Political economy is the study of the social relations, particularly the power relations, that mutually constitute the production, distribution, and consumption of resources, including communication resources (→ Media Economics). This formulation has a certain practical value because it calls attention to how the communication business operates, for example, how communications products move through a chain of producers such as a → Hollywood film studio, to wholesalers, retailers, and, finally consumers, whose purchases, rentals, and attention are fed back into new processes of production.

A more general and ambitious definition of political economy is the study of control and survival in social life. “Control” refers specifically to the internal organization of social group members and the process of adapting to change. “Survival” means how people produce what is needed for social reproduction and continuity. Control processes are broadly political, in that they constitute the social organization of relationships within a community, and survival processes are mainly economic, because they concern processes of production and reproduction.

TRADITIONS IN POLITICAL ECONOMY

Political economy has consistently placed in the foreground the goal of understanding social change and historical transformation. For classical political economists of the eighteenth and early nineteenth centuries, such as Adam Smith, David Ricardo, and John Stuart Mill, this meant comprehending the great capitalist revolution, the vast social upheaval that transformed societies based primarily on agricultural labor into commercial, manufacturing, and, eventually, industrial societies. For Karl Marx, it meant examining the dynamic forces within capitalism and the relationship between capitalism and other forms of political economic organization, in order to understand the processes of social change that would, he contended, ultimately lead from capitalism to socialism.

Orthodox economics, which began to coalesce against political economy in the late nineteenth century, tended to set aside this concern for the dynamics of history and social change, in order to transform political economy into the science of economics, which, like the science of physics, would provide general, if static, explanations. According to this view, economics would be able to explain precisely how buyers and sellers come together to set prices in the marketplace, but would not address those broad processes of social and economic change that create the conditions for setting prices. Contemporary political economists, occupying various heterodox positions distinct from what has become the economic mainstream, continue the
tradition of classical political economy to take up social change and transformation, focusing now on such areas as the transition from an industrial to a service or information economy. The study of the mass media and communication technology plays an important role in this research because the industries encompassed by these fields of study are major forces in the creation of today's economy.

Political economy is also characterized by an interest in examining the social whole or the *totality of social relations* that make up the economic, political, social, and cultural areas of life. From the time of Adam Smith, whose interest in understanding social life was not constrained by the disciplinary boundaries that mark academic life today, through Marx, and on to contemporary institutional, conservative, and neo-Marxian theorists, political economy has consistently aimed to build on the unity of the political and the economic by accounting for their mutual influence and for their relationship to wider social and symbolic spheres of activity. The political economist asks: How are power and wealth related? How do these influence our systems of mass media, information, and entertainment?

Political economy is also noted for its commitment to *moral philosophy*, understood as both an interest in the values that help to create social behavior and in the moral principles that ought to guide efforts to change it. For Adam Smith, as evidenced in his *Theory of Moral Sentiments*, a book he favored more than the popular *Wealth of Nations*, this meant understanding values like self-interest, materialism, and individual freedom, that were contributing to the rise of commercial capitalism. Whereas for Karl Marx, moral philosophy meant the ongoing struggle between the drive to realize individual and social value in human labor and the push to reduce labor to a marketable commodity. Contemporary political economy tends to favor moral philosophical standpoints that promote the extension of democracy to all aspects of social life. This goes beyond the political realm, which guarantees rights to participate in government, to the economic, social, and cultural domains where supporters of democracy call for income equality, access to education, and full public participation in cultural production and a guarantee of the right to communicate freely.

Following from this view, *social praxis*, or the fundamental unity of thinking and doing, also occupies a central place in political economy. Specifically, against traditional academic positions which separate the sphere of research from that of social intervention, political economists, in a tradition tracing its roots to ancient practices of providing advice and counsel to leaders, have consistently viewed intellectual life as a form of social transformation and social
intervention as a form of knowledge. Although they differ fundamentally on what should characterize intervention, from Thomas Malthus who supported open sewers as a form of population control, to Marx, who called on labor to realize itself in revolution, political economists are united in the view that the division between research and action is artificial and must be overturned.

The political economy approach is also distinguished by the many schools of thought that guarantee significant variety of viewpoints and vigorous internal debate. Arguably the most important divide emerged in responses to the classical political economy of Adam Smith and his followers. One set, which eventually established the contemporary discipline of economics, focused on the individual as the primary unit of analysis and the market as the principle structure, both coming together through the individual's decision to register wants or demands in the marketplace. Over time, this approach progressively eliminated classical political economy's concerns for history, the social totality, moral philosophy, and praxis, and transformed political economy into the science of economics founded on empirical investigation of marketplace behavior conceptualized in the language of mathematics. Broadly understood as neo-classical economics or simply, in recognition of its dominant position as today's orthodoxy, economics, it is a perspective that reduces labor to just one among the factors of production, which, along with land and capital, is valued solely for its productivity, or the ability to enhance the market value of a final product.

A second set of responses to the classic political economy of Adam Smith opposed this tendency by retaining the concern for history, the social whole, moral philosophy, and praxis, even if that meant giving up the goal of creating the science of economics. This set constitutes the wide variety of approaches to political economy. A first wave was led by a number of groups including conservatives who sought to replace marketplace individualism with the collective authority of tradition, utopian socialists who accepted the classical faith in social intervention but urged putting community ahead of the market, and by Marxian thinkers who returned labor and the struggle between social classes to the center of political economy. Subsequent formulations built on these perspectives leaving us with a wide range of contemporary formulations.

Although economics occupies the center and center right of the academic political spectrum, a neo-conservative political economy thrives in the work of people like George J. Stigler, James M. Buchanan, and Ronald Coase, all recipients of the Nobel Prize in economics, who apply the categories of neo-classical economics to all social behavior with the aim of
expanding individual freedom. *Institutional political economy* occupies a slightly left of center view, arguing, for example in the work of Galbraith, who drew principally on Veblen, that institutional and technological constraints shape markets to the advantage of those corporations and governments large enough and powerful enough to control them. Institutionalists created the framework for studies (described below) documenting how large media companies can control the production and distribution of mass media products to restrict diversity of content, specifically by keeping out work that challenges pro-business views. *Neo-Marxian* approaches, including those of the French Regulation School, world systems theory, and others engaged in the debate over globalization, continue to place social class at the center of analysis, and are principally responsible for debates on the relationship between monopoly capitalism, the automation and de-skilling of work, and the growth of an international division of labor. Finally, social movements have spawned their own schools of political economy, principally *feminist political economy* which addresses the persistence of patriarchy and the dearth of attention to household labor, *environmental political economy* which concentrates on the links between social behavior and the wider organic environment, and a political economy that melds the analysis of social movements with the Italian *autonomous Marxist* theoretical tradition.

**RESEARCH ON THE POLITICAL ECONOMY OF THE MEDIA**

**Regional Emphases**

North American *research* has been extensively influenced by the contributions of two founding figures, Dallas Smythe and Herbert Schiller. Smythe taught the first course in the political economy of communication at the University of Illinois and is the first of four generations of scholars linked together in this research tradition. Schiller, who followed Smythe at the University of Illinois, similarly influenced several generations of political economists.

Their approach to communication studies drew on both the *institutional* and *Marxian* traditions. A concern about the growing size and power of transnational communication businesses places them squarely in the institutional school, but their interest in social class and in media imperialism gives their work a definite Marxian focus (→ *Globalization of the Media*; *Media Conglomerates*). However, they were less interested than, for example, European scholars, in providing an explicit theoretical account of communication. Rather, their work and, through their influence, a great deal of the research in this region have been driven more explicitly by a sense of injustice that the communication industry has become an integral part of a wider corporate order which is in their view both exploitative and undemocratic. Although Smythe (1981) and
Schiller (1989) were concerned with the impact within their respective national bases, they both developed a research program that charts the growth in power and influence of transnational media companies throughout the world.

Partly owing to their influence, North American research has produced a large literature on industry and class-specific manifestations of transnational corporate and state power, distinguished by its concern to participate in ongoing social movements and oppositional struggles to change the dominant media and to create alternatives (McChesney 1999; Mosco 1996; Schiller 1999; Wasko 2003). A major objective of this work is to advance public interest concerns before government regulatory and policy organs. This includes support for movements that have taken an active role before international organizations, in defense of a new international economic, information, and communication order (Mosco & Schiller 2001).

European research is less clearly linked to specific founding figures and, although it is also connected to movements for social change, particularly in defense of public service media systems, the leading work in this region has been more concerned to integrate communication research within various neo-marxian and institutional theoretical traditions. Of the two principal directions this research has taken, one, most prominent in the work of Garnham (2000) and of Murdock & Golding (2000), has emphasized class power. Building on the Frankfurt School tradition, as well as on the work of Raymond Williams, it documents the integration of communication institutions, mainly business and state policy authorities, within the wider capitalist economy, and the resistance of subaltern classes and movements reflected mainly in opposition to neo-conservative state practices promoting liberalization, commercialization, and privatization of the communication industries.

A second stream of research foregrounds class struggle and is most prominent in the work of Armand Mattelart (2000; Mattelart & Siegelaub 1983). Mattelart has drawn from a range of traditions including dependency theory, western Marxism, and the worldwide experience of national liberation movements to understand communication as one among the principal sources of resistance to power. His work has demonstrated how peoples of the third world, particularly in Latin America where Mattelart was an advisor to the government of Chile before it was overthrown in a 1973 military coup, used the mass media to oppose western control and create indigenous news and entertainment media (→ Development Communication; Development Communication, Planning of).
Third world research on the political economy of communication has covered a wide area of interests, although a major stream has grown in response to the modernization or developmentalist theory that originated in western, particularly US, attempts to incorporate communication into an explanatory perspective on development congenial to mainstream academic and political interests. The developmentalist thesis held that the media were resources that, along with urbanization, education, and other social forces, would mutually stimulate economic, social, and cultural modernization in the third world. As a result, media growth was viewed as an index of development. Drawing on several streams of international neo-Marxian political economy, including world systems and dependency theory, third world political economists challenged the fundamental premises of the developmentalist model, particularly its technological determinism and the omission of practically any interest in the power relations that shape the terms of relationships between first and third world nations and the multilayered class relations between and within them (Zhao 1998; Pendakur 2003).

The failure of development schemes incorporating media investment sent modernization theorists in search of revised models that have tended to include telecommunication and new computer technologies in the mix. Political economists have responded principally by addressing the power of these new technologies to integrate a global division of labor. A first wave of research saw the division largely in territorial terms: unskilled labor concentrated in the poorest nations, semi-skilled and more complex assembly labor in semi-peripheral societies, and research, development, and strategic planning limited to first world corporate headquarters where the bulk of profit would flow. More recent research acknowledges that class divisions cut across territorial lines and maintains that what is central to the evolving international division of labor is the growth in flexibility for firms that control the range of technologies that overcome traditional time and space constraints (Sussman & Lent 1998; Pellow & Park 2002).

Central Coordinates: Commodification, Spatialization, Structuration

One can also map the political economy of communication through key coordinates or the three social processes that are central to the field: commodification, spatialization, and structuration.

Commodification

Commodification has long been understood as the process of taking goods and services that are valued for their use, e.g., food to satisfy hunger, stories for communication, and
transforming them into commodities that are valued for what they can earn in the marketplace, e.g., farming to sell food, producing drama for commercial television (→ Commodification of the Media). The process of commodification holds a dual significance for communication research. First, communication practices and technologies contribute to the general commodification process throughout society. For example, the introduction of computer communication gives all companies, not just communication companies, greater control over the entire process of production, distribution, and exchange, permitting retailers to monitor sales and inventory levels with ever greater precision. This enables firms to produce and ship only what they know is likely to sell quickly, thereby reducing inventory requirements and unnecessary merchandise. Second, commodification is an entry point to understanding specific communication institutions and practices. For example, the general, worldwide expansion of commodification in the 1980s, responding in part to global declines in economic growth, led to the increased commercialization of media programming (→ Commercialization of the Media), the privatization of once public media and telecommunications institutions, and the liberalization of communication markets.

The political economy of communication has been notable for its emphasis on describing and examining the significance of institutions, especially businesses and governments, responsible for the production, distribution, and exchange of communication commodities and for the regulation of the communication marketplace. Although it has not neglected the commodity itself and the process of commodification, the tendency has been to foreground corporate and government institutions. When it has treated the commodity, political economy has tended to concentrate on media content and less on media audiences and the labor involved in media production. The emphasis on media structures and content is understandable in light of the importance of global media companies and the growth in value of media content.

Tightly integrated transnational businesses, such as → Time Warner Inc., → News Corporation, and → Sony Corporation, create media products with a multiplier effect embodied, for example, in the tiered release which might start with a Hollywood film exhibited in theaters, followed by a DVD, shortly thereafter by a version for pay-per-view, pay-cable, and, finally, perhaps aired on broadcast television.

Political economy has paid some attention to audiences, particularly to understand the common practice whereby advertisers pay for the size and quality (propensity to consume) of an audience that a newspaper, magazine, radio or television program can deliver. This generated a vigorous debate about whether audiences, in fact, labor, i.e., sell their labor power, in effect, their
attention, in return for whatever content is produced (Smythe 1981; → Audience Commodity). The debate has been useful because it broadened the discussion beyond content and included all businesses, and not just media companies, in the core of communication research. Recent political economy research has advanced the analysis of → audience research by examining audience history and the complex relationship of audiences to the producers of commercial culture. It has also extended the debate over audience labor to the Internet where the process of building websites, modifying software, and participating in online communities both resembles and differs from the labor of audiences that Smythe described (Terranova 2004).

In addition to examining the process of commodifying media content and audiences, it is important to consider the commodification of media labor. Harry Braverman's now classic work directly confronted the transformation of the labor process in capitalism. According to him, general labor is constituted out of the unity of conception, the power to envision, imagine, and design work, and execution, the power to carry it out. In the process of commodification, capital acts to separate conception from execution, skill from the raw ability to carry out a task, to concentrate conceptual power in a managerial class that is either a part of capital or represents its interests, and to reconstitute the labor process with this new distribution of skill and power at the point of production. In the extreme, and with considerable labor resistance, this involved the application of detailed and intrusive “scientific management” practices, pioneered by Frederick Winslow Taylor. Braverman documented the process of labor transformation in the rise of large-scale industry, but he is particularly recognized for demonstrating the extension of this process into the service and information sectors. His work gave rise to an enormous body of empirical research and theoretical debate, the latter focusing principally on the need to address the contested nature of the process, the active agency of workers, and the trade union movement and, finally, on how the transformation of the labor process was experienced differently according to industry, occupation, class, gender, and race.

The labor of communication workers is also being commodified as wage labor has grown in significance throughout the media workplace. In order to cut the labor bill and expand revenue, managers replaced mechanical with electronic systems to eliminate thousands of jobs in the printing industry as electronic typesetting did away with the jobs of linotype operators. Today's digital systems allow companies to expand this process. Print reporters increasingly serve in the combined roles of editor and page producer. They not only report on a story, they also put it into a form for transmission to the printed and, increasingly, electronic page. Companies generally
retain the rights to the multiplicity of repackaged forms and thereby profit from each use. Broadcast journalists carry cameras and edit tape for delivery over television or computer networks. The film industry is delivering digital copies of movies to theaters in multiple locations over communication satellite, thereby eliminating the distribution of celluloid copies for exhibition by projectionists. Companies now sell software well before it has been debugged on the understanding that customers will report errors, download and install updates, and figure out how to work around problems. This ability to eliminate labor, combine it to perform multiple tasks, and shift labor to unpaid consumers further expands the revenue potential (Sussman & Lent 1998). Workers have responded to this by bringing together people from different media, including journalists, broadcast professionals, technical specialists in the film, video, telecommunications, and computer services sectors, into trade unions that represent large segments of the communications workforce.

Spatialization

The second starting point for the political economy of communication is spatialization, or the process of overcoming the constraints of space and time in social life. Classical political economists like Adam Smith and David Ricardo found it necessary to devote considerable attention to the problems of how to value the spaces taken up by land and our built environment. Furthermore, their development of a labor theory of value was bound up with the problem of how to define and measure labor time. Marx came closer to spatialization when he noted that capitalism “annihilates space with time.” By this he meant that business makes use of the means of transportation and communication to diminish the time it takes to move goods, people, and messages over space. Today, political economists conclude that rather than annihilate space, business, aided by developments in communication and information technology, transforms space. People, products, and messages have to be located somewhere and it is this location that is undergoing significant transformation, evidenced in, for example, upheavals in the international division of labor that has seen millions of jobs relocated to low-wage regions of the world, especially China and India (→ Markets of the Media; Consumers in Media Markets).

Spatialization builds upon ideas offered by geographers and sociologists to address structural changes brought about by shifting uses of space and time. Anthony Giddens refers to the centrality of time–space distanciation in order to examine the decline of our dependency on time and space. He suggests that this process expands the availability of time and space as resources for those who can make use of them. David Harvey identifies time–space compression
to suggest how the effective map of the world is shrinking, again for those who can take advantage of it. Manuel Castells calls our attention to the declining importance of physical space, the space of places, and the rising significance of the space of flows to suggest that the world map is being redrawn according to boundaries established by flows of people, goods, services, and messages creating what Doreen Massey refers to as a transformed “power-geometry.” Communication is central to spatialization because communication and information processes and technologies promote flexibility and control throughout industry, but particularly within the communication and information sectors. Spatialization encompasses the process of globalization, the worldwide restructuring of industries and firms (→ Globalization Theories). Restructuring at the industry level is exemplified by the development of integrated markets based on digital technologies and, at the firm level, by the growth of the flexible or “virtual” company, which makes use of communication and information systems to continuously change structure, product line, marketing, and relationships to other companies, suppliers, its own workforce, and customers.

The political economy of communication has traditionally addressed spatialization as the institutional extension of corporate power in the communication industry. This is manifested in the sheer growth in size of media firms, measured by assets, revenues, profit, employees, and stock share values. For example, communications systems in the United States are now shaped by a handful of companies including US-based firms General Electric (NBC), Viacom (CBS), the Walt Disney Company (ABC; → Disney), and Time Warner Inc. (→ CNN). There are others including non-US-based firms such as the News Corporation (Fox), → Bertelsmann, and Sony. Political economy has specifically examined growth by taking up different forms of corporate concentration (Herman & Chomsky 1988; Kunz 2006). Horizontal concentration takes place when a firm in one line of media buys a major interest in another media operation that is not directly related to the original business.

The typical form of this is cross-media concentration or the purchase by a firm in an older line of media, say a newspaper, of a firm in a newer line, such as a radio or television station. But horizontal concentration also takes place when a media company buys all or part of a business entirely outside of the media (e.g., when a broadcaster buys a hotel chain). Vertical integration describes the amalgamation of firms within a line of business that extend a company's control over the process of production as when a major Hollywood film production studio purchases a distributor of film. This is also referred to as forward integration because it expands a firm further along the production and distribution processes. Backward vertical integration took place when
the New York Times Company purchased paper mills in Quebec, thereby expanding the company down the production process. In addition to demonstrating how media firms have developed into transnational conglomerates that now rival, in size and power, firms in any industry, political economists are addressing the development of flexible forms of corporate power evidenced in the joint ventures, strategic alliances, and other short-term and project-specific arrangements that bring together companies or parts of companies, including competitors. These take advantage of more flexible means of communication to unite and separate for mutual interest (Wasko 2003; → Concentration in Media Systems).

Structuration

The third entry point for the political economy of communication is structuration, a process given prominence in the sociologist Anthony Giddens's work. Structuration amounts to a contemporary rendering of Marx's view that people make history, but not under conditions of their own making. Specifically, research based on structuration helps to balance a tendency in political economic analysis to concentrate on structures, typically business and governmental institutions, by incorporating the ideas of agency, social process, and social practice. Concretely, this means broadening the conception of social class from its structural or categorical sense, which defines it in terms of what some have and others do not, to incorporate both a relational and a constitutional sense of the term.

A relational view of social class foregrounds the connections, for example, between business and labor, and the ways in which labor constitutes itself within the relationship and as an independent force in its own right. This takes nothing away from the value of seeing class, in part, as a designation for the differences between the “haves” and the “have nots.” The political economy of communication has addressed class in these terms by producing research that documents persistent inequities in communication systems, particularly in access to the means of communication, and the reproduction of these inequities in social institutions (McChesney 1999; Murdock & Golding 2000). This has been applied to labor, particularly in research on how communication and information technology has been used to automate and de-skill work, including work in the media industries. It has also been used to show how the means of communication are used to measure and monitor work activity in systems of surveillance that extend managerial control over the entire labor process in precise detail.

A relational view of social class that defines it according to the practices and processes that link social class categories means, for example, that the working class is not defined simply
by lack of access to the means of communication, but by its relationships of harmony, dependency, and conflict to the capitalist class. Moreover, a constitutional conception of class views the working class as producer of its own, however tenuous, volatile, and conflicted, identity, in relation to capital and independently of it. This research aims to demonstrate how classes constitute themselves, how they make history, in the face of well-researched analysis of the conditions that constrain this history-making activity.

When political economy has given attention to agency, process, and social practice, it tends to focus on social class. There are good reasons for this emphasis. Class structuration is a central entry point for comprehending social life, and numerous studies have documented the persistence of class divisions in the political economy of communication. Nevertheless, there are other dimensions to structuration that complement and conflict with class structuration, including gender, race, and the broadly defined social movements that, along with class, make up much of the social relations of communication. Political economy has made important strides in addressing the intersection of feminist studies and the political economy of the media (Meehan & Riordan 2002). It has also taken major steps in research on information technology, gender, and the international division of labor, which addresses the double oppression that women workers face in industries like microelectronics, where they experience the lowest wages and the most brutalizing working conditions (Pellow & Park 2002). Communication studies has addressed imperialism extensively, principally by examining the role of the media and information technology in the maintenance of control by richer over poorer societies (→ Cultural Imperialism Theories).

Race figures significantly in this analysis and more generally in the social process of structuration, as Gandy (1998) takes up in his multi-perspectival assessment of race and the media. Racial divisions are a principal constituent of the multiple hierarchies of the contemporary global political economy, and race, as both category and social relationship, helps to explain access to national and global resources, including communication, media, and information technology (Pellow & Park 2002).

One of the major activities in structuration is the process of constructing hegemony, defined as what comes to be incorporated and contested as the taken-for-granted, commonsense, natural way of thinking about the world, including everything from cosmology through ethics to everyday social practices. Hegemony is a lived network of mutually constituting meanings and values that, as they are experienced as practices, appear to be mutually
confirming. Out of the tensions and clashes within various structuration processes, the media come to be organized in full mainstream, oppositional, and alternative forms.

**Relationship to Cultural Studies and Policy Studies**

Understanding the political economy of communication also requires one to look outward, at the relationship between the discipline and those on its borders. Although one can map the universe of academic disciplines in numerous ways, it is useful to situate the political economy of communication opposite cultural studies on the one side, and policy science on the other.

The → cultural studies approach is a broad-based intellectual movement that focuses on the constitution of meaning in texts, defined broadly to include all forms of social communication. The approach contains numerous currents and fissures that provide for considerable ferment from within. Nevertheless, it can contribute to the understanding of political economy in several ways. Cultural studies has been open to a broad-based critique of positivism (the view that sensory observation is the only source of knowledge). Moreover, it has defended a more open philosophical approach that concentrates on subjectivity or how people interpret their world, as well as on the social creation of knowledge. Cultural studies has also broadened the meaning of cultural analysis by starting from the premise that culture is ordinary, produced by all social actors rather than primarily by a privileged elite, and that the social is organized around gender and nationality divisions and identities as much as by social class.

Although political economy can learn from these departures, it can contribute equally to richer cultural studies. Even as it takes on a philosophical approach that is open to subjectivity and is more broadly inclusive, political economy insists on a realist epistemology that maintains the value of historical research, of thinking in terms of concrete social totalities, with a well-grounded moral philosophy, and a commitment to overcome the distinction between social research and social practice. Political economy departs from the tendency in cultural studies to exaggerate the importance of subjectivity, as well as the inclination to reject thinking in terms of historical practices and social wholes. Political economy also departs from the tendency for proponents of cultural studies to use obscure language that belies the original vision of the approach, that cultural analysis be accessible to the ordinary people who are responsible for creating culture. Finally, it eschews the propensity in cultural studies to reject studies of labor and the labor process in favor of examining the social “production” of consumption and the ensuing tendency among some in the cultural studies school to deny labor any value in contemporary movements for social change.
Political economy can also learn from the development of a policy studies perspective whose political wing has tended to place the state at the center of analysis, and whose economic wing aims to extend the application of primarily neo-classical economic theory over a wide range of political, social, and cultural life.

Political economy has tended to regard government as overly dependent on and determined by the specific configuration of capital dominant at the time and therefore benefits from an approach that takes seriously the active role of the state. Moreover, political economy shares with policy science the interest in extending analysis over the entire social totality, with an eye to social transformation. Nevertheless, political economy departs fundamentally from the policy science tendency to a pluralist political analysis that views the state as the independent arbiter of a wide balance of social forces, none of which has enough power to dominate society. Against this, political economy insists on the power of business and the process of commodification as the starting point of social analysis. Furthermore, political economy rejects the tendency of policy science to build its analysis of the social totality, and of the values that should guide its transformation, on individualism and market rationality. Against this, it insists on social processes, starting from social class and labor, and on setting community and public life against the market and a rationality that, from a political economy perspective, actually reproduces class power.

References and Suggested Readings