

## From Capitalism to Capitalism via Socialism: The Odyssey of a Marxist Ethnographer, 1975–1995

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Twenty years ago the renewal of Marxist analysis returned to an old question: Why had the working class not imprinted itself on history by moving from a “class-in-itself” to a “class-for-itself”? Answers took off in two directions. On the one hand, there were those who set out from class-in-itself. They began with the economic location of the working class. What do we mean by the working class in contemporary capitalism? Where does the working class stop and the middle class begin? What is the middle class? All manner of new classes and class locations were formulated to complicate Marx’s simple polarization scheme. The exercise, which was intended as a prolegomenon to the analysis of class for itself, became caught in its own internal logic and had difficulty moving beyond reconfiguring all-purpose class maps.<sup>1</sup>

On the other hand, there were those who started out their journey from class-for-itself. They ransacked history for working classes that had displayed fortitude in some collective uprising, or they searched contemporary ruins for smoldering embers that might yet spring to life. Too often what they discovered were artisans fighting off capitalism or social movements inspired by identities other than class. Only rarely was it possible to connect historical action to proletarian origins. If those who set out from class-in-itself rarely reached class action, those who began with class-for-itself got lost on their way back to class location.<sup>2</sup>

However critical of the Marxian thesis that objective position contains within it the telos of collective action, these sophisticated analyses still separated base from superstructure, economic dynamics from class struggle, and production from politics and ideology. The working class was nurtured in one realm (base) for action in another (superstructure). Object and subject were founded in different arenas and causally related as independent to dependent variable. Cause and consequence were compartmentalized.

I rotated this “object–subject” problematic through ninety degrees so that within each realm—base or superstructure—structure and agency were mutually constitutive. From my perspective, the economy contained its own superstructures, its own political and ideological apparatuses that regulated production. Class was made or unmade first and foremost in the realm of production, even if its manifestation ramified beyond. In suggesting that the “external state” was complemented by an “internal state” within each workplace, or what I would later call a political regime of

production, I was influenced by Foucault's microphysics of power.<sup>3</sup> But I didn't follow him into poststructuralist nihilism. My conception of the archetypal regime of advanced capitalism was based not on Foucault's panopticon—constituting, normalizing, and isolating individuals—but rather on Antonio Gramsci's "hegemony" in which, simultaneous with constituted individuals, class interests are organized in a compromise equilibrium.

The features of hegemonic regimes were clarified as my comparative ethnography took me from South Chicago in the 1970s, to Hungary in the 1980s, and then to Russia in the 1990s. Each of my stints as a participant observer was informed by theoretical puzzles whose solution prompted new puzzles that called for further investigation. Comparative ethnography, or what I call the extended case method, reflects backward as well as forward, reinterpreting cases already investigated—reinterpretations guided by a continually reconstructed theoretical framework, in my case Marxism. Thus, my understanding of capitalism was governed by the possibilities of socialism, just as my subsequent studies of socialism were premised upon but also reconceptualized capitalism. The mutual elaboration of capitalism and socialism reverberated into a succession of distinctions within both of them—distinctions based on historical periodization and national specificity. Between theory and ethnography there is a continuous dialogue which brings both into clearer view.<sup>4</sup>

My narrative begins with my experiences in 1974–1975 as a machine operator at a factory I have called Allied in Chicago, where I found myself studying the durability of capitalism. Here socialism was not even dreamt of. The narrative moves on to my experiences in Hungary, first as a machine operator in the Hungarian auto industry (1984) and then as a furnaceman in the Lenin Steel Works (1985–1988). In Eastern Europe, I discovered a limited, positive vision of a democratic socialism incubating, so I believed, on the shop floor. But it was a stillbirth. My narrative ends with the fate of the Soviet working class first in Moscow (1991), and then in extended studies (1991–1996) of the wood industry and mines of northern Russia as it underwent the transition from state socialism to capitalism. Even as this transition proceeds it buries any possibility of a radiant future. If the working class of nineteenth-century England was present at its own birth, the Soviet working class at the end of the twentieth century is present at its own death. In this three-part tragedy the working class first accommodates to capitalism, then wrestles with socialism, and finally relapses into passivity.

### *Hegemony Is Born in the Factory*

Industrial sociology was born in the long series of experiments conducted from 1927 until 1932 at the Western Electric plant in Chicago by Elton Mayo and his collaborators. They tried to determine the causes of varia-

tions in worker productivity, starting from the physical environment, moving on to the psychological, and finally settling on the social. These studies concluded that workers "restricted output" because they were possessed of "irrational sentiments" that were at odds with the economic rationality of managers.<sup>5</sup> The Western Electric studies bequeathed the School of Human Relations, where objective was to align workers with managerial goals. When sociologists took to participant observation on the shop floor there emerged an alternative view, more sympathetic to workers, that managers failed to provide appropriate incentive schemes or even the material conditions for the maximization of output. The tables were turned—workers appeared rational in limiting output while managers appeared irrational.<sup>6</sup> For twenty years plant sociology wrestled with the question of output restriction. All sides agreed that workers "restricted output"—only the causes were in dispute.

On July 12, 1974, the day I began work in Allied's machine shop, I was struck by the opposite phenomenon—how hard my fellow machine operators worked. It in fact took quite a few months before I could begin to keep up with them. There seemed no good reason for all this effort. Certainly, as my day man would say, "No one pushes you around here. You are on your own." And the piece-rate system guaranteed everyone a minimum wage. Promotion and transfers were decided by a bidding system which favored experience and seniority, not diligence. Why did everyone stretch and strain to produce those extra pieces that only marginally increased income?

When I asked my fellow workers why they worked so hard, they either looked at me in blank incomprehension or responded indignantly that they were not working hard at all and demonstrated the point by goofing off. They would admit to no such sin. They seemed happier to endorse the managerial view that workers would try to get away with anything. I wondered how it was that workers so freely concurred with management's image of them. How was it that management not only exercised domination over workers but managed to win their active consent? My answer borrowed from contemporary analyses of the state, and I showed similar mechanisms to be at work in production.<sup>7</sup>

Management elicited consent by allowing work to be organized as a game. To survive eight hours a day, five days a week in the factory doing monotonous, exhausting, and often dangerous work, laborers turn their work into a game with carefully elaborated rules, sanctioned by shop-floor management, and with uncertain outcomes. Sometimes you made out, sometimes you didn't—but always your reputation and self-esteem were on the line. As long as there was work to do the day sped by. Work as game was framed by two other institutions. First, the "internal labor market" constituted workers as individuals with rights to job mobility within the plant based on seniority and experience. The longer employees remained, the greater their interest was in staying with the firm, and the greater their interest in its profitability. Second, the "internal state" regulated relations

between workers and managers. On the one hand, collective bargaining forged a common interest between management and the union, embodied in the collective contract. On the other hand, grievance machinery allowed workers to defend their rights against violations of the emergent legal order of the workplace polity.

Here in the factory, class interests were being coordinated and workers were being constituted as industrial citizens. Here was the prototype of what I called a "hegemonic regime of production." How typical was it? From all I had learned about postwar industrial relations in the United States, the three features I have described above were quite general in the monopoly sector of industry. In locating the regime historically I was struck by a remarkable coincidence. I had landed in the same factory studied thirty years earlier by Donald Roy, Chicago's great ethnographer of the workplace.<sup>8</sup> Because the labor process was quite similar, I could highlight changes in the regime of production. Examining the rise of hegemony on the shop floor forced me beyond the factory, to the absorption of Roy's old Geer Company into the multinational corporation I called Allied as well as to postwar changes in the broader system of industrial relations. In this way I was able to contextualize the hegemonic regime, recognizing both its sectoral and historical specificity.

Further, from Roy's study I was able to extrapolate the archetypal "despotic regime of production" where managers deploy force arbitrarily, and where workers are subject to ad hoc and oppressive penalties dished out by the capricious overseer. Managers hire and fire at will under market compulsion. Workers have no rights except those they win on the basis of raw power exercised through the monopoly of skill or knowledge. Under this despotic regime political and ideological apparatuses of production have a purely negative function, coercing effort and repressing dissent.

The comparison allowed me to elaborate the ideal-type hegemonic regime in which the application of coercion, whether fines or firing, is bound by rules that constrain managers as well as workers, rules that are themselves the object of consent. With the application of force limited to infractions against a negotiated order, workers can carve out an arena of self-organization—the first grounds for spontaneous consent to managerial domination. The second grounds for consent lie in the concrete coordination of the interests of managers and workers, based on their interdependence and organized through such institutions as the internal labor market and the internal state. The impetus to consent, however, lies not only in the possibility of future material gain but also in the immediate alleviation of boredom and drudgery at work—the constitution of work as a game.

My *Manufacturing Consent* sought to turn industrial sociology upside down by inverting its motivating question, and Marxism outside in, by installing a superstructure within the base. The original inspiration came from Gramsci. Writing of Western Europe, he argued that the distinctive feature of advanced capitalism lay not in its economy but in the rise of civil

society and the expansion of the state. Through these superstructures the capitalist class not only justifies and maintains its domination but also wins the active consent of workers. However, in his notes on "Americanism and Fordism," Gramsci claimed that the United States was different.<sup>9</sup> Without the burden of feudal legacies, the superstructures are "simplified and reduced in number"—here hegemony is born in the factory. This became the leitmotif of my own work, but it begged the question of American exceptionalism. Was there such a thing as an American production regime? How did it differ from other production regimes? What were the conditions of existence of different regimes—hegemonic and despotic? Did they have different consequences for class struggle?

### *A Comparative History of Despotism*

If it was a fluke that I stumbled into the same South Chicago factory that Donald Roy had studied, it was no less fateful to discover Miklos Haraszti's wonderful tales of trials and tribulations in Hungary's Red Star Tractor Factory.<sup>10</sup> While I was marvelling at the effort of my fellow machine operators in South Chicago, Haraszti had scaled unimaginable heights of work intensity in Budapest. His piece rates were based on running two machines at once. His description violated all the stereotypes of socialist production. Who said socialist workers are slackers, noted only for their indolence? Who said that the one right socialist workers had retained was the right not to work hard? If Roy's work had forced me to theorize the despotic regime under capitalism, Haraszti's *A Worker in a Worker's State* called for theorization of the despotic regime under state socialism.

The secret of all factory despotism lies in the dependence of material survival upon performance at work. It is this dependence that gives managers their coercive whip. But it can assume different forms. Under early capitalism workers were subject to the whim of their overseer or their managers, who could hire and fire at will. They had no welfare system to rely upon in the case of unemployment. Under state socialism job guarantees came with wage uncertainty. At Allied I was guaranteed a minimum wage whatever I produced, but at Red Star Haraszti had to work for every forint. To earn a living he had to run his two machines, butter up his supervisor to get a continuous flow of work, and grapple with norms that he could not make. His supervisor became his tormenter and the almighty norm his dictator. Far from restraining managerial despotism, the state was always on his back, surveilling, calculating, and punishing. The party controlled promotions and transfers, the trade union denied workers their rights, and managers bullied workers into submission because they decreed every petty reward and penalty. Party, trade union, and management conspired to extract the maximum effort from workers. Instead of market despotism, they were subjected to *bureaucratic despotism*.<sup>11</sup>

Haraszti's account forced me to think more seriously about early capitalism and its despotic regimes. I had been working with a stereotypical view of early capitalism, the one Marx luridly describes in Volume One of *Capital*. Returning to the scene of Marx's original account of market despotism, namely the English textile industry, and relying on secondary accounts, I unearthed a plurality of production regimes—patriarchal and paternalistic as well as the original market despotism.<sup>12</sup> Comparing these with the early textile industries in the United States and Russia I speculated about the impact of regime type on class struggle in the second half of the nineteenth century in the three countries—the sporadic struggles in the United States, the reformist struggles in England, and the revolutionary struggles in Russia.<sup>13</sup>

Greater attention to early capitalism inevitably led to a deeper understanding of the hegemonic regime of advanced capitalism. Two factors distinguished hegemonic from despotic regimes, both related to the expansion of the state. First, under advanced capitalism workers had alternative sources of livelihood—in particular, minimal social security provided by the welfare state. This meant that since workers were less vulnerable to despotism, managers had to adopt hegemonic strategies to elicit cooperation. Second, managers were now restrained from exercising despotic rule by legally enforceable provisions for trade union recognition, compulsory collective bargaining, regulation of the length of the working day, health and safety, and so on. The extension of the state in these two directions—regulation of industrial relations and the provision of welfare—took on different configurations in different advanced capitalist countries, giving rise to different hegemonic regimes with different implications for class struggle.<sup>14</sup>

The Reagan years brought a new regime of production, hegemonic despotism, that restored the coercive mode of early periods but, paradoxically enough, in a hegemonic form. Global competition gives the impetus to intensify control over labor on pain of capital flight. The transition to the new regime is engineered through a double retreat of the state—on the one side cutting back welfare and the guarantees of livelihood outside production and on the other weakening restraints on the managerial temptation to despotism. Workers may still be protected from arbitrary firing, but they lose their jobs through regularized layoffs. Workers can strike but they are subject to permanent replacement. Workers can organize but their unions are subject to decertification. Hegemony now operates in reverse. Instead of capital making concessions to labor, labor makes concessions to capital in order to hold onto jobs. Hegemonic despotism is the unchallenged rule of capital—a further movement in the direction of Foucault's panopticon.

Still, one arena in particular seemed to have escaped the strictures of hegemonic despotism, and that was public employment. Public-sector unions continued to expand and strikes joined workers and consumers against the state. Exempt from the direct effects of global competition and

endowed with relatively immobile jobs, public employees found budget constraints subject to political negotiation. State employment was inherently political, offering a clear target for struggle, as well as clear opportunities and resources for class struggle.<sup>15</sup>

This brought my comparisons back to state socialism. Were the struggles that erupted periodically in Eastern Europe similar to the social movement unionism of the state workers of advanced capitalism? Certainly there was a convergence in the noneconomic goals pursued by workers; certainly in both cases those goals might be traced to the direct presence of the state at the point of production. On the other hand, it was equally plausible that the struggles within state socialism stemmed not from its *bureaucratic* character but from its *despotic* character, and so the parallels are better made with working-class movements of the nineteenth and early twentieth centuries. This was certainly the conclusion that Haraszti wanted to convey in his fascinating observations about the utopian yearnings of his fellow workers. Where Allied workers could enact a game within the framework of capitalist domination, Red Star workers could only give free reign to their creativity outside and in opposition to bureaucratic domination. They would carve time out of the working day to produce anticommodities, imaginative and useless objects called "homers." By extension the Polish Solidarity movement was the Great Homer—a national, collective effervescence forced by despotism into "untamed exteriority."

Whether it was the bureaucratic or the despotic aspect of the production regime that contributed to class mobilization could not be determined on the basis of one manicured ethnography of the socialist shop floor! Although Haraszti presented Red Star as the universal socialist factory, this claim was only accomplished by artificially severing the factory from its very specific historical, political, and economic context. As I shall show below, Red Star was a quite unusual enterprise, and it calls into question the generality of bureaucratic despotism as the archetypal regime of state socialism. In any case, if I was to determine the nature of production politics and its link to class struggle there seemed to be no alternative; I had to end my sojourn into comparative history and return to ethnography.

#### *Another Worker in a Worker's State*

Based on the analysis of bureaucratic despotism I argued that radical working class struggles were more likely in Eastern Europe than in the West. Then Solidarity erupted in August 1980. My first thought was to pack my bags and search for work in Poland in order to discover the meaning of this epochal event—the first sustained nation wide revolt of a working class. Jaruzelski beat me to the draw, declaring martial law on December 13, 1981. Instead I eventually wormed my way into Hungarian factories in the fall of 1983. I began in the rural areas, where it looked most feasible, working first in the champagne factory of a state farm and then in various

auxiliary workshops of a cooperative farm. Wherever I went the gender division of labor was startling—women were driven by the relentless pace of a bottling line or enslaved by piece rates to spinning bobbins while the men loafed around as inspectors, mechanics, supervisors, and the like. For the men, as I soon discovered, work was often a place to rest while their true labors took place in the more entrepreneurial second economy—rearing pigs and poultry, growing vegetables, building new houses. Bureaucratic despotism for women, it seemed, and self-organization for men.

That was in the rural areas; but what about the industrial plants of the towns? It seemed that working-class life was one of socialism's best kept secrets. It was difficult enough to set foot inside a real socialist factory, let alone work in one. Only the organizational genius of my friend János Lukács made it possible. We first visited Bánki in November 1983, at the end of my first extended field trip to Hungary. I returned in the summer of 1984 to work there for two months as a radial drill operator. I couldn't believe my luck until I found myself holding down steel flanges with one bare hand, while trying to control an immense, shaking drill with the other. They had been waiting for a sucker like me.<sup>16</sup>

Still this was not Haraszti working on two parallel mills. I was in a machine shop like his but my experience was very different. Comparing my own situation with his I began to understand the peculiar context that created his isolation, alienation, and intense work under bureaucratic despotism. First, I quickly found myself at the center of attention. Who, after all, had ever worked with an American professor, even if he was incompetent? On the shop floor I was protected by Anna, Klára, and Ági of the Dobó Katika Brigade, and outside I occasionally joined my workmates in their wine cellars. Haraszti, by contrast, as a Budapest intellectual and dissident was shunned and cut off from the social life of the factory. *A Worker in a Worker's State* is indeed only about one worker, and a peculiar one at that.

Second, just as I was assigned the worst job in the shop with the most difficult piece rates and conditions, so the same would be true of any newcomer, Haraszti included. More generally, it is often the case that production divides into a core of key workers, usually male, skilled, and experienced, who bargain their way to comfort but at the expense of peripheral workers, the unskilled, the inexperienced, and often women shackled by impossible piece rates and subject to despotic rule. Thus, regimes of bureaucratic despotism and bureaucratic corporatism reproduce each other under the same roof.

Third, there is a historical component to the difference between Red Star and Bánki which accounts for overall diminution of the despotism but its continuation in particular for women. With the economic reforms of the late 1960s a second economy opened up which gave many workers, particularly skilled workers, access to alternative sources of livelihood and therefore greater bargaining strength on the shop floor. Trying to halt the drain

of key workers into the cooperative sector, management introduced self-organized cooperatives within the factory. This further complicated and diminished despotism. Women were usually excluded from both external and internal second economies and so they remained as vulnerable as ever.

Fourth, and finally, Bánki was part of a relatively successful concern that produced buses and other heavy vehicles that were often exported. Red Star Tractor Factory had been one of the first large enterprises to be subject to the economic reforms in the late 1960s, and when Haraszti arrived it was in deep trouble, soon to be liquidated. Haraszti experienced the pressure of working in a factory that had lost favor with the state.

Does deconstructing Haraszti's study lead to the conclusion that there is nothing unique and distinctive to socialist production? Obviously not. Despite much internal heterogeneity within both state socialist and advanced capitalist production, the former is *bureaucratic*, with variation governed primarily by relations to the state, whereas the latter is *hegemonic*, with variation governed primarily by relations to the market. The great Hungarian economist János Kornai concluded that soft budget constraints occasioned by bureaucratic bargaining with the state lead to shortages and supply-side constraints, while market forces and the pursuit of profit tend to stimulate surplus production and demand side constraints. Extending Kornai led me to the conclusion that Harry Braverman's theory of managerial expropriation of control was after all specific to capitalism.<sup>17</sup> Under state socialism uncertainties in materials, machinery, and labor call for flexible autonomy on the shop floor.

Certainly, I was impressed by how well self-organization on the shop floor could work. There was always work for me, even at my wobbly radial drill. There was none of the chaos that plagued life on the shop floor at Allied: the hot jobs, which had to be done yesterday; the queues outside the inspector's office and the crib; the eternal waiting for the truck driver to deliver some needed parts, the disappearing set-up man, the half-completed engines lining the aisles. Bánki, it turned out, was a capitalist paradise next to Allied, which was more the socialist nightmare. Why?

Once more my experiences in Hungary forced me to rethink my conception of production in the United States.<sup>18</sup> Allied was a division in a larger corporation and had a relationship to its headquarters based on bureaucratic bargaining and soft budget constraints, and as in socialism the result was shortages on the shop floor, shock work, waste, and inefficiency. Allied's management was always seeking to control the shop floor, always with devastating consequences for production. If Allied was like a socialist factory in a capitalist economy, Bánki was the capitalist factory in the socialist economy. It benefited from competitive pressures for export and exploited the autonomy the state had granted it.

The moral of the story was simple. There are efficient socialist enterprises just as there are inefficient capitalist enterprises. The difference is in how each system deals with inefficiency. The hegemonic regime turns inef-

iciency into an economic matter of profit, whereas the bureaucratic regime turns it into a political test of loyalty. This was brought home to me forcibly in my case study of the Lenin Steel Works, which took place over the period from 1985 to 1988.

### *Painting Socialism: The Ritual Enactment of Class*

As I made my way from Budapest to the medieval town of Egér where Bánki was located, I had to pass through Hungary's second-largest city, Miskolc, the capital of Hungary's eastern industrial heartland. There, sprawling along the valley, lay the giant Lenin Steel Works, employer of 15,000 workers and bellwether of the city. The soul of the socialist proletariat lay here—capable of heroic feats of endurance, celebrated in posters of the Stalinist past, carrier of the radiant communist future. To join the army of workers that swarmed through its gates three times a day was my secret dream. Miraculously, János Lukács arranged it and I won a place at the heart of the steel works as a furnaceman, tending a state-of-the-art German basic oxygen furnace. I had finally graduated from individualistic machine tending to teamwork. I joined the October Revolution Socialist Brigade.

The Combined Steel Works was a nightmare of coordination. From Japan there were a continuous caster and an electric arc furnace, from Germany a basic oxygen furnace, from Sweden a vacuum degasser, and from Austria came technicians to help maintain the newfangled goulash technology. The combination was not only difficult to negotiate in itself but demonstrated the more general limits of capitalist technology in a socialist order. The technology presumed that material inputs could be accurately calibrated and punctually delivered. In a shortage economy that was simply impossible. You took what you got and when it arrived. There was no way of sending back the iron or the scrap if it was the wrong quality or contained unwanted impurities. You were lucky to have the materials at all. When the Japanese came to repair the continuous caster and correct the computerized system, they could only scratch their head, bemused by the anarchy of production. This was the socialist variant of "just in time."<sup>19</sup>

Ideally, the Combined Steel Works was supposed to be controlled from above through computerized systems. In reality it was only effective when skilled supervisors and workers on the shop floor improvised to ward off continual crises. Middle managers were superfluous at best and meddling at worst. They compensated for their ineffectiveness with despotic rule—which continually broke down, since they relied so heavily on spontaneous cooperation on the shop floor. When Lukács and I reported on this state of affairs middle managers threw a fit, called a public meeting to condemn our study, and told us to do it again. Managers could never be blamed for inefficiency; if there were problems, they were outside their

control and we simply didn't understand what was going on. My fellow October Revolutionaries chuckled in amusement.

Gradually I began to assimilate the steelworkers' socialist "culture of critical discourse"—to play back their cynicism to them. They were steeped in socialist imagery expressed in endless jokes about socialist irrationality and relentlessly drew attention to the gap between ideology and reality. For them reality appeared to be more the inversion of ideology than its realization. I made much, perhaps too much, of the rituals that workers had to perform in celebration of the wonders of socialism, which included political and production meetings, the circus organized for visiting dignitaries, and the badges, flags, and medals that we would win for outstanding performance. In their joking their cynicism was much in evidence, but in their outbursts of anger I detected a continuing commitment to socialist ideals.

Still vividly etched in my memory is the visit of the prime minister. We had to volunteer a "communist" shift to paint the slag drawer a bright yellow. My fellow October Revolutionaries got out their paintbrushes but I could only find one with black paint and so proceeded to paint our shovels black. Along came the superintendent, wanting to know what the hell I was doing. I told him, as innocently as I could, that I was helping to build socialism. E.T., the brigade's wit, turned to me and said, "Misi, Misi, you are not building socialism, you are painting socialism, and black at that." All of us roared with laughter except the superintendent, who stalked off.

It was true: Workers had to paint socialism as efficient, egalitarian, and just while all around them was waste, class privilege, and favoritism. They criticized the socialist regime, the party, and the system for failing to realize its promises. They turned the ideology against the regime it was supposed to legitimate. Workers developed a strong sense of class hostility to the red directors and their managerial lackeys, exuding a socialist consciousness at the very same time that they rejected actually existing socialism.<sup>20</sup>

Behind their cynicism lurked the shadows of a working-class movement, or so I thought. At least Hungarian workers talked the language of socialism. The missing ingredient, I thought, was an effective working class solidarity. Here in Hungary, there were so many avenues for workers to realize their material interests through the second economy, whether at work in inside-contracting collectives (VGMKs) or outside in cooperatives or odd jobs.<sup>21</sup> Working-class consciousness was layered with strong petty-bourgeois inclinations that subverted class unity. Class solidarity was more likely in Poland, where workers still spent time in queues rather than working on their dachas, where second-economy activities were less well organized, and where the church acted as a solidifying umbrella, symbol of an oppressed nation. As individual outlets were less available, so class interests were realized in collective organization against the Polish regime.

While I was busy working out why Solidarity occurred in the East and



not the West, in Poland and not Hungary, the regime was crumbling from above. I was stuck in my search for socialist symbols and rituals. With limited historical perspective, I did not recognize or did not want to recognize just how attenuated they had become. As I scraped away the dust from the slogans of yesteryear, I didn't appreciate that workers were holding a ruling elite accountable to an ideology in which it no longer believed. The *nomenclatura* was getting ready to cast off the trappings of socialism. When the appropriate moment arrived in 1989 there was surprisingly little resistance to emancipating the economy, at least from the atrophying socialist ideology.

There were those like Jancsi, our devoted shop steward, who now saw the chance to create a real trade union. For four years I had chided him for selling his soul to a bankrupt company union. When communism disintegrated he was one of the first to become active in the burgeoning factory council movement—a throwback to the worker revolt of 1956. He promised to build a real union. But in the end his was a lone voice. A distorted socialist ideology had so pummeled the working class that it could awaken few people's imagination.

If ideology could evaporate, institutions were more obdurate. As I was to discover in Russia, reality lagged behind ideology, sometimes even following in reverse. It has been difficult to liberate the Hungarian economy from the industrial dinosaurs of the past. Lenin Steel Works (albeit with a different name) lives on, still receiving subsidies from the state. Nevertheless, it has been decimated. At last count (January 1996) the number of employees was down from 15,000 to 1,700, although my friends in the October Revolution Brigade are still stoking the furnace. Unemployment is up to twenty-five percent in Hungary's industrial wastelands. The past does indeed look more radiant everyday.

So far my studies had generated ideal types of production regime—varieties of despotic, bureaucratic, and hegemonic regimes—conceptualized from the standpoint of their *effects* on work organization and class consciousness on the one side and from the standpoint of their *conditions of existence* in state, market, and community on the other. While I studied the workplace as a contingent *social process*, external conditions were an unproblematic given. In my Hungarian studies I simply did not see the disintegration of socialism even as it happened in front of my nose because I took the world beyond the factory for granted. External conditions were reduced to variables that didn't vary. In studying the transition to a market economy such an artificial bifurcation between inside and outside was no longer possible.<sup>22</sup>

### *Socialism in Turmoil, a Regime in Crisis*

Not yet ready to deal with the disintegration of socialism, I took my leave for the Soviet Union, which in the period of late *perestroika* was opening

up to foreigners. I began the exploration of Soviet enterprises at the beginning of 1991 with Kathryn Hendley. For two months we spent every day at Rezina, a famous rubber plant in the center of Moscow. Through the enterprise trade union she had managed to gain unlimited access in exchange for a couple of computers for their kindergartens. Here there would be no hypostatizing the factory regime as fixed and permanent since it was clearly being driven in different directions. There would be no way of separating regime from the external conditions that were engulfing it. It was in short a regime in perpetual crisis.<sup>23</sup>

Rezina was a dreadful place, an apparition risen from the last century. It was just as I imagined those Victorian satanic mills, with workers, mainly women, toiling in dark, dank dungeons without ventilation or light, suffering respiratory diseases from the resin fumes, and paid a pittance for the privilege. Whenever we wanted to talk to workers we were accompanied by managers and the conversation quickly fell into a sullen silence. Even if they could speak freely, what was there to say to a couple of foreigners? Their humiliation and degradation were palpable.

We managed to inveigle ourselves into the morning planning meetings attended by all the managers and shop chiefs. It was quite a scene to behold, with insults and innuendo thrown from one end of the table to the other, managers fulminating at each other for this failure or that. Usually the manager for supplies bore the brunt of verbal abuse. His was the unenviable task of begging, cajoling, bribing, and coercing suppliers all over the Soviet Union. But that was only half the job; he then had to wave his magic wand over truck drivers and railroad officials to transport the materials. He would never reveal the secret of his success.

With the entire planning system in disarray, winter 1991 was a particularly bad time to coordinate production. It was further complicated by the flourishing second economy within the enterprise. The director was funneling funds from the state into the pockets of supervisors, managers, and suave young entrepreneurs who ran the so-called cooperatives and small enterprises within the plant. These semiautonomous units used the materials, machinery, and labor of the official enterprise at discounted rates set by the director and could sell or barter the products very profitably at so-called contractual prices which were further inflated by the pressures of a shortage economy. Workers never saw these profits, and they were expected to consider themselves lucky for the opportunity to work overtime.

I'd seen it all before in Hungary in 1988 and 1989. In cooperation with foreign investors, managers at the Lenin Steel Works had made themselves shareholders of limited companies which they created from the potentially profitable parts of the enterprise. The state continued to own the company shell and was billed for overhead and escalating losses, while the limited companies and their shareholders pocketed handsome profits. No wonder workers were cynical about so-called privatization—or what was euphemistically called “spontaneous privatization.”

Over their heads, but in the name of the labor collective, struggles were tearing Rezina's management apart—a microcosm of the wider Soviet polity. On one side there were the defenders of the integrity of the Soviet Union, which included the director of the enterprise, his chief engineer, and much of the old guard. They argued that Rezina's dependence on supplies from all over the Union meant that fragmentation would be suicide. They needed to remain attached to the Soviet ministries that guaranteed their livelihood. The Young Turks on the other side, headed by the leader of the Factory Council (STK), argued for changing the enterprise's affiliation to Russia and Yeltsin's government. They attacked the Soviet ministries as the source of Rezina's economic crisis. The market economy and privatization proposed for Russia could not be worse than the existing planning system. While we were there factory wars broke out in public meetings, with each side characterizing its interest as that of the labor collective while accusing the opposition of particularism and corruption.

So much for the legendary unity of the labor collective! Western treatises on the planned economy had always regarded the enterprise as an integral entity bargaining with the state. It would bargain over success indices, plan targets, and plan profiles. The enterprise was like a machine operator: restricting output below 100 percent (goldbricking) to signal a plan that was too tight and keeping output to only a little above 100 percent (quota restriction) to hide those plan targets that were loose. Enterprises would try and restructure themselves in order to contend for power with the center, integrating backward into supplies in order to overcome shortages or expanding into key products that would enhance its leverage. In every analysis the enterprise acted as a unit. The interests of all lay in minimizing what they had to give up to the state and maximizing what they took from the state. Outside of literary works we never heard of struggles over divergent interests and strategies within the factory like those that overwhelmed Rezina. As the coherence of the state broke down and dual power emerged on the national scene the enterprise was torn apart.

As the symbol of enterprise unity there was no better marker for production politics than the party organization. Under the Soviet order it sought to build internal unity and align the interests of enterprise with the state. By January 1991 the party had already disintegrated at Rezina. We were perhaps the first and the last to visit the new party secretary in his spacious office, now stripped of all furniture. This lonely old man sat by himself behind a desk with an enormous telephone switchboard—symbol of bygone power—at arm's length. Its connections had been ripped out of the wall. He reminisced about the past and his ambitions to become a party secretary. He had realized his dream now with the party, except for a handful of obdurate old-timers, already defunct. The power struggle was raging all around him, but it never blew through his hollow chambers. Even before August 1991 he had been consigned to the museum of communist history.

Rezina lay on the faultline of a low-intensity earthquake that was rumbling through the Soviet economy. Dependent on supplies from all over the Union, Rezina was itself a major supplier of rubber products to the all-important auto industry. When the economy shook, Rezina threatened to fall apart at its seams. But what was the nature of the earthquake? How was the Soviet economy changing? This was difficult to gauge from the epicenter where life had been thrown into chaos. From Moscow it was difficult to diagnose the blast that was shattering Rezina. To locate the transformation of production regime in its systemic context, I had to move from center to periphery.

### *A Model Factory's Descent into Darkness*

In the spring of 1991 I migrated to Syktyvkar, capital of the northerly Republic of Komi, to resume my peripatetic vocation as an incompetent machine operator. With the help of a local sociologist, Pavel Krotov, I obtained a job drilling holes at the city's model furniture factory.<sup>24</sup> Where Rezina's management was divided into warring factions, Polar Furniture had a tightly knit managerial team that capitalized on its favorable economic position. It had a regional monopoly of the production of poor-quality wall units, an item of furniture found in every Soviet apartment. Because they were in such demand, wall units were easily bartered for other goods in short supply—housing, places in holiday camps in the Crimea, precious supplies of sugar and tinned meat. The chief barterer was the trade-union boss, who acted like a feudal baron, dispensing his loot to keep peace among his minions.

Wall units are simple to manufacture, providing one can guarantee the supply of materials. At Polar Furniture this presented few problems for two reasons. First, the supplies were simple and for the most part locally available, mostly pressed wood produced locally from the Komi forests. Second, Polar Furniture had a cozy relationship with the Komi Timber Conglomerate that distributed resources throughout the industry.

Polar's charmed existence gave its general director the self-assurance to hire me when everyone else had closed their doors. On the shop floor it was a different matter. There the lack of enthusiasm was palpable, and I was excluded from most collective activities. I speculated at the time that I was too much of an oddity for people to accept—an American professor who wanted to work on the shop floor. My workmates had never met an American, let alone one as strange as me. My Russian was still embryonic, and my mechanical incompetence put me at the very bottom of the status hierarchy. To add insult to injury I was paid more or less the same as everyone else in the brigade. Still, under not-too-different conditions Hungarian workers had embraced me. At the time, I reluctantly speculated that cultural factors must be at work—the legacy of Stalinist suspicion but also the solidarity of the labor collective. It turned out to be more simple.



Management, especially shop-floor supervisors, were using me to discipline the work force. Sveta, my supervisor, would say, "Hey, boys, get to work—there's an American watching us!"

Their strategy didn't seem to have much effect. Quite the opposite! Workers would straggle in late and leave early. There were all sorts of stoppages in work. At the end of the month there would be a desperate surge of production to make up for lost time. At last I had found a real socialist factory! The tempo of production was too unstable for the work games I had known at Allied. Instead we played cards and dominoes on the side to while away surplus time. We were not constituted as individuals with rights and obligations but as a labor collective. The trade union did not patrol a grievance machinery or even bargain with management. The trade union, in fact, was unambiguously part of management. If there was a production game it was between the shop-floor brigades and the enterprise managers over plan fulfillment. It was not an individual game as at Allied or at Bánki but part of a bargain in which management ceded control of production but provided conditions of work in return for workers' best effort to meet plan targets. From here bargaining spiraled up the hierarchy between successive levels.

As central party control relaxed I could already discern capitalism incubating within socialism. Monopolies such as Polar (and also the conglomerate within which it was embedded) became more autonomous and better able to exploit their market power to dictate terms of exchange. The barter relations which had always existed under the auspices of party supervision spread like weeds through the economy. Management, which before had devoted its attention to garnering supplies, now strategized to maximize the returns on trade. At the same time shop-floor autonomy increased. Autonomy, always great because of the need for flexible specialization to adapt to supply uncertainty and because workers could not be fired, was now even greater because one organ of control, the party, had vanished. It was as if managers had become merchants subcontracting work out to the labor collective. This merchant capitalism was a far cry from modern bourgeois capitalism with its focus on accumulation and investment, on process and product innovation.

This incipient merchant capitalism set the parameters for enterprise response to economic reforms promulgated from Moscow. I stopped work two months before the failed coup of August 1991, which signaled the disintegration of the Soviet Union and the ascendancy of Yeltsin and his economic reformers. I returned to Polar the following summer, six months after price liberalization and the dismantling of planning organs. Polar was still doing very well, able to exploit its newly won freedom by raising prices to capture unfulfilled demand for wall units. But by the fall of 1992 the reforms were taking their toll. Wage increases were falling behind those in neighboring enterprises, Polar was losing money on its export contract with the furniture giant IKEA, and privatization was looming ahead. A revolt

from the shop floor threw out the wily old director for his dictatorial and corrupt practices. Most of the old managerial team left with him. They could see the writing on the wall.

In 1993 Polar's fortunes began to plummet. Furniture from different parts of the ex-Soviet Union and even Europe was appearing in the shops, often cheaper and certainly of better quality than Polar's. Then came the disintegration of the Komi Timber Conglomerate. The effects came slowly through 1993 but escalated in 1994, first in the form of falling real wages, and then of furloughs and nonpayment of wages. Once more in the spring of 1994 the labor collective, now owners of the enterprise, installed a new director. But there was not much he could do. The enterprise had accumulated such large debts that credit was unobtainable. It tried to sell its reserve shares, but no one would buy them. The enterprise was bankrupt but kept up limited operations by bartering its products for raw materials. Decline was now irreversible. When I returned in the summer of 1995 I found most of the enterprise in darkness.

There were two fallacies I wanted to avoid. First was the fallacy of misplaced generality, letting Polar Furniture stand for all factories in the transition. Given the comparison with Rezina and attention to the specificity of Polar I was less worried about that than about the fallacy of objectification, naturalizing the external forces shaping the fate of Polar furniture. We wanted to examine those forces as themselves effects of social processes. Thus, Krotov and I spent many months extending our study to other enterprises in the timber chain, from logging camps to processing plants and the huge paper mill outside Syktyvkar.

#### *Industrial Involution: Russia's Road to Capitalism*

When the gates of the communist prison were flung open, the inmates rushed forth on the assumption that life on the outside could only be better. This was the Nirvana principle: Trapped at the bottom of a hierarchical chain of exploitation, timber enterprises were swept up by the temptation of the market. They would no longer have to sell their products to the conglomerate at depressed prices; instead they would sell their products at their own prices to anyone they pleased. It would have worked if each enterprise had been the only one to defect, but since they all defected, the conglomerate and its coordinating functions collapsed, taking with it the entire industry. They forgot that in a market economy costs also increase with prices. Freight costs, machinery, and materials became so expensive that even the export of raw lumber became unprofitable. Only the paper mill remained viable, and this only because of a coincidental doubling of the world price of cellulose and paper. Between 1990 and 1994 timber production fell by two-thirds. Still, enterprises like Polar did not turn off their engines but continued to splutter.

Wondering how this was possible, we devoted the first six months of 1993 to studying the financial sector, which was growing by leaps and bounds. Independent commercial banks were mushrooming in all major towns, either based on the old Soviet structure or as entirely new banks sponsored by enterprises seeking access to cheap state credit. Just as remarkable as the proliferation of banks was their restructuring. As the economy monetized with extraordinary speed beginning in 1992, banks transformed themselves from accounting centers which passively registered the bargains of physical planning to centers which controlled the operations of their client enterprises—although the banks in turn were controlled by their client enterprises. As long as the state was issuing cheap credit through the commercial banks, finance was a lucrative and pivotal business, and all the more so when privatization encouraged banks to buy enterprises for a song. Merchant capital became finance capital; the sphere of exchange expanded, innovated, and accumulated, but at the expense of production.

The economy may have monetized, but budget constraints were not necessarily hardened. Instead of begging the party to organize material supplies, now enterprises begged the central bank or local government for cheap credit. The state remained paternalistic and kept bankrupt enterprises afloat. It could not go on forever—but even when interest rates became positive in 1994 and cheap loans were cut off, enterprises managed to survive on interenterprise credit or they operated outside the monetary circuit by returning to barter: the barter of bankruptcy. As new circuits of exchange emerged outside the eye of the state and of banks, the “mafia” assumed an ever more important role in regulating transactions; and through the mafia resources poured out of the country.

There is nothing stagnant or reactionary about the merchant capitalism which Soviet socialism has spawned. Soviet managers have been quick to adapt to the market, and where they have not they have been ejected by their labor collectives. Where at all possible they have become a dynamic “comprador” bourgeoisie, capitalizing on profits made in the sphere of circulation and at the expense of production. They have become the merchants of debt. Our metaphors of transformation do not capture this unique combination of innovation and regression that is neither the revolution nor the evolution prescribed by the economists. Equally inadequate are notions of total collapse (based on theories of the Soviet Union as a totalitarian order) and of continuity (based on institutional legacies from civil society). The transition is better understood as an *involutionary* process in which an overdeveloped system of exchange eats away at its own productive basis. Resources flow out of production into trade, finance, and the mafia and, through these channels, out of the country. This involution is not the result of a temporary “transitional depression,” inevitable in moving from socialism to capitalism, but rather a persistent process that will inhibit future accumulation.<sup>25</sup>

Merchant, finance, and booty capitalisms initiate a massive redistribution of resources away from the working class—a working class that has watched its income, job, social, and even physical security all evaporate. With the liberation of time and money, workers who can summon the energy cultivate their dachas more intensively, seek out places in the lowest tiers of the burgeoning trading sector, and develop their own small-scale entrepreneurial activity. This is the other side of involution: the regression to subsistence and petty commodity production. But what of collective resistance? Has the working class been beaten into submission, its protest confined to the ballot box? Or has it been an accomplice in its own demise?

### *Workers against Socialism: A Tragic Saga*

The ascending arc of working-class activism under state socialism burst on the world scene in 1956 when Hungarian workers, inspired by students and by divisions in the ruling class brought on by post-Stalinist reform, took over their factories to organize a revolution from below. When Stalinist pressure relaxed, it had delivered its antithesis—a radical working class-democracy, a form of council communism or even anarchosindicalism. Within weeks it was ruthlessly repressed by Soviet military might.

Twelve years later in 1968, the Czechs were more cautious in challenging state socialism, merely seeking to humanize socialism and liberalize its economy. Following the lead of intellectuals and party reformists, workers asserted their rights to control the products of their labor. Once more Soviet tanks rumbled into Prague to halt the democratization of socialism.

It took another twelve years for working-class revolt to renew itself in Eastern Europe. Mindful of precedent, Polish workers led a self-limiting revolution to reconstitute civil society without directly challenging the party state. Amazingly, this radical transformation of Polish society in 1980–1981 lasted for sixteen months before the army stepped in, claiming to protect the Polish nation against the greater evil of a Soviet invasion. Since then the Solidarity movement has been hijacked by intellectuals, turning radical rejection of communism into an embrace of neoliberal antiunionism.

The cycle of working-class quiescence and protest has continued, moving from periphery to center. Twelve years after the Gdansk shipyards first burst onto the historical stage, the Soviet Union had already disintegrated, and Yeltsin was celebrating the first anniversary of the unsuccessful coup by party stalwarts. The Soviet Union had withered away with little more than a whimper. Here too the working class had been at the forefront of struggles. In 1989 and then again in 1991 miners from across the nation had organized strikes reminiscent of the Polish August in 1980. Their demands were parallel to those of Solidarity: improve working conditions, the supply of basic consumer goods, and wages; abrogate Article 6 of the Constitution, which gave monopoly of power to the Communist party; introduce elections for all senior government posts; legalize independent trade

unions; and introduce a market economy, ceding control of mines to the miners who work them.

This was indeed a radical program, which remarkably enough has been largely realized—but not with the anticipated consequences. What do the miners think about their victory now? In the summer of 1992 Pavel Krotov and I ventured north of the Arctic Circle to visit Vorkuta, the center of the most militant opposition to the Soviet order. Only a year after vanquishing hated communism, miners were wondering what sort of transition they had brought about. Overnight, inflation had reduced their life's savings to nothing. Their wages had kept up with inflation but they were not being paid because there was literally no cash. Miners were being seduced by consumer goods that were flooding into the Arctic, bartered in exchange for coal exports and sold to workers for a song. The strike committee and the newly formed independent trade union were still a hub of activity, but riven by conflicts over leaders' attachments to commercial ventures and political promotions.<sup>26</sup>

When we returned in the following summer of 1993, Yeltsin, their erstwhile hero, was persona non grata and a depleted strike committee was searching for alternative political horses to back. Later that year miners voted in large numbers for Vladimir Zhirinovskiy and even for Communists. In 1994 the strike committee was disintegrating, the independent union was trying to put out strikes, and the conglomerate was planning mine closures. In 1995 miners were wondering how they would survive. Five of the thirteen mines were to be closed. Those who could moved south to find jobs while keeping up their residence in Vorkuta, where government subsidies supported social services. Most of the first-generation strike leaders had used their position to parachute into lucrative posts. Those who had remained to continue the fight for workers' rights were vilified by their desperate followers.<sup>27</sup>

A new generation of leaders was emerging. Whereas in 1992 my Marxist sympathies would have been declared the ravings of a lunatic, in 1995 Kostya was telling his comrades in the strike committee to listen to me as I told my story of involution in the periphery of a global economy. Once more they were rethinking the past because the future looked so bleak. A joke from Vorkuta tells the depth of degradation. Two mine directors are chatting in their sauna about how to get rid of their workers. One asks the other, "How many months have you not been paying your workers?" "Three months," he replies, "and you?" "Five months." The second responds, "You should start charging them an entrance fee."

Victim of its own militance, this proud aristocracy of labor that had conquered the tundra, survived the prison camps, and been the industrial backbone of a mighty empire was now being crushed by the market forces it had championed. Isolated from the rest of the working class, which had been only dimly aware of the erupting volcano, miners lost control of their movement. Theirs was the swan song of the working-class struggle against

communism that opened with an orgiastic explosion in Hungary and ended forty years later with the implosion of the center. They had been the grave-diggers of communism and were now being buried under their own rubble. In 1989 and 1991, as in 1917, the most militant sections of the Russian working class had been the catalyst to bring down the old regime, and as before they were among the new regime's first victims.

Here lies the paradox of my Marxian odyssey. While the working class of advanced capitalism had for the most part inured itself to exploitation and lost interest in socialism, the working class of state socialism had invested its last collective energy in a suicidal dynamiting of the very regime that spoke in its name. My comparative ethnography resolved this double paradox by juxtaposing the *robustness of hegemony* to the *fragility of legitimacy*. This theoretical reconstruction began with a particular conception of state socialism in which exploitation and domination are transparent. Transparency calls for *legitimation*, for an ideology which presents the party state as all-knowing, as defining the universal interest embodied in the plan.<sup>28</sup> Legitimation based on a radiant future, rather than immemorial tradition, invites criticism on its own terms—a criticism which demands that the party state live up to its promises. As pressure mounted, the ruling class abandoned its socialist project and parachuted into a market economy. State socialism cannot live without legitimacy, but in the end it could not live with legitimacy either. Capitalism is blessed with the invisibility of exploitation so that legitimation plays second fiddle to *hegemony*—the coordination of material interests of all classes with the general interest of the dominant class. The power of hegemony is to channel dissent into struggles at the margins rather than the center, over compromises rather than principles. Hegemony does not rely on capricious belief in legitimacy but on practices that organize consent.

#### *Marxism after Communism: From Metaphysics to Methodology*

Georg Lukács once wrote that even if all of Marx's individual theses were disproven, one would not have to renounce Marxism for a single moment. The validity of Marxism lies not in this or that thesis but in its "method." For Lukács truth lay in the "totality" constructed by intellectuals through the eyes of a putative revolutionary proletariat. He dismissed the empirical consciousness of the proletariat in favor of its historic mission.<sup>29</sup> The debacle of socialism on the eve of the First World War, the scientism of the Second International, and the Bolshevik Revolution prompted Lukács to rewrite Marxism from the standpoint of revolutionary optimism. Today we must rewrite Marxism from the standpoint of revolutionary pessimism. Instead of eschatological madness I propose ethnographic realism.

Thus, the extended case method is the inverse of Lukács' metaphysics. It demands that we extend ourselves beyond the hallowed walls of the laboratory, the academy, and the institute. Real—or, for historians,

virtual—participation anchors social scientists in the life of their subjects, in a life not of the social scientists' own making. Participation grounds the messianic imagination and restrains the intellectual conceit of illusory universality. It is a method that demands extended participation in time and space in order to comprehend real-life processes, in order to grasp the projects of the participant and not just those of the observer. It is also a method that extends beyond the everyday world of projects to their external conditions of existence, while never forgetting that those conditions are not natural and immutable but themselves historical products that require reproduction.

Any method is inextricably bound up with theory. The extended case method is governed by a theoretical program, in my case Marxism: a theory that is not fixed but extends itself through self-correction in the light of empirical inadequacies. Marxism is nevertheless grounded in hardcore normative premises about emancipation, in ontological premises about the nature of the world and its possible futures, and in heuristic premises about the concepts we should use to describe that world.<sup>30</sup> My ethnographic odyssey was therefore simultaneously an odyssey of empirical refutation and theoretical reconstruction, built on the fertile and solid base of Marxism.

## NOTES

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1. Perhaps the most well-known class maps are those of Harry Braverman, *Labor and Monopoly Capital* (New York, 1974); and Erik Wright, *Classes* (London, 1985) and *Class Counts: Comparative Studies in Class Analysis* (Cambridge, 1996). For my debate with Wright, see Erik Wright et al., *The Debate on Classes* (London, 1989), chap. 2.

2. Most obviously there is the tradition bequeathed by E. P. Thompson's *The Making of the English Working Class* (London, 1963), and a huge literature on new social movements pioneered by Charles Tilly, Alain Touraine, and others. I developed my critique of class as "effect" in commentaries on the work of Adam Przeworski, especially his *Capitalism and Social Democracy* (Cambridge, 1985). For this debate see Terrell Carver and Paul Thomas, *Rational Choice Marxism* (New York, 1995), chaps. 5–7.

3. Michel Foucault, *Discipline and Punish* (New York, 1977); Foucault, *Power/Knowledge: Selected Interviews and Other Writings*, ed. Colin Gordon (New York, 1978).

4. In my case, there are two other subdialogues contained in the one between theory and ethnography. The first is within theory itself, which includes my many debates with other scholars and colleagues as well as the experience of and teaching and working with the extraordinary graduate students at Berkeley. The second subdialogue is the interaction between myself and those I studied, often mediated by superb collaborators in the field. In this paper, however, I have subordinated these two constitutive dialogues to the evolutionary exchange between theoretical framework and fieldwork.

5. There is a voluminous literature on the Western Electric studies, but the major source for the research and its results is Fritz Jules Roethlisberger and William Dickson, *Management and the Worker* (Cambridge, 1939).

6. See Donald Roy, "Efficiency and the Fix: Informal Intergroup Relations in a Piecework Machine Shop," *American Journal of Sociology* 60 (1954):255–66; Roy, "Quota Restriction and Goldbricking in a Machine Shop," *American Sociological Review* 57 (1952):158–68; Tom Lupton, *On the Shop Floor* (Oxford, 1963).

7. Michael Burawoy, *Manufacturing Consent: Changes in the Labor Process Under Monopoly Capitalism* (Chicago, 1979). This book was heavily influenced by Gramsci and by the French structuralist Marxism of Louis Althusser and Nicos Poulantzas.

8. Donald Roy, "Restriction of Output in a Piecework Machine Shop," Ph.D. dissertation, University of Chicago, 1952.

9. Antonio Gramsci, *Selections from the Prison Notebooks* (New York, 1971), 277–318.

10. Miklos Haraszti, *A Worker in a Worker's State* (Harmondsworth, 1977).

11. Michael Burawoy, *The Politics of Production: Factory Regimes Under Capitalism and Socialism* (London, 1985), chap. 4.

12. I had also studied a different type of despotism—colonial despotism—in the Zambian copper mines. Based on four years of fieldwork from 1968 to 1972, I analyzed the uneven persistence of colonial despotism even after the attainment of political independence. See Burawoy, *The Politics of Production*, chap. 5.

13. chapter 2. For brilliant elaborations of this comparative approach showing the links between factory politics and wider struggles, see Richard Biernacki's comparison of the nineteenth-century textile industry in England and Germany, *The Fabrication of Labor* (Berkeley, 1995), and Jeffrey Haydu's comparisons of metal workers in England and the United States at the turn of the century, *Between Craft and Class* (Berkeley, 1988).

14. Burawoy, *The Politics of Production*, chap. 3.

15. This point is elaborated in detail by Paul Johnston, *Success While Others Fail* (Ithaca, 1994).

16. Michael Burawoy and János Lukács, *The Radiant Past: Ideology and Reality in Hungary's Road to Capitalism* (Chicago, 1992), chap. 2.

17. Braverman, *Labor and Monopoly Capital*. Braverman argued that a distinctive dynamic of monopoly capitalism was the managerial expropriation of skill, or what he called the separation of conception and execution. This now-classic work has been subjected to intense criticism, but my studies of socialist production vindicate his delineation of the specificity of the capitalist labor process.

18. Burawoy and Lukács, *The Radiant Past*, chap. 3.

19. *Ibid.*, chap. 4.

20. *Ibid.*, chap. 5.

21. On VGMKs, see David Stark, "Rethinking Internal Labor Markets: New Insights from a Comparative Perspective," *American Sociological Review* 51 (1986):492–504.

22. For an excellent example of how to problematize both factory politics and global politics, see Linda Fuller, *Work and Democracy in Socialist Cuba* (Philadelphia, 1992). Fuller shows how Cuba's politics of decentralization in the late 1960s led to greater democratization of production politics, and how this in turn fed back into global politics.

23. Michael Burawoy and Kathryn Hendley, "Between Perestroika and Privatization: Divided Strategies and Political Crisis in a Soviet Enterprise," *Soviet Studies* 44 (1992):371–402.

24. Michael Burawoy and Pavel Krotov, "The Soviet Transition from Socialism to Capitalism: Worker Control and Economic Bargaining in the Wood Industry," *American Sociological Review* 57 (1992):16–38.

25. Michael Burawoy, "State and Economic Involution: Russia Through a Chinese Lens," *World Development* 24 (1996):1105–17.

26. Michael Burawoy and Pavel Krotov, "The Economic Basis of Russia's Political Crisis," *New Left Review* 198 (1993):49–70.

27. Michael Burawoy and Pavel Krotov, "Russian Miners Bow to the Angel of History," *Antipode* 27 (1995):115–36.

28. Here I am indebted to Georg Konrád and Ivan Szelenyi's classic *The Intellectuals on the Road to Class Power* (New York, 1979).

29. Georg Lukács, *History and Class Consciousness* (Cambridge, 1971).

30. This view of the history of Marxism is elaborated in Michael Burawoy, "Marxism as Science: Historical Challenges and Theoretical Growth," *American Sociological Review* 55 (1990):775–93.