Terrains of Contest
Factory and State under Capitalism and Socialism

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Many of the most significant advances in Marxism during the last decade have emerged from the study of the state and the labor process. Yet there has been a striking failure to join these two streams of development. That analyses of labor and politics have taken very different routes is particularly curious, for two major reasons. First, Marxist programs for the transformation of capitalism involve a revolutionary agency which derives its identity through labor but realizes its interests through politics. The working class is constituted as a "class in itself" in relation to production; it becomes a "class for itself" in struggles against and within the state. The relationship between the state and the labor process therefore becomes critical in shaping the movement from economic activity to political struggle.

The separation of politics and labor is paradoxical also because Marxist conceptions of socialism revolve around the relation between the creative transformation of nature (labor) and the collective self-regulation of society (politics). Thus, the failure to link labor and politics not only affects our ability to grasp the limits within which capitalism can be transformed, but comes home to roost in simplistic and utopian visions of socialism which ignore the problems of combining collective, centralized direction of

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between normal times, when economic and political struggles were separated, and crisis times, when they merged. Edward Bernstein’s evolutionary Marxism located tendencies toward change within the political realm. Increasing decentralization would spill over into the economic arena, although there were definite technical limits to the transformation of the labor process. Bernstein regarded radical notions of worker control as utopian and his vision of “industrial democracy” was little more than joint participation through collective bargaining. He spelled out the vision implicitly dominant within pre-World War II Marxism.

The revolution Lenin brought to Marxism was to place the state at the center of attention as the cement holding society together. To break the cement was to transform capitalist society. Through the party, direct producers became agents of revolution. The economic assumed significance as a launching pad for the assault on the state; under the dictatorship of the proletariat its significance is confined to the provision of the means of existence. In *State and Revolution* Lenin does pay lip service to workers’ control and collective self-management, but in practice centralism leaves little room for more than “public meetings” which would rarely decisions already made by management and party. Factory and society become one, subordinated to the plan. The labor process is to be the most advanced form that capitalism can offer, and its management is subordinated to the dictates of the central government. For all his stress on dual power in the making of the revolution, Trotsky went even further in denying a political role to labor in his program for the militarization of labor during the era of war communism.

Council communism, as espoused by Korsch, Pannekoek, Gramsci, and others, posed the greatest theoretical and sometimes practical challenge to the centralism of the Bolsheviks. Its ablest exponent, Gramsci, was to develop a sophisticated understanding of the relationship between factory council as a revolutionary institution, and trade unions and party as defensive organs that would protect and even advance gains made under capitalism. The collapse of the council movement in Turin after the “red years” (1919–1922) brought Gramsci much closer to Leninism, stressing the central role of the party in transforming the state. Gramsci’s prison writings shift from production to politics as the realm of struggle. The economic only provides actors for the political arena, and it sets limits to the struggles that take place there. Gramsci rarely reaches back to production. Again the separation of politics and labor is upheld: first from the side of labor, then from the side of politics.

Lukács is the first to return to Marx’s examination of the labor process. His analysis of the factory as the locus of fragmentation, atomization, and reification firmly opposes the more optimistic view of the Second International that the economic arena naturally forges the proletariat into a homogeneous class. The revolutionary anticipation of *History and Class Consciousness* rests on assumptions of economic collapse in which the class interests of capital and labor become incompatible. Lukács’s profound unveiling of the disintegrative effects of capitalism fails to move beyond the labor process into the realm of politics except via a messianic intervention of the party or a miraculous self-realization through worker councils. Western Marxism, as sifted through critical theory, recovers Lukács’s central theme of mediation. But the proletariat as revolutionary agent disappears and history becomes subjectless. The party becomes the focus of bitter critique, as the fountain of authoritarianism, and economic collapse gives way to the durability of capitalism. The focus of analysis shifts first from the economic to the political, but then decisively to the cultural, philosophical, and psychological realms. The understanding of labor dissolves into a general notion of the domination of nature, inseparably linked to the domination of people, yielding a call for a new (but unspecified) relationship of humans to nature. Marcuse continually returns to the labor process, the meaning and possibility of emancipated labor, the relationship between the realm of necessity and the realm of freedom, but offers little examination of politics.

Habermas separates labor and politics philosophically and makes it impossible to bridge the distance except in mechanical terms—technical rationality of work overflows its boundaries, or the political realm interprets the work realm with the erosion of the market economy. Habermas lays the basis for interventionist theories of the state in which the latter fills “functional gaps,” regulating relations between capital and labor or among capitalists. The labor process remains an unexamined given.

Theories of the state that focus on the organization and repression of class struggle move far away from the economic arena.
Indeed, the very notion of the relative autonomy of the political, which Poulantzas places on a pedestal in Political Power and Social Classes, tends to become a justification for ignoring the economic, in the tradition of the political writings of Marx and Gramsci. Relative autonomy was necessary for the preservation of the cohesion of the entire social formation, for the disorganization of the subordinate classes, for the organization of the power bloc, etc. How that relative autonomy is produced is never clear. Poulantzas’s later work, however, departs radically from this functional conception of the state. In State, Power, Socialism the state is viewed as a “social relation” which expresses the balance of class forces. The state is no longer simply the object of struggle but becomes the arena of struggles both within and between apparatuses. He now points beyond assertions about the necessary “effects” of the state toward the conditions and manner of their production—that is, to the production of politics. In other words, political apparatuses of the state are endowed with distinctive “labor processes” which, rather than produce commodities, produce and reproduce relations, organize struggles, and so on. But just as the state is seen to have its productive aspect, a political component is now attributed to the workplace. Power is no longer the monopoly of state apparatuses but condenses in apparatuses outside the state, in the family, the community, and above all the factory. From the production of politics we move to the politics of production. Yet these factory apparatuses remain to be examined: what are the relations they reproduce, the struggles they regulate? The answers to these questions can only be found through re-examining the labor process itself.


As we shall see, where we begin determines where we end up. The very definition of the labor process becomes critical to the possibility of understanding the relationship between labor and politics. For Marx, the three elementary factors of the labor process are 1. the personal activity of man, i.e., work itself; 2. the subject of that work, and 3. its instruments. We shall add a further dimension which Marx explicitly refuses to include:

[The labor process] is the everlasting Nature-imposed condition of human existence, and therefore is independent of every social phase of that existence, or rather, is common to every such phase. It was, therefore, not necessary to represent our labourer in connexion with other labourers, man and his labour on one side, Nature and its materials on the other side.  

By insisting on the relational aspect of the labor process, we also create the possibility of linking labor and politics. The three dimensions of production become: first, the activity of work involving the manipulation of instruments of production; second, as laborers engage in work they enter into relations with one another; third, such work involves the combination of “raw materials” with a view to production of new use values.

Three sets of questions emerge. First, how is it that direct producers actively cooperate in the activity of labor? In class societies where surplus is pumped out of the direct producers, cooperation becomes a problem of the organization of consent and coercion.

Second, how are relations among direct producers reproduced? This reproduction is a question of politics. Two types of politics must be distinguished, corresponding to two types of relations. The relations through which the product is distributed and appropriated are the relations of production; the relations of cooperation within the process of production itself are the relations in production. Struggles over the transformation or reproduction of relations of production define what I call global politics and are primarily organized by the apparatuses of the state. Struggles over the transformation or reproduction of relations in production define what I call production politics, and are primarily organized by apparatuses of the factory. The link between workplace and state is mediated by the factory apparatuses.

The third question concerns the transformation of one set of use values into another. This implies a complex set of relations among different labor processes in the society as well as between production and consumption. How do we understand such a totality based on relations of economic interdependence, and how is that interdependence organized and guaranteed?

I shall deal with these questions in turn as they apply to the capitalist labor process: the organization of consent, the nature of relations in production, political apparatuses of the workplace, the link between production politics and global politics, the construc-
tion of the totality based on the interdependence of capitalists, and
the coordination of production for exchange with production for
use. Finally, I will turn to questions concerning the relations be-
between capitalist and socialist forms of production politics.

3. Struggles on the Shop Floor

Braurman's understanding of labor is of an activity—one that involves the transformation of nature. In the case of human labor this activity has both mental and manual dimensions, and therefore the possibility of their separation through the creation of a class of direct producers who execute what a dominant class or its agents conceive. Monopoly capitalism realizes this possibility in a systematic fashion, exemplified by the deskilling of craft work and the creation of routine, fragmented tasks. Labor is reduced to an abstract activity. Workers are stripped of their subjectivity and become appendages of machines or executors of rules. The problem I want to stress here is not the usual one—that Braurman ignores resistance. Rather, it is that he omits any consideration of the production of the subjectless subject. He makes no reference to the psychological and other processes through which subordination to capital is secured, the processes through which workers come to comply with and often advance their own dehumanization.

In Contested Terrain, Edwards supplies such a psychology as the defining element of the mechanisms of control that transform labor power into labor. According to Edwards, control has three dimensions: first, the explication of tasks; second, the evaluation of performance; and third, the application of sanctions in order to elicit compliance. The evolution of the capitalist labor process is, then, the perfection of each dimension of control through technological change and bureaucratic routinization. Edwards distinguishes three historically successive forms of control: simple, technical, and bureaucratic.

Simple control is first found in the small firm, where personal ties link owners and workers. Increases in the size of the company undermine personal loyalties, which give way to hierarchical control and the dictatorship of the foreman.

Between 1890 and 1920 the intensification of class struggle com-
bined with the concentration and centralization of capital to pro-
mote a crisis of simple control. Large corporations began experi-
encing with new forms of control, including scientific manage-
ment and welfare capitalism. According to Edwards, the failure of these experiments instigated the development of technical control, epitomized by the assembly line, in which the organization of technology narrowly constricted productive activities and so facilitated the splicing of tasks and evaluation of performance. However, this subordination to technology bound workers to one another and led to militant struggles against capital. The contradictions of technical control led to new forms of control based on the administra-
tion of rules. Bureaucratic control aims at routinizing all functions of management, all dimensions of control, subordinating all productive activities to rules. Although each period generates its own prototypical form of control, once a form of control has been introduced into an industry it tends to persist into successive periods. Simple and technical control still prevail in many industries.

Edwards and Braverman describe a similar process—the advance of objectifying forces and the elimination of subjectivity. For Edwards, the process is the progressive conditioning of labor by the stimulus of capital, for Braverman, the opposite becomes the monopoly of capital. Not surprisingly, Edwards sees the major contradiction of this form of control as its rigidity—the constraints it imposes on the adaptation of management to the exigencies of dynamic environments. Indeed, no capitalist enterprise could function effect-
ively with a coercive form of control under which workers were stripped of all directive functions and rules eliminated all uncertainty. We know from our own experiences and from numerous studies of offices and factories that no matter how fully technical and bureaucratic control explicate, evaluate, and sanction activities they cannot and must not eliminate that spontaneous cooperation of workers necessary for production. Working to rule is the most effective way of disrupting the labor process. If capitalism ever did manage to reduce workers to conditioned automations, it would mean the immediate breakdown of the productive process. The managerial dream would become a nightmare.

Capitalism depends on the creative participation of direct producers. For Castoriadis, this is the central contradiction of capital-
ism, "to try and achieve the simultaneous exclusion and participation of people in relation to their activities, in the fact that people are forced to ensure the functioning of the system half of the time against the system's own rules and therefore in struggle against it." Or, to put it in Braverman's language, the more effectively management separates conception from execution, the more necessary it becomes for workers to recombine conception and execution on the shop floor in order to keep production going. If the organization of work requires a minimal "responsible autonomy," as Friedman calls it, a certain trust extended to direct producers by managers, it also entails a corresponding devolution of power. It then becomes a matter of eliciting support for managerial goals from workers.

How can workers be persuaded to cooperate actively in the production of their prisons of labor? We have now shifted to a very different conception of control. Instead of a psychology of explanation, evaluation, and response, which presumes a unidirectional relationship (as between Pavlov and dog), it is more appropriate to examine the labor process in terms of the production of consent and the organization of struggles.

Management may secure compliance to rules through carrot and stick, but how does it secure the consent presupposed in the pursuit and production of profit? A system of rules and sanctions does not itself generate consent, but defines an arena within which workers are free from arbitrary intervention by management. Within this arena workers seek control over the labor process as a means of adaptation to the inexorability of coming to work and the drudgery and arduousness of the work itself. Such adaptation is often socially organized in the form of games. Workers will create their own "informal" rules and impose them on management as essential to the coordination of production; only when they are clearly disruptive will management step in and eliminate them. This marginal realization of the radical need to control their own labor becomes, in part, the basis of consent to capitalist production. However slight the relief they bring, strategies in game-playing come to loom large in everyday work life, while the rules and conditions that shape the strategies are taken for granted. One cannot play a game and question the rules at the same time; consent to rules becomes consent to capitalist production. The significance of rules lies in the constraints they impose on management as well as on direct producers—that is, in the preservation of an arena of uncertainty free from managerial domination. Workers therefore have a definite interest in rules that offer them a certain autonomy.

Rules and sanctions are not merely the conditions of consent; they can also be the object of struggles. The problem is not that Edwards ignores struggles—to the contrary, he insists on placing struggles at the forefront of history. For him the history of the labor process is the history of class struggle. Rather, his problem is to explain struggle, to combine a behavioral psychology of conditioning with the centrality of struggle. How can conditions most favorable for bureaucratic control turn into struggles for workplace democracy? And alternatively, how can the ubiquity of class struggle, resistance, and conflict be reconciled with the effectiveness of bureaucratic control?

To understand the link between struggles in the workplace and those in the wider political arena we must dig deeper and pose the question of the nature of struggle. Here it is important to distinguish between the idea of a contested terrain and a terrain of contest. To speak of a contested terrain is to suggest that workers continually question the form of the capitalist labor process, whereas to speak of a terrain of contest is to suggest that the workplace is an arena in which struggles are organized, but that these struggles by no means necessarily threaten the organization of work. And the critical question becomes, how does the workplace turn from a terrain of contest into a contested terrain? Edwards either takes the shift for granted—"The labor process becomes an arena of class conflict, and the workplace becomes a contested terrain"—or brings in struggles, almost miraculously, from outside. Here the flip side of conditioning in the workplace is spontaneity in politics. Again we observe the familiar relationship between labor and politics: either a mechanical fusion or an equally mechanical separation. To move beyond Edwards we must begin to define the object of struggles and examine the apparatuses that organize those struggles. That involves distinguishing between relations of production and relations in production, production politics and global politics, factory apparatuses and state apparatuses, and then examining the relationships between them.
4. The Specificity of Relations in Production

Whereas Braverman concerned himself primarily with the technical aspects of the labor process—technical in the sense of workers' relations to the physical process of production—my analysis will focus on the developing social relations of production at the point of production. Undoubtedly Edwards's typology of control as social relations of domination in the firm is a major advance over Braverman's undimensional separation of the activities of conception and execution. But his conception of these relations as the social relations of production within the firm is not without its problems.

By reducing all production relations to relations of production Edwards also reduces all politics to class politics. Thus, he asserts that the "central dialectic in the political arena remains the clash of class interests," and "the underlying material conflict—between capitalists and workers—continues to assert itself" in the political arena. In opposing pluralist conceptions of politics, Edwards insists on the underlying unity of politics, a unity that involves the reproduction of class relations—that is, relations of production—and is guaranteed by the state. Therefore, struggles on the shop floor between management and workers are regarded as manifestations of class politics whose ultimate object is necessarily the state. The corollary of such an argument is that the transformation of the state leads directly to the transformation of the labor process, and conversely, that the transformation of the labor process implies a transformation of the state.

While Edwards parts company with Leninist orthodoxy by regarding the capitalist labor process as irrevocably tainted by capitalist relations of production, the political implications of the two positions are not so different. In both cases the transformation of the state and therefore of the relations of production appears to be sufficient for the destruction of capitalism: for Lenin because the workplace has a certain neutrality vis-à-vis the relations of production, and for Edwards because the workplace is defined by relations reproduced by the state.

Edwards would not subscribe to such a fallacious conclusion, and does stress the importance of popular control outside the state. But that is not what is implied in the twofold reduction, first of relations at the point of production to relations of production, and second, of politics to state politics—that is, to struggles over relations of production. In reality all power cannot be reduced to state power, although all power may be shaped and ultimately guaranteed by it. Political apparatuses that exist outside the state reproduce and materialize non-class relations. The family reproduces gender relations through its own mechanisms. The same may be said of the apparatuses of the factory: they reproduce and materialize a distinct set of relations—relations in production.

In sum, Edwards and others fail to attribute a theoretical specificity to the social relations within the firm. The result is a major ambiguity. There are relations of production at the level of the firm, but they are not what Edwards designates as simple, technical or bureaucratic control. Relations of production concern the mechanisms of appropriation and distribution of surplus labor; under capitalism they manifest themselves at two levels: first, the relations of competition and interdependence among firms; second, the relations of exploitation defined at the level of the firm itself. Capitalist relations of exploitation, therefore, concern the purchase and sale of labor power—wages, fringe benefits, union restrictions on the recruitment of labor, etc. These relations of production must be distinguished from the relations in production which concern the form of productive cooperation, the transformation of labor power into labor, or, correspondingly, "raw materials" into goods and services. Whereas factory apparatuses are pre-eminently concerned with the regulation of relations in production (as well as relations of production at the level of the firm), state apparatuses exist primarily to protect and sometimes organize the global relations of production. Moreover, each set of relations and corresponding apparatuses shapes and constrains the other, in historically specific ways. There are other significant apparatuses of power, such as the family, in capitalist society. But the above two sets of relations and corresponding forms of politics crucially shape a given society from the perspective of the transition to socialism.

The distinction between relations in and of production allows one to pose the question of the relationship between workplace and state, to understand the autonomy of the different apparatuses and the possibility of transforming one arena of power without transforming the other. Transforming the Russian state did not
imply the transformation of the workplace (either the relations in production or the relations of exploitation), just as establishing dual power based on factory councils did not lead to the transformation of the Italian state in 1919–1920. Having established a certain autonomy of production politics from global politics, we can examine their relations in different historical contexts.

5. Political Apparatuses of the Workplace

Braverman’s conception of the transformation of the labor process in terms of degradation and domination passes over the relational component of work. He therefore misses the mechanisms for the reproduction of those relations, the political apparatuses of the workplace. Although Edwards acknowledges relations at the point of production, his conception of control obscures the critical distinction between the labor process, conceived of as a combination of relations and activities, and the factory apparatuses that organize struggle and consent. These political apparatuses mediate between workplace and state, and their character marks different societies; at this point I am concerned only with the distinction between competitive and monopoly capitalism.

Attempts to define the specificity of the labor process under advanced capitalism are often misconceived when based on a comparison of contemporary realities with idealizations of competitive capitalism. Thus, Braverman’s depiction of monopoly capitalism as the destruction of skill rests on a romantic vision of competitive capitalism as the reign of the craft worker. In projecting his unilinear unfolding of forms of control, Edwards reduced the nineteenth-century labor process to “simple control,” in the form of either direct control by the entrepreneur or the despotism of the foreman. Yet it is not at all clear why we cannot depict the cotton industry in terms of technical control as well.12 One notices immediately a clash between Braverman’s conception of competitive capitalism as the haven of craft control and Edwards’s image of an already advanced division of labor in which control already resides with capital or its agent. The reality is some combination of the two, which varies from one industry to the next.

Braverman’s analysis is somewhat confusing since his discussion of competitive capitalism relies on studies of Britain, whereas his presentation of monopoly capitalism refers to the United States. Since we know more about the organization of work in nineteenth-century Britain, I will confine my discussion of competitive capitalism to that country. Broadly, we can discern four types of labor process. First, there were the established crafts of the pre-industrial era which managed to protect their autonomy for a considerable time, regulated by some form of apprenticeship. Printing and woodworking are perhaps the most typical of these. Apprenticeship was continually threatened as the actual technical skill component even in these areas declined. Second, where new skills were required in emergent industries, a system of subcontracting often developed. Here entrepreneurs would hire a contractor who would be paid according to output. (This occurred in such industries as iron, coal, and cotton spinning.) The subcontractor would hire assistants or helpers over whom he would have unilateral control, although later in the nineteenth century they would organize into unions. The subcontractor was often threatened with displacement by his helpers when capital wanted to break his control. In response, internal labor markets would be created so that assistants could be promoted to subcontractor on the basis of seniority. In certain industries, such as building and engineering, one finds a combination of both apprenticeship schemes and inside contractors.

Third, in the new mass production industries, such as construction, cotton weaving, chemicals (brewing, distilling, sugar refining, soap boiling), and in the service industries (post office, railways, and police), there emerged systems of unskilled direct employment. Fourth, there were the domestic industries, clothing in particular but also boots and shoes—the sweated trades of consumer goods that Marx describes. There is no need to enter further detail here; suffice it to say that any attempt to talk of the labor process is as futile in a discussion of competitive capitalism as it is in speaking of monopoly capitalism.

Marx recognized two principal labor processes coexisting in nineteenth-century capitalism. First, the labor process of manufacture was defined by the laborer’s subordination to a detailed division of labor within the firm while retaining control of the instruments of production. This is the formal subsumption of labor. Second, the labor process of modern industry was defined by the
subordination of the direct producer to the instruments of production as well as to the division of labor; this is the real subsumption of labor. Although the transition from the first to the second followed from the exigencies of competitive accumulation—that is, from forces springing from the relations of production—the transition does not correspond to any distinctive change in the relations of production—that is, in the relations of competition and interdependence among capitalists or between capital and wage labor. And vice versa, the periodization of capitalism into its “competitive” and “monopoly” phases is based on the emergence of large corporations and oligopolies, which do not have its reflex in the transformation of the labor process. How then shall we link the labor process—the relations in production—to changes in the relations of production? We can begin by shifting from the labor process itself—the organizing principles of the relations and activities of the collective worker—to the way these relations are reproduced and struggles over them are regulated. That is, we must turn to the particular political apparatuses of the workplace.

UNDER COMPETITIVE CAPITALISM, despotism at the point of production constitutes a condition of survival for the individual capitalist subordinated to the anarchy of the market. The politics of market despotism rest on the capacity of the capitalist to hire and fire at will, to deploy labor for as many hours as the product market demands, and to change the balance of reward to effort in accordance with pursuit of profit transmitted through the ever-changing dictates of supply and demand. Relations in production are reproduced and compliance secured through the coercive mechanism of the economic whip. The reproduction of labor power is not given an ultimate guarantee by the state. It is not protected by minimum-wage legislation or a certain job security, but depends directly on the expenditure of labor on the shop floor, whether this be through a piece-rate system or the arbitrary assessment of the overseer. Hence production politics is marked by the domination of coercion over consent.

The rise of large corporations and oligopolies capable of containing market uncertainties implies the possibility (and to some degree the necessity) of reducing corresponding uncertainties in the labor market by constructing new forms of production politics. As Edwards relates, the development of new forms of control in the United States was not automatic but went through a number of trials. Employers, particularly large corporations, began experimenting with new techniques of control: scientific management, welfare capitalism, and company unions. All proved unequal to the task of control. According to Edwards, the problem was solved first through technological innovation, and later through bureaucratic control.

What is at the root of the new forms of production politics? We have already seen that the transition from competitive to monopoly capitalism cannot be reduced to the rise of technical control nor to the systematic separation of conception and execution. Rather, it is marked by the systematic separation of the expenditure of labor from the reproduction of labor power. By severing the link between subsistence wages and effort, between factory apparatuses and the family or community, the volatility and brittleness of capital-labor relations in capitalism’s competitive phase and in the transition to advanced capitalism gives way to a relative insulation of economic struggles. This new form of production politics begins to be established in the United States only during World War II and is consolidated in the postwar period, particularly within large corporations.

Thus within the monopoly sector of advanced capitalism, the translation of labor power into labor can no longer be secured through economic coercion. Rather, the labor process comes to be regulated by a production politics in which consent prevails over coercion. The particular form developed in the United States rests on grievance machinery and internal labor markets which constitute workers as individuals with rights and obligations. Workers are bound to the firm, their interests coordinated with the present and future growth (or decline) of the firm through seniority clauses governing transfers between jobs, lay-offs, supplementary unemployment benefits, pensions, vacations, and so on. Collective bargaining not only reasserts the common interest of management and provides a terrain for the periodic absorption and reorganization of struggle, but also constrains managerial discretion. The rise of factory apparatuses based on rules with a certain autonomy—that is, rules that cannot be changed at will, but only through definite procedures—protects management, at least in the normal run of
affairs, from itself. That is, it restrains management's own tendency towards arbitrary commands, which would undermine the organization of consent. In short, despotism under competitive capitalism gives way to hegemony under monopoly capitalism, whether it be the bureaucratic pattern of the United States, the anarchic pattern of Britain, or the corporatist pattern of Japan. From being a contested terrain, the workplace becomes a terrain of contest.

Within the non-unionized competitive sector of advanced capitalism, a very different situation pertains. The firm is subordinated to either an intensely competitive product market or the domination of large corporations from which it subcontracts work. Here we often find a form of production politics akin to market despotism. Yet the form of production politics found in the competitive sector of advanced capitalism is not the same as that found in competitive capitalism of the last century. This difference revolves around the relationship between labor process and state, between production politics and global politics, to which we now turn.

6. Production Politics and Global Politics

Braverman ignores politics, as though they were irrelevant to the accumulation of capital and degradation of work. He thereby expresses what others refer to as the depoliticization of the public realm: the scientization of politics and the erosion of democratic direction of society. Edwards formulates what Braverman leaves implicit: as a result of growing state intervention in the economy and the "substitution of administrative power for power derived from the electorate...party politics, citizen voting, and the entire electoral process have come to have less and less effect on government policy." But this intervention simultaneously produces an opposite movement: diverting "working class struggles from the economic sphere and increasingly focusing them on the stage arena, the new form of politics makes control of government crucial." The working class is prevented from realizing these opportunities by its fractionalization, which emerges from a system of segmented labor markets. Here Edwards takes categories developed in his analysis of the economic order—the working poor, the traditional proletariat, and the middle layers—and projects them as actors on the political scene. "The working class has been unable to challenge capitalist hegemony because it has been split into fractions. Each of these fractions has different immediate interests and has pursued these separate interests in the political arena. The result has been the demise of 'class' issues and the rise of 'fraction' issues." But why these fractions and not other economic categories become the basis for the formation of political interest is not clear. What are the processes whereby a segment of the working class becomes a political actor—that is, becomes a fraction? Edwards's bridging of the great divide between labor and politics is a little too automatic.

Comparative and historical analysis suggests that the new forms of intervention of the state in fact establish a new form of production politics which secures capitalist hegemony in production. Fractionalization or no, domination and consent are secured in the workplace itself through distinctive political apparatuses which have been shaped and continue to be protected by the state. Moreover, fractionalization is itself a consequence of the establishment of a particular type of production politics, although its effects may be to compound the difficulties of "challenging capitalist hegemony." Two sets of comparisons are called for. The first contrasts production politics and global politics as found under competitive and advanced capitalism, shedding light on the precise way in which economic struggles are contained within limits defined by capital accumulation and at the same time are insulated from political struggles. The second compares the development of the different relationships between production politics and global politics in the United States and Britain.

Under competitive capitalism the form of state intervention is external. Laissez-faire principles reached their apotheosis in Britain in the mid-1840s. At that time factory apparatuses were constructed by capital constrained only by the strength of labor. The combination acts had been repealed, the factory acts were intellectual, and the new poor law abolished outdoor relief in 1834. The link between the reproduction of labor power and its expenditure was unmediated by the state. The state itself was unable to intervene effectively except in the most severe crises. The local state had little power over the organization of factory despotism—in the factory towns it was often no more than a reflection of the balance of class forces. It could neither guarantee
profitability to capital nor subsistence existence to labor. Between 1836 and 1850 the anarchy of the market was at its height; trade cycles were particularly severe and frequent. The unregulated and unassisted efforts of the market economy drove workers into a rebellion against the system as a whole. Revolutionary class consciousness expressed itself in the ten hours movement, Owenism, and Chartism. It was dampened and transformed only after 1851 with the return of prosperity, the effective enforcement of factory acts, and, among the skilled workers, the development of a more conservative trade union movement. The state began to intervene in the organization of the reproduction of labor power through the development of education and new welfare policies, although minimum-wage legislation had to wait until the turn of the century.

Under advanced capitalism the state mediates the link between the reproduction of labor power and the expenditure of labor by guaranteeing minimum wages, taking responsibility for many elements of the reproduction of labor power, and shaping the form of production politics. As we shall see, the state not only defines the limits within which struggle may be waged in the factory but also shapes the institutional forms through which it is carried out, defining the form of collective bargaining, compulsory arbitration, legitimate strikes, and so forth.

But the relationship between production politics and global politics is not invariant under advanced capitalism. Focusing on the monopoly sector (although this extends to some extent to other sectors) we discover that, in contrast to the United States, the British state has lacked the capacity to shape factory apparatuses and thereby regulate production politics. There are few legal restraints on strike activities, secondary picketing is not illegal, collective bargaining is still not legally binding. Continuous shop-floor bargaining supported by powerful shop-steward committees is part and parcel of the application of an industry-wide collective agreement, particularly as multiple union representation within the workplace still exists. There are no legal restrictions on the scope of collective bargaining—it can involve wages and benefits alone, or can be extended to include working conditions, investment decisions, production decisions, and so on. In other words, although the British state defines limits within which production politics operates (e.g., hours of work, redundancy payments, health and safety, etc.), it plays a distinctively weak role in defining the form and content of production politics.

In the United States, by contrast, global politics stamps itself upon production politics. Here collective bargaining are legally binding, and there are legal restrictions on strike activity. The Taft-Hartley Act imposed severe constraints on union organization by such means as outlawing closed shops and restricting the content of collective bargaining so that managerial prerogatives in directing the labor process were protected. Unions have exclusive rights of representation at the plant level and union shops are enforced. Once a contract has been negotiated, the union becomes its watchdog. Thus, in the United States the state has shaped factory apparatuses into mechanisms for narrowly confining struggles on the shop floor. In Britain, on the other hand, factory apparatuses are unstable objects of struggle which impose fewer constraints on management and worker. Global politics in Britain are heavily charged with the class struggles of production politics: in the United States the reverse is true.

But why the difference? Here we must return to the issue of class struggle, the issue over which Edwards sees himself as being at odds with Braverman. In the light of the history of class struggle in Britain and the United States, Edwards's conclusions and empirical observation only confirm Braverman's insight into the supremacy of capital, and Edwards's claim that class struggle evaporates. In Britain the working class was shaped through its struggles with capital. It developed its characteristic strength by evolving along with capital as the latter passed through its various phases: handicraft, putting-out, manufacturing, and modern industry. Even before the factory system developed, British workers had already organized themselves into trade societies, embryonic trade unions.

The ravages of the industrial revolution threw workers together into powerful political movements. The English working class more than any other was forged through a prolonged period of political struggles aimed at transforming the state—struggles over combination acts, factory acts, poor law reform, corn laws, and the extension of suffrage. Capital, although early on forced into employers' associations, was continuously weakened by its relatively small scale. The legacy of being the first nation to industrialize was a competitive structure of industrial production in which labor man-
aged to resist the untrammeled power of capital. Moreover, a second legacy of its pioneer status—the organization of an imperial order subjugated to the needs of metropolitan capital—made the transformation of its archaic structure less urgent. In contrast to the imagery of Marx (and Braverman), the working class was able to resist the transformation of the labor process even in the heart of industrial capital, as in the cotton mills.

The relative strength of labor with respect to capital in Britain becomes apparent when comparison is made with the United States. Here the bourgeois-democratic state came almost ready-made. The widespread presence of political rights and the politics of an open frontier (which made labor relatively scarce) meant that working-class combination was not the matter of survival that it was in England. Violent though they were, the struggles of the late nineteenth and early twentieth centuries were an expression of the weakness of the American proletariat, not of its strength. Moreover, capital in the United States was protected by tariffs and could skip over the earlier phases of development through which the pioneer nation had to maneuver precariously. Capital was able to launch into technological development, new forms of industrial organization, and changing market structures relatively unhindered by resistance from organized labor, while Britain was weighed down by the legacies of laissez-faire. By 1890, the United States had already overtaken Britain in scale of production and technology.

The rapid mechanization not only presupposed weaker resistance from labor but further undermined the resistance that did exist. Thus, unions were frequently crushed by the advance of capital in the era of transition between 1890 and 1920. In Britain the reverse was true. Powerful unions arose before the push towards mechanization and the consolidation of monopoly capital. The trade union movement was never broken, and resistance to the expropriation of control from the direct producer continues to this day. In the United States, only after the completion of the first phase of the scientific-technical revolution and the breakdown of welfare capitalism did industrial unionism establish itself in the corporate sector. But this was a form of unionism shaped in accordance with the needs of capital, and took the expropriation of control over the labor process as a fait accompli.

The different trajectories of development are exemplified by the history of the steel industry in the two countries. In the middle of the nineteenth century, Britain dominated world production of iron and steel, by 1914 the United States produced forty percent of world output, while Britain produced a mere ten percent. There were corresponding differences in the industrial structure. At the onset of World War I, British steel production was scattered among relatively small plants whereas in the United States it was already concentrated in giant corporations. During the last quarter of the nineteenth century, British steel producers adopted a conciliatory stance toward the Amalgamated Malleable Iron Workers of Great Britain and disputes were settled through a system of arbitration boards. In the United States, however, the steel giants never accepted even the slightest of the unions—the Amalgamated Association of Iron and Steel Workers—and systematically undermined what influence it had secured. In both industries the system of subcontracting was destroyed in the United States through corporate aggressiveness, and violent class struggles, in Britain through the organization of underhands or helpers which supplanted the craft union. Whereas in the United States the union was eventually smashed and the labor process transformed in accordance with the dictates of management, in Britain the new union of skilled and semi-skilled operatives managed to retain considerable control over the labor process, the control that the subcontractors had held before.

The international development of capitalism sets parameters on the development of production politics within a single country. Where industrial unions appear late—that is, after mechanization—they take root most strongly in the corporate sector. There they act to stabilize relations, often in accordance with the market requirements of large corporations. So long as the competitive sector remains unorganized or weakly organized, the large corporation can make concessions to its labor force at the expense of the competitive sector, where wages are correspondingly depressed. On the other hand, where unionism has taken root throughout the economy prior to the emergence of the large corporation, struggle acts more effectively as a brake on the transfer of surplus from the competitive to the monopoly sector, on the recomposition of capi-
tal in both sectors, and on the development of dualism and the corresponding segmentation of labor markets.

We can draw two conclusions. First, the different relations between global and production politics found in the United States and Britain can be traced to the timing of unionization and mechanization (in turn limited by the relative strengths of capital and labor). Second, the distinctive development of sectoral and labor-market segmentation, highlighted by Edwards, is but the other side of the coin which depicts the relative unimportance of class struggle. Thus, both Edwards and Braverman capture, although in an unreflexive manner, the specificity of the labor process and production politics in the United States—the fact that capital has subordinated labor to itself with little effective resistance.

To insist on the centrality of working-class resistance is an exercise in cloud kissing. This is not to say that there has been no such resistance in the United States. Far from it: there has been much, and indeed Braverman would have been the last to deny it, but it has not been decisive in shaping the trajectory of the development of the labor process. The problem, then, with Braverman's analysis is not that he is wrong, but that he does not explain why he is right—how, both on a day-to-day basis as well as over a prolonged historical period, capital in the United States has generally secured its domination at relatively little cost.

7. The Reproduction of Capitalism as a Whole

Edwards's class-struggle perspective on the transformation of the workplace has fundamental implications for understanding the history and future of capitalism. Let me recapitulate his argument. The breakdown of simple control was occasioned by intense struggle. Eventually, it gave way to technical control which appeared in such new industries as automobiles. Technical control as well breaks down through struggle—although it lingers on in many industries—and bureaucratic control springs up in such corporations as Polaroid and Xerox. New forms of control seem to emerge in industries other than those where old forms supposedly break down. (As the dissolution of the old and the genesis of the new are disjoined, and the role of class struggle in the process becomes obscure, there is clearly room for research.)

Rather than distinguishing between the two dimensions of the relations of production—the relations of exploitation on the one side and the relations of competition and interdependence on the other, both Edwards and Braverman reduce the latter to the former. Edwards, for example, tends to distinguish between forms of control in the competitive and monopoly sectors. But a theory of the relations of those sectors is hardly present. At most we find a perspective drawn from Baran and Sweezy that stresses the concentration and centralization of corporate capital and the contraction of the competitive sector. But Edwards does not attempt to understand how the rhythm of accumulation in advanced capitalism simultaneously destroys and creates the competitive sector. This is not asking too much, for it is impossible to examine the history and destiny of the labor process without an analysis of the system in which it is embedded. One of the great merits of Labor and Monopoly Capital was the attempt to relate the transformation of the labor process to the capitalist system as a whole. But Braverman's approach to the totality was perhaps too simple. Capital is compelled by the (unspecified) conditions of its reproduction to penetrate the entire social structure, subjecting arena after arena to commodity relations. The process he describes operates smoothly, without struggle or crisis.

Neither the spontaneity of Edwards's class struggle nor the determination of Braverman's capital accumulation is able to get at the problematic nature of the reproduction of capitalism as a whole. This is because they both see the labor process in one dimension alone, the dimension of control. They focus on the problem of translating labor power into labor, of the obscuring and securing of surplus value. They miss a second dimension of the labor process, the transformation of raw materials into useful products. That is, they see the labor process in terms of the production of exchange value alone, and not as the production of both exchange and use value. Relations among capitalists cannot be reduced to relations of competition, they are also relations of interdependence. Capitalists depend upon the supply of the means of production—raw materials, machinery, etc.—as well as on laborers and consumers. In other words, in addition to dividing the economy into competitive and monopoly sectors, we must distinguish between departments that produce the means of production (department 1), consumption
goods (department III), and the means of destruction (department III), although I shall only deal with the first two here.  

From the standpoint of the totality, then, the capitalist economy operates under two logics—the maximization of exchange value through the pursuit of profit, and the production of use value, involving the coordination of supply and demand. The crises of capitalism, particularly in its monopoly phase when the market is supplemented by state intervention, can be traced to a disjunction between these two logics, between the maximization of profit and the need to produce what is required. Such a disjunction in the form of a crisis of underconsumption led to the great Depression, which remains the watershed in the development of United States capitalism and in particular of the labor process. During this period workers struggled to overthrow the coercive modes of regulating the labor process which capital had managed to sustain from the end of the previous century. Furthermore, the militant struggles of the 1930s provide the most important example in United States history of workers participating in the shaping of new forms of production politics—the bureaucratic hegemonic form. It is curious (and perhaps significant) that Edwards barely makes a passing reference to this period. What he does say about the inauguration of technical and bureaucratic modes of control is rooted firmly neither in history nor in a conception of the capitalist system as a whole. Following a recent analysis by Michel Aglietta, I shall briefly outline the link between the transformation of production politics and the resolution of the underconsumptionist crisis during the New Deal. 

In the previous section we pointed to the distinctive strength of capital in the United States and to how this led to Fordism, which Edwards characterizes as technical control over the labor process. He roots Fordism in the breakdown of simple control and the failure of scientific management and company unions as mechanisms for subordinating workers to management. However, Fordism was also unsatisfactory, as it tended to unify the labor force, “raising conflict to the plantwide level.” The assembly line linked workers together in a way that enhanced the chances for industrial unionism. “Such organization marked the beginning of an effective limitation on the new form of control”—this from the point of view of exchange value. From the side of use value, however, the weakening of the working class and the fall in purchasing power of the working class during the 1930s led to a crisis. At the very time that accumulation in department I hinged on increased demand for machinery from department II (which in turn depended on the expansion of mass consumption), the forms of control in the labor process blocked a corresponding increase in the purchasing power of the working class. For a time the concentration and centralization of capital beginning in the late nineteenth century had created a new managerial and bureaucratic class which stimulated the demand for consumption goods. But this expansion could not feed the harmonious development of departments I and II for long. The retreat of working-class purchasing power in the 1920s and 1930s would be reversed only through state intervention of the New Deal, itself the product of popular struggles and a separate political crisis. 

Until the New Deal, the expansion of the production of the means of production was subject to continual crisis. With the New Deal and the transformation of the living conditions of the working class, the expansion of consumption goods production acted as a continual spur to accumulation in department I. New means of production could be continually incorporated into the production of consumption goods, making those goods cheaper and thus increasing the scale of production as well as the rate of profit. It was not simply that the New Deal established the rudiments of a welfare state; it also regulated relations between capital and labor through a new form of production politics. The specific machinery for collective bargaining, exclusive union representation in the plant, and later the development of seniority clauses, bidding systems, pension schemes, and even supplementary unemployment benefits combined to stabilize working-class incomes, at least in the organized corporate sectors of the economy. 

Acting partly in response to popular struggles, the state introduced mechanisms which would counter the tendency for capital to force downwards the working-class consumption norm (particularly in times of recession). It thereby also created the distinctive problems of the organization of consent at the point of production. As a result of the reorganization of production politics and synchronization of the development of departments I and II, the
working class was stripped of its last attachment to precapitalist ways of life and was irrevocably subjected to the commodity society. Exchange relations and consumerism invaded all spheres of life, not least the family as the core institution for the reproduction of labor power. The stabilization of income, minimal guarantees against insecurity through regularized progression, and the extension of credit made it possible for working class life to be subjugated to the market. The purchase of a house and a car bound labor to capital for life, while at the same time giving the necessary impetus to the production of capital goods.

However, the expansion of consumption and the penetration of capital bring further problems. Increasing social costs correspond to periods of unproductive labor in the life cycle, periods of schooling, sickness, and retirement (as well as unemployment). The rate of profit can only be maintained through the transformation of the labor process in the service sector—that is, reduction of the costs of the reproduction of labor power. From the standpoint of the capitalist class, the terrain of struggle shifts from productive sectors to the state, to the "automation" of the delivery of services and the planned reproduction of labor power. But the politics of collective consumption involve the unmediated presence of state apparatuses in community life. There are no apparatuses, as there are in the factory, to deflect struggles over welfare, health, public security, education, etc., from the state. As James O'Connor has suggested, struggles over social reproduction costs are directly democratic because they aim directly at the state.22

These speculative remarks indicate the importance of moving from the relations of exploitation to the broader relations of production in which they are embedded; that is, the importance of examining the reproduction of capitalism as a whole for understanding the transformation of the labor process and production policies. Neither Braverman nor Edwards recognizes the problematic nature of the capitalist system as rooted in the duality of the labor process, as production for exchange and for use. An interest in socialism requires a concern with the systemic features of capitalism.

8. Capitalism and Democracy

Conventional social science conceives the future as the perfection of the present and the present as the natural culmination of the past. Capitalism becomes the purpose of history, and attention is directed to its evolution, as from industrialism to post-industrialism, or to individual units pursuing and realizing their interests (as in microeconomics or pluralist social science).

This has two obvious political repercussions. First, all sorts of illusions are harbored about the possibilities of capitalism reforming itself. Second, the transformation of capitalism, conceived as a historically limited system, into a very different system—socialism—appears as the incomprehensible folly of disturbed minds. In struggling against such powerful systems of thought, deeply rooted in "common sense," it is only too easy to be co-opted onto the terrain of the opposition. It is not enough to have a critical perspective, and to identify with the oppressed and exploited. We must also exercise a constant vigilance over our theoretical assumptions.

In fundamental ways Edwards has been shaped by the very winds of thought which, as a radical economist, he has sought to oppose. His crucial contributions are clear: he breaks open the black box of the neo-classical firm, endows the capitalist workplace with a history, and examines the reproduction of the working class as a whole. At the same time, he shares with bourgeois economists the perspective of the individual capitalist maximizing profit in a system whose logic remains unexamined. And, not surprisingly, he is led precariously close to their political conclusions. This becomes clear when he argues that bourgeois democracy can become a threat to the existence of capitalism rather than a means to its survival. Edwards mistakes the interests of the individual capitalist, who naturally resists any constraints on profit-making activities, for the interests of collective capital. Whereas the expansion of bourgeois democratic rights to all classes may be inimical to the economic interests of capital, bourgeois democracy may still be the best shell for protecting the political interests of capital—that is, the interests of the capitalist class in the preservation of the capitalist system. If one took the professed aversion of capitalists to democratic institutions to indicate their incompatibility with capitalism, capitalism would have disappeared long ago. The capitalist class and its frac-
tions have fought intense battles against the extension of democratic institutions such as universal suffrage, workers' systems, trade-union recognition, etc., but the eventual "defeat" for the capitalist class has turned out to be a condition of capitalism's survival, not its collapse.

Under certain conditions, particularly in its early development, bourgeois democracy became the terrain of building socialism as well as capitalism's savior. Indeed, the leading proponents of the various forms of social-democracy—Kautsky, Luxemburg, and Bernstein—saw the extension of democratic rights as the only possibility for achieving socialism. It is by no means clear that in the contemporary period the pursuit of "democracy" in the political arena will simply blossom and spread throughout society, transforming capitalism into socialism. Yet this seems to be Edwards's view. By ignoring the systemic qualities of capitalism he allows illusions about the possibility of change—illusions absent in Braverman, whose construction of capitalism as an inexorable totalitarian system, an iron cage, belittles any program short of total revolution. If there is false optimism in Edwards there is none at all in Braverman. In between are the possibilities within limits and the limits of the possible.

Along with the common theoretical shortcomings which lead both radical and orthodox economists to reformist illusions, these economists share a second trait: the absence of a systemic conception of capitalism also makes it impossible for them to grasp the idea of socialism as an alternative system. In Edwards, the failure appears in the vagueness of his notion of socialism, which makes it difficult to counter his understanding of the transition to socialism. At times socialism appears as a means to the realization of democracy, and sometimes even as a means to the protection of bourgeois democracy. "If capitalism and democracy have increasingly come into conflict, the best hope for democracy's survival [sic] appears to lie with socialism. But will (or can) the working class and socialists defend and extend democracy?"

What is this socialism? Is it the socialism of actually existing societies—the Soviet Union, China, or Cuba? Or is it a socialism of Edwards's imagination? How long can Marxists continue to appeal to some unexamined and unexplained "socialism" when confronted with the uncomfortable realities of the twentieth century? For how long can we turn a blind eye to already existing socialisms? Vague allusions and rhetorical invocations offer no challenge to social thinkers who regard socialism as an already achieved or dismiss it as a "null set" (and therefore unworthy of rational discourse) and a "symptom of disturbance." No serious study of the capitalist labor process can avoid an equally serious study of the socialist labor process; the understanding of the first demands an understanding of the second.

9. The Potentialities of State Socialism

Here I can only sketch a framework for examining socialist societies both as they actually exist and in the forms they might assume. I introduced this paper with a critique of Marxism for its failure to systematically link the labor process to the state. I approached the problem from the side of the labor process, focusing on its modes of regulation by political apparatuses of the factory which in turn could be understood only in terms of their relationship to the apparatuses of the state. The distinction between competitive and monopoly capitalism rests on the form of intervention of global politics in production politics. What both forms of capitalism share, however, is the institutional separation of the apparatuses of the factory from those of the state. A defining feature of socialist societies is the fusion of the apparatuses of the workplace with those of the state.

Under state socialism a centralized planning system orchestrates relations among enterprises by stipulating inputs and outputs. Production politics takes the form of bureaucratic despotism, in which management wields the party and trade union as instruments of domination over the direct producer. Rather than limiting managerial interventions in the labor process, as under hegemonic systems, the apparatuses of the workplace under state socialism become the transmission belts of managerial coercion. Such despotism is rooted in the uncertainty of planning, which has effects at the point of production similar to those of the uncertainty of the market under competitive capitalism. Studies of planning in the Soviet Union and Eastern Europe all point to the critical role of supply shortages in shaping enterprise behavior. Enterprise directors, with the crucial assistance of regional party secretaries (so
whom they are subordinated), enter all sorts of informal agreements and bargaining relations in order to secure the necessary raw materials and machinery. Enterprises have every interest in concealing information about their true capacity and in hoarding scarce materials. This only exacerbates the problem of supply shortfalls. It also leads to another source of uncertainty—the continual and arbitrary changes in the planning targets assigned to enterprises. Planning authorities frequently alter the product mix, again intensifying the supply problem. Whereas under capitalism competition among enterprises concerns the relationship to the consumer mediated by the market, under state socialism it revolves around the relationship to the supplier mediated by the plan. But in both cases external uncertainty necessitates the rapid mobilization and redistribution of workers as well as spurts of intensive labor (storming).

The particular form of despotism under state socialism, the mobilization of party and trade union as coercive instruments of domination, stems from the existence of job security and constraints on wage funds. Where firing workers is difficult, and under general conditions of labor shortage, more direct forms of coercion become necessary. Because the enterprise wage fund is centrally determined and not systematically related to the success of the enterprise, there is no economic basis on which to link workers' interests to those of management. However, the widespread use of piece-rate systems without a guaranteed minimum wage does provide a basis for a negative coordination of interests. The adoption of piece rates allows enterprises a certain autonomy in raising norms so as to extract greater effort from workers. Job security is complemented by wage insecurity to lay the basis of bureaucratic despotism.

Just as relations to the market become critical in shaping the form of production politics under capitalism, under state socialism the relationship of the enterprise to the plan shapes the specific expression of bureaucratic despotism. Those enterprises that are part of "key" industrial sectors receive priority in the provision of materials and machinery, as well as more generous wage funds, so that the degree of despotism is less intense. Examination of labor turnover figures and inter-industry wage levels in the Soviet Union even suggests an embryonic dualism between the capital-goods sector and the consumer-goods industry. Thus, in food, clothing, and textile industries turnover is high, wages are low, and women workers predominate.

Just as individual capitalists attempt to cushion the impact of the market and, where possible, contain its fluctuations, the director of the socialist factory will bargain for slack plans with the planning authorities. Moreover, the slacker the plan the more scope for struggle to develop within the enterprise over norms, wages, and bonuses. Where the plan is tight, struggles confined to the enterprise frequently pit one group of workers against another, with the stronger group (usually the more skilled) winning concessions at the expense of weaker groups. Since wages are more or less centrally determined while norms or piece rates are determined at the level of the enterprise (pressures towards centralization notwithstanding), day-to-day struggles revolve around the expenditure of effort, the tempo of work, etc., rather than the level of reward.

Under capitalism struggles within the enterprise generally occur within limits defined by the survival of the firm. The interests of capital must be satisfied if workers are to keep their jobs: struggles that push a business out of business also push workers out of work. There is therefore an underlying positive coordination of interests. Under state socialism, however, no such common interest exists between management and worker. If the enterprise consistently underfully the plan it doesn't collapse and workers don't lose their jobs. Instead, the enterprise director or the chief engineer may be removed. Struggles are only limited, then, by the threat of direct political coercion. More generally, economic struggles under capitalism are distributed among and usually contained within individual enterprises. Only rarely do they spill over into struggles against the state. The institutional separation of the apparatuses of factory and state under capitalism gives way to their fusion under state socialism, so that economic struggles are simultaneously political struggles against the state. The tendency for struggles to spill over into the wider political arena is endemic.

But what consciousness informs these simultaneously political and economic struggles? Again the comparison with capitalism is instructive. Whereas the market mystifies the nature of exploitation and the origin of profit, the centrally devised plan presents exploitation and domination as deliberately and visibly performed by the state. Private appropriation through the market is replaced
by what Konrad and Szelenyi call the rational—that is, purposive—redistribution by the state.25 Whereas private property is the legitimating principle of appropriation by capitalists, superior knowledge and understanding of the needs of society is the legitimating principle of appropriation by the state. Under capitalism notions of class are easily detached from their roots in the appropriation of surplus value. The meaning of class becomes diverse and amorphous. Not so under state socialism, where both mode of appropriation and principle of legitimation polarize society around two transparent classes—the teleological redistributors (with their agents) and the direct producers. Direct producers generally know exactly where the dividing line between “us” and “them” is located.

We can appreciate these broad differences in another way. Braverman has demonstrated that the separation of “conception” and “execution” expresses the objective development of the capitalist labor process. Subjective experience runs on a different track. State socialism, however, breathes life back into Braverman’s categories: they become a political and ideological force of their own. The polarization of conception and execution becomes both the objective and subjective impetus behind class struggle. On the one hand, a class of conceivers seeks to maximize the surplus at its disposal—that is, to maximize its redistributive power and justify its domination on the basis of knowledge acquired through education (“intellectuals”) or proximity to the working class (“political elite”). On the other hand, direct producers seek to resist expropriation of the surplus and stake their claim, however inequitable, to class power—to the right to control what they produce. How does this class struggle work itself out in practice?

In the Soviet Union a powerful repressive apparatus constrains the outbreak of collective struggles. But occasionally strikes do occur. Although not a great deal is known about them, it seems that when they take place in isolated areas, distant from the main centers of power, they are violently squashed. In the larger centers, where strikes are more visible, their chances of spreading and receiving support from other workers are greater. Here they are diffused by the immediate granting of concessions, followed by the victimization of suspected leaders. The effectiveness of repression atomizes resistance, which gains expression through labor turnover, absenteeism, restriction of output, and so on. Individual rather than collective struggles are further encouraged by the system of piece rates, “socialist emulation,” and the right to quit, which developed with the relaxation of the draconian labor controls of the Stalin era.

In Poland, a long tradition of worker militancy stretching back to the turn of the century, bitter opposition to the imposition of communist rule after World War II, and the crystallization of nationalist sentiment around a powerful Roman Catholic Church have fostered collective expressions of class struggle. Particularly after 1976, repressive responses to the public dissemination of grievances, disturbances, strikes, etc. weakened. A marginal intelligentsia organized around KOR (Workers Social Self-Defense Committee) established a wide distribution for their newspaper Ruch, describing conditions and protests in different parts of the country. In the summer of 1980 we saw the culmination of this agitation. For neither the first nor the last time, the unity of global and production politics turned state socialism against itself. Bureaucratic despotism was turned into its opposite: the general strike as a weapon of class struggle.

What vision of the future shaped the collective will of the Polish workers? What types of demands emerged from Gdansk? First were the consumption demands, for price controls, wage hikes, pensions, improvement of health services, maternity leave, and child-care facilities; next were the demands for the expansion of civil rights to include free trade unions, the right to strike, and the curtailment of the privileges of police and party; and finally, the demands for lifting censorship and the dissemination of information about the economic condition of the country. Apart from the economic demands, the main impetus behind the workers’ program was for the democratization of central planning. Through their independent trade union Solidarity, workers would participate in shaping the broad priorities laid out in the plan.

Notably absent from the program is any explicit call for “worker councils.” While it is more than likely that the strategy of Solidarity was decisively affected by the Soviet military threat, nevertheless I want to suggest two other explanations for the direction of political demands. First, the experience of the neutralization of the worker councils set up in 1956 demonstrated that control over the enterprise is meaningless as long as all significant decisions are centrally
made, hence the necessity of first securing a foothold in the planning system itself. Second, the omission of worker councils might point to the class interests expressed in the program. The political interests of the church and intelligentsia are well served by the democratization of the system of rational redistribution (which is not to say that the short-term material interests of the direct producers are not also advanced). On the other hand, the demand for worker control of enterprises and the coordination of planning from below would be antithetical to those interests as well as to the party elite. Thus, behind the twenty-one demands we can discern the influence of strata seeking power within the framework of the existing system as well as the accumulated historical experience of the working class. Whether even such a restoration of civil society is now politically possible remains to be seen.

The contrast with the abortive Hungarian revolution of 1956 is illuminating. When workers began to organize strikes, Hungary's state was already decisively weakened by splits generated by the Twentieth Congress of the Communist Party of the Soviet Union and by a powerful oppositional movement of intellectuals and students. Precisely because global and production politics were fused, with the paralysis of the Hungarian state the factory apparatus withered away. Exploiting the power vacuum, workers in many industries took over factories and initiated some coordination from below. But this development of a system of dual power was an independent working-class initiative, both before and after the Soviet invasion. Significantly, intellectuals regarded the demands of the workers with suspicion and even at times assisted in thwarting the occupation of the factories.

The Hungarian revolt against bureaucratic despotism gave rise not to a vision of democratic centralism but to a more radical vision of council communism. Under such a system of collective self-management, planning still stipulates the external conditions under which self-management operates, but the plan is built up out of needs articulated at the level of the enterprise or the community. The few historical examples that approximate such a system have lasted for such a short time and under such unpromising circumstances that it is difficult to know whether this system is technically feasible, let alone politically stable, under any world historical situation. Does council communism necessarily, through its own dynamics, generate into some form of bureaucratic despotism? Is it necessary to follow Szelényi in advocating a compromise between collective self-management and bureaucratic despotism, an alternative model that institutionalizes the conflict between the logic of direct producers as the appropriators of their own product and the logic of the central planner as an “intellectual” uniquely endowed with the ability to direct society?

10. Transitions in a World System

The project which I have begun to outline in this paper takes the labor process as point of departure in the analysis of the transformation of capitalism and the transition to socialism. We saw earlier how the Marxist tradition has too easily followed Marx in identifying as fundamental the contrast between capitalist and pre-capitalist societies, leading it to highlight the separation of state and civil society, politics and labor. A century after Marx wrote we face new contrasts between liberal and advanced capitalism, and between advanced capitalism and state socialism. We are compelled to examine changes in the political and ideological moments of production, moments which are descriptively present but theoretically absent in Capital. Marx's account of the principles of the capitalist labor process retains its essential validity, and can even be extended to state socialism, what has changed is the mode of regulation of the labor process, the politics of production, and its connection to global politics.

I developed four systems of production politics, and four types of connection between global and production politics. I began by identifying market despotism as a politics of production shaped by the dependence of the reproduction of labor power outside work on the expenditure of labor at work. As Marx describes it, the immediate producers are at the mercy of the overseer; coercion prevails over consent. Under the hegemonic system guarantees of minimum wages, the rise of trade unions, and legal restrictions on the power of management separate the reproduction of labor power from the expenditure of labor. Here production politics is characterized by the domination of consent over coercion, but never to the exclusion of the latter.
These two systems of production politics differ in their relationship to global politics. Under market despotism the state only guarantees the external conditions of the reproduction of relations in and of production, whereas under hegemonic systems the state actually shapes the form of apparatuses. State intervention is external in the one, internal in the other. But in both cases the apparatuses of the factory and the state are institutionally separate. Both of these systems are species of capitalism.

Under socialism, by contrast, the apparatuses of the factory and the state are fused. Bureaucratized despotism involves the manipulation of the apparatuses of the state at the point of production (party and trade union) as instruments of managerial domination. Here too coercion prevails over consent, but as a result of the internal intervention of the state rather than the economic whip of the market. Finally, we introduced a fourth type of production politics, collective self-management, in which global and production politics are still fused but the intervention of global politics is external. That is, the central administrative body may stipulate the external conditions of production (inputs and outputs), but direct producers themselves manage the organization of work. At the same time, they actively participate as a production unit in shaping the plan itself, instead of receiving it as a preordained imposition from above. Figure 1 summarizes the essential characteristics of the four systems.

So far we have constructed four abstract categories, how useful they are in grasping reality and its transformation remains to be seen. Their heuristic value can be explored through the questions they pose. First, is this an exhaustive set of classifications? How would fascism fit into our scheme? What about peripheral social formations? We must put these questions to one side. This essay has dealt with early capitalism, advanced capitalism, and state socialism. Can all these societies be understood as some combination of the four types of production politics? What about the state sector of advanced capitalism? What about Yugoslavia?

Second, how do we understand and explain variations within these categories? How do we interpret the differences as regards the relationship between production politics and global politics among those societies in which a given system of production politics prevails? Third, to what extent does the labor process itself influence the form of production politics? Precisely because the intervention of the state in early capitalism was external, a variety of forms of market despotism emerged, sensitive to different labor processes. Fourth, if we are indeed dealing with systems, each must have a distinctive dynamics. As the scheme stands it does not pretend to deal with the relations among enterprises except insofar as these affect the politics of production. Any attempt at elucidating the “dynamics” would have to examine carefully such relations and their politicization. Fifth, what are the characteristic struggles generated by each system of production politics?

All these questions are preliminary to the problem of the transition between systems, which would have to take into account not only the inner tendencies of each system—the dissolution of the old and the genesis of the new—but the international economic and political context. Corresponding to the international division of labor and the economic constraints imposed on different social formations, we would have to examine the link between global politics and international politics. Only from such a standpoint can we begin to appreciate the possibilities of moving from one system to another.
11. Conclusions

For now, I want to make modest claims. First, we have broken with the Leninist orthodoxy that the only "real" struggles are those directed at the state, and that politics is the exclusive prerogative of the state. The workplace is the site not only of "control" or "domination" but of struggles over relations in production and relations of exploitation regulated by specific political apparatuses. In short, there is a distinctive politics associated with the labor process—a politics of production. Furthermore, it is not possible to understand this politics without also understanding its relationship with global politics. We have thus tried to bridge the theoretical chasm between workplace and state. Nor is this without practical implications: the repolitization of the labor process and its reconnection to the rest of society allows us to suggest a political course between the illusions of Edwards and the tragic vision of Braverman, between possibilities without limits and limits without possibilities.

We have also broken with the parochialism in which studies of the labor process have become mired. We have left behind false comparisons such as those that measure the realities of advanced capitalism against a stereotype of early capitalism. We have begun to explore what is genuinely distinctive to the different phases of capitalism. We can now appreciate that what Braverman and Edwards implicitly projected as general attributes of advanced capitalism reflect, in part, its specific development in the United States. We have replaced vague "productivist" allusions to socialism as the restoration of some unspecified "worker control" with explicit and differentiated accounts of socialism. And we have accomplished this within a framework that allows us to explore what is specific to capitalism in contrast with socialism. This framework rests on the distinction between the labor process and the political apparatuses of the workplace, since it is not the former but the latter and their relationships to the state that enable us to differentiate varieties of capitalism and socialism. The repolitization of the labor process turns domination and control from inexorable laws into socially produced and historically limited phenomena.

Finally, we have broken with Marxist orthodoxies that recoil from the examination of socialism as it exists and as it could be. We have distanced ourselves from those who would, through terminological manipulation, dismiss state socialism as a perverse capitalism or reduce its trajectory to the under-development of the infinities of production. We have discarded such economic determinacy and therefore the idea that, because socialism is inevitable, its study is unnecessary. In opening up the possibility of different routes to socialism and between socialisms, we have also allowed routes back to capitalism. At the same time, we have broken with Marxist hostility to blueprints as constructs unworthy of intellectual examination and political discourse. In the light of what has often been presented as the only form of socialism, by both twentieth-century Marxists and their critics, the political importance of exploring a variety of possible socialisms is obvious. The broader the vision, the more scope is allowed for politics.

REFERENCES

8. Ibid., pp. 11-15.
11. Ibid., pp. 28-30.
12. Nor does Braverman take into account the widespread use of inside contracting. See, for example, Eric Hobsbawm, Labouring Men (London: Weidenfeld

13 Edwards, Contested Terrain, p. 211.
15 Ibid., p. 204.
21 Ibid., p. 128.
23 Edwards, Contested Terrain, p. 213.

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