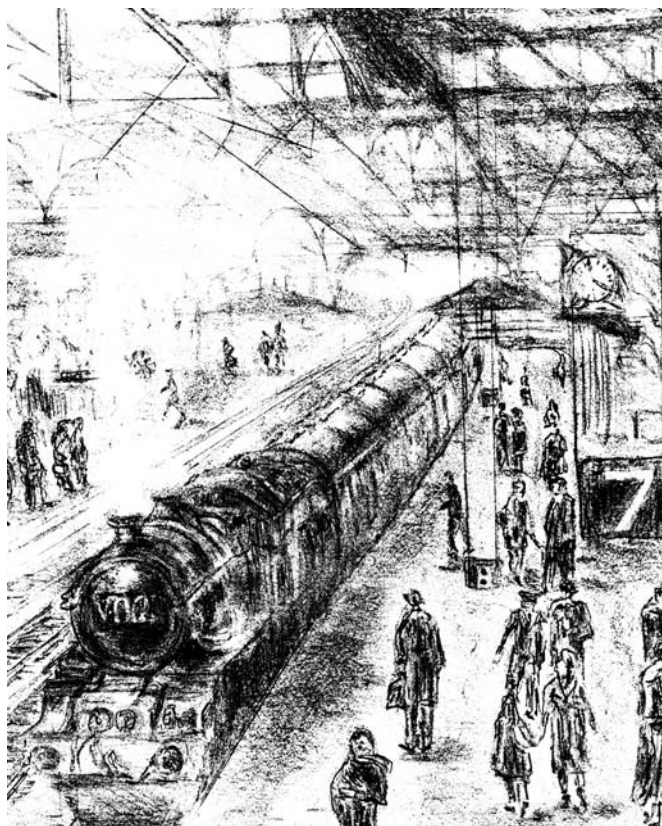


Review:

## Forces of labour: *Workers' movements and globalisation since 1870*

Beverly J. Silver (Cambridge University Press, 2003).



### Introduction

In this book, Silver argues that those who see the current crisis of labour movements as terminal tend to see the contemporary era as one that is fundamentally new and unprecedented, in which global economic processes have completely reshaped the working class and the terrain on which labour movements must operate, whereas those who expect the emergence of significant labour movements tend to perceive historical capitalism as itself being characterised by recurrent dynamics, including the continual recreation of contradictions and conflict between labour and capital. Thus *Forces of Labour* recasts labour studies in a longer historical and wider geographical frame of analysis than is normally done.

Silver argues that there are many historical parallels between the current epoch, characterised by a global crisis of labour movements, and that of the 1890s which saw labour movements suffer significant reversals. Her take on 19<sup>th</sup> century history is that the 'Golden Age of Capital', which culminated in the depression of 1896, saw a massive expansion of the world economy. She argues that competitive pressures led to a series of transformations in world-scale processes of capital accumulation, which are characterised as the *spatial fix* (capital relocation), the *technological/organisational fix* (labour process transformations), the *product fix* (shifting capital into new industries) and the *financial fix* (capital flight

from production into money lending, speculation etc).<sup>1</sup> Mechanised textile production spread rapidly to lower wage areas, ring spinning replaced mule-spinning technology, and capital shifted into the capital goods sector. Whilst the initial response to these transformations was an upsurge in labour unrest, the 1890s saw labour movements in crisis. This crisis corresponded with the 'financial fix', which saw capital liquidified and lent to nation states to finance arms expenditure. The crisis of labour movements was short lived however. Within a decade labour unrest was growing and both trade unions and the parties of social democracy were experiencing unprecedented expansion in membership and influence. Within two decades the working class was riding a wave of revolutionary upheaval.

*Forces of Labour* suggests that the current crisis of labour has likewise resulted from the same processes of capital relocation, labour process innovation, shifting of capital into new products and a massive increase in finance capital. Much of the book therefore is concerned with an examination of the contradictory results of these processes through time in order to explore the possibility that the contemporary crisis of labour will also be temporary.

### Spatial relocation: labour movements and capital mobility

In the book's pivotal chapter Silver studies the spatial and temporal shifts in the distribution of labour unrest in the world car industry over the course of the 20<sup>th</sup> century, with the epicentre of militancy moving from North America through Western Europe to a group of newly industrialising countries. Fleeing the sit down strikes of Michigan and then the wildcat strikes of Western Europe the car industry has exported explosive industrial unrest to countries across the globe.

In Brazil, South Africa and South Korea repressive states offered the prospects of acquiescent labour and multinational automobile producers invested heavily. But in each case the newly created proletariats responded with waves of labour unrest winning significant victories. The 1964 military coup in Brazil established a repressive regime that eliminated working class opposition, making it a favourable site for capital investment. Employment in manufacturing, notably automobile production, doubled in

<sup>1</sup> The financial fix is identified as an increase in the liquidity of capital – its retreat from productive capital into speculative (financial) forms. But Silver's theorisation of the growth of finance in different historical periods falls short of the rigour employed elsewhere. The liquidisation of capital is not a 'fix' in itself as it is merely a mechanism through which capital can be transferred to another location or industry – a mechanism whereby one of the other 'fixes' can be deployed. Silver does not explore this necessity of value production for capital's self-expansion. Thus the contradictions of state arms expenditure are not explored, nor the differences between such a form of speculation and the contemporary growth in finance capital corresponding to a phase of global industrialisation.

the 1970s. Three plants in Sao Bernado – VW, Mercedes and Ford – employed over 60,000 people. In 1978 the newly proletarianised auto workers at a Saab plant launched an intense strike wave taking in Mercedes, Ford, Volkswagen and Chrysler that fuelled a decade of activism culminating in 9 million workers being involved in strike activity in 1987. Real wages in Greater Sao Paolo grew by 10% per annum



between 1985 and 1988 wrecking the IMF-inspired government anti-inflation plan. The inevitable response has been to relocate, with investment by foreign automobile manufacturers taking place away from the union strongholds of Sao Paolo and San Bernado. Similarly the Nationalist government in South Africa had used the repressive powers of apartheid to create a site favourable for foreign investment and the number of blacks employed in manufacturing doubled between 1950 and 1975. As in Brazil this newly formed proletariat, concentrated in urban areas, formed the backbone for a wave of labour militancy in the 1970s and 1980s which the state failed to repress, having in 1979 to accede to the recognition of non-racial unions. There followed the largest and longest strike wave in South African history affecting Ford, VW, Datsun, Leyland and General Motors. With repression failing to combat labour insurgency capital sought to relocate once more and South Korea appeared to provide fertile ground for investment as the authoritarian regime there banned strikes and independent trade union activity. The output of automobiles increased eightfold between 1980 and 1987 as US and Japanese multinationals moved in through joint ventures. In 1987 however a wave of labour unrest hit the industrial belt along the Ulsan coast, which included the occupation of Hyundai factories. Independent trade unions were established and massive wage increases were ceded to contain the unrest. Attempts to reverse these gains in 1989-90 involved the use of troops to break up strikes and whilst overt strike activity declined slightly tactics such as slowdowns, sabotage and overtime continued to secure rising real wages. Through the 1990s employers pursued automation as a means of dealing with endemic unrest, but labour militancy reached a new peak with the twenty day general strike of 1996-97 which forced the government to withdraw legislation restricting employment rights.

Silver concludes that corporations in the automobile industry have been chasing the mirage of cheap and disciplined labour around the world, only to find themselves

continuously recreating militant labour movements in the new locations.

This process has continued in the last two decades, marking yet another cycle of spatial relocation and militancy. Vehicle production in northern Mexico tripled between 1984 and 1994 and has continued to grow. China's output almost doubled in three years from 1991 to 1994 and expansion continues rapidly. One can expect therefore that the current wave of social unrest in China will, in the coming decade or so, be complemented by the emergence of a militant car producing proletariat.

### **New industries: Labour movements and product cycles**

As well as fleeing labour unrest through geographical relocation capital has fled to exploit new industries. Here Silver sees parallels with the twentieth century shift away from the troublesome textile proletariat into car making. That redeployment merely shifted the epicentre of labour unrest into the new industries. In order to substantiate this parallel Silver considers a number of new industries and the dynamics of conflict therein, beginning with the impact of the semiconductor and the electronics sector it underpins.

The automation of almost all aspects of the production of consumer electronics based on the microchip has meant that 'employment in the semi-conductor industry itself has not had a direct impact on working class formation equivalent to the historical impact of textiles or automobiles'. (p.104) But this whole industrial sector is characterised by a global division of labour which sets it apart from the cycle of spatial relocations identified for car production. Manufacturing has from the beginning contributed to a massive enlargement of the industrial proletariat in Asia, particularly in China, whilst research and development and other techno-scientific functions are concentrated in the advanced capitalist countries. The concentration in these epicentres of the management functions for the world's corporations has resulted in a considerable growth in producer services such as telecommunications, legal, financial, advertising, consulting and accounting. But whilst some have identified highly paid professional, technical and managerial jobs as indicating a new accommodation between capital and labour in the 'new economy' Silver argues that the evidence contradicts this view because where producer services have grown rapidly there has also been a polarisation of the labour force. The data indicates that service industries have taken a growing share of total labour unrest through the 20<sup>th</sup> Century.

Likewise the expansion in the advanced capitalist countries of the information-based workforce to deliver these services has been dependent upon an expansion of mass education. Along with a rapid growth in the number of teachers the education 'industry' has been one of the few to have experienced a rising trend of labour unrest in the final decades of the 20<sup>th</sup> Century.<sup>2</sup>

<sup>2</sup> Silver argues that teachers derive bargaining power from their position within the social division of labour (their actions disrupt the lives of parents and their ability to work) and their relative imperviousness to spatial and technological 'fixes'. Attempts to cut costs have therefore primarily involved speed-ups and cutbacks that have in turn sparked unrest. Thus education reforms seek alternative ways of putting pressure on teachers. And whilst the Internet and

As well as global communication links this global division of labour requires global transport. The workplace bargaining power of transport workers has historically been strong both as a result of their ability to impact upon the industries whose goods they carry and the relative impossibility of spatial fixes to labour problems (the mobility of capital being dependent upon relatively immobile investments in transport infrastructure). Technological and product fixes on the other hand have been a major feature of capital's response to labour unrest. Containerisation of ports accounted for a massive decline in labour unrest in shipping, whilst trucking and aviation has increased pressure on railway workers. Rather than eliminating the problem this strategy has merely refracted it onto emergent sectors of the transportation industry, with labour unrest in aviation increasing dramatically relative to shipping/docking and railways.

For Silver the emergence of new industries in the advanced capitalist countries, far from eliminating the conflict between capital and labour, has merely shifted the impetus for workers from taking advantage of their strategic position within a complex division of labour towards having to organise their 'associational power':

Textile workers, operating in a vertically disintegrated industry with multiple small firms and unstable employment, had to develop a countervailing power based on citywide or regionwide political and trade union organisation. Likewise today, low-wage service workers operating in industries that are at least on the surface vertically disintegrated have followed a community-based organizing model rather than a model that relies on the positional power of workers at the point of production. (p.172)

### Conclusions: Novelty real and apparent

**Continuities** One of the main thrusts of *Forces of Labour* has been to show that behind the apparent novelty of the contemporary era there are significant continuities which undermine the claims of the 'neoists'. The retreat of the class struggle in the advanced capitalist countries has enabled theories to be developed which echo the claims of post-modernist bourgeois thinkers that traditional class politics is finished. Andre Gorz waved farewell to the working class, Antonio Negri to the 'mass worker', and a host of others have followed in their paths urging the abandonment of militant political practice.

Certainly many of the foci of class conflict in Europe and North America have been eliminated. Extractive industries and shipyards have closed. Many of the huge factories have locked their gates for the last time as manufacturing jobs have disappeared to be replaced by jobs in the service industries. On the one hand *Forces of Labour* sees in this restructuring merely a return to a situation of class struggle where workers have to contend with a terrain in which they have less positional bargaining power. Thus the apparent eclipse of class conflict in the advanced economies merely masks a situation in which workers are coming to terms with the altered parameters of their situation

before the irreconcilable conflict between capital and labour becomes overt once more. One can speculate, but *Forces of Labour* shows through its painstakingly empirical and concrete analysis that the perspectives of the post-autonomists and their ilk are partially blinded by their Euro-centrism.

The chapter discussing new industries concedes that the centrality of automobile production for the global economy has been displaced by a dizzying array of new commodities enabled by the semiconductor. But behind the examination of producer services, education and transport in Europe and the USA lies the reality of the mass production of these commodities in factories across newly industrialised parts of the globe, particularly Asia. The white-collar jobs so loved by francophone intellectuals are but one side of the mental-manual divide characterising the global division of labour. The essential continuity with the politics and practices of the post-war era is however most clearly demonstrated through what is perhaps the central focus of the book – the chapter concerning the successive relocations of the car industry. The mass production of cars, far from having been eliminated as an arena for the class struggle, has been extended across the globe. The class struggle centred upon the factory is perhaps more relevant than ever when the proletariat is considered globally.

**Discontinuities** But whilst it is true that Silver shows the continuity of the current epoch with earlier periods of capitalism, it is also true that she helps to show important discontinuities. But not those so readily seized upon by the 'neoists'. Once again the evidence is provided by the analysis of the 'spatial fix' and the resulting cycles of struggle.

From the late-19th century to the end of the 1970s the divisions of world capitalism were relatively fixed in nature. The centre of capitalist production remained firmly entrenched in Western Europe and North America throughout this long period encompassing two world wars.<sup>3</sup> Of course after World War Two there emerged the 'Second World' of state capitalism and the 'First World' was joined by Japan, but the rest of the world remained stuck in the 'Third World', integrated into the world economy only to provide the agricultural produce and raw materials required for industrial development elsewhere. This situation of underdevelopment versus development provided the material basis for social antagonism to become expressed through the ideological forms of national liberation on the one hand and third worldism on the other.

The last three decades by contrast have broken with this previously rigid division. The relocation of mass production industries, such as car production, has seen millions of peasants proletarianised as whole swathes of what was the 'Third World' has been developed industrially. It must be stressed that this process still has a long way to go, particularly with regards to most of the African continent. But what Silver has identified in her analysis of spatial relocations is that this process has been changing the very structure of world industrial capitalism, along with the

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other advanced communications technologies could be deployed against teachers such changes would only serve to enhance the vulnerability of the education industry to disruption.

<sup>3</sup> *Forces of Labour* describes the spatial relocation of textile production to southern US states and parts of India, China and Japan during the latter part of the 19th and early 20th centuries, but the newly formed textile proletariats in Asia were surrounded by millions and millions of peasants.

location and nature of the struggles against it, to an unprecedented degree.

When Marx called upon the workers of the world to unite he was essentially addressing a few million in the England, France and the US. The revolutionary wave of 1917 engulfed Europe, with ripples elsewhere. The wave of the

1960s spread much further across the globe but still left huge geographical areas unaffected. *Forces of Labour* indicates however that we are now witnessing the emergence of a truly global proletariat, and with it the possibility that the notion of world revolution could mean exactly that.

