that the human is distinct in the natural world, in that the human species alone changes nature. This is not however how we should understand the production of nature at all. As Harvey makes clear:

we produce nature; things happen there through what we do, in the same way that things happen there through what beavers do, and what ants do, and what all kinds of organisms do.<sup>7</sup>

Nature then is produced, and it is constantly autopoietically produced and reproduced, universally, by nature itself. The human metabolic relation is but one network of flows in a much broader web of life. It is this conception of the production of nature which distinguishes Marxian ecology from some forms of Deep Ecology,<sup>8</sup> or some ecocentric notions which can suggest that humans uniquely degrades nature. As Harvey and Smith point out, any absolute attempt to bracket off some conception of the “natural” is

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<sup>5</sup> Although the role of time was well established in the earliest political economy, and they do not add to that, but rather recast time in a series of different productive relations with space.

<sup>6</sup> Smith, *Uneven Development*, 8.

<sup>7</sup> Harvey, *Reading Marx's Capital Lesson 5*, <[www.davidharvey.org](http://www.davidharvey.org)>

<sup>8</sup> Deep Ecology is a philosophical position most closely associated with Arne Naess, although other figures such as Fritjof Capra also use the term to describe their (closely related) positions. Naess also referred to Deep Ecology as Ecosophy, a term which Felix Guattari also uses in *The Three Ecologies* (London: New Brunswick, 2000), without reference (or direct relation) to Naess.

always ideological, and generally today reproduces bourgeois conceptual divisions. As Harvey repeatedly emphasises:

... one of the big problems that has arisen in the bourgeois era has been precisely the way in which *conceptually*, and also *through practices*, and *social institutions*, we have increasingly seen nature as something over there, and society as something over here.<sup>9</sup>

It is quite simply impossible to maintain any clear distinction between the natural and the cultural. There is no definitive boundary there, but instead a series of metabolic relationships. As Smith concludes,

...when we eventually look back at the intellectual shibboleths of the high capitalist period – say the last three centuries – few ingrained assumptions will look so wrongheaded or so globally destructive as the common sense separation of society and nature. Historically and geographically, most societies have avoided such a stark presumption of hubristic folly, but from physicists to sociologists, physicians to poets, the brains of the ascendent capitalist west not only embraced but made a virtue of society's separation from nature (and vice versa).<sup>10</sup>

Scarcity then, needs to be understood both as a series of dialectical movements through scarcity/abundance, natural/social, reality/ideology, and equally needs to be grasped as part of a network of other (equally problematic) terms, including 'resources', 'limits',... etc. Perhaps the most important of these other terms, is *value*.

If we ask, what is the actual technical role that the concept of of scarcity plays in classical economic theory, the answer is that it is part of a mechanism for determining value in the marketplace, through a supply and

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<sup>9</sup> Harvey goes on to say that "this leads me to make strong propositions of the sort: any ecological project is always a social project, all social projects are ecological projects, you cannot view them as separate from each other..." Harvey, *Reading Marx's Capital Lesson 5*.

<sup>10</sup> Neil Smith, 'Foreword', in Heynen, Kaika and Swyngedouw (eds), *In the Nature of Cities*, (Oxford: Routledge, 2006) xi.

demand type process. Indeed, the relation of scarcity to a conception and production of value is absolutely critical and essential to the term. If we think of the very best examples of any given category, whether restaurants, universities, paintings etc, they are by definition scarce.<sup>11</sup> However, whilst scarcity might be a *necessary* factor in any such a definition of value or quality, it is not *sufficient*. Just being scarce does not of course make something inherently valuable. Indeed, one could just as easily argue that there is a scarcity of the very worst restaurants, universities etc! Nonetheless, in classical economic theory the concept of scarcity plays a role in understanding the determination of price value in a market, and of course, this means that there are scarcities of expensive goods in those parts of society that cannot afford to buy them etc.

It is worth noting here that for Marx value is a nebulous concept, which in capitalism can be understood through or as a dialectical relationship between what he calls 'use value' and 'exchange value'. Use value is what you can actually do with something. Use values are fundamentally, even radically, qualitative, and exist in all socio-economic forms, not just capitalism. Exchange value by distinction, is a purely quantitative concept, and is specific to capitalism. Use values are absolutely heterogeneous (think of the different specific uses of bread, cars, holidays, etc), whereas exchange value strips the actual sensuous thing of all specificity, and asks 'how many of these is equivalent to one of those?', and ultimately asks this question in terms of the abstract equivalence of quantities of money. Famously in this analysis, capitalism meets the social need for use values incidentally, it does not aim to be useful. Capitalism rather, prioritises the production of exchange values, and reorganises the world to support this process, through processes of commodification. The process of commodification is the process of finding ways to produce exchange value out of use value. Whilst clearly the capitalist commodity broadly needs use value, capital is not able

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<sup>11</sup> I am referring here of course to an argument that Ed Robbins made at the SCIBE meeting in London in Sept 2010.

to 'value' this in itself, as it were. Use value is in a sense invisible or irrelevant to the processes of capital.

So, for Marx value is unified concept composed out of a relation between use and exchange values, and importantly, one of the things that exchange value does, is obscure the social relations embedded in any object.<sup>12</sup>

What does this mean for thinking about scarcity? Firstly, scarcity as a concept of classical economics, is primarily concerned with establishing exchange value. And more than that, creating real scarcities in the market place is, in addition, a mechanism for maintaining or increasing exchange value. Furthermore, anything that is abundant in capitalism has no exchange value at all often (eg air).<sup>13</sup> For a whole series of ecological economists versions of this argument lie at the basis of the concept of natural capital (attempts to quantify currently abundant biosphere services that capitalism does not 'value', yet relies upon). We also noted that both scarcity as ideology, and exchange value, are involved in processes of obscuring social relations.

It seems to me that the relation of scarcity to value is critical, but elusive, and is crucial somehow to our research. The production of exchange value is absolutely tied to the production of scarcity in some form. Equally, many activist social and design projects concerned with scarcity issues, are actually about allowing people to value things differently. For example, many of the kinds of grassroots type network projects associated with design researchers like Manzini, can be understood as producing use values but not capitalist exchange values. David Harvey discusses something like this when he reminds us that Marx states that "a thing can be useful, and a product of human labour, without being a commodity." Harvey suggests that "I grow tomatoes in my backyard, and I eat them... A lot of labouring

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<sup>12</sup> For example, you can't tell the difference between two items of clothing, one produced by machine, the other by slave labour, simply through the exchange value (they might both cost £10 say).

<sup>13</sup> For example, oxygen in the air has no exchange value: no-one has commodified it yet (though of course processes of pollution might ultimately result in the commodification of air through clean air canisters etc).

(particularly in the domestic economy) goes on outside of commodity production.”<sup>14</sup> A commodity needs to have an exchange value in the marketplace. A great deal of activist design and social work, is focused upon areas of real acute scarcity, where an economy based upon exchange value is unable to deliver. These projects typically explore ways to meet those needs outside of the capitalist valuation process - by using community labour, sharing etc etc. Whether such existing experiments are enclaves of a new economy that might supersede capital valuation processes, whether they are enclaves of another economy that can fill economic niches in the gaps of a capitalist economy, or whether they are actually just clearing the way for new waves of commodification, remains to be seen.

Ultimately Harvey concludes,

If you want to understand who you are and where you stand ... what you have to do is understand how value gets created, how it gets produced, and with what consequences, socially, environmentally, and all the rest of it. And if you think that you can solve the environmental question, of global warming and all that kind of stuff, without actually confronting the whole question of who determines the value structure, and how is it determined by these processes, then you have got to be kidding yourself.<sup>15</sup>

### **SCIBE Work to be done:**

Scarcity is a difficult term for many of us, as it is primarily a term of classical economics rather than critical political economy. Scarcity as a concept and a reality plays a distinct and historical role in the specific valuation processes of capitalism. Scarcity has built into it all kinds of biases and assumptions about the form and nature of our metabolic relation to the non-human world that are simply wrong, ideological, puritanical, etc. Equally, that is

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<sup>14</sup> David Harvey, *A Companion to Marx's Capital* (London: Verso, 2010) 22.

<sup>15</sup> < [www.davidharvey.org](http://www.davidharvey.org) >

part of the interest of scarcity as a concept! Nonetheless, it may be that whilst a negative critique of the concept and existence of scarcity is necessary, interesting and useful, the core concept is simply incapable of supporting a progressive role today. I increasingly feel that we will need to approach it through a term that definitely can be (and always is being) positively redefined. I think that might be value, and that we need to confront value, head on.

At the very least, I think that we need to do some work thinking about value. Perhaps the various approaches to scarcity that the different aspects of the SCIBE research project are looking at, are in fact already approaching scarcity through more or less critical or 'new' definitions of value?

- A tentative outline of research work to be done, which gets more ill defined the further it goes, might be:
- An ideological critique of existing scarcity discourse.
- An account of the historical emergence of the terms scarcity and abundance.
- An account of non-capitalist uses of the concept of scarcity, and/or an account of related concepts that side step scarcity, might be very interesting, and provide key material for denaturalising the capitalistic forms.
- Explore what role designed objects and built environments play in maintaining both of these concepts. Designed objects and environments often obscure their conditions of production, and also obscure the flows that they are a part of.

If scarcity is primarily a social construction, then two tasks become important:

- Can we stage 'experiments' in the social arena that might lead to increasing democratic control of the social production of the Built Environment

- Can we stage 'experiments' in the social arena that reveal how existing control produces scarcities
- Can we promote new modes or social forms of creativity and design, that seek to both resolve the reality of scarcity, and expose the ideology of it. In both cases, this is achieved through a making visible and 'democratic' the ecology of economic flows through an extension of design.

Can we start to critique the production of value in architectural education.. we spend an awful lot of energy creating certain sites of value, through practices, drawing techniques, etc. Would an ideological critique of contemporary architecture ask, in what ways are these design practices increasing false consciousness around the system of production? In what ways could they be revealing the networks and flows, or facilitating democratic 'local' control (and indeed ultimately 'global' control) of aspects of these systems, etc?

## WWW.SCIBE.EU

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