A Thesis Submitted for the Degree of PhD at the University of Warwick

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THE POLITICAL AND SOCIAL THEORY OF 'FLEXIBLE SPECIALIZATION'

A CRITICAL ANALYSIS

by

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PhD Dissertation submitted to the Department of Sociology
University of Warwick

1995
(September)
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SUMMARY OF THESIS

This thesis examines the contribution to social and political theory of the flexible specialization research programme (henceforth FSRP). It explores systematically the sociological and political underpinnings of this research programme, with a view to critically explicating its understanding of industrialisation and industrial transformations in the contemporary world. While examining the unity in diversity of the various researchers working with the FSRP it also contrasts the FSRP with other cognate research programmes (regulatory theory, post-Fordism, flexible accumulation, etc.). The thesis explores further the FSRP and its relationship with political transformations, defined in the broadest sense to include meta-theoretical reflections on meaning of the political in the FSRP, the transformation in industrial relations, the trend toward economic and social dualism, polarisation, marginalisation and segmentation and the meaning of locality, industrial districts and regionalism in the FSRP. The thesis is sympathetic to the FSRP and views it as a progressively developing one (in both a political and epistemological sense) but is nevertheless critical of some of its foundational assumptions and policy prescriptions. As a research programme that is still developing in a cumulative direction this thesis can only claim to be provisional in its problematisations.
INTRODUCTION

That there has been a sea-change in the economic, social and political character of the advanced industrial capitalist societies is now well established within the literature of the social sciences. Just how to theorise, conceptualise and interpret the empirical evidence, however, is subject to much debate and controversy. Terms such as 'post-industrialism', 'neo-Fordism', 'post-Fordism', 'flexible-mass-production', 'flexible-accumulation', 'new-production-concepts', 'diversified-quality-production', 'lean production', 'information-mediated', 'reflexive-accumulation' and 'flexible-specialization' are all different terms used pointing to distinct ways of understanding these transformations.

This dissertation explores in detail just one of these paradigms, the social and political theory of flexible specialization. I concentrate my analysis and critique on an identifiable group of researchers and writers whose core consists of the following: Michael Piore, Charles Sabel, Roberto Mangabeira Unger, Paul Hirst and Jonathon Zeitlin (this list is, of course, not exhaustive). In the following chapters I will critically explore in detail the theoretical, social and political presuppositions of what I call the "Flexible Specialization" (henceforth, FS) hypothesis. Through an analysis and critique of these writers I problematize the status of the FS hypothesis by confronting it with other traditions of thought, both sociological and Marxist. This problematization is not, however, a dogmatic rejection of the FS thesis from an exogenous or transcendent standpoint outside it - Marxist or otherwise - but rather an immanent critique which attempts to tease out and locate the logical, empirical and political aporias of the FS hypothesis.

I write from a perspective which while sympathetic to the FS research programme and its attempt to map out the contours of the new social, economic and political landscape of the advanced industrial capitalist societies of the late twentieth century, I nevertheless have many questions and criticisms to direct at the core ideas and political implications of the FS research programme. The key word which I would use to describe the basis of my criticisms is that of, scepticism. A scepticism that is, nonetheless, tempered by some
admiration for the ideas, questions and solutions put forward by these researchers. In my opinion the FS research programme is one of the most rigorous and ambitious attempts to develop a social, economic and political alternative to the twin dogmas of neo-liberal free-market economics - which has exercised such a disastrous hegemonic influence on the world these last fifteen years - and, on the other hand, Soviet style Marxism - whose failure and collapse is now all too clear to see. On the other hand, I have a great deal of sympathy with some of the more open and critical forms of Marxism that have attempted to keep alive a spirit of radical criticism in the wake of these twin dogmas.

It is difficult to summarise the FS thesis in a few sentences without doing violence to its complex, multi-layered and developing character. However in synopsis it can be characterized in the following manner: As first formulated in Chapter 5 of Charles F. Sabel's book, Work and Politics: the division of labour in industry (1982), it refers to a form of production regime which follows the 'end of Fordism'. At this stage Chapter 5, titled 'The end of Fordism?' formulated the question in terms of a question mark, that is, in terms of the possibility of the end of Fordism, defined as mass-production and mass-consumption organized along the lines of the semi-automatic assembly line, de-skilled (Taylorized) workers, dedicated product specific machinery and homogenised large-scale mass markets. Sabel argues that "Fordism calls for the separation of conception from execution, the substitution of unskilled for skilled labour and special-purpose for universal machines." (1982, p.194). Flexible-specialization (or just specialization in Work and Politics) on the other hand demand "the reverse": "collaboration between designers and skilled producers to make a variety of goods with general-purpose machines" (ibid p.194). This set of transformations is exemplified and concretely specified with the example of what Sabel calls 'high-technology cottage industry' (ibid, p.220) in North-Eastern Italy.

The FS thesis is outlined in more detail with greater theoretical and empirical grounding in Michael J. Piore and Charles F. Sabel's, The Second Industrial Divide: Possibilities for Prosperity (1984). Here the FS thesis is situated within a general critique of orthodox modernization theory with its theory of necessitarian stages of growth. Instead, the FS thesis argues for a history of greater contingency and plasticity, where other possibilities
could have been pursued given the victory of alternative political, social and economic actors and systems.

These ideas are traced out and developed throughout Piore and Sabel's writings and, moreover, amplified in various modalities by Unger, Hirst and Zeitlin and other researchers. In Piore's latest book, *Beyond Individualism* (1995), the FS thesis is reiterated in Chapter 2, 'Politics & Policy':

"In response to the changed environment, new, more flexible production systems have emerged. These systems have been greatly facilitated by information technology; it is now possible to obtain many of the advantages of specialized machinery through software programs attached to general-purpose equipment. But the new flexible approaches are associated with institutional innovations as well, and those innovations have begun to coalesce into a new organizational model. Although somewhat inchoate, that model has already begun to replace the classic hierarchical corporation as the goal of managers and entrepreneurs." (1995, p.10).

In this thesis I do not attempt to contrast the FS thesis with Marxist forms of theorising modern industrial capitalism, but rather to use both traditions to interrogate each other and lay bare each tradition of thought, identifying contradictions, convergences and divergences. The first chapter explores the theories of industrialization and capitalism that underlie and shape the FS research programme; the second chapter explores some of the alternative ways of understanding industrialisation and capitalism that has been developed by modern critical Marxism, and in particular, the tradition of thought represented by the French regulation school of political economy; the third chapter explores in more detail the genealogy of the FS research programme as it has developed so far, focusing in on some of the substantive propositions of the FS hypothesis. The fourth chapter examines the political theory of FS, asking if a radical democratic politics can be located in these writings. Chapter Five follows these ideas up by exploring the philosophical, sociological and political place of work, labour and production in the thought of the FS research programme. Finally, the sixth chapter explores, tentatively at least, the political implications of FS on the level of its relationship with, and espousal of, industrial districts, localities and regionalism.
It is impossible to come to any firm, fixed or dogmatic conclusions regarding the FS research programme on the following grounds. First, its contemporaneity means that it is still the subject of research and revision. Its major researchers are very much alive and are still mapping out a route, through their divergent paths, of a theory and practice of FS. Second, and relatedly, they are continually modifying and widening out their understanding of current political, social and economic restructurings which makes their research programme a developing one. Thirdly, my sympathy with the general spirit of inquiry encouraged by the FS research programme disinclines me from a too hostile and negative response. Its concern with the relations between political, philosophical and social dimensions of economic activity, from a position on the left (defined in broad terms as a concern with political, social and economic justice) is exemplary in modern social science, which too often in its concern with isolated and easily manageable empirical research, is myopically scornful of anything that attempts to examine the big picture. Ironically, modern academic Marxism, in its drive for intellectual respectability, also criticizes such projects and research programmes for their lack of empirical evidence, or as Pollert puts it, their confusion of the levels of "prediction, prescription and description" (1988). Although there is a grain of truth in this critique it is important to emphasize the fact that academic Marxism rarely puts forward with any conviction realizable or feasible alternatives to modern capitalism.

Therefore, we should be thankful that the FS research programme consistently attempts to unite an analysis which looks attentively to the changes that are happening to the advance industrial societies under the driving impetus of capitalist relationships of production and, moreover, emphasizing the 'non-necessitarian', non-essentialistic', non-deterministic', artifactual possibilities latent in 'postindustrial' capitalism. In the spirit of the nineteenth century utopian socialist writers, unjustifiably marginalized by Marxism (although this is not to suggest that none of Marx's criticisms of this tradition never hit their target), the FS researchers are bold in their enthusiasm for inventing and imagining new institutional arrangements for managing, in democratic and egalitarian ways, advanced 'postindustrial' societies. By imagining alternative 'possible worlds' that are latent in the present, the FS theories and researchers offer up new 'transitional' programmes for a 'radical democratic' alternative to neo-liberal 'free market' hegemony and dominance.
Having made these sympathetic remarks it is necessary nonetheless to valorise the substantive criticisms that I have made in this dissertation regarding the ideas found in the FS research programme.

Let me state in a number of short theses what these criticisms are:

(1) There is a non-resolved tension in the FS literature between an assertion of the importance of countering the 'mythical history of modernity' (Unger) which is evolutionist, determinist and developmentalist with their own foregrounding in non-necessitarianism, artifactuality and non-determinism and, on the other hand, their tendency to suggest that FS as a theory of 'neo-industrialization\(^2\) and neo-modernisation' is a process which is unfolding with inexorability. Is this the return of 'false necessity'? The general impression that I get from their diverse writings is that FS is inscribed within a necessitarian logic, but this is circumscribed by the artifactual thesis that FS can take many institutional forms and it should be the task of the theorist and politicians to try and invent and discover radically democratic forms of FS. But still we are left with the theoretical dilemmas mentioned above.

(2) The FS research programme slips between statements at the level of the indicative and of the imperative. The Third Italy is constructed as "high-technology cottage industry: the unity of the abstract and the concrete". But this, by any criteria, must be taken as somewhat of a romanticism which ignores or dissimulates the more negative social and economic features of the region and its industrial districts. However, on the imperative level there is the constant intellectual endeavour to avoid the scenario of a form of FS which institutionalizes a form of exclusivist FS which marginalizes large numbers of the population who are not artisans or polyvalent workers (non-standard employment contracts). This is the thesis of polarization and dualization. However, that the FS research programme is centrally concerned with the extra-economic institutional forms of inclusion, citizenship rights, reinsurance and the Welfare State suggest that Hyman's (1985) criticism that FS theorists are not concerned with state/governance relationships is false. Indeed, this subject is one of the most important areas of research for the FS research
programme and will increase in importance in the future as is shown by Hirst's concern with "New Forms of Economic and Social Governance" (1994). Related to the above is the criticism that the FS research programme is ignorant of feminist criticisms of modern advanced industrial societies. The way in which modern societies are structured by private and public patriarchy is not tackled by FS researchers, although there is always the suggestion implicit in their research that women and ethnic minorities may be the chief victims of an exclusionary version of FS (Graham, 1993).

(3) The FS research programme needs to address the issue raised by Marxist researchers around the totalising nature of late capitalism. That capitalism is a globalizing phenomenon is understated, particularly in Hirst and Zeitlin's writings, and work should be done around whether FS industrial districts can survive. Could it be the case as Amin and Thrift have suggested that there are processes under way which are undermining reversing the industrial district phenomenon of 'vertical disintegration'. Processes of concentration and centralization are challenging the existence of the industrial district. How can this be avoided? Unger's work is most cognisant of this danger and his theory works towards a radical alternative to capitalism (although he would not put it in these terms). Relatedly, the failure to consider the phenomenon of "Japanization" and what Kenney (1993) and Florida call "innovation-mediated production", is a serious failing which needs to be addressed.

(4) The FS research programme is too dependent on the Marxist paradigm of work. By placing too much faith in a model of the utopia of emancipation through labour, the FS theorists do not take on board the thesis that perhaps this is not the best political, philosophical and sociological model to follow. Perhaps, indeed, it just reinforces the "ultimate ideology of work" that we can find in strategic human resource management. The Marxist paradigm of production (Heller) (1992) that we can find in Marx's the Grundrisse and in Negt's (1979) recent critical writings are a useful warning to those who would romanticise artisanal labour or even the
polyvalent worker. It is necessary to take seriously, then, Offe's (1988) hypothesis that the radiating and integrating power of employment has weakened considerably.

(5) The FS research programme is linked to a politics of regionalism. A Europe of the regions. The danger is, however, that this can be articulated with forms of ethno-nationalism and racism. The Northern Leagues of Italy often appeal to the economics of the industrial district as the basis for the prosperity of the North. Could this lead to new geographical/spatial forms of exclusion, dualization, polarisation and marginalisation that would over-determine the social and economic ones mentioned above? There is not any deterministic relationship between FS and these forms of reactionary politics, but there could be a sort of 'elective affinity' between them. Much more research needs to be done on this subject. There is the case, on the other hand, made by Sabel and Storper that the 'Third World' would be wise to adapt forms of FS so the argument is much more ambivalent than I have suggested.

These five points are not exhaustive of the criticisms that can be directed at the FS research programme, but they form the major themes of this dissertation which I hope will be taken up by other researchers. Despite these criticisms, however, I would suggest that the FS research programme is still a progressively developing one, whose theoretical core can be integrated with an open and critical Marxism. In turn an open and critical Marxism can learn from the host of theoretical and empirical research and writings which have called into question the simplification and orthodoxies of neo-classical economics. The FS research programme, then, is syncretic, drawing upon a wide variety of traditions of thought which are opposed to the neo-classical synthesis. It is an encouraging sign that books such as Robert Lane's The Market Experience (1991) give support and encouragement to ideas that can be found in the FS school. Perhaps all these diverse efforts will finally help to dismantle the political, economic and social theory of neo-liberalism and provide the foundation for a more fair and just society in the near future. These observations, then, problematize the extreme rejection of the FS hypothesis put forward by such researchers as Florida and Kenney who write "Fables based on northern Italy or Silicon Valley are enchanting reading, but irrelevant for understanding the future
development of global capitalism" (p.302). Problematize because as Florida and Kenney admit they are only concerned with describing and theorizing what is and are not concerned with what might and could be in the spirit of what Giddens calls a 'Utopian Realism'. As Steven Seidman has eloquently argued in his book *Contested Knowledge: Social Theory in the Postmodern Era* (1994), social science must be engaged, critical and normative if it is to speak in a morally inspiring way to the public and politicians. It seems to me that the FS research programme whatever its faults succeeds in this task.

Finally, it needs to be emphasised that this thesis does not advance any original empirical refutation or validation of the FS thesis, rather it is primarily concerned with the political and social theorising which undergirds it and supplies the framework for its empirical research. However, any further research needs to work iteratively between reflexive theorising and reflexive empirical investigation at the macro and micro levels of social existence.
REFERENCES: INTRODUCTION

1. Anna Pollert's phrase.

2. Neo-industrialization is a term used by Kern and Schumann (1987) to refer to high-technology industrialization as opposed to reindustrialization of old manufacturing industries.


4. Robert Lane's The Market Experience (1991) is perhaps the most elaborate treatise on the new institutional social economics. Albert O. Hirschman while praising Lane's book points out that "... Lane might have also taken comfort from the findings of Michael Piore and Charles Sabel on the emergence of a new culture of work in the post-Fordist age, which they describe in their important book The Second Industrial Divide" (742). See Symposium on Contemporary Sociology (741-765), March 1993. See also, Will Hutton, "New economics hits at market orthodoxies", The Guardian, April 19, 1993.

CHAPTER ONE:

INDUSTRIALIZATION, NEO-INDUSTRIALIZATION
AND FLEXIBLE SPECIALIZATION
This chapter will explore the theory of industrialization and industrial society that provides the meta-theoretical 'foundation' for the FS-hypothesis of Piore, Sabel, Hirst and Zeitlin. I will argue that there are some fundamental differences between how these researchers understand processes of industrialization and technological paradigms, as well as similarities, which has much to do with the distinct political and theoretical routes which each set of researchers travelled to reach their positions of convergence around the FS hypothesis. Accordingly, this chapter will examine first, Piore and Sabel's understanding of industrialization and industrial society and second, Hirst and Zeitlin's concentrating specifically on Hirst's more self-conscious and explicit role from the espousal of an Althusserian understanding of capitalist society, through to his recent espousal of FS as an 'ideal-type' concept. As this chapter deals with fairly abstract pre-suppositional issues little will be said at this stage about the more concrete and empirical issues involved with the FS hypothesis as this will be dealt with in another chapter.\footnote{11}

**Against Convergence**

A genealogical starting point for examining Piore and Sabel's theory of industrialization and industrial society can start from the publication in 1980 of Piore and Berger's *Dualisms* and *Discontinuity in Industrial Societies*. This important book outlines some of the key ideas about industrialization which Piore and Sabel will develop and modify in their latest work together. Furthermore it also indicates the meeting of two theoretical paradigms - the sociological and radical economic theories of industrialization - which is the hallmark of the
FS hypothesis. As background to this book it is worth noting that Piore had, by the late 1970s, already established himself as a radical economist of some note in such works as *Birds of Passage and Promised Lands: Long Distance Migrants and Industrial Societies* (1979). In keeping with many North American academics, however, Piore kept his distance from Marxist approaches, which led him to develop a critique of orthodox structural-functionalist theories of industrial society, rather than the theory of industrial society per se.

Without wishing to repeat an often told story it is necessary to outline the industrial society idea or paradigm, so as to identify the objectives and pre-suppositions of Piore's critique. The theory of industrialism emerged within the mainstream of liberal sociology and economics during the late 1940s and 1950s in a movement dominated by the neo-classical Keynesian synthesis within economics, the Harvard University Center for Entrepreneurial Studies, and Parsonian structural-functionalist theory within sociology. Kerr et al developed the industrial society theory into its most coherent shape in the famous study, *Industrialism and Industrial Man* (1962) which put forward the following theses: (1) the distinction between traditional and modern societies; (2) the separation between ownership and control; (3) the bureaucratic differentiation of management; (4) the social responsibility of management; (5) the technical specialization of management; (6) the end of ideological politics and the modernization theory of development; (7) the theory of convergence. A vast literature has been devoted to examining this theory (see, Kumar, 1974, Goldthorpe, 1971) mainly from a highly critical perspective, although there have been attempts to defend the theory (Abrams, 1985), and since the events of 1989 in Eastern/Central Europe and 1991 in the former Soviet Union, the original theory has made something of a comeback in the form of the "End of History" thesis associated with Francis Fukuyama (1993). The central idea of the industrial society thesis, from the point of view of the argument here, is the convergence hypothesis which can be stated in Kerr's own words: "[it] posits that the general movement is for industrial societies to become more alike." (also see Ellman, 1980). Thus we have the orthodox evolutionary structural-functionalist differentiation theory which explains divergences and differences in terms of blocking mechanisms to convergence such as inertias, inefficiencies and resource
constraints and the holding power of pre-industrial beliefs and values and of irrational ideologies. The paradoxical significance of this set of ideas will become apparent below.

Piore and Berger's critique of the industrial society theory argues that it has its roots in neo-classical economics and theory which assumes that the rational behaviour of individual actors maximising their self-interest generates the social and economic structures in which distinctions among individuals and groups are continuous and governed by a single logic of rationality. In contrast to this model they argue that the advanced industrial societies they were studying seemed far "lumpier" than could be accommodated by the classical models. They called this pattern of social and economic segmentation, dualism since the notion evoked both the "autonomy of each sector and the radical discontinuities we were discovering." Such social facts as the division between large-scale capital and small-scale capital, the core working-class and the marginal or peripheral working-class, the continuing existence and reproduction of the "traditional middle-classes" and artisans, racial, ethnic and gender differences, and so forth. These dualisms or differences were thought by the classical industrial society theory to be remnants of the past, of tradition and backwardness, which would sooner or later be dissolved by the onward necessitarian march of industrialization and modernization. This sort of deterministic theory was therefore unacceptable to Piore and Berger as illustrated in the following synoptic statement from Berger:

"It is not possible to explain the persistence and importance of the traditional sector without altering the central assumptions on which the model of a unitary society are built. It is not traditional survivals as such that these theories are incapable of explaining, but rather the entire range of phenomena that derive from the heterogeneity of mature industrial societies. Cleavages between traditional and modern groups, cleavages based on race, religion and ethnicity, and languages all are said to disappear in modern society."


Central to Piore and Berger's critique was the case of Italy which they saw as a paradigmatic counter-example to the convergence thesis, in the sense that Italy was developing in a manner contrary to orthodox modernisation theory and orthodox Marxist theory would suggest. In the
industrial society perspective Italy was represented as a backward country in the process of catching up with the rest of Western Europe.

From the perspective of Piore and Berger, the modernisation/convergence thesis was not convincing on the following grounds. First, it does not explain why after more than one hundred and fifty years of industrial development, the class structure of Italy is so strongly 'unbalanced' in favour of the industrial middle-classes, the peasantry (and worker-peasants), artisan family enterprise and the 'peripheral working-class'. Secondly, the phenomenon of 'dualism' and 'decentralisation' was increasing rather than declining in Italy contrary to expectations of the industrial society thesis. As many researchers have asked, the structure of Italian manufacturing industry in terms of firm size is bottom heavy with a large number of firms with fewer than one hundred workers, a trend accelerated with the famous 'decentralisation', 'sub-contracting' or 'disembodying' of production by large Italian firms in the 1980s. Thirdly, the Italian economy was paradoxically undergoing a 'miracle' with high rates of economic growth and a GNP which has according to some calculations, overtaken the United Kingdom's (see Paci, 1985, Trigilla, 1991, Brusco, 1982, Sabel 1982).

From Fordism to "High Technology Cottage Industry"

Thus, for Piore and Berger, the case of Italy served as an empirical falsification of the industrial society thesis. While Dualism and Discontinuity in Industrial Societies sketched out an agenda for a continuing research programme, it was Charles Sabel's Work and Politics: The division of labour in industry (1982) which drew together the theoretical and empirical threads to develop a frontal assault on the convergence theory. He identifies 'three misleading ideas' which are at the core of this theory: (1) technological determinism; (2) essentialism, and (3) reductionism. Although these "three misleading ideas" had already been identified by other researchers and critics of the industrial society thesis Sabel lucidly pulls them together to develop the beginnings of an alternative theory of industrial society. For Sabel, technological determinism is:
the familiar idea that regardless of its political preferences, any society that wants to produce industrial goods must adopt certain structures of organisation, patterns of authority, and ways of doing business. The objection to technological determinism is that these performance standards can usually be met in several ways. They fit between what needs to be done and how it can be done is seldom as tight as the determinist imagine.

(1982, pp.4-5)

Essentialism can be defined as a species of determinism. It is the claim that what is true for society as a whole is true for each of its parts. The more advanced an industrial society, the more clearly modern forms of organisation predominate in each of its parts. As the difference between industrializing societies disappear, each society becomes internally more homogeneous. The objection to essentialism is that radically different forms of organization, some apparently archaic, others modern, are often interdependent. The regnant theories either neglect this diversity or dismiss whatever seems backward as vestigial, destined to be swept aside by future developments. Finally, reductionism: "is the doctrine that experience unambiguously determines thought. Here it amounts to the claim that everyday experience of modern societies by itself determines what people in those societies want of life." Sabel's objection to these three misleading ideas develops the ideas of Piore and Berger and moves towards a full-scale critique of all forms of the classical theory of industrial society and, it might be added, Marxist theory which Sabel tends to identify, in its deep structure, as equivalent to it at the formal if not the substantive level. This equation, between the convergence theory and Marxist theory at the level of sharing the "three misleading ideas", is common to many other researchers and is of some significance as shall become clearer below. The fact that Marxism itself has attempted to correct some of these problems is not mentioned by Sabel, but it is a problem that has shaped much of twentieth century Western Marxism as shall be argued below. The section of Sabel's book which is of most relevance for providing a corrective to the misleading ideas of the industrial society theory is chapter five "The end of Fordism?" although chapter two "The structure of the labour market" is also of some significance in that it elaborates upon Piore's model of technological dualism with the point of attempting to account for the coexistence of large-scale mass-production industries and small-scale firms. The key point is that the special-purpose machines needed by Fordist
industry cannot themselves be produced by Fordist principles, rather these machines can only be produced by general-purpose machines in one-off or small-batches; and secondly, in the context of the booms and slumps of the industrial capitalist economy, small firms are functional for large firms in filling in gaps in the market and balancing supply and demand in unstable and volatile economic circumstances. However, what these arguments indicated is how, at this stage Piore and Sabel were not so far from the arguments of industrial society thesis and its functional logic. Indeed, it is hard to see in what manner the theory of dualism breaks with technological determinism or essentialism, because all the talk of contingency and the importance of politics does nothing to alter the fact that these are rhetorical gestures rather than theorized processes.

In Chapter Five "The end of Fordism?" the rhetorical appeal to contingency is again dramatically contradicted by functionalist premises of the central argument. Sabel's first observation is that there are signs everywhere in the industrial and economic world of restructurings and transformations and that factory work is being revolutionised." However, the vectors of change are firmly situated at the economic level and, moreover, are defined in essentialist terms as a transition from Fordism and neo-Fordism to post-Fordism (a term which will later be replaced by FS). Sabel writes:

"Many signs suggest that the Fordist model or organisation is being challenged by new forms of the divisions of labour. International competition and overlapping domestic conflicts between producers and consumers, and between workers and capitalists, are driving many large firms out of mass markets for standardised goods. To survive this challenge manufacturers often have no choice but to produce more specialised, higher-quality products."

(ibid, p.194)

These new products must be manufactured and marketed in new ways. For Sabel, mass markets are the pre-condition for the Fordist organisation of production and when they start to break-up, through fragmentation and segmentation or even, in a more hyperbolic formulation, disintegrate then Fordism as a method and process for organising production begins to lose its appeal. If this argument is accepted, even though there are numerous problems at the
theoretical and empirical level in that what counts as a mass-market and a lack of precision and confusion over what market fragmentation and segmentation is and how it might be measured it is still, if not a form of technological determinism, a fundamentally economistic argument that sees no need for arguments that appeal to politics, ideology or culture and is therefore compatible with the neo-classical 'under-socialised' understanding of the market economy (Granovetter and Swedberg, 1992). That is, Sabel at this stage has not thought through the theoretical problems of how to conceptualise the economy and market in sociological and institutional terms.

Nonetheless, Sabel wishes to present his argument as one which has firmly disposed of the "three misleading ideas" and present the case for a voluntaristic theory of contingency, possibility and conjunctural openness towards the future. For example, Sabel writes that the large-scale, multi-divisional, multinational enterprise or corporation is not doomed to die for any necessitarian reasons, inscribed within the logic and ecology of economic evolution, but rather could possibly meet the challenge of the 'New Times' and preserve their fundamental principles of organisation in the form of a "neo-Fordism". Alternatively, argues Sabel, "the changes under way could lead to drastic redefinitions of prevailing ideas of organizational and technological efficiency", and moreover new types of firm and work organisation could arise in a post-Fordist and post-Taylorist system of manufacture. In short, everything is up for grabs, that is, contingent. In the interstices between one economic era and another:

"What finally happens will depend, on the eventual volatility of demand in the industrialized countries and the stability of the international economic order. It will depend on the outcome of workplace struggles between work groups and managers, but also among work groups themselves, over the costs and benefits of reorganisation. Because it builds on so many imponderables, the following discussion is necessarily speculative. Its purpose is to define possibilities, not to predict results. One thing, though is for sure: Practical experience in productive associations is racing far ahead of existing ideas of organizational efficiency, all more or less rooted in Fordism."

(Ibid, p 195)
However, the idea that the world is one of many possible worlds where action rather than structure is in command is vitiated and undercut by the substantive explanation for transformation taking place in the world of work and economic activity. For Sabel argues that the preconditions for the emergence of a post-Fordist regime of production, distribution and consumption lies in the outcome of events at the level of the world-economy. For example, the break-up of mass markets (for Fordism produces and is produced by the viability of such markets). The preconditions for this to happen are the following: First, the internationalisation and globalisation of production which has led to the emergence in the 'Third World' of new economic players called "newly industrialising countries" (NICs) which are challenging the advanced industrial capitalist societies by playing them at their own game through initiation of the mass production methods (product life-cycle theory). A challenge which Sabel observes could easily succeed as the cases of South Korea, Taiwan, Singapore and Hong Kong indicate. The second precondition is related to the first in the sense that it remains on the level of the market arguing that the emergence of a more discriminating and affluent consumer public has arisen which rejects the homogeneity of mass produced consumer durables. Sabel gives some examples such as the case of white pan bread, a mass consumption good if ever there was one, which experienced a drop in production of 15% in the United States between 1972 and 1977, while production of speciality wheat varieties increased by 62%. Another example which is given is the growth of mini-mills for the production of high-quality speciality steels.

The third precondition which we can draw out from Sabel's account follows logically from the prior two, namely environmental and ecological effects of mass production/consumption: "Within any one society, too, the spread of mass produced goods slowly undercuts the pre-conditions of the Fordist model. Consumers, workers, even nature itself all react to the tremendous increase in the production of standardised goods in ways that threaten the stability of mass markets" (Ibid, p. 198). Sabel says little about the mechanisms and processes that could lead to a more ecologically friendly form of production, but his argument implies a particular theory of the State (see below) which departs little from the classical liberal
industrial society theory of a benign, interventionist state-subject which intervenes in the name of a universal technocratic rationality (Poulantzas, 1986; Jessop, 1988):

"Government regulation to protect the environment is a case in point. As increasing amounts of goods are produced, the chance that its production, use, or simply disposal will make the natural environment less hospitable to human life increases. Whenever insults to the environment come to attention, there is the possibility that the state will regulate the production or use of the offending product in ways that will force its re-design or abandonment. As more countries set separate standards for the performance of a final product, it becomes more difficult to produce a standard, exportable good in mass quantity. In 1974, for example, Renault was having to manufacture several dozen variants of the R16 for export".  
(Ibid, p.198)

A fourth pre-condition identified by Sabel is the developments in new technology itself which give rise to the development of universal computer-aided design and manufacturing systems. On one reading of Sabel it is difficult to see how he avoids the first 'misleading idea' of technological-determinism which implies that technological developments automatically produce certain uniform effects and new corporate strategies. However, to avoid this Sabel argues that there are always alternative lines of development and responses to the emergence of these four developments outlined above. He argues that the core countries can meet all these transformations or disturbances in one of two ways. On the one hand, they can attempt to restore the status quo ante by adopting a protectionist strategy which would freeze the economic situation in the old mould. However, this is high risk strategy which involves constructing a coalition of interest groups (trade unions, business, political factions) which is unlikely given the diversity of interests involved. On the other hand, the alternative to this strategy is to promote innovation. Which in this context means promoting specialised production resting on the idea that:

"at the outset, customers' wants are vaguely defined and potentially diverse. The presumption is that the customer has no precise need for a particular good. Rather, he has a yearning or problem whose satisfaction or solution will have to reflect many singularities of his situation. The job of the innovative firm is
to find a technically and economically feasible way of satisfying this inchoate need, thus creating a new product and defining a customer's wants at the same time... This strategy is practicable only if Fordist habits of using labour and machinery are discarded or substantially modified in favour of more flexible forms of organisation. Flexibility, the capacity to produce a range of different products at the lowest total cost, will be more important than reducing the cost of any one product to the technically attainable minimum. Because an economy of this type prospers by producing an unforeseeably large variety of products, it needs general-purpose machines and an adaptable work-force that adjust quickly to new patterns of organization rather than special-purpose machines and unskilled workers."


This strategic choice itself can be sub-divided into two possible worlds. The first strategic choice would be a 'neo-Fordist' strategy which would modify production and consumption without fundamentally altering or abandoning the basic principles of Fordism. The other choice would be to follow the Italian road of 'high-technology cottage industry'.

My argument is that Sabel is clearly attempting to steer clear of the fallacies of the industrial society theory's "three misleading ideas" but it is still uncertain whether he achieves this objective. On my reading of Sabel he argues that (1) the implementation of new technologies of universal/general machines is the only real, rational strategic choice, all other choices being either impracticable or irrational or both; (2) it suggests further, that all sectors of industry, occupations, jobs and the economy can be organised along these lines, that in principle it can be generalised so that the part reflects the whole; (3) finally, it suggests that ideologies, politics and cultural systems have little autonomy and are just reflections or representations of these prior developments. At best they just facilitate the implementation of technological paradigms or block their development according to their character. These are just interim observations which will be developed further later in the conclusion to this section. However, before this it is necessary to examine the theory of industrialization and industrial society in the key text of Piore and Sabel, namely The Second Industrial Divide : Possibilities for Prosperity (1984).
The second industrial divide

The argument of The Second Industrial Divide is in many ways very similar to Sabel's earlier argument, and departs little from it in its conceptualisation of industrialization and industrial society, although it is more explicit in its attempt to give a theoretical formulation and characterisation of the history of industrial societies and their 'divides'. Nevertheless, new conceptual innovations do make an appearance. First, there is the introduction of the term 'Industrial Divides', and secondly, the sketch of a history of the alternatives to mass production which is developed further in Sabel and Zeitlin's article 'Historical Alternatives to Mass Production: politics, markets and technology in nineteenth century industrialization' which appeared a year after the publication of The Second Industrial Divide in the journal Past & Present (1983). The term 'Industrial Divides' sharpens up their critique of single-track, evolutionary, modernisation/convergence theories of industrial society and can be seen as a deepening of Sabel's critique of technological determinism, essentialism and reductionism (the 'three misleading ideas'). Following Williams, Cutler et al (1987) it is necessary to argue that Piore and Sabel have three levels of superstructural argumentation, built upon the binary conceptual opposition between the two types of industrial production: mass-production and

"The text builds a large and ambitious superstructure on the basis of this one opposition. The superstructure has three interrelated elements: first, a theory of types of economy, their characteristics problems and how these problems can and have been resolved; second an interpretative meta-history of the development of modern manufacturing since 1800; third, and finally, an analysis of the current crisis of the advanced economies and its possible solutions. Seldom in the history of intellectual endeavour, can so much have been built on the foundation of one opposition." (p.406 1987).

The term 'Industrial Divides' refers to an interpretative meta-history of the development of modern manufacturing and is the key to interpreting Piore and Sabel's theory of industrialization and its stages of growth and development. Unlike the classical modernisation
theories of, say, Parsons or Rostow which posited a fixed sequence of unilineal stages, Piore and Sabel argue that there are moments in history when fundamental choices can be made. There are conjunctures when history is more open and contingent where necessitarian and deterministic arguments have even less claim to adequacy:

"The brief moments when the path of technological development itself is at issue we call industrial divides. At such moments, social conflicts of the most apparently unrelated kinds determine the direction of technological developments for the following decades. Although industrialists, workers, politicians and intellectuals may only be dimly aware that they face technological choices, the actions that they take shape economic institutions for long into the future. Industrial divides are therefore the backdrop or frame for subsequent regulation crises."

(Ibid, p.5)

Industrial divides are the fundamental dividing points within the history of industrial society and two such moments are identified the first in the nineteenth century and the second in the last third of the twentieth century.

At a lower level of abstraction than 'industrial divides', Piore and Sabel identify what they term 'regulation crises' which occur without each industrial divide, but which also occur in more extreme form in periods of industrial division as well. It is important to recognise that the origins of many of Piore and Sabel's ideas have their origin in the French Regulation School of political economy. Regulation in Piore and Sabel's words is borrowed from

"the French regulation. But - as will become apparent in the text - the concepts of historical change and economic crises with which we associate it differ from those concepts in the French theory. More precise English translations of regulation are 'balancing mechanisms' and 'equilibration' These terms too, however, imply something different from our argument: they are closely associated with the market mechanism as understood in neo-classical economic theory as a whole - is but a specific solution to more general economic problems. Our usage, furthermore, should not be confused with the everyday of 'regulation' as a shorthand for 'government' intervention in private markets.' Rather, we are using the word in the most extended sense; in some
economic systems the government might play a critical role in regulating markets, yet the system as a whole would be self-regulating."
(Ibid, p.4).

This elucidation is less than enlightening however as it does not specify in precise terms what the conceptual specificity of their use of the term is, or refers to, and the nearest we get to a definition is the following:

"One kind of criticism easily visible, is marked by the realisation that existing institutions no longer secure a workable match between the production and consumption of goods; these institutions must be supplemented or replaced. We refer to the institutional circuits that connect production and consumption as regulatory mechanisms, we call the disruptions of these circuits regulation crises."
(Ibid, p.4).

The rise of the multi-divisional corporation and the Keynesian/Welfare State are examples of forms of regulation which have arisen in the twentieth century in response to economic crisis. Thus the term 'regulation' as used by Piore and Sabel is never theorized and cannot compare with the attempt to specify it with rigour that can be found in the various forms of Marx's regulation theory (Aglietta, 1982; Boyer, 1990; Dunford, 1990; Jessop, 1990).

It is unclear how regulation crises and industrial divides in Piore and Sabel's work differ from one another at the conceptual level. Industrial divides are presented as extreme forms of regulation crises. For example, the first industrial divide in the nineteenth century that pitted mass-production against craft production was also a regulation crisis in the sense that any form of industrial production and economic organisation depends upon its embeddedness in a system of rules, norms and values, of consent and coercion. In the nineteenth century forms of FS or artisanal production existed in conflict and contrast to the rising mass-production system.
"These less rigid manufacturing technologies were craft systems: in the most advanced ones, skilled workers used sophisticated general-purpose machinery to turn out a wide and constantly changing assortment of goods for large but continuously shifting markets. Moreover - in contrast to mass production - economic success in these industries depended as much on cooperation as on competition: unless the costs of permanent innovation were shared among firms, and between capitalists and workers, those who stood to lose from change defended their interests by blocking it. And the sharing of costs depended, in turn, on institutions that protected the vulnerable in the name of the community as a whole."
(Ibid, p.5).

Although it is unthematized this argument bears a strong resemblance to Polyani's classic attack on free-market liberal economic and social theories. In The Great Transformation (1957), Polyani attacked the colonisation of the social by economic markets and the turning of everything (land, resources, labour, etc) into a commodity to be bought and sold. In particular the idea that human beings could be made the equivalent of other factors of production without inhuman and detrimental results was also attacked. In turn, of course, Polyani was drawing upon, in an eclectic manner, on the multitude of radical attacks in nineteenth century liberalism and its particular interpretation of Adam Smith's The Wealth of Nations (1776). Again in turn, Piore and Sabel are much influenced by all these critiques and it informs much of their analysis, but they unfortunately never move on and give a coherent account at the level of the history of ideas or theoretical formulation, of how these critiques have been incorporated into the body of their work and the way it informs their theory of the industrialization process and industrial-capitalist society. Although Polyani said little about the possibilities of craft production as an alternative to the liberal emphasis on the market, there is the suggestion that the free market hegemony of the nineteenth century was some sort of unnatural mistake that could have been avoided given the right decisions in the key historical conjunctures. Piore and Sabel also seem to be saying this when they discuss the nineteenth century Marshallian industrial craft districts:

"Silks in Lyon; ribbons, hardware and speciality steel in neighbouring Saint-Etienne; edge tools, cutlery, and speciality steel in Solingen, Remsheid, and Sheffield; calicoes in Alsace; woollen and cotton textiles in Roubaix;"
cotton goods in Philadelphia and Pawtucket - the history of all these industries challenges the classical view of economic progress. Small firms in these industrial districts... often developed or exploited new technologies without becoming larger. The technological dynamism of both these large and small firms defies the notion that craft production must be either a traditional or subordinate form of economic activity. It suggests that there is a craft alternative to mass production as a model of technological advance."
(Ibid, p.28).

The most important theme that Piore and Sabel deploy in their argument for this specific form of FS industrialization is, as suggested above, the character of the economic and extra-economic institutional regulatory mechanisms. They identify three variants which are functionally compatible at the micro, meso and macro levels of artisanal production, namely: Municipalism; Paternalism and Familiarism (on these see below). Piore and Sabel conceptualise a world in which technology can develop in various ways. This artifactual argument is repeated in a more detailed form by Sabel and Zeitlin:

"On this evidence, the obstacles to the progress of mechanization on craft lines lay not in some self-blockage of this model of technological development, but in the unfavourable environment - political, institutional, economic - with which it had to contend. Yet from the perspective of the narrow-track idea of historical development, the technological vitality of the industrial districts appears to be an incomprehensible violation of the laws of progress. To make sense of this vitality, therefore, it is necessary to shift vantage points and imagine a theoretical world in which technology can in principle develop in different ways, a world that might have turned out differently from the way it did, and therefore a world with a history of abandoned but potentially viable alternatives to what actually exists."
(Ibid, p.161)

The leitmotif which runs through this argument is that other possibilities of how society and the economy could be organised exist not only hypothetically, but also historically. The nineteenth century industrial divide was a branching point containing many alternatives and similarly so is the late twentieth century industrial divide which again foregrounds the importance of politics:
"Today in London, Bonn, Vienna and Washington D.C., political parties struggle ever more openly to put new technology in the service of the groups they represent. For the first time since the mid-nineteenth century there are widespread explicit arguments over the direction technological development might take. If our understanding of the origins of mass production and the principles of technical change are correct, it is politics and not the immanent characteristics of the technologies which will decide how the new machines will be designed. And if that is so, then a deeper understanding of the historical alternatives to mass production is one way to ensure that current possibilities are not unwittingly dismissed as utopian simply because they did not win out in the past".


The argument that politics and thus power determines the trajectory of economic development and industrialization is thus the main argument of Piore, Sabel and Zeitlin's research. However, in later articles some of the more extreme rhetoric about industrial divides and paradigm shifts, while still present, is modulated by a more cautious theorization and understanding of contemporary forms of industrialization. For example, Sabel's articles which are contemporaneous with The Second Industrial Divide in the mid 1980s such as 'Industrial Reorganisation and Social Democracy in Austria', [with Katz] 'Industrial Relations and Industrial Adjustment in the Car Industry' (1985); 'Changing Models of Economic Efficiency and their Implications for Industrialization in the Third World' (1987), seem to be more cautious and empirically specified. For example, FS which was previously identified with artisanal cottage industry is widened to include what was previously termed neo-Fordism in Work and Politics. In these writings Sabel identifies three variants of FS (the same points can be found in The Second Industrial Divide: (1) The West German; (2) the Japanese; (3) the Italian. The German form of FS is organised by the large-firm through internal organisational decentralisation of the factory; the Japanese example is an intermediate form where the large firm or corporation becomes a final assembler and marketer of components produced by flexible small firms in relations of dependent relational contracting; with the Italian example, the large firm disappears and production is carried out by federations of autonomous small firms within industrial districts. Operating with these broadly defined
ideal-types, Sabel argues that an Austrian form of FS could be developed by taking something from each:

"Some combination of these three types of flexible-specialization is plausibly applicable to Austrian industry: The West German model suits part of the steel industry; the Japanese model might be applied to the textile industry or the production of diesel motors. And there are obviously pieces of Austrian institutional system, such as the Aussenhandelsstellen which fit naturally into such a scheme."


However, Sabel believes that there are political and institutional obstacles which could prevent this happening. This has to do with the entrenched system of social-democratic corporatism or "Austro-Keynesianism" which has structured the Austrian polity and economy since the end of the Second World War and which have given rise to rigidities which prevent the transition to a flexible regime of production. Thus repeatedly the importance of politics is emphasised as structuring the industrialization process. Moreover, the idea that these institutional 'regulatory' institutions are crucial mediating and structure forming factors in determining the outcome and form of the industrialization process is emphasised.

**Beyond the second industrial divide?**

Of even more significance for understanding Sabel's understanding of industrialization is his essay 'Changing Models of Economic Efficiency and Their Implication in the Third World' (1987). Here he argues that the FS hypothesis is not just of significance for the rich advanced industrial societies, but has a universal significance for the 'Third World' as well. Sabel recapitulates the classical or mythical view of how best to industrialize a backward region or country and to make the break from tradition to modernity. The classical arguments of Adam Smith, Karl Marx, David Landes, Alfred Chandler and Alexander Gerschenkron[8] are fused to form a single argument about the dynamics of development and modernisation.
"That the dynamic of efficiency would triumph in the end was for both Smith and Marx the principal lesson of the fall of feudalism. Despite their differences, they agreed that history acted through the self-interest of individuals to call forth movements which broadened markets and allowed producers to profit from their efforts. Once there was an efficiency breakthrough anywhere competition spread it anywhere competition spread it everywhere. Those who could not emulate the new success would be crushed by those who could."

(1987, p.29).

Sabel traces the economic history of how development economics has attempted to impose on 'Third World' (a term which Sabel curiously takes as given) countries its policy prescriptions of imitating the West and mass-production and how the theory and practice of import-substitution, the product-cycle theory and export-promotion have all failed the Third World in various ways. In opposition to these approaches Sabel puts forward his own solution, or as he calls it, "two possibilities for FS in the Third World". He repeats his argument about the historical viability of small-scale artisanal production as one 'possible world' among many which has been abandoned and condemned as obsolete by the classical theorists. Nevertheless, to emphasise the surprising and contingent combination of circumstances that can favour the introduction of FS Sabel argues that the first possibility for its introduction and diffusion lies paradoxically in the manner in which mass-production has been introduced into the 'Third World'. A classical instance of perverse effects.

Taking as his example Latin America Sabel argues the following case:

"The central conclusion of case studies conducted by the Programa de investigaciones sobre desarrollo científico y tecnológico en América Latina is that even the most modern Latin American plants function according to different principles than their first-world models. Because their design was inspired by factories operating in the large advanced countries, the Latin American plants are typically too big for their own markets... Under these conditions firms making machine tools, injection moulding equipment, farm machinery, castings and automobile engines used their slack resources to adapt the original product design to local conditions or develop new products in related lines. Given frequently idle machines, skilled workers used to repairing them, and, as an additional facilitating factor, an abundance of cheap
engineering talent, many large Latin American firms are surprisingly well positioned to absorb foreign technology - including programmable equipment - and put it to independent use."

(Ibid, p.46)

Sabel recognises that there is no automatic or necessitarian reason why these possibilities should be turned into actuality, and that a whole set of transformations and restructurings would need to be developed and implemented - in marketing, distribution, suppliers, etc. - but he believes that it is not impossible either. The examples he uses of a successful strategy that Latin America should follow is the newly industrializing countries such as Taiwan and Singapore. The second setting in which FS might emerge is the "immeasurably vast and poorly understood informal sector of Latin American economies".

Sabel argues further that it is possible, under the right conditions, for these to develop into a flexible-specialised economy on the model of the Italian (Third Italy). However, Sabel says little about how this could be achieved and concludes on a more general methodological note, which repeats his argument about 'possible worlds'. As can be expected from an article in a collection dedicated to Albert O. Hirschman, Sabel appeals to Hirschman's insistence in his article 'The Rise and Decline of Development Economics' that no system of economic laws are universal and apply to all times and places and argues that: "There may be one physical universe, but there is not one economy" (1987, p.50).

The latest writing and research by Piore and Sabel while adding substantially to their conceptualisation of FS and the institutional/political preconditions for its implementation, diffusion and development, again, do not at the theoretical level, confront the question of industrial divides and branching point in the history of industrialization. For example, Piore's article 'The decline of mass production and the challenge of union survival' (1986) has as I shall show interesting things to say about the role of labour and trade unions in the context of new production systems, but little to add to his theoretical arguments on the process of industrialization. Other articles by Piore such as 'Technological Trajectories and The Classical Revival in Economics' and 'Work, Labour and Action: Work Experience in a System
of Flexible Production' (1992) can claim more to inquiring into the themes discussed above, but can hardly be thought as advancing the original conceptualisation. 'Technological Trajectories' helps to clarify the arguments put forward in The Second Industrial Divide, by linking them more firmly to some of the problems in economic growth theory, but it is hardly a conclusive argument and is more an illustration of the inadequacy of orthodox economic theory than anything else as illustrated by his conclusion: "... The market organisation of the kind which the Chicago School envisages would seem to be more likely when the conceptual structure of production maps directly onto the conceptual structure of consumption. Why this should ever be the case, however, is unclear." (p.170)

Sabel's major articles 'Flexible Specialization and the Re-emergence of Regional Economies' (1988), 'Moebius-Strip Organizations and Open Labour Markets : Some Consequences of the Reintegration of Conception and Execution in a Volatile Economy' (1991) and [with Horst Kern] 'Trade Union and Decentralized Production: A Sketch of Strategic Problems in the West German Labour Movement' add significantly to the debate, but little to the positions already sketched out, although as shall be argued, some of the more voluntaristic rhetoric about 'possible worlds' and 'industrial divides' disappears or is modulated by concern with continuities rather than absolute breaks.

As a provisional conclusion at this stage in the argument it is necessary to argue that Piore and Sabel's ambitious attempt to theorise and develop a social and economic theory of the industrialization process, is in need of further development and is under-theorised. Nevertheless, it is possible to find a more explicit sociological foundation and theorisation of the nature, characteristics and trajectory of the industrialization process in the research and writing of Roberto Mangabeira Unger and Paul Hirst whose theoretical positions are close to Piore and Sabel, and provide a more thorough and rigorous account of non-deterministic theory of industrialization and the move towards a flexible-specialised economy. It is through a confrontation and dialogue with these researchers that it is possible to provide a more adequate and explicitly sociological theory of the economy and society as understood by Piore and Sabel.
Paul Hirst’s road to flexible specialization

Hirst’s espousal of Piore and Sabel’s the FS thesis is the latest manifestation of Hirst’s theoretical/political trajectory. This is not the place to fully explicate this trajectory (see Elliot, 1986; Benton, 1987) but it is important to situate it within the radical sociological climate of the 1960s and, in particular, the Althusserian moment in British social theory which enjoyed a brief moment of influence in the 1970s. The importation of Althusserian themes via journals such as New Left Review and the translation of Althusser’s For Marx (1965) and (with Balibar) Reading Capital (1968) greatly influenced many radical sociologists in this period and Hirst was, with Brewster, Hindness, Cutler and Hussain in the vanguard of this “import agency” via the short lived journal Theoretical Practice. Dissatisfied with the eclecticism of New Left Review, Theoretical Practice was intent on producing a more rigorous theoretical account of the British social formation and the conditions for its transformation via the application of a Marxism mediated through a ‘symptomatic reading’ of Marx originated by Althusser.

The key essays of Althusserianism that initially influenced Theoretical Practice were ‘Contradiction and Over-determination’ and ‘Marxism and Humanism’ from For Marx (1965). Eclecticism would be avoided by tarnishing all other Marxisms and radical sociologies, from Lukacs, the Frankfurt School, Gouldner, Anderson and Gramsci, with the brush of the ‘deviations’ and ‘errors’ of ‘historicism’, ‘humanism’, ‘economism’, ‘essentialism’ and so forth. Later Reading Capital (1968) would be the most important text for this group and Hirst and Hindness in particular. Specifically, the essay by Balibar ‘The Basic Concepts of Historical Materialism’ would be the focal point for discussion and theoretical elaboration and critique, concerned as it is with concepts of mode of production, productive forces and relationships of production and the possibility of developing a general theory of modes of production. The exploration of these concepts led Hirst with Hindness to write Pre-Capitalist Modes of Production (1975) which apart from its high Althusserian scholasticism concluded that a general theory of modes of production is an impossibility.
Then, after a brief self-critique, Hirst and Hindness (with Cutler and Hussain) published their two volume Marx's *Capital and Capitalism Today* (1977) which was a full-scale attack on Marx and Marxism's conception of modern industrial capitalism and the form of epistemological concept formation deployed by Marxists. The details of the Hirst et al. critique is not of great concern here although it entails a rejection of rationalist epistemological arguments and its substitution by an extreme philosophical conventionalism. Substantively it meant the rejection of the idea that the 'mode of production' could be represented topographically as a complex structured whole determined in the last instance by the economy, a la Althusser. As summarised in Marx's *Capital and Capitalism Today* (1977) their critique has four arguments:

1. It challenges the conception of a mode of production as a totality which has inscribed in its structure certain necessary effects, these effects being assimilable in a general concept;
2. It challenges the 'law of value' and the theory of exploitation and accumulation;
3. The concept of 'tendencies' as necessary and progressively developing effects of the totality or structure is challenged;
4. Rejection of the classic concept of classes as categories of economic agents/human individuals ultimately impelled to political unity and action by the effects of the economic structure of the totality and crystallising as political forces around 'interests' which are imposed and given to the agents by the structure.101

Interpreting Marx as a discourse which conceives modes of production as totalities, with certain effects inscribed in their structures and the "specification of those effects in certain necessary economic processes" as creating a "homogeneous field of realisation of those effects" led to Hirst et al. to develop an either/or alternative. The alternative being what most commentators at the time interpreted as the blind alley of an eclectic pluralism and empiricism devoid of content. For example, Elliot in an unsympathetic critique of Hirst writes:

"The unmistakable reflex throughout the book is to inveigh in general against general theory and then explain all over again why the particular..."
subjects under discussion are resistant to such theory. Perhaps this should come as no surprise. After all, the 'economy-as- totality' was shown the front door together with its illustrious companions; any general theory of it from Marx to Marshall, from Smith to Sraffa - was dismissed as 'Essentialism'. Hence there was inevitably something of a discrepancy between the theoretically-saturated nature of the (negative) critiques of all and sundry, and the modestly descriptive character of the (positive) alternatives offered."

However, this critique goes too far, and it is necessary to recognise that although Hirst rejects the conception of a social formation as having "a definite and necessary structure with definite and necessary relations of affectivity between its parts", he still argues that "we are left with the concepts of definite social relations and practices, relations and forces of production, law, and so on, but there is no necessary form in which these concepts must be articulated into the concept of the essential structure of a social formation". However, the essentially arbitrary and circular nature of the whole enterprise remains, as recognised, for example, by Ball, Massey and Taylor (1979).

Of all the Marxist critiques of Hindness and Hirst, Jessop's (1990) seems to be one of the judicious and relevant. Jessop recognised the problems with reductionist versions of Marxism that Hindness and Hirst attempt to criticise, but argues from a realist position that Hirst's concept of "necessary non-correspondence" denies different levels of abstraction and that a "method of articulation" would be a better position to develop.

"It is clear that such an argument need not re-introduce the thesis of economic determination in the final instance, but it does raise the question of economic determination in a pertinent manner. It is in these terms that we can introduce the issue of articulation of heterogeneous elements to constitute a relatively unified social formation capable of reproduction, the limits of covariation involved in the mutual presupposition and/or codetermination of these elements, and the relative importance of various elements in the overall determination of social cohesion. Such an approach need not involve any rejection of Hindness and Hirst's commitment to the heterogeneity of social relations, the multiplicity of theoretically possible points of reference for establishing conditions of existence, and the variability of causal relations. Indeed it would seem to offer
Having said that it is possible to take the theoretical logic of Hindness and Hirst in a different direction, towards the discourse theory of Laclau and Mouffe (1985). The anti-reductionist principle that Hirst and Hindness establish of the "necessary non-correspondence" (although this is not the term they would use) of social relations is opposed by Laclau and Mouffe on the grounds that it excludes "any theoretical possibility of investigating the relative unity of a social formation" (Jessop, 1988). With the principle of articulation and contingency, Laclau and Mouffe argue that they have a theoretical alternative to Hirst and Hindness which avoids a mere pluralism of social elements without any necessary relationship with each other and which introduces "a certain notion of totality... with the difference that it would no longer involve an underlying principle that would unify 'society', but an ensemble of totalising effects in an open relational complex" (Laclau and Mouffe, 1985, p.103). What this abstract discussion highlights is a more general question which will link up with the later discussion of Unger. Like Hirst, Laclau and Mouffe, Unger's object of critique is the way social theory and, in particular Marxism, has conceptualised the nature of social relations as forming functionalist totalities within a 'deep structure' and 'necessitarian' paradigm. Moreover, these criticisms dovetail into Piore and Sabel's critique of the "three misleading ideas": Essentialism, determinism and reductionism.

**From Discourse to Flexible Specialization**

However, there are more parallels between Hirst and Piore and Sabel than just these methodological and epistemological issues of social theory. They spill over, further, into the substantive conceptions of social and economic organisations, namely, FS. Laclau and Mouffe's concept of substantive social and economic organisation is nebulous to say the least, with little concrete discussion over the organisation of industrial capitalist societies at all beyond a perfunctory discussion of the political constitution of the economy inspired by their
reading of Bologna, Panzieri, Tronti, and Negri and French theorists of Fordism such as Palloix and Aglietta. Hirst, on the other hand explicitly attempts to develop a political and economic theory of modern society drawing upon the research of Piore, Sabel and Zeitlin. Surprisingly, however, Hirst does not refer at any point to Unger's project of integrating a conception of social theory, industrial society and FS. Hirst's reflections on FS and the relationship to his evolving theoretical discourse will now be examined.

On first reflection there seems to be a theoretical hiatus between the discourse of Marx's *Capital* and *Capitalism Today* (see also Hirst, 1979, 1985, 1993) and Hirst's more recent writings. The abstract and highly theoretical reflections have been modulated by a more empirical turn and the wish to express himself as a more 'public' intellectual, communicating in the public sphere to a wider common readership. In fact one can discern a certain disillusionment with high theory and its esotericism as reflected in Hirst's *After Thatcher* (1988) which is written in a plain, clear style unconcerned with general social theory. Nevertheless, a clear theoretico-political line can be discerned, namely scepticism towards the neo-Gramscian analysis of 'New Times' associated with Stuart Hall which postulated a hegemonic 'Thatcherite' political project with totalising effects of ideological, social and economic transformation/restructuring of the British social formation (see Hall, 1988b). For Hirst, no such hegemonic project can be identified and conservative dominance is viewed as an accident of the electoral system. Nevertheless, Hirst agrees with Hall's analysis that Thatcherite policies have been catastrophic for Britain's economic, social and political fabric. Indeed, Hirst is more negative about Thatcher and her policies than the 'New Times' analysis which locates some positive aspects to the Thatcherite and Conservative governmental project.

On the other hand, Hirst has also continued to develop a political and social theory which keeps to the spirit if not the letter of his original critique of Marxism. In particular, the critique of the concept of capitalist mode of production as a totality with necessary and homogeneous effects inscribed within its structure, continues to play a crucial role in Hirst's political and social theory. In its place has emerged a political theory which draws its resources not from any of the versions of post-structuralism and discourse theory, but rather from the traditional resources of British Guild Socialism, Cole, Laski and North American
pluralist political theory. Hirst calls his political theory, Associational Socialism/ Democracy which as I shall argue later has important implications for the political theory of FS.\(^{(12)}\)

Hirst further develops an analysis which integrates his political analysis with an economic analysis of FS. At first approximation Hirst's analysis is heavily dependent on Piore's and Sabel's research, which is not surprising since his work on FS was done in cooperation with Zeitlin. However, Hirst does explicitly theorize FS within the context and logic of his earlier theoretical critique in *Marx's Capital and Capitalism Today* (1977). Importantly, Hirst's article, jointly authored with Zeitlin, 'flexible-specialization versus post-Fordism: theory, evidence and policy implications' (1991) is an interesting theoretical analysis which makes a series of useful distinctions between the various typologies that have been put forward to theorise the contemporary restructuring of economic, social, political and cultural life.

While *Marx's Capital and Capitalism Today* (1977) said nothing about FS and post-Fordism (it would be five or so years before the first intimations of these ideas would be published) Hirst et al were cognisant of the fact that changes were in the process of developing. The critique of the theorization of the capitalist mode of production led, I have argued, to the deconstruction of the Marxist theoretical and discursive totality, and hence to the general nominalist conclusion that: "If capitalism has no evolutionary tendencies in general and takes the form of specific national economies subject to differing problems and constraints, then socialisms must differ" (p.265)(A conclusion followed up and concretized in other works by Hindness's, *Parliamentary Democracy and Socialist Politics* (1983), Hirst's *Marxism and Historical Writing* (1985) and Tomlinson's *The Unequal Struggle? British Socialism and the Capitalist Enterprise*) (1982). Having said this, Hirst and his associates were not to take up the themes of economic re-structuring until the debate itself was in general momentum throughout the social sciences. And in fact the critical reaction from the post-Althusserian camp was hostility to the ideas of Piore and Sabel as exemplified by Williams and Cutler et al's (1987) review article in the journal *Economy and Society*.\(^{(13)}\)
From Capital to Flexible Specialization

However, from the point of view of this chapter the most significant aspect of Hirst's espousal of the Piore, Sabel and Zeitlin FS hypothesis is that it interprets their text symptomatically through the problematic of Marx's Capital and Capitalism Today (1977) and criticises other approaches, such as the New Times perspective of Hall and Lash and Urry and the Regulation approach as further illustrations of the inadequacy of Marxist theorizations. Hirst and Zeitlin write:

"Many people habitually conflate three approaches to industrial change under these headings. The resulting problem is that significant differences of approach are concealed by a superficial similarity between the proponents of flexible specialization and a set of apparently similar but underlyingly divergent ideas. The purpose of this paper is to examine systematically the differences between flexible-specialization, regulation theory, and other variants of 'post-Fordism' with respect to their fundamental assumptions and theoretical architecture, their methodological approach and the use of evidence and their policy implications."

(1991, p.1)

The fact that Hirst should accept the arguments of Piore and Sabel's text is at first surprising. However, 'three misleading ideas' that Sabel identified in Work and Politics are basically the same type of ideas Hirst is attempting to combat. While Sabel was first and foremost criticising the liberal industrial society/convergence theory, Hirst was criticising and problematising Marxism. Technological determinism for Hirst became economism, essentialism became, expressive-causality and the field of homogeneous effects, and reductionism became the classic theory of representation of class interests in politics and ideology. On the other hand, though, some surprise must be expressed, for Piore and Sabel's The Second Industrial Divide (1984) is a classical case of an 'exagger-book'. While not in the same exagger-league as, say, Daniel Bell's The Coming of the Postindustrial Society (1972) or Alvin Toffler's The Third Wave (1983) there are definite exagger-book themes in Piore and Sabel's work. Not that this is necessarily a bad thing, but in terms of an immanent critique
based on Hirst's own methodological and theoretical assumptions, it is certainly problematic and questionable.\(^{14}\)

In point of fact, the Williams, Cutler et al critique of Piore and Sabel made exactly this sort of charge against The Second Industrial Divide, namely that:

"The text builds a large and ambitious superstructure on the basis of this one opposition [mass production and flexible-specialization]. The superstructure has three interrelated elements; first, a theory of types of economy, their characteristic problems and how these problems can and have been resolved; second, an interpretative meta-history of the development of modern manufacturing since 1800; third and finally, an analysis of the current crisis of the advanced economies and its possible solutions. Seldom in the history of intellectual endeavour, can so much have been built on the foundation of one opposition."


Obviously, the reception of The Second Industrial Divide (1984) in the post-Althusserian camp caused a considerable split (although this was prefigured in the refusal of Cutler to endorse the political conclusions of Marx's Capital and Capitalism Today (1977), with Hirst lining up in defence of it against the Williams, Cutler et al's critique, although it is significant that Hirst and Zeitlin do not reply and mention this critique.

Hirst and Zeitlin's espousal and defence of The Second Industrial Divide (1984) underplays the totalising and generalising aspects of the text and interprets it through very different theoretical optics, one which translated it into a careful, empirical, non-totalising exemplification of the deconstructionist and neo-Weberian principles of Marx's Capital and Capitalism Today (1977). In making this move Hirst and Zeitlin have to underplay the totalising aspects of the text, such as the rhetoric of 'industrial divides' and 'paradigm shifts' which Piore and Sabel fall into throughout the book. In their article Hirst and Zeitlin, then, paradoxically, espouse the FS hypothesis against what they view as the totalising assumptions of the post-Fordist and Regulation School approaches to industrial change. It is the post-Fordists and the Regulationists that are beaten with the brush of being "exagger-books":
"Despite their apparent similarities, flexible-specialization and post-Fordism represent sharply different theoretical approaches to the analysis of industrial change. Where post-Fordism sees productive systems as integrated and coherent totalities, flexible specialization identifies complex and variable connections between technology, institutions and politics, where post-Fordism sees industrial change as a mechanical outcome of impersonal processes, flexible-specialization emphasises contingency and the scope for strategic choice."

(Ibid, p.2).

Finally, FS is distinctive because as a style of analysis it is unique because its theoretical architecture builds "upwards from simple ideal-types to a complex and multi-levelled system of concepts applicable to a diverse range of empirical cases" (p.2). So in place of the Williams, Cutler et al. interpretation of Piore and Sabel we have the completely contrary Hirst and Zeitlin interpretation. How do Hirst and Zeitlin justify and make the case for such an interpretation and how do they criticise the post-Fordist and Regulationist approaches? First they argue that the binary opposition between mass-production and FS should be taken as technological paradigms or ideal-typical models of visions of industrial efficiency. Second, the structural properties of these two paradigms define a set of micro and macro-regulatory problems which must always be resolved. However, there is not just one way to resolve these problems but a potentially infinite number of combinations that could manage them:

"For mass production, the crucial micro-regulatory problem is that of balancing supply with demand in individual markets: coordinating the flow of specialised inputs through the independent phases of production and distribution; and matching the output of productive resources that cannot easily be turned to other uses with the normal level of demand for each good. But as Piore and Sabel argue these common goals may be pursued through a range of individual strategies, such as market segmentation, inventory variation and superficial product differentiation, while the institutional framework provided by the large, hierarchical corporation likewise varies considerably both within and across national economies. Thus the organisation of mass-production firms in the United States, West Germany and Japan, to choose some notable examples, differ significantly along key dimensions such as levels of administrative centralisation and vertical integration, relationships with financial institutions, and systems of shop-floor control."

(Ibid, p.3)
Likewise for FS the crucial micro-regulatory problem is that of sustaining an innovative recombination of resources by reconciling competition and cooperation among firms. They identify at least two ideal-typical institutional frameworks that could do this: (1) The Marshallian industrial district on the one hand, and on the other (2) the large newly decentralised corporation. As regards the question of macro-regulatory institutions the same sort of analysis is pursued. Namely, general and abstract categories are deployed and then are complexified to deal with specific, empirical, instances. For example, the dominant macro-regulatory institution of the mass production era was the Keynesian welfare state:

"here too the differences among national economies remained striking: differences for example, in the methods of managing budgetary aggregates, in the commitment to counter-cyclical deficit finance and public welfare provision, and in the role of collective bargaining agreements and other 'private' means for relating purchasing power to productivity growth."

(Ibid, p.4).

Regarding the macro-regulation of FS regimes, Hirst and Zeitlin argue that the model is as yet not well developed. More recently in his work on regional economies Sabel has developed these ideas by treating macro-economic regulation as a problem of reinsurance: whereas for mass production, the key problem is that of reinsuring firms against unpredictable fluctuations in the level of demand through macro-economic management. On the other hand, the problem for FS is that if reinsuring firms against the risk of unpredictable fluctuations in the level of demand through macro-economic management and reinsuring regional economies against large-scale shifts in its composition by establishing inter-regional mechanisms to facilitate adjustment. Again Hirst and Zeitlin follow Sabel in postulating a number of variants of this macro-regulatory regime which will be examined further in Chapter 3 with reference to the political implications of the FS model, and the implications for industrial relations, work and employment. With reference to the theory or model of industrialization and industrial society it can be argued again, that Hirst and Zeitlin are following the position of Piore and Sabel on the "three misleading ideas" of the industrial society theoretical arguments.
"From this account it should be clear that FS is at once a general theoretical approach to the analysis of industrial change, and a specific model of productive organisation whose micro and macro regulatory requirements may also be satisfied through a variety of institutional forms. But in no sense can this general approach be understood as an evolutionary teleology in which the triumph of flexible specialisation as a specific model is a necessary consequence of some immanent logic of economic or technological development [my emphasis]. Much of the debate over flexible specialisation has in fact missed the mark by construing the latter as a similar type of theory to post-Fordism in its way its many variants."

(Ibid, p 6)

Hirst and Zeitlin contrast their position (and Piore and Sabel) with the various cognate theories of post-Fordism (and Regulationist theories of Fordism and neo-Fordism) which reproduce all the "sins" of orthodox fundamentalist logics of theorizing which have been denounced and criticised since Marx's Capital and Capitalism Today (1977). Hirst and Zeitlin, however, do recognise that one cannot simply homogenize the various post-Fordist and Regulationist schools and traditions into one singular position. For example, they take what they see as representative examples of the post-Fordist argument such as the approach of (1) The argument of the now defunct political journal Marxism Today and its 'New Times' argument. The most representative figures here are, to take the best example, (1) Stuart Hall; (2) The sociological writings of Scott Lash and John Urry as exemplified in their book The End of Organized Capitalism (1987); and (3) the Schumpeterian research of Christopher Freeman and Carlota Perez.51

Hirst and Zeitlin argue that these positions represent a continuum of sophistication in the post-Fordist argument with the "New Times" argument representing the more crude version and Freeman and Perez, the most sophisticated with Lash and Urry in-between. Other research is mentioned such as David Harvey's The Condition of Postmodernity (1989), which according to Hirst and Zeitlin, is not worth considering since it adds nothing to Lash and Urry's argument. The major objection that Hirst and Zeitlin direct at the post-Fordist argument is that it is over-totalising (and, at the same time, under-totalising) is captured in their remarks objecting to the use of the Gramscian term Fordism in the post-Fordist argument:
"What is wrong with the Fordist stereotype? Firstly, that it ascribes the dominance of Fordism to economies of scale, to a narrowly economic explanation without reference to actual markets, plant sizes or specific forms of production organisation. Taylorism is taken for granted, without reference to the actual complexities of work organisation or the role of labour. The division of labour has never been a management prerogative" (p.9). And in defence of *The Second Industrial Divide* (1984) they write: "far from conforming to the Fordist stereotype [it] has the great merit of carefully considering these different national routes to economic organisation" (p.9).

At the first approximation it would seem that Hirst and Zeitlin make a strong case for arguing that the post-Fordist research is too general and totalising and as they write "Post-Fordist analysis of 'New Times' is little more that pop-sociology combined with a tendency derived from classical Marxism to think of societies as coherent types. The Post-Fordist concept is linked to that of postmodernism to produce a view of modern society as fluid and changing, dominated by a shift from collectivism to individualism, from production towards consumption and the service sector, from substance to style..." (p.11). For example, Stuart Hall gives a good example of such theorising about 'New Times' in an article in *Marxism Today*, "Brave New World":

"So far as description is concerned, there are several terms which have been employed to characterise these transitional times. Potential candidates would include 'post-industrial', 'post-Fordist', 'revolution of the subject', 'post-modernism'. None of these is wholly satisfactory. Each expresses a clearer sense of what we are leaving behind ('post') than where we are heading. 'Post-industrial' writers, like Alain Touraine and Andre Gorz, start from shifts in the technical organization of industrial capitalist production... They see a shift to new productive regimes... Post-Fordist is a broader term, suggesting a whole new epoch distinct from the regime of mass production."


Hall goes on to characterise this shift by referring to terms such as the use of 'information technologies', 'flexibility', 'decentralisation', and so forth. But even here we must express caution with Hirst and Zeitlin's verdict for two reasons. First, Hall is writing in a political
journal not for a sociological journal. The type of discourse deployed has a different form and purpose and one can be hyperbolic and make "exagger-statements". Secondly, Hall is more cautious than Hirst and Zeitlin admit as the types of argument are very similar in both sets of writers for as Hall writes:

"An issue that must perplex us is how total or complete this transition to post-Fordism is. But this may be a too all-or-nothing way of, posing the question. In a permanently transitional age we must expect unevenness, contradictory outcomes, disjunctures, delays, contingencies, uncompleted projects overlapping emergent ones. We have to make assessments, not from the complete base, but from the 'leading edge of change. The question should always be, where is the 'leading edge' and in what direction is it pointing."

(Ibid, p.24.)

The fact that Hall also asserts that post-Fordism is associated with broader social and cultural changes can also be defended in that it does not necessarily mean that there is a direct causal relation between the economic sphere and the cultural and political sphere. Indeed, Hall's earlier work at the Centre for Contemporary Cultural Studies on the "base-superstructure metaphor, social classes, politics, the State and cultural change proves this, even if they would disagree with the particular manner in which Hall theorizes these relations. The second example of post-Fordist argumentation that Hirst and Zeitlin examine is that of Lash and Urry which is a more difficult target to criticise than Hall in so far as it attempts to specify in far more detail the theoretical presuppositions of post-Fordism as 'disorganized capitalism' (1987) or more recently 'reflexive accumulation' (1994). They specify fourteen points which characterize the transition from organized to disorganized capitalism. However, these fourteen points can be quite easily collapsed into a larger grouping of six basic points: (1) globalisation, (2) the end of mass-production; (3) spatial re-organisation; (4) end of national collective-bargaining; (5) end of social class; (6) cultural transformations called postmodern. Although Lash and Urry examine these processes from a cross-national perspective, taking as examples the United Kingdom, United States of America, (West) Germany, France and Sweden, the logic of their discussion alludes to a more universal significance.
Lash and Urry do seem to have an explicit totalising explanation which posits successive phases of functional integration (organization) and disintegration (disorganisation). Hirst and Zeitlin comments are then, very pertinent:

"Their fourteen points of specification of disorganised capitalism is likewise a list of features consisting in empirical generalizations, of different phenomena grouped to form a whole. Even if most of the features thus identified do indeed occur we cannot trace organized or disorganized capitalism as social types of the same order of those of classical social theory, since they lack a rigorous specification of the necessary causal connections which make types an operative social whole."

Finally, Hirst and Zeitlin assert that Lash and Urry are essentially technological determinists, essentialists and reductionists:

"All in all, the main thrust of the FS argument has passed Lash and Urry by, in that they see it predominantly as a generalization about forms of industrial technology rather than as a distinctive approach to the analysis of modern economies and their form of governance. Lash and Urry are trapped into using the model of Fordist-Keynesian national economic regulation as the model of organized capitalism and seeing all divergence from this as evidence of 'disorganization'."
(Ibid, p.13)

However, Hirst and Zeitlin's critique of Lash and Urry is too general, unspecific and undeveloped to be taken as a serious critique. And Lash and Urry's later work has gone beyond their original arguments in terms of theoretical sophistication and empirical specification (see, Lash and Urry, 1994).

The final post-Fordist model they examine is the work of Freeman and Perez which they think have a far more sophisticated model of the transition, based on the work of Kondratiev and Schumpeter's work on long-waves of economic/technological expansion and contraction, and so forth.
"They are careful to try and specify the technologies underpinning the major waves, and to look for evidence for their periodization and diffusion. Unlike other 'post-Fordists' they are careful to remain at the level of techno-economic evolution and not to generalise from this into social types, which are ensembles of economic, social and cultural relations. However, they still subscribe to the 'Fordist'/post-Fordist' dichotomy and to roughly the periodization as the other two bodies of work considered here."


The final variant of the post-Fordist argument is the regulationist school which they conflate into a single position. The regulation school is understood by Hirst and Zeitlin as a more sophisticated version of the post-Fordist hypothesis, but the same criticisms are directed at it as at the post-Fordist theories:

"Like post-Fordism, but unlike FS, the regulation school takes as its point of departure the concept of capitalism as a mode of production. Capitalism, in this view, is a contradictory and crisis-ridden economic system which requires some form of institutional regulation for its continued reproduction; but in contrast to orthodox Marxism, the operation of these crisis tendencies and their resolution is 'underdetermined' by the abstract properties of the mode of production itself. Social and political struggles therefore play a crucial role in the creation of the regulatory institutions which sustain each new phase of capital accumulation; and like post-Fordism, but unlike FS, the central actors involved in these struggles are conceived essentially in class terms."

(Ibid, p.18).

This is not the place to examine in detail the regulation approach (see below), but it is worth observing that Hirst and Zeitlin's critique of the regulation school is the weakest part of their argument and their conclusion that regulation theory is little different from the other post-Fordist arguments is a travesty:

"The regulation school set out to discover a middle way between general theory and empirical analysis, but their approach has run into the blind alley in which its conceptual holism must alternatively override or be undermined by the diversity of particular cases. Despite its apparent methodological sophistication, therefore, the theoretical architecture of the regulation approach
is ultimately little different from the more simplistic versions of post-Fordism, while contrasting quite sharply with that of FS."
(Ibid, p.22)

Thus, as has been argued, Hindness and Zeitlin read Piore and Sabel's *The Second Industrial Divide* (1984) through the theoretical lens of Marx's *Capital and Capitalism Today* (1977). Moreover, Hirst and Zeitlin's conclusion that the FS approach takes its lead from a criticism of social theories which assume that society is a 'totality', a set of relationships "governed by a single general principle and consistent in their character with such a principle" and that this further entails and presumes a process of "necessary social development or evolution based on certain fundamental 'tendencies' operative in such a totality" (p.24), is a critique that adds little to Hirst's first 'epistemological' critique. Nor does his conclusion that FS emphasises the 'contingency' and 'complexity' of the connections between social relations and of the distinctiveness of national and regional routes to the establishment of such connections between social relations. Whatever the value of Hirst's reflections they lead logically to a causal agnosticism and empiricism which undercuts its own foundations and which considerably misinterprets Piore and Sabel's work on key points of theoretical articulation and concept formation.

The objections to this approach are many and will be referred to in the next section, but it is worth observing at this point with Terry Eagleton (1989), the following:

"There are perhaps, two major reasons for this theoretical move, one rather more creditable than the other. The more credible reason is that many of the concepts of totality traditionally to hand are indeed objectionally homogenizing and essentialistic, superiorly excluding a range of crucial political struggles which they have decided, for one reason or another, can hardly be regarded as 'central'. The undermining of this version of totality is thus an urgent political task."

The less credible reason which Eagleton identifies is the disillusionment that some radicals have experienced with Marxism who now believe, in postmodern style, in a 'disarticulated',
'pluralised', 'anti-totality' and it is sometimes, comforting and convenient to imagine that there is not, after all, as Foucault might have said, anything 'total', to be broken. "It as though, having temporarily mislaid the breadknife, one declares the loaf to be already sliced" (p.381). Whether Eagleton's critique is also a case of wanting it both ways is not a question that can be answered here, but, nevertheless, his critique has some force and will be taken up in the next section on Unger.

**Unger's 'False Necessity' and 'Industrial Divides'**

Roberto Mangabeira Unger still needs some introduction to British social scientists, although his research and writings in the United States has caused some controversy and debate, specifically in the domain of legal studies where his leadership and championing of 'Critical Legal Studies' has shaken up the traditionally conservative and liberal legal academic establishment. More recently Unger has published a three volume book of social theory titled, *Politics, a Work in Constructive Social Theory* (1987, which is an ambitious attempt to provide a full-scale alternative to all the types of social theory presently on offer. This is not the place to review his work in its totality and it is only those parts that have direct relevance to the work of Piore and Sabel on types of industrialization which will concern me here.

Unger's work has developed in close symbiosis and synergy with Piore and Sabel's research and writing. For example, in the acknowledgement to *The Second Industrial Divide* (1984)p.ix, Piore and Sabel mention Unger who is also cited in the same context in Sabel and Zeitlin's 'Historical Alternatives to Mass Production: Politics, Markets and Technology in Nineteenth Century Industrialization' (p.133). In turn, Unger refers to Piore, Sabel and Zeitlin in the Biographical Notes to the first volume of his book, *Social Theory: Its Situation and Task: A Critical Introduction* (p.221) and in the second volume *False Necessity: Anti-Necessitarian Social Theory in the Service of Radical Democracy* (p.617) which suggests quite a close intellectual and political collaboration between them with influences travelling both ways. Unger explicitly announces his dependence, at the level of historical
evidence, on Sabel and Zeitlin's Historical Alternatives' article and writes: "Whether despondent or hopeful, this literature supplies an alternative to the traditions of conservative or radical necessitarianism that have dominated thinking about the history of the institutional forms of production and exchange" (p, 222).

Unger outlines his ideas concisely in the introduction to his three volumes, Social Theory: Its Situation and its Task (1987), but they are developed and extended throughout the further two volumes. Suffice it to say that Unger is hostile to all forms of social theory (in the most extended sense of the term to include economics, political science, sociology) which are 'naturalistic', 'deterministic', 'necessitarian' and 'positivistic'. Although one of his main targets is positivistic social theory, he is equally intent on criticising what he terms 'deep-structure social theory', which he identifies paradigmatically with Marxism. Unger is intent on developing a social theory which steers a course between a view of history which is random and denies the existence of historical or structured totalities and a type of theory which depends on the existence and reproduction of 'deep-structures' which determine and necessitate historical outcomes. The fundamental conceptual division which underlies Unger's own theory is the distinction between 'formative contexts' and the 'formative routines' of social life. Unger objects to the manner in which Marxists convert the 'formative contexts' into a deep-structure or essence of the social. One immediate problem with Unger's discussion is his lack of references to the particular Marxists or sociologists he is criticising, for Marxism is such a diverse and conflicting tradition of thought that his monolithic version is a caricature. Admittedly, Unger does not dismiss Marxism in toto and writes that it is still a powerful theoretical heuristic tool:

"Much of this book represents a polemic against what the text labels deep-structure social analysis. The writings of Marx and followers provide the most powerful and detailed illustrations of the deep-structure moves. Yet Marx's own writings contain many elements that assist the effort to free ambitious theorizing from the deep-structure with which to build a view of social life more faithful to the anti-naturalistic intentions of Marx and other classic social theorists than Marx's original science of history." (1987, p.216)
Indeed, Unger identifies a group of Marxists as 'political Marxists' - such as Antonio Gramsci and E.P. Thompson - who make a partial but significant break from 'deep-structure' theorizing: "At times the political Marxists have sacrificed the development of their insights to the desire to retain a connection with the central thesis of historical materialism" (p.219).

Unger makes other distinctions which have bearing on the discussion which will be taken up below, namely the distinction between what he terms 'super-theory' and 'ultra theory' which is summarised by Cornell West:

"Unger believes it necessary to go beyond Gramsci not because Gramsci is a paradigmatic Marxist 'super-theorist' who generates theoretical generalisations and schemas that fail to grasp the complexity of social realities. Rather, the move beyond Gramsci is necessary because Gramsci is an exemplary 'ultra-theorist' who attempts to avoid broad explanations and theoretical systems in order to keep track with the multifarious features and aspects of a fluid social reality. As an unequivocal super theorist who tries to avoid the traps of positivism, naive historicism, and deep-structure logics, Unger criticizes ultra-theorists like Gramsci and Foucault for rejecting explanatory or prescriptive theories. In Unger's view, this rejection ultimately disables effective emancipatory thought and practice. According to Unger, the 'ultra-theorist' sees a deep-structure logic inside every theoretical system, confuses explanatory generalization with epistemic foundationalism, and runs the risk of degenerating into a nominalistic form of conventional social science." (1990, p.92).

Returning to Unger's substantive objections to the 'deep-structure' logic of Marxism it is necessary to outline his criticisms in more detail. Unger objects most particularly to two moves within 'deep-structure' analysis. First, the effort to represent the framework identified in a particular circumstance as an example of a repeatable and indivisible type of social organisation such as capitalism; the second false move is the appeal to the deep-seated constraints and the developmental laws that can generate a closed list of compulsive sequence of repeatable and indivisible frameworks. For Unger history and society are more contingent than the deep-structure argument would suggest, and argues the following:
"The most serious dangers that deep structure analysis poses to the endeavour of the modernist visionary are precisely the dangers that arise from its truncation of our insight into structural diversity: the closure imposed on the sense of historical possibility, the reliance on an explanatory script and, most importantly, the inability to grasp how and why the relations between the formative and the formed, between social structure and human agency, may change. Deep structure social theory disorients political strategy and impoverishes programmatic thought by making both of them subsidiary to a ready made list or sequence of social orders."

(1987, p.93)

Unger's critique has points of comparison with other contemporary critiques concerned with similar problems. For example, Giddens (1987) who also criticized the concept of mode of production and is concerned with attacking functionalist system theory and 'saving the actor' in his 'structuration' theory. Pierre Bourdieu's (1989) theory of practice and habitus falls into this category as does, in a different way, Touraine's (1987) critique of evolutionism, functionalism and structuralism. It is Unger's concern with developing and critiquing social theory that lends his analysis a more detailed analysis of how society and industrialization should be conceptualised in a non-deterministic and non-necessitarian, that is, artifactual manner, than the work of Piore and Sabel. Unger, unlike Piore and Sabel, examines in detail the theoretical foundations, assumptions, presuppositions, epistemology and ontology behind these ideas and critiques. For example, his critique of the concept of mode of production is a necessary starting point for grounding his theory of many 'possible worlds'. Perry Anderson from a position, sympathetic to yet critical of Unger's theory summarises Unger's concept of 'formative contexts':

"[Unger's] key conceptual instrument is the notion of formative context. This is presented expressly as an alternative to the mode of production ... rejected as too rigid and replicable. A formative context is something looser and more singular - an accidental institutional and ideological cluster that regulates both normal expectations and routine conflicts over the distribution of key resources. The contemporary North Atlantic example thus includes, for Unger: constitutional division of governmental powers, partisan rivalry incongruously related to class, market economies based on absolute property rights, bureaucratic supervision of business activity, differential unionization,
Taylorised work organization, vocabularies of private community, civic equality and voluntary contracts."
(1992, p.135)

For Anderson this is, of course, an approach that a Marxist cannot condone for it is too loose a configuration which is 'vague' and 'indiscriminate', lacking in a 'hierarchy of determinations' or 'law of motion'. However, Anderson's critique is too summary to be completely convincing for whatever the last twenty-five years of debate over Marx's theory and concepts has revealed it is the difficulty of defining the specificity and theoretical architecture of Marx's social theory, the concept of mode of production, classes, base and superstructure, and so forth. Indeed, Anderson's work itself has been fairly heterodox. Unger's own critique of the concept of capitalism and the capitalist mode of production has to be examined then more closely than Anderson's critique attempts.

For Unger, the concept of capitalism has to be dispensed with because "we often infer the shortcomings of an explanatory theory from the difficulties we encounter in the use of its key concepts" (p.101). Unger argues that for Marx the concept of capitalism or the capitalist mode of production is both too universal and too particular:

"Whenever the concept was defined in a loose and general way, it proved to apply to a large range of historical situations. Many of the societies to which an inclusive concept of capitalism seemed to apply were not industrialized... To deal with these embarrassments of overinclusion, you were driven to make your concept of capitalism more concrete: to read it into a more particular set of institutional arrangements... As the concept of capitalism is made more concrete in the effort to escape overconclusion it runs into a characteristic dilemma."
(1987, pp.101-2)

The conclusion that Unger draws from this analysis is to dispense with the concept of capitalism and substitute in its place the concept of 'formative contexts' and 'context-revising practices' in a much looser configuration of practices which allows for a greater diversity of societal types. This opens his analysis up into the realm of non-determinism which allows the possibility for the intervention of new possibilities of plausible 'other worlds'. It is worth
noting that Unger also includes almost all classical social theory in his attack on 'deep-structure' explanations and arguments. Durkheim in The Division of Labour in Society (1889, 1933) "accepts all the key deep-structure tenets. It even embraces the particular combination of deep-structure and functionalist ideas described in the text" (p.229). Max Weber is also taken to task for the same crime albeit his case proves more ambiguous in that large parts of his work are committed to a causally agnostic "though immensely suggestive typology that occupies much of Economy and Society (1978)" (p.230).

Post-classical social theory also does not escape his criticisms. For instance, Talcott Parsons and contemporary neo-functionalism represented by Jeffrey Alexander (1982) is taken to task and Unger writes in an important, albeit abstruse passage, the following significant comments:

"By presenting every social world as the product of complex individual and collective, material and ideal factors, the Parsonian view lends itself easily to the belief that each such world is what it is. Though not inevitably conservative, the approach inspires respect for the actual. By contrast, the view foreshadowed in this book suggests disrespect for what happens to exist on what happens to have taken place. It throws our cognitive interest in explanation on the side of our transformative interest in recognising the trumped-up, revisable character of our social contexts. It follows up by connecting up our prospects for individual and collective empowerment with our ability to change in particular ways both the content of the institutional and imaginative frameworks of social life and their relation to our framework revising capabilities."

(Ibid, p.229).

From the viewpoint of the argument here these are important criticisms, for they are directed, precisely at the 'founding fathers' of the liberal industrial society theory that is the object of Piore and Sabel's (and Hirst's) critique. Indeed this critique replicates the attack that Sabel makes on the 'three misleading ideas' of technological determinism, essentialism, and reductionism. However, Unger carries out his critique more thoroughly and with greater precision, with a view to not only displace the classical theories but also to build an alternative to them. Not only a deconstruction but also a reconstruction of social theory is
called for. Unger is much more explicit and self-conscious than Piore and Sabel (but has parallels with Hirst, see below) about the kind of social theory that is needed to critique the classical theory and it is useful at this point in the argument to summarize some of these main points. Unger returns to the classical tradition of social theory or philosophy. That is to the tradition of social philosophy which existed before Hobbes displaced and revolutionised or, as Habermas would have it, 'scientized' social and political thought along the lines initiated by Galileo and the scientific revolution of the seventeenth century and the birth of natural philosophy. After Hobbes much social and political theory, with some noteworthy exceptions, attempted to imitate the success of the natural sciences by attempting to discover causal principles along the lines of 'laws of nature' within the social, economic and political world itself. The ensuing Kantian separation of 'is' from 'ought', 'facts' from 'values', 'freedom' from 'necessity', 'theory' from 'practice', 'description' from 'prescription', 'mechanical' from 'teleological' causality affected deeply the rise of sociology, economics and political science, which in their wish to appear 'scientific' took on board much of the positivistic principles that became dominant in the post-Enlightenment period of the nineteenth century. From Comte through to Marx, Durkheim and Weber the predominant wish of the social researcher was to make a strict separation between judgements of fact and judgements of value even if, in the substantive work, there is often in fact less of a separation than their methodological pronouncements indicate.

Suffice it to say, Unger rejects this turn intellectual history and in common with the post-positivist paradigm shift, wishes to reclaim in modified form the approach of the classical tradition of social and political theorizing which does make such a rigid distinction between the various dichotomies mentioned above. Only in this context is it possible to understand Unger's comments on Talcott Parsons mentioned above and his arguments on other topics throughout his writings. The classical tradition, however, is modified by Unger most significantly by his rejection of the idea of a 'fixed human nature' which would serve as an Archimedean point or 'foundational' 'meta-social principle' for the construction of a 'just' social order. Instead, Unger argues that contingency is the basic principle of social life. That is to say, what characterises human beings is the fact that their nature is to be contingent. Although
there are many problems with this analysis, it foregrounds the importance of conceptualising human society as artifactual.

**Unger and Flexible Specialization**

The relationship between this rather abstract discussion and the discourse of Piore and Sabel should by now be clear. Nevertheless, a more extended discussion is needed so as to draw together the threads of the argument so far. It has already been noted that Unger draws upon the work of Piore, Sabel and Zeitlin and that Unger's social theory is an extended critique of the 'three misleading ideas' of technological determinism, essentialism and reductionism identified by Sabel. That is to say, single-track views of history such as modernization and convergence theory, evolutionist Marxism and proto-industrialization theories have to be rejected and so forth. Moreover, a more direct parallel can be identified between these groups of researchers and writers which will now be examined and which links up with the previous discussion. That is to say, the relationship between Unger's social theory of work-organization and industry and Piore, Hirst and Zeitlin's discussion. Like Piore, Sabel and Hirst, Unger's viewpoint regarding industrialized societies is that the predominant form of work-organization in the twentieth century has been Fordism (or mass production) and the domination of mass-production, product-specific machines utilizing un-skilled and semi-skilled workers. Similarly, Unger describes a spectrum of 'rationalized' forms of labour organization:

"At one pole of this spectrum lies a rigid form of rationalized labor. A clear distinction is made between the work of defining the more or less abstract projects that are carried out by the group and the actual work of execution. The definition of the tasks includes decisions about the structure of jobs, hierarchies, and perhaps even material rewards within the organizations as well as the decisions about how to reassess both the layout of work and the understanding of the collective tasks in the light of the group's concrete experience... Each element in planning has a counterpart in execution... This
rigid classification of operational acts, tied in with a independently defined plan, is the core meaning of the routinization of work."
(Ibid, pp.154-5).

Unger argues that this rigid style of work organization can be realised in any number of alternative institutional arrangements, and emphasises that the general scheme should not be mistaken for any of its concrete instances. The familiar examples are, of course, the Fordist/Taylorist assembly-line and the multi-divisional enterprise, but Unger also recognises, like Piore and Sabel, national specificities which partially modify and alter these ideal-type arrangements.

However, Unger's major point is that forms of industrial organization are given the presuppositions of his general social theory and view of industrial societies, open to 'context-revising' activities and practices, and that theses practices involve the 'disembedding' or 'disentrenchment' of the social organisation of work and employment. The alternative form that is put forward as a prescriptive alternative is nothing but Piore and Sabel's FS:

"Take now the flexible form of labour. It relativizes the different formulating tasks and executing them. The project becomes simply the provisional and sketchy anticipation of a collective effort. Each operational act represents the project on the march: an adaptation of the plan to circumstances that is also both a step towards greater detail in the understanding of what the project is and a proposal for its redefinition. Because the moments of formulation and execution tend towards merger and simultaneity rather than separation and sequence, the boundaries among operations are themselves elastic. Each operative step, gains meaning and guidance from its direct relation to other steps as well as from its link with the provisional and progressively enriched plan. The foremost difficulty of organization becomes the need to maintain direction and unity without abandoning the impetus towards flexibility."
(Ibid, p.154).

In Unger's work we have the familiar litany of themes that are common in the FS literature - multi-skilled workers, universal/general-purpose machines, fluid processes, industrial districts - and so forth.
Like Piore, Sabel and Hirst, Unger fits these in to his general meta-theoretical view of the character of industrialization and its essential openness to alternative possibilities, routes and trajectories. The critique of 'deep-structure' social theory, 'necessitarianism' and 'determinism' finds itself arguing, inevitably, within its prescription for 'context revision', 'plasticity' and 'negative capability', for a type of economy and society which can give expression to these metaphysical and ontological notions. Relying to a great extent on Sabel and Zeitlin's "Historical Alternatives to Mass Production" (1983) article, Unger writes:

"I argue that this view of industrial development drastically underestimates the degree of deviation from the mainstream that occurred even in such prize exhibits of the mythical history as the economic and social transformation of England. In fact, the deviant forms reveal more of what was distinctive to the West and what made it incomparably revolutionary than do the dominant ones. I also claim that the traditional view gives a mistaken sense of the degree of prevalence that the more rigid type of work organization in fact achieved. According to the mythical history the deviations appeared as a special response - the idiosyncracies of the regions where they arose - but failed for general ones - the inherent imperatives of industrial development."

(Ibid, pp.180-1).

For Unger 'mythical history' of the rise of the industrial West found in such works as David Lande's Unbound Prometheus (1960), Walt Rostow's The Stages of Economic Growth: A non-Communist Manifesto (1960) and Kerr et al's Industrialism and Industrial Man (1960) has been deconstructed by the mounting evidence for alternative avenues of development and, specifically, a 'craft alternative' of industrial transformation and development. Furthermore, this is a critique of Marxism as well and, in particular, Marx's Capital which exemplifies for Unger the single track view with its logic of historical determinism and tendencies of historical necessity. Like Gramsci, Unger is calling for a 'Revolution against Capital'.

Other targets of Unger's attack include theories of 'proto-industrialization' which produce elegant and logical models, connecting up economics and demography, to produce historically thin causes for industrialization which overlook the diversity and viability of the craft alternative as an ongoing and reproducible alternative. "Most of the anomalous experiments
and trajectories that the proto-industrialization argument fails to accommodate illustrate the
career of the petty commodity variant of industrialization whose condescending dismissal by
mainstream theory and historiography I earlier recalled." However, Unger recognizes that the
craft alternative did lose out to another form of industrialization: "in no instance was the
consolidation of the alternative style in one sector of the economy followed by changes in the
defining institutional form of markets and polities that might have permitted a more drastic
shift in the character of Western industrialism". This conclusion and recognition leads to the
assessment that the promise of the deviant cases must be an indirect one:

"The approach is to study the dependence of the dominant industrial style upon
a variety of extra-economic institutional arrangements that were themselves
subject to constant struggle. The study of this dependence could then be
complemented by an attempt to imagine the institutional conditions under
which the alternative industrialism could have flourished more widely. This is
the theme pursued throughout this interpretative history of contemporary
formative contexts as well as later parts of False Necessity. Another, much
narrower approach is to consider how the rivalry between the dominant and
deviant models relates to early modern struggles over agriculture and to
contemporary conflicts about economic organization. In this way what has
usually been seen as a highly localized and long-term quarrel can be shown to
be part of a general and continuing dispute."
(Ibid, p 187).

Thus Unger’s conceptualization of distinct path-ways and forms of industrialization can be
seen to be dependent on his view of ‘formative contexts’ consisting of an articulation of an
ensemble of elements (institutional, economic, political, cultural) that are articulated together
in specific moments of historical time, which in turn, depends on his critique of
‘deep-structure’ theories of society and history and, finally his notion ‘negative capability’.
Although the work of Piore, Sabel and Zeitlin are an important influence on Unger’s
conceptualisation and theory, the politics, which in turn have influenced Piore, Sabel and
Zeitlin, can be traced back to the nineteenth century Anarchist and Utopian Socialist thinkers.
To conclude this section it is necessary to point out that the position Unger develops on
industrialization is more self-consciously reflexive than Piore and Sabel in that it recognises
the importance of inventing and imagining a social theory which criticises positivism,
determinism and 'false necessity'. But it is still not clear how successful he has been in this task. The argument which I will now present in conclusion to this chapter will be that although Unger's social theory states an eloquent critique of determinism, essentialism and reductionism it is not, however, without its own difficulties.

**Conclusion**

While it is not possible to map onto each the research of Piore and Sabel, Hirst and Zeitlin and Unger, it is possible to put forward the view that there are 'family resemblances' between these sets of ideas. All attack various forms of technological determinism, essentialism and reductionism. Also they put forward similar political programmes based around FS. Piore and Sabel are the most careful to empirically ground their ideas in concrete research and are not at all concerned with developing a rigorous social theory which would ground or form the foundation for the FS hypothesis.

Hirst, on the other hand, came to the FS hypothesis through a more theoretically, circuitous route. Hirst was concerned with the critique of orthodox forms of Marxist theorising, principally Althusser's Marxism. Hirst's project involved a 'logic of disintegration' where social relationships of production and their ideological and political conditions of existence could no longer be theorized as a totality. This theoretical project, of course, had directly political effects. That is, the recognition that Marxist political programmes and forms of calculation were ill-equipped to deal with the complex reality of modern societies. In this context, against the background of the local industrial strategies of Labour councils in the mid-1980s, the ideas of Piore and Sabel proved attractive and influenced policy-makers and researchers at the GLC.¹³

Unger's theoretical project, as argued above, is more ambitious, but can be situated in the same paradigm. Unger's critique of 'false necessity' is his way of articulating a critique of the 'three misleading' ideas of determinism, essentialism and reductionism. His critique of
'deep-structure' social theories of which he considers Marxism a paradigmatic example traces a similar trajectory as Hirst's, albeit within a very different vocabulary and metaphysics. His concept of 'formative contexts' is similar to the 'no necessary correspondence' we find in Hirst's critique of Capital. Obviously, the metaphysics of 'negative capability' that Unger deploys to ground his romantic vision of human restlessness and 'context revision' cannot be found in Hirst's more nominalist view of society and humanity. In this sense then, Unger's 'super-theory' which claims explanatory significance stands in contrast to Hirst's 'ultra-theory' which is more deconstructive and non-foundational.

Despite these differences, however, these three groups of researchers share a similar conception of what they are criticizing, which is, as argued above, the mythical history and theory of modernity and industrialization. However, while orthodox modernisation theory is successively criticized by the FS theorists on the grounds of its 'necessitarianism' there is a ambiguity surrounding the alternative to modernisation theory which they put forward, which oscillates uneasily between an argument for 'contingency' and, alternatively, an argument that FS represents the latest surge of a neo-modernization (Tiryakian 1991, 1994, Alexander 1995) or reflexive modernization (Beck 1992, 1995). It is the argument of this conclusion that the FS thesis has not adequately confronted and thought through the debate over modernization theory and its aporias. The argument of Tiryakian 1991, 1994) and Alexander (1995) that modernization theory needs to be renewed and rethought in a more multidimensional manner would seem to leave open the possibility that the FS thesis can be rethought within the framework of a neo-modernization theory of social development. This would draw the FS thesis close to the arguments of Beck (1992) who makes much use of Piore and Sabel in his discussion of the changing nature of work and employment. Also it would draw close to the arguments of Lash and Urry (1994) who argue that there is a transition under way towards a form of 'reflexive accumulation', based around informational and communicative structures.

These observations are validated by Unger's article (with Zhiyuan), 'China in the Russian Mirror', where Unger argues that it is only institutional fetishism which makes us believe that only the neo-liberal market solution can solve Russia's problem. Unger argues that "in fact,
there are different ways of organizing market economies and representative democracies" (1994, p. 78). However, this point does not validate a 'anti-necessitarian' position, but rather the argument that with a neo-modernising logic of re-convergence there are various ways to manage and organise a modern market society. The hegemonic signifiers of determinism, essentialism and reductionism are their common foe. What needs to be considered now is the crucial question of how adequate is their critique and the model of the possible future they put forward?
REFERENCES: CHAPTER ONE

1. This is not to argue that the issues addressed here do not touch or relate to empirical issues, but only to argue that there is a movement from the abstract to the concrete as argued by Marx in his 1857 Preface (1977).

2. The theory of industrial society or industrialism will be explicated below. But see Kerr et al, Industrialism and Industrial Man (1960) for two paradigmatic statements of the theory.

3. While the theory of industrial society is composite, these researchers cited provide some of the most adequate statements and criticisms.

4. Abrams provides by far the best defence of the theory arguing against the thesis that it is inevitably necessitarian and functionalist. Abrams interprets Kerr's classical statement as offering up an historical sociology of industrial society which accepts contingency.

5. Sabel's research has close connections with the new institutional sociology of industrial life. It has increasingly turned towards a more socialized view of economic life, although as yet he offers up no explicit theoretical statement.

6. 'High technology cottage industry' is the term Sabel uses for flexible specialization in his Work and Politics (1982). It conjures up a romantic vision which has close associations with classical anarchist and socialist thinking - Proudhon, Kropotkin, Morris, etc. Sabel only uses the term in his book suggesting an acceptance of these criticisms. It is useful to point out that the term is a classic example of what Charles Jencks in another context calls 'double-coding'. That is to say, a combination of the modern (high technology) with the traditional (cottage-industry). The question of whether Sabel can be called post-modern will be taken up below.

7. This passage is a fundamental statement of the close dependence that Sabel and Zeitlin establish between their conception of industrialisation and their political beliefs. However, it is impossible to read off their conception of industrialisation any imperative politics. But see Unger for a more rigorous statement.

8. This tradition forms part of what Unger calls the 'mythical history of modernity', the theory of industrial society, modernisation theory and orthodox Marxist accounts of capitalist industrialisation.

9. An argument for contingency and many 'possible worlds'.
10. For Hirst and Hindness all 'interests' are artifactual. That is to say, created by human practice and institutions. Sabel also challenges the idea of given 'interests' in his critiques of 'reductionism'.

11. Hirst, Hindness et al, in Marx's capital and Capitalism Today (1977 were criticised for offering up a purely negative or deconstructive criticism of the Marxist tradition offering up no practical proposals for socio-economic transformation. The theory of FS is an answer to this criticism.

12. Associated Socialism will be explained below, but it has some points of comparison with Piore and Sabel's notion of 'Yeoman Democracy'.

13. Williams Cutler, et al have in a series of papers offered up some of the most serious criticisms of the FS hypothesis and of the concept of Post-Fordism and Lean Production. For them there is nothing new under the sun.

14. David Downs used the term 'exagger-book' to refer to theories that extrapolate generalised trends and connections from limited empirical evidence. Obviously, however, whether a piece of research is an example of an 'exagger-book' is essentially contestable (Downs is cited in R.E. Pahl's Division of Labour (1986).

15. Unfortunately, I have not the space to consider in detail the ideas of Lash and Urry or Freeman and Perez. See Jessop (1990) for a critique.

16. It could be argued that Hirst, Hindness et al's Marx's Capital and Capitalism Today (1977) is an example of ultra-theory. Its nominalistic dissolution of the concept of capitalism stands in contrast with Unger's (super) theory of 'formative contexts'. Whether Hirst's latest work is ultra or super theory is an interesting question that cannot be answered here.

17. Best, Murray and Zeitlin were closely linked with the Greater London Council's (GLC) policy of economic restructuring pioneered by Greater London Enterprise Board (GLEB).
CHAPTER TWO:

CAPITALISM, MARXISM, AND FLEXIBLE SPECIALIZATION
2 CAPITALISM, MARXISM, AND FLEXIBLE SPECIALIZATION

This chapter will explore some of the issues raised in chapter one. However, while the first chapter was mainly an exposition of the key ideas of Piore, Sabel, Zeitlin, Unger and Hirst relating to general social theory and the critique of the 'three misleading ideas' of technological determinism, essentialism and reductionism, chapter two will develop a more critical analysis of the adequacy of their analysis and critique and will draw out the ideas that can be rescued and recast into the form of a more adequate account. A more adequate account would mean taking more seriously the possibility that modernisation theory in the form of a neo-modernisation theory could avoid the two extremes of non-foundational contingency on the one hand and the functionalism of orthodox modernisation theory and objectivist, functionalist Marxist forms of analysis on the other. As argued in Chapter 1, the FS thesis oscillates uneasily between the argument against 'false necessity' and for 'contingency' on the one hand and, on the other, an argument which postulates FS as being the result of a new surge of neo-modernisation (Tiryakian, 1991) or reflexive modernisation (Beck, 1992). As Alexander (1995) has argued the development of neo-modernisation theory is a response to the collapse of the two prior narrative forms of orthodox modernisation theory and Marxist dependency and world-system theories. As I have argued the FS theorists were at the vanguard of the critique of these two theories, but were unable to rescue any real positive moments of aspects of these two theories or paradigms which left their own alternative somewhat untheorised and bereft of a social scientific tradition. Therefore, this chapter will argue that some forms of Marxist analysis need to be reclaimed because of its ability to bring together diverse phenomena into a mediated totality, without necessarily postulating the end of market-based relationships.

The first observation that needs to be made is that the general thrust of the Piore and Sabel critique needs to be upheld. That is, the need to reject, in principle, technological
determinism, essentialism and reductionism. The fact that these ideas are now almost universally condemned as problematic by most social scientific schools means, however, that the rejection and critique of these errors begs the question: How should these errors be specified theoretically and therefore avoided? Like all debates within the social sciences these questions are essentially contested ones subject to a conflict of interpretation. In this context, then, the procedure which will be pursued here is to examine some Marxist attempts to avoid these errors and to play off their interpretations against the FS hypothesis. Before this, however, a few words need to be said on the conception of Marxism upheld in this dissertation.

That Marxism is a complex, contested and diverse tradition of thought is a well-known and established fact of interpretation (Anderson, 1976, Jay, 1984. Jessop, 1991). Nevertheless, despite this it is fair to argue that most modern Marxist theory would insist on the fact that they share none of the three 'misleading ideas' identified by Sabel. Thus it is a difficult task to locate the precise points of disagreement between the researchers dealt with in the Chapter One and modern Marxist theory. Therefore the Marxists which will be examined will be limited (for the most part) to the ones explicitly criticised by Piore, Sabel, Zeitlin, Unger and Hirst themselves. For it is the contention of this chapter that they have considerably misrepresented and misinterpreted the arguments of Marxism and need to be redeemed, albeit in dialogue rather than, necessarily, opposition and conflict, for as Hirst himself has written aptly in another context:

"It is an urgent necessity that socialists find means to differ which do not destroy the wider possibilities of communication. What is absurd is to differ in such a way that neither side learns anything, and least of all about the other."

(1985, p.59)

The first and brief task however, is to establish that a case needs to be answered by Marxist theory against the charges laid against it by Sabel et al. There will always be those who completely reject that there is anything wrong with Marxism and that it is a complete and self-sufficient system of thought that should not be criticised, supplemented or transformed.
However, as most modern Marxist scholarship recognise there are considerable difficulties with the classical forms of Marxist analysis.

**Technological determinism?**

However, a case can be made that some of these objections and problematizations of Marxist analysis have their source or 'foundation' at a higher level of abstraction (Jessop 1991, Laclau 1990). Marxism, for example, has long been subject to the critique of being a 'technological determinism' first misleading idea), ever since Marx made the remark that - a "society with the hand-mill gives you feudalism, while a society with the steam-engine gives you capitalism" - and the various forms of Marxism from Lenin, Lukacs, Gramsci, Althusser and beyond have, attempted in various ways to reject this view and interpretation of Marx, insisting on the 'primacy' of the relationships of production over the 'productive forces'. Even the argument of G.A. Cohen in Karl Marx's Theory of History (1978) which defends a traditional version (updated by analytical philosophy) of historical materialism where the 'productive forces' are dominant rejects a too simplistic 'technological determinism'. As the non-Marxist Alain Touraine has written against another form of technological determinism prevalent in the (post) industrial society thesis:

"Thus a postindustrial society cannot be defined, any more than an industrial one, by a given technology. It is just as superficial to speak of computer society or of plutonium society as it is of steam-engine society or an electric motor society. Nothing justifies the granting of such a privilege to a particular technology, whatever its economic importance." (1989, p.104).

However, explicit statements opposing technological determinism in principle are no guarantee that technological deterministic assumptions will not reappear by the back door. After all, even Alvin Toffler (1983) refuses the appellation of being a technological determinist. And this observation leads to the equally pertinent argument that Sabel et al.
despite their methodological and theoretical opposition to technological determinism can and have been criticized for the error of technological determinism themselves (a criticism which is taken up below).

From the point of view of the argument here it is necessary to observe that it is useless to consider whether it has ever been argued that technology, technique or technics is a 'prime-mover' in history, unmediated by social relations, culture and politics. Rather the argument will examine the question from the point of view put forward by Sabel et al, that technological determinism in their understanding refers to the idea that: "regardless of its political preferences, any society that wants to produce industrial goods must adopt certain structures or organization, patterns of authority, and ways of doing business" (p.4). By this definition it is easy to see that perhaps the term 'technological determinism' is not the best one to use as it implies a much narrower set of ideas than Sabel seems to be writing about. It is the idea that, rather than technology (and technology is a contestable term itself per se), determining distinct forms of organizational structure, an industrial economy producing commodities is fairly restricted in the parameters of organizational, political and cultural structures that it can adapt. To be more specific, industrialization and industrial society is never just conceptualised solely as technology.

As Giddens (1985) interprets it industrialism always presumes the following traits: (1) The use of inanimate sources of raw material in either production or in processes affecting the circulation of commodities; (2) The mechanization of production and other economic process. What a 'machine' is cannot be defined as easily as might at first appear, but can be said to involve an artifact that accomplishes certain set tasks through the regularised application of inanimate power sources; (3) Industrialism means the prevalence of manufacturing production, but we have to be more careful about how 'manufacture' is to be understood. It is very frequently used to designate the production of non-agricultural goods but it should refer to the manner of production, rather than simply the creation of such goods. Manufacture should be regarded as connecting (1) and (2) in a regularised fashion, such that there are routinized processes creating a 'flow' of produced goods. And crucially Giddens argues that:
"Industrialism cannot be a wholly 'technological' phenomenon because the three elements mentioned above presume an organization of human social relationships. I do not mean to imply some sort of technological reductionism [read determinism] here. The process of industrialization in its original (mythical?) form, in Britain, demonstrates various dislocations between elements that later came together as a more homogeneous productive order. Several of the more advanced sectors of production in respect of traits (1), (2) and (3) were organized largely through the putting-out system rather than in terms of centralized work-place. Some of the early factories, by contrast, were established in sectors of production not distinguished by a particular high level of mechanized manufacture. But once these factors had come together, they formed something of a unitary 'productive package' that generated economic opportunities and was perceived as such within the framework of expanding capitalist enterprise."


Moreover, Giddens links up industrialism with the emergence of another analytical dimension of 'modernity', namely, capitalism itself. The most important argument that needs to be addressed then is the absence of the concept or theory of capitalism in Sabel, et al.

Theories of Modern Capitalism

This line of enquiry makes it necessary to examine and put forward an understanding of capitalism and its relationship with industrialism which is compatible with the proposition that there are variations and divergences within the processes of industrialism, but that they take place within the structure-forming effects of capitalism as argued by Marxist theory and critics of the FS hypothesis. Thus before the FS hypothesis is compared and contrasted with some Marxist positions on industrialization it is necessary to develop an adequate theory of modern capitalism itself as a dimension of modernity as argued for by non-Marxist radical writers such as Giddens and Marxist writers such as the Regulation School(s) and others.¹²

As I have argued Sabel et al reject the concept of capitalism as too totalising and under-totalising (it is too general, but also not specific enough). Piore and Sabel are silent
on the issue but symptomatically rarely use the term capitalism in their writings. While the term capitalism (or the capitalist mode of production) is by no means an uncontentious term and is in certain ways, some of which are identified by Unger and Hirst, problematic, it is nonetheless necessary to defend the use of the term in the study of modern societies for foregrounds - institutional features of modernity which are passed over and occluded by the term industrial society or industrialism. One of the major problems in using the term is its ambiguity.

Importantly, the concept of capitalism has entered everyday and intellectual circulation in such a manner that it is foolish to think it can just be dispensed with because some social scientists have theorised its epistemological inadequacy. Moreover, capitalism is not purely an academic concept, but is actually constitutive of social reality as well, in what Giddens has called a 'double hermeneutic' of social reflexivity.

In *The Consequences of Modernity* Giddens links this idea with that of reflexivity and writes:

"All the social sciences participate in the reflexive relation, although sociology has an especially central place. Take as an example the discourse of economics. Concepts like 'capital', 'investments', 'markets', 'industry', and many others, in their modern senses, were elaborated as part of the early development of economics as a distinct discipline in the eighteenth and early nineteenth centuries. These concepts, and empirical conclusions linked to them, were formulated in order to analyze changes involved in the emergence of modern institutions. But they could not, and did not, remain separated from the activities and events to which they related. They have become integral to what 'modern economic life' actually is and inseparable from it. Modern economic activity would not be as it is were it not for the fact that all members of the population have mastered these concepts and an indefinite variety of others." (1989, p.41).

On this level, then, of the 'lifeworld', it would seem that we are stuck with terms such as capitalism and capitalists.
Moreover, there is a strong case to be made that everything should be done to preserve their usage and circulation, for they are constantly being challenged by other terms which are of even less use, acting not only as 'epistemological obstacles' and therefore as ideologies, but also as political obstacles. Terms such as 'free enterprise', 'free-market', 'affluent society', 'postindustrial society' and 'post-Fordist society' are such terms which can be contested from the standpoint of the continuing adequacy of capitalism as a descriptor of social reality. That the intellectual debate over the correct terms to use is also, primarily, a political contestation. No doubt the term capitalism is not the monopoly of Marxists there are many examples of other terms being used. For example, the later Frankfurt School's substitution of 'administered society' and 'one dimensional society' for the concept of capitalism. Or the use of the term 'postindustrial' or 'programmed society' by Touraine. On the other hand, mainly on the right are perfectly happy to use the term capitalism. And as observed earlier in the context of the discussion about Unger and Hirst's rejection and problematization of the term capitalism there is a case to be made that it is too totalising, thus excluding a whole range of struggles that are made invisible or are marginalised by the term, capitalism.

The critique of 'capitalist genealogies' can be found in cognate critiques which have been developed and elaborated upon in the last twenty years, such as the return of 'civil society' as an object of analysis, political critique and defence. All these discourses decentre capital as an object of critique, viewing its privileging as an illicit totalisation.

Although these critiques cannot be ignored for the case they make is important, it is nonetheless necessary not to throw the baby out with the bath water. For however much the traditional Marxist analysis of capitalism and its contradictions has ignored, marginalised and peripheralised other struggles, conflicts and antagonisms, it remains the case that the use of a central term to describe and analyze society can still be defended. It is, surely, not a question of either/or, but rather of reformulating and recasting the traditional Marxist concept of capitalism to make it accommodate these criticisms. Some figures who developed alternative concepts of capitalism have slipped out of view such as Sombart, but others such as Max Weber, Schumpeter and Polyani, are of vital significance, as is Marx. This is not the
place to provide a detailed assessment or critique of the relative merits and demerits of these views of capitalism, but it is fair to say that they provide the underpinning for such diverse social theories of capitalism and modernity as Wallerstein, (1983) who uses the preferred term of 'Historical Capitalism'. To foreground the importance of examining the term in the context of the modern world-system and its origins and emergence since at least the sixteenth century. With Wallerstein both Marx and Braudel are important for understanding the term capitalism. Another important use and elaboration of the term is Giddens, who as usual writes good sense in his observation that the term capitalism has some advantages over industrialism (although both should be seen as analytical dimensions of modernity): "The relation of capitalism to industrialism needs to be directly discussed, but first it is worth briefly asking why the concept of 'capitalist society' is acceptable while that of 'industrial society' is not" (1985, p.14). The reason Giddens gives for this is that the concept of capitalism has within it an explanation for the dynamic aspect of modernity, or to use Schumpeter's phase 'creative destruction' in a way that the term 'industrial society' does not. The dynamic impetus is clear.

"Namely, capitalistic enterprise involves the pursuit of profit throughout the production of commodities for sale on a market; the perceived need to achieve profits sufficient to guarantee an adequate return on investment generates a chronic impetus towards economic transformation and expansion. But in the instance of industrialism considered alone, such a source of dynamism - one of the main features of the discontinuities of modernity - is lacking. Industrialism is a highly effective form of productive activity but it carries no inner dynamic of the sort associated with capitalist enterprise". (Ibid, 1985, p.140).

Like Giddens the tendency to interpret the differences between Weber and Marx's theory of capitalism is followed by Lazonick's (1992) recent work on 'The theory and history of capitalist development' argues for the comparability of Marx and Schumpeter's account of modern capitalist development and that although they said far from the last word on economic matters it is still the case that they provide an essential point for analysis:
"The role of economic theory is to provide a simplified framework with which to analyze complex economic phenomena. Even though a particular analysis, such as Marx and Schumpeter, may arrive at untenable conclusions, the underlying conceptual framework may yet serve as a solid foundation on which to build a more adequate theoretical structure. As in the case of Marx and Schumpeter, when an economic theorist asks relevant questions and creates a coherent conceptual framework designed to answer those questions, it is possible to learn as much from shortcomings of his or her work as from its strengths."

(1992, p. 130).

Lazonick's analysis is of great relevance, further, because it recognizes the variability and diversity of particular forms of capitalist development, albeit within the parameters of capitalism, thus avoiding empiricism and nominalism. No doubt it is important to integrate the analysis of other significant thinkers into an adequate account of modern capitalism, Polyani for instance (Glasman, 1994, Cataphores, 1994).

Following on from this overview of the possibility that some sort of theoretical synthesis can emerge from the various social scientific theories of modern capitalism, it is very easy to concur with Johannes Berger's conclusion that the theory of capitalism cannot be rejected because it is, as Weber observed, 'the most fateful power of modern life'. But

"...insofar as capitalism and modernity become synonymous, it is necessary to enrich the theory of capitalism by a corresponding theory of modernity. I do not mean to fall into any kind of economic reductionism by asserting that capitalism played a central role in the 'great transformation' (Polyani 1957). I simply assert that the modernity of the economy is the model for the modernization of other institutional spheres."


From this insistence that modernity and capitalism are inseparable Berger identifies three basic questions that need to be answered: (1) What does capitalism mean? (2) What is capitalism's central problem? and; (3) Is there a solution for capitalism's central problem or will it finally collapse? For Berger what unites the various theorists of capitalism is the belief that its evolution involves a process of Freisetzung (prozess). That is to say, a process
of setting free of the elements of society in a differentiating process (Luhmann). First, the separation of society into an economic and political sphere, second, a process of expanded reproduction or accumulation of capital, and third, the dissolving or dissolution or 'communities' and 'world views'. To quote Berger:

"In the economic realm Marx's concept of the 'self-valorization of value' as a 'ceaseless movement' had already formulated the fundamental process by which the economy was being freed from traditional life-orders. 'All that is solid melts into air.' This short sentence from the Communist Manifesto captures the essence of modernization (Berman 1982). But it would be misleading to regard this process exclusively as a negative one; on the level of society as a whole, modernization means not only disintegration but also the development of productive forces, the increase of adaptive capacity, and the like. Moreover, on the level of the individual it means emancipation and self-development."

(Ibid, p. 246).

For Berger, the central problems of capital is the fact that this process of freisetzung destroys its own conditions of existence. As Schumpeter and Polyani argued it leads to the depleting of the moral and normative foundation or legacy of capitalism. Moreover, it is inter-temporarily irrational, for the ceaseless need to accumulate destroys the natural/ecological foundation of life. Berger seems to reject the idea of traditional Marxism that there are economic crisis tendencies within capitalism such as the tendency for the over accumulation of capital, which will lead to its collapse. Although this idea classically associated in its extreme form with Grossman and Luxemburg it is still in a modified form a hypothesis which has not been invalidated or falsified, although scepticism is always called for.

This viewpoint has the advantage over the Piore, Sabel, Unger, Zeitlin and Hirst position in that it keeps with some of the most important Marxist insights, but allows a fair degree of variation in the form that capitalism takes between periods, countries, regions, localities etc. It is in keeping with Jameson's (1993) insight that capitalism produces difference but within the process of expansion of the value form and commodification (see also Lash and Urry 1994).
The foregoing remarks do not add up into a theory but they do highlight some of the problems that need to be faced in theorising modern capitalism. And moreover, facing the problems raised by social theory, the process of industrialization and its relation with capitalism. To make these remarks more concrete and relevant the next section will examine some of the Marxist theorisation of the industrial restructurings which the FS theory has raised. That is to say, I will confront the concept of social theory and industrialization which Sabel et al have put forward with that of the Marxist equivalents. The examples which will be examined are the Regulation School(s) and, from a more sceptical position, that of Hyman (1992), Pollert (1988) and Clarke (1990). This is a necessary stage before examining in later chapters the concept of work organization, employment and industrial relations in the FS theory and, finally, the political implications of the FS theory.

**Marxism, regulation theory(s) and Industrialization**

The FS theory of industrialization now needs to enter into dialogue with the Marxist alternatives. As has already been argued the concept of capitalism needs to be re-introduced in any analysis of the new production regimes that are arising, for without such a specification any variation in the manner in which the economic system and industrialization is organised and developed can be mistaken for epochal changes of, great 'divides', 'waves', and 'post' epochs. In this context it is necessary, then, to examine in more detail the Marxist theorisation of industrialization within the capitalist mode of production and social relationships of production. Within modern Marxism, as in the FS debate, the terms mass production and Fordism are used to describe the post-1945 wave of industrialization. While the FS thesis insists that the terms have complex variants and, on one level of specification, should be treated as ideal-type concepts and not as real, substantial relations, this disclaimer (see Hirst and Zeitlin) should be treated with caution and suspicion. Moreover, it is necessary to question what the theoretical status of the assertion made by Hirst and Zeitlin that the Marxist approach and the Regulation approach are too general:
"Despite the many empirical caveats scattered through their work ... systematically overstate the dominance of Fordist modes of regulation during the post-war period, whether in terms of the pervasiveness of Taylorist work organization, institutionalized collective, Keynesian demand management or the welfare. Conversely, the application of a regulation approach to national case studies, typically involves not only a severe 'stylization of the facts' to fit its theoretical, but also ad hoc modifications of the categories themselves to accommodate observed variations. The result is the multiplication of hybrid formulations poised uneasily between theory and empirical description, such as 'flex-Fordism' (West Germany), 'blocked Fordism (UK), 'state Fordism' (France), 'delayed Fordism' (Spain, Italy), 'peripheral Fordism' (Mexico, South Korea, Brazil)."

(1991, p 21)

This critique which, as has been argued, represents an extreme nominalistic empiricism without any theoretical purchase on the world has to be rejected for misrepresenting the process and levels of abstraction operative within Marxist theorization. This is not of course to say that there are no problems with the formulations criticized by Hirst and Zeitlin and, as shall be shown, many researchers who would regard themselves as Marxists have raised them also and, paradoxically, within the terms of a more orthodox Marxism than the Regulations(s) school itself.\(^{(4)}\)

**Marxism before Fordism**

While the concept of Fordism is now well established in the English language literature of critical social theory and political economy, it is only since the publication of Michel Aglietta's *A Theory of Capitalist Regulation: The United States Experience* in 1979 that the term has been used with such frequency and in an explicitly theoretical manner. While the term 'Fordism' has, of course, been in use since the 1920s, within Marxism in the post-war period it was little used and certainly was not the central concept for understanding and explaining the dynamics of modern capitalism. For example, in the post-war years perhaps the most important study in Marxist political economy which was published was Baran and Sweezy's *Monopoly Capital: An essay on the American Economic and Social Order* (1966).
While this book departs from some of the fundamental Marxist concepts such as value theory, it still utilises orthodox periodizing concepts such as competitive and monopoly capitalism, building on the well established work of Bukharin, Luxemberg and Hilferding as well as some of the themes of the Frankfurt School and, in particular Pollock's work. The name of Henry Ford appears nowhere in the index, let alone Fordism. This might not appear so surprising in the context of the major criticism which was directed at the book by more orthodox Marxists, that it neglected the sphere of production and the labour process. However, since Fordism is an articulated concept that, links production with consumption, it is strange for a book so concerned with consumption or the 'absorption of the surplus' as Monopoly Capital, that is should not use the term.

To take another example from the same period, Cornelius Castoriadis and the political group Socialisme ou Barbarie, perhaps one of the most creative critical tendencies of the 1960s, also do not use the term. In Castoriadis's article 'Modern Capitalism and Revolution' (1960) there is much discussion of the contemporary transformations and restructurings of 'modern capitalism' since 1945. The growth of the interventionist state, the bureaucratization of capitalist organization and of the labour movement, the reorganization of the labour process and of the capitalist corporation and enterprise. There are observations on the growth of 'privatism', 'consumption' and 'consumerism', 'the spectacle'. Clearly influenced by Lefebvre's 'Critique of Everyday Life' (1992) and Debord's situationist critique of the 'Society of the Spectacle' (1987) it is a critique which does without any reference to Ford and Fordism. Nevertheless, although many criticisms can be directed at Castoriadis's understanding of modern capitalism, such as the belief that the economic contradictions of capitalism had been smoothed out permanently by the long-boom and the Keynesian interventionist state. Castoriadis had an astute understanding and analysis of the nature of production and the labour process in modern capitalism which, in some ways, anticipates Braverman's work on Taylorism, (perhaps due to the influence of Pierre Naville, Georges Friedman and the 'sociologie du travail' in France). Fifteen years before the publication of Braverman's Labour and Monopoly Capitalism: the degradation of work in the twentieth century, (1974) Castoriadis wrote:
"... on the level of production, capitalism's large-scale introduction of machinery in the first half of the nineteenth century was rightly perceived by the workers as a frontal attack... Taylorism was capitalism's response to this struggle: From then on norms were to be established 'scientifically' and 'objectively'. Further resistance on the workers' part made it clear that 'scientific objectivity' in this field was a joke. Industrial psychology and then industrial sociology appeared on the scene in order to help 'integrate' the workers into the workforce."


Thus Castoriadis (and especially within Socialisme ou Barbarie, Mothé) were writing and theorizing about mass production, Taylorism and mass consumption, but without using the concept of Fordism. The analysis of the effects on the working class of mass production were especially astute and foreshadow contemporary post-Fordist discussions of consumerism and shopping-mall culture. Castoriadis writes in Bakhtinian terms about the repression of popular festivals and the carnival and their substitution by supermarkets and consumer culture:

"... popular festivals, a creation of humanity, tends to disappear as a social phenomenon in modern societies. They now survive only as spectacle, a physical conglomeration of individuals no longer positively communicating with each other, but merely coexisting through their anonymous and passive, juxtaposed relations. In such events only one pole of people is active nowadays. Its function is to make the event 'live' for the others, who are just onlookers. The show, a performance, by a specialised individual or group before an impersonal and transitory public, thus becomes the model for contemporary socialization."

(Ibid, p.294).

Although, as mentioned above, this critique was taken from Lefebvre and Debord (other influences to note is, surely, the Sartrian critique of "seriality") it emphasises the second-hand nature of today's postmodern analysis of consumerism (see Plant, 1992 Gane, 1991 as well as Piore and Sabel's which offers little in the way of critique whatsoever.
The third example is Ernest Mandel's analysis in Late Capitalism (1972), which is by general agreement one of the most important works of post-war political economy. Despite certain crudities of analysis, for example, the analysis of the role of ideology and the form and functions of the state, it is still one of the most successful studies of the evolution and development of capital and its modalities of transformation in the post-war era. Its influence is particularly revealed in the writings of Frederic Jameson's theorizing of postmodernism and the cultural logic of capitalism. Working within the three broad epochal changes in the history of capitalism identified by Mandel, competitive capitalism, monopoly capitalism and multi-national capitalism, Jameson argues in his book Postmodernism (1992) that the current phase of multinational capital has produced fundamental transformation in our culture, which now encompasses everything, including the transition to a post-Fordist regime of accumulation. Nevertheless, Mandel's Late Capitalism does not use or refer to the term Fordism, although it could be argued that the term is implicit in the sense that Mandel puts great emphasis on the importance in the post-war era of the consumer-durable industries such as the motor industry as being one of the key propulsive sectors in the 'third technological revolution'.

Finally, in this brief analysis of key works in post-war Marxism it is useful to examine the example of the Italian operaista school. The key thinkers of this school were Panzieri (1976), Bologna (1972, 1973), Tronti (1973) and Negri (1988, 1991) who developed a sophisticated political analysis of the dynamics of the post-war capitalist expansion, accumulation and valorisation, within the context of the Keynesian revolution and the American New Deal. Here Fordism begins to appear as a concept, especially within the writings of Negri in the later 1970s, but never as the central organizing concept for analysis.

**Gramsci and Fordism**

The question to ask then in this context is how did the concept of Fordism make its way into the Marxist (and general social scientific) theoretical vocabulary? This justifies a short
history of the origins of the term and when it was introduced and deployed within particular critical discourses. As is well-known the first Marxist to use and develop an account of Fordism as a particular form of capitalist industrialization was Antonio Gramsci. Indeed every discussion of Fordism within contemporary Marxism ritualistically refers to and cites Gramsci's famous writings on the subject in his Prison Notebooks ("Americanism and Fordism"). However, this invocation is very infrequently followed up with more than a brief summation and synopsis of Gramsci's thoughts on the matter and therefore it is necessary to summarize in more detail Gramsci's ideas on Fordism. While there should not be reason to remind the reader that Gramsci introduced into Marxism a more sophisticated analysis of society than hitherto, it is relevant to observe that within his post-Hegelian and post-Crocean intellectual formation, Gramsci was able to go beyond the orthodox base-superstructure theories which marred the work of Kautsky and Bukharin, while as the same time avoiding the sort of idealist expressionist model that Lukács developed in History and Class Consciousness (1923). Although Gramsci examined what Anderson has called the 'higher realms of the superstructures', namely art, literature, drama, poetry and music (and the middle realms of popular or folk culture), he also examined the lower realms and, in the process deconstructed the opposition between base and superstructure. The lower realms, for Gramsci, were the matrix of ideologies and economic relations (historic bloc) which articulated the relationship between "infrastructure" and "superstructure". From the early 1920s Gramsci had believed that the superstructures existed deep within the infrastructure of so-called economic relations in a manner that he was later to express in the formula "hegemony is born in the factory".

In this context, then, it is not surprising that Gramsci became deeply concerned with the cultural, ideological, political and economic transformations of capitalism in the United States. Just as Marx in the nineteenth century saw Britain as a general exemplification of capital in its pure form, so Gramsci in the twentieth century saw the United States of America. For Gramsci, the United States (and the USSR) showed the image of the future for Europe and Italy. This interest was generated by his existential situation as being a militant and activist intellectual in Turin, then in the vanguard of capitalist restructuring and
reorganisation in Italy. Giovanni Agnelli's Fiat car plant, the Lingotto factory was in the modernist vanguard of manufacturing, inspired as it was by Henry Ford's organisational and production methods. The Lingotto factory, which became operational between 1919 and 1921, covered over two kilometres, and the entire production process flowed uninterruptedly through the five reinforced concrete floors, up spiral ramps to a rooftop race-track. It was an interesting avant-garde attempt to transfer the methods of Ford to the specific spatial conditions of Europe. The Lingotto plant was designed by the architect Giacomo Motte-Trucco, and was to be immortalised by the paradigmatic modern architect Le Corbusier in his significantly titled book *Towards A New Architecture* (1927) (in which he expounded his concept of mass-produced housing using ferro-concrete modular skeletons).

Also Turin was the centre of militant opposition by workers to the development by Agnelli of Taylorism, and the factory occupations of the early 1920s have been interpreted by many as in part a reaction against these new managerial and production methods. However, although the experience of Turin and the 'Red Years' deeply influenced Gramsci's thinking, it was not until the 1930s, when Gramsci was suffering the agony of his incarceration that his thought turned in a systematic manner to theorizing these historical transformations of capitalism in detail.

For Gramsci, the new regime of accumulation which he christened Fordism (or more generally, Americanism) represented a deep restructuring, if not mutation, in the productive forces and social relationships of production in modern capitalism. However, as Robert W. Cox (1987) recognises, Fordism, for Gramsci, did not represent an epochal transformation of society into a completely new form beyond (or post) capitalism, but rather: "a rationalization and extension of these relations shorn of all extraneous and procapitalist baggage." In other words, it was capitalism in its purer form, the moment when the social formation is colonised by the capitalist mode of production, as envisaged by Marx in *Capital* and the *Grundrisse*. In the historical context of the fascist domination of Italian society, Gramsci speculated on whether the corporative state that Mussolini was engineering would lead towards the further
adaption of North American methods of production and organisation throughout Italian industry and civil society.

As 'reactionary modernists', the fascists with their nostalgia for Imperial Rome and 'genuine community' modulated reaction with a faith in modernity. This was manifested in the Italian Futurists praise of war, machine-guns, tanks, cars and death. Moreover, the Fascist fascination with Taylorism and Fordism was also part of their programme for change. However, as Cox explains:

"The fascist corporative state was caught in the horns of a dilemma. There were some elements in fascism that envisaged the corporative state as a means of making a gradual transition towards the adoption of American methods throughout Italian industry. Gramsci, was, however, sceptical that this tendency within fascism could triumph, because of fascism's dependence on the entrenched, dominant, plutocratic landlord and traditional intellectual elements of society. This made a breakthrough by the technical-managerial cadres of industry improbable. Fascism would remain a passive revolution, stabilising through coercion an impasse in social development, verbally espousing certain aims of industrial concentration, but stopping short of the agrarian and industrial reform a thorough-going Fordism would imply." (1987, p.310).

For Gramsci, then, Fordism could only be successively implemented within the context of a society where the capitalist class was firmly in the saddle of economic, political and social power: in short, was hegemonic. Such a society like the USA which had known no feudalism or prior social relations of a pre-capitalist nature.

Gramsci's reflections have some points of convergence with other contemporary reflections on North America and Americanism, namely the Frankfurt School's. Gramsci's suggestion that Americanism and Fordism "derive from an inherent necessity to achieve the organisation of a planned economy, and that the various problems examined here should be the links of the chain marking the passage from the old economic individualism to the planned economy", could have been written by Pollock or even Adorno and Horkheimer. And, of
course, following on from this observation the same criticism that could be made of Pollock's theory of 'state capitalism' could also be directed at Gramsci. That is, both are too deterministic and necessitarian in their respective understandings of the trajectory of development of modern capitalism. Gramsci, for example, wrote that: "prohibition, which in the United States was a necessary condition for developing a new type of worker suitable to 'Fordist' industry has failed as a result of the opposition of marginal and still backward forces and certainly not because of the opposition of either the industrialists or the workers." Suffice to say, however, Gramsci's reflections on Fordism cannot really be said to be a theory of Fordism in the strong sense, but rather a series of suggestive albeit problematic observations, which retrospectively call for criticism. Gramsci offers up what he terms a 'catalogue' of some of the most important problems pertaining to the phenomenon of Americanism and Fordism. Which are the following: (1) the "replacement of the present plutocratic stratum by a new mechanism of accumulation and distribution of finance capital based on industrial production"; (2) "the question of sex"; (3) "the question of whether Americanism can constitute an historical 'epoch', that is whether it can determine a gradual evolution of the same type as the 'passive revolution' examined elsewhere and typical of the last century, or whether on the other hand it does not simply represent the molecular accumulation of elements destined to produce an 'explosion', that is an upheaval on the French pattern"; (4) "the question of the 'rationalisation' of the demographic composition of Europe"; (5) "the question of whether this evolution must have its starting point within the industrial and productive world, or whether it can come from the outside, through the cautious but massive construction of a formal juridical arm which can guide from the outside the necessary evolution of the productive apparatus"; (6) "the question of the so-called 'high wages' paid by Fordized and rationalised industry"; (7) "Fordism as the ultimate stage in the process of progressive attempts by industry to overcome the law of the tendency of the rate of profit to fall", (8) "psychoanalysis and its enormous diffusion since the war, as the increased moral coercion exercised by the apparatus of the State and society on single individuals, and of the pathological crisis determined by this coercion"; (9) "Rotary Clubs and Free Masonry". The above list gives some idea of the exhaustiveness of Gramsci's reflection on 'Americanism and Fordism'. That is, his understanding of the new forms of hegemony being created in the
'New Times' of the 1920s and 1930s  In short, the 'modernist' restructuring of capitalism. It would take up too much space to go into all the aspects of the problems raised by Gramsci, but it is necessary to examine Gramsci's central problem, which was the transformation of work, which emptied work of creative or intellectual challenge and content, aiming to turn the worker into a trained gorilla, however, this was not a pessimistic picture of the alienation of the worker in capitalism but, rather, for Gramsci would mean that the workers who had no longer to think about the conceptual content of their work would have other things to absorb their mental capacities, including projects that would become quite threatening to the ruling class. Thus, Gramsci views Fordism with some optimism, and in line with Lenin's defence of the technical logic of Taylorism, argues for its progressiveness and modernity when released from its capitalist integument and shell.

As Gramsci wrote:

"Taylor is in fact expressing with brutal cynicism the purpose of American society - developing in the worker to the highest degree automatic and mechanical attitudes, breaking up the old psycho-physical nexus of qualified professional work, which demands a certain active participation of intelligence, fantasy and initiative on the part of the worker, and reducing productive operations exclusively to the mechanical physical aspect. But these things, in reality, are not original or novel - they represent simply the most recent phase of a long process which began with industrialism itself. A forced selection will ineluctably take place; a part of the old working class will be pitilessly eliminated from the world of labour perhaps from the world tout court."

(1972, pp. 302-3).

There is no hint of nostalgia in this passage lamenting the passing of traditional society. Rather, there is the belief that in whatever one-sided manner modernity is being introduced it has, nonetheless, positive and progressive aspects which must be defended against reactionary forces and as Clarke (1990) observes quoting Gramsci, "the petit bourgeois and Bohemian layabout". Thus Gramsci's Marxism while going a long way in its attempt to invent a non-deterministic and anti-necessitarian form of Marxism did not completely realise his intentions. For it is certainly the case that Gramsci's Marxism remains imprisoned within the
objectivist view that the productive forces have a sort of technical/instrumental logic inscribed within them, unaffected by social relationships of production. On this argument there is something in the view put forward by Laclau and Mouffe that although Gramsci begins the invention and creation of a non-deterministic analysis, he still does not carry the deconstructive logic he initiated all the way through: "One cannot avoid the feeling that the transition from a morphological and essentialist conception à la Labriola, to a radical historicist one, has not been coherently accomplished" (p.70). Thus this first Marxist analysis of Fordist industrialisation does not fully escape the 'three misleading ideas' of technological determinism, essentialism and reductionism identified by Sabel.

**A Critique of Gramsci's Analysis of Fordism**

It is necessary, then, to analyze briefly, what Henry Ford's new forms of work organisation entailed if we are to avoid some of the errors of Gramsci. One of the mistakes often made when examining or attempting to understand Fordism is the error of a retrospective analysis which starts from the assumption that Henry Ford had a totalising grand master-plan which he then proceeded to implement. As historians of technology and Fordism have made clear, Ford's assembly-line principle of production and social-economic organisation was a contingent and unplanned result of piece-meal experimentation. As Charles Sorensen wrote in his *My Forty Years with Ford* (1956):

"Henry Ford had no ideas on mass production. He wanted to build a lot of autos. He was determined but, like everyone else at that time, he didn't know how. In later years he was glorified as the originator of the mass production idea. Far from it, he just grew into it, like the rest of us. The essential tools and final assembly line ... resulted from an organisation which was continually experimenting and improvising to get better production."

(cited in Hounshell, 1984).

The elementary points have been reiterated by historians such as Siegfried Giedion and David A. Hounshell. Both writers have shown that there is a long pre-history to Ford's
innovation. Both writers recognise the pre-history of Fordist production methods in the earlier 'American system of manufacture', of small-arms (Colt), sewing machines (Singer) and in the Chicago stockyards and slaughter houses. However, Hounshell does modify the picture somewhat in his observation that

"From Giedion's perspective, Ford comes at the end of a long historical process which, in a Hegelian sense, becomes recognizable only at the end, when unfolding historical reason makes itself known. Although this interpretation of Ford deserves careful attention, it underestimates the singular importance of the changes made at the Ford factory in 1913 and 1914... and the way these changes were rapidly diffused throughout the Western world."

(1984, p 218)

However, both writers agree that Ford's assembly-line principle was not the result of a grand plan, but rather responses to engineering and production problems that needed to be overcome. Hounshell's conclusion is thus conclusive:

"Through unprecedented experimentation, bold moves, and widespread publicity, Ford had given the world the first system, in the fullest sense of the expression, of mass production: single purpose manufacture combined with the smooth flow of materials, the assembly line, large volume production, high waves initiated by the five-dollar day, and low prices. Ford effected not simply a technological turning point but, as Peter Drucker pointed out long age, an economic revolution."

(Ibid, p 263)

The 'economic revolution' which Drucker alludes to is of course the whole social, economic, political and cultural effects of Fordism which, to a certain extent, Hounshell ignores. However, he does foreground the failures of Ford's initial innovation to dovetail into the completion and creation of a new 'economic revolution' based on consumerism. Ford was still stuck in the utilitarian and functionalist paradigm of early twentieth century modernity, reflected in the uniformity and standardisation of the Model T Style, ornament and fashion were foreign to Ford's beliefs and he would have agreed with Adolf Loos, that ornament equals crime. And it was only in response to the innovations introduced by Alfred Sloan Jr.
at General Motors, of the annual model change that mass production and mass consumption would assume their classical form.

In this sense, high Fordism really originated at General Motors rather than by Ford itself. High Fordism was anything but modernist in the classical functionalist sense and its aesthetic was rather one of extreme fantasy, dressed up in technocratic guise ('stream-lining', 'space-age'), which leads not to the Weberian view of modernity as being 'disenchanted' and 'de-mythologised', but rather to the Benjaminian view that modernity produces its own phantasmas and mythication. As the poet Robert Lowell wrote in his poem "For the Union Dead": 'Everywhere, giant finned cars nose forward like fish, a savage servility slides by on grease". The fantastic cars of the 1950s, immortalised in countless Hollywood films in technicolour, and now cult objects for those nostalgic for the retro-innocence of the 1950s, were far from the modernist ideal of 'form following function'. In this context it would be an interesting exercise to investigate the ways in which Fordism came to be represented in popular culture. Certainly Chaplin's film Modern Times (1936) is paradigmatic of the sense of alienation evoked by mass production in popular consciousness.

In fact, the religious and mythical connotations of Fordism is best summed up by Alexandre Kojève's epigram "Marx est Dieu, Ford est son prophete". From these insights it would be hard to follow the line of inquiry which defines Fordism in the narrow production technology manner or even narrow economic sense put forward by its own historians or biographers such as the definition which Ford put across in his first autobiography of 1922 My Life and Work (ghost written by Samuel Crowther): "The Ford prosperity recipe is high wages, low prices, and mass production". A definition which was canonised in the famous Encyclopedia Britannica article on "Mass Production" which was written on Ford's behalf by William J. Cameron where the following definition is put forward:

"Mass production is not merely quantity production, for this may be had with none of the requisites of mass production. Nor is it merely machine production, which may also exist without any resemblance to mass production."
Mass production is the focusing upon a manufacturing project of the principles of power, accuracy, economy, system, continuity, and speed."

According to Hounshell, the term "to Fordize" makes its appearance in 1925 with the appearance of *The Way Out* by Edward A. Filene.

These observations are necessary if we are to understand the origins of the term which Gramsci (and Henri de Man) took up and viewed as the latest attempt by the capitalist class to recreate their hegemony in society. However, as argued above, the concept of Fordism is absent in much of Western Marxism between Gramsci and the reformulation of the term by the Regulation School(s) in the 1970s onwards. It is necessary to observe that the Marxist theorizations of Fordism using the Regulation theory(s) is one of the first attempts to give a more precise definition of the specificity of Fordism after Gramsci and goes beyond Piore and Sabel's undertheorized use of the term in their writings. However, it is necessary to separate out Regulation theory from Fordism, because 'regulation' refers to an abstract concept of how particular socio-economic regimes are reproduced and articulated at the micro, meso, and macro levels, while Fordism refers to one particular manifestation or form of regulation.

**The Regulation School and Fordism**

Robert Boyer (1990) in his overview of Regulation theories and definitions of regulation examines such researchers as Aglietta, Gerard Destanne De Bernis, Lipietz, Fortuna Di Ruzza. Boyer's selection is fairly representative and foregrounds the family resemblances that characterise the regulation approaches. The first researcher said to have introduced the term regulation into Marxist theory was De Bernis who drew upon the work of the philosopher Georges Canguilhem who gave this definition: "Regulation is the adjustment, in conformity with certain rules or norms, of several movements or acts, and their effects or products, which are initially distinct due to their diversity or succession" (cited in Boyer).
The fact that Canguilhem was important for the development of the Althusserian School is to be noticed. For although Althusser nor Balibar used the concept of regulation in their writings it was to be taken up by Aglietta who was much influenced by Althusserianism, particularly at the time he wrote The Theory of Capitalist Regulation (1979) where we find this famous definition of the term:

"To speak of regulation of a mode of production is to try to formulate in general laws the way in which the determinate structure of a society is reproduced ... [A] theory of social regulation is a complete alternative to the theory of general equilibrium ... The study of capitalist regulation, therefore, cannot be the investigation of abstract economic laws. It is the study of the transformation of social relations as it creates new forms that are both economic and noneconomic, that are organized in structures and themselves reproduce a determinant structure, the mode of production."

(p.15)

A number of points can be drawn from this terse summary. First, regulation theory is a theory of the social totality and therefore rejects separation of the economic from the social or political. It returns to the political economy tradition. Second, and relatedly, it criticises neo-classical economics and reintroduces the temporal and spatial dimensions of the reproduction and expansion of modes of production. These points are reinforced by Boyer's own definition of regulation: "We will use the term 'regulation' to designate the set of mechanisms involved in the overall reproduction of the system, given the state of the economic structures and social forms". Lipietz's definition is probably one of the most influential, but it is not cited by Boyer:

"A regime of accumulation describes the fairly long-term stabilisation of the allocation of social production between consumption and accumulation. This implies a certain correspondence between the transformation of the conditions of production and the transformation of the conditions of the reproduction of wage-labour ... The set of internalized rules and social procedures which incorporate social elements into individual behaviour ... is referred to as a mode of regulation."

This definition, despite suggestions that Lipietz is a vulgariser of the regulation approach, has all the merit of making clear the analytical distinction between the 'regime of accumulation' and its accompanying 'regime of regulation'. A distinction everywhere present in the regulation approach. For example, Aglietta writes of 'structural forms', which are 'complex social relations, organised in institutions, that are historical products.

At the level of abstract generality it could be said that the regulation approach is a 'middle-range theory'. In other words, it deals with mediate or intervening variables situated in-between the abstract concept of mode of production and the more concrete level of the social formation. This is not to say, however, that this leaves the concepts of mode of production, value, surplus value, exploitation, and so forth, untouched. Indeed some regulation theorists have drawn the conclusion that the value categories of Marx have to be abandoned. The latest work of Aglietta, for example, draws this conclusion. It is obvious that other social scientific traditions have been drawn upon by the various regulation school approaches to supplement Marx. For example, Lipietz explicitly refers to the importance of Bourdieu's concept of *habitus* in developing the regulation approach. And behind Bourdieu there is the influence of Marcel Mauss and, ultimately, the figure of Durkheim. The Durkheimian (and Maussian-Bourdieuian) dimension of regulation theory refers to the economy or 'regime of accumulation'. Just as Durkheim is famous for writing in *The Division of Labour in Society* that there is always a 'non-contractual' element or dimension to every 'contract', so the regulation school point to the importance of structural forms which regulate the mode of production or to be more specific the 'regime of accumulation'. Beyond Durkheim the influence of Polyani can be detected and, more importantly still, Schumpeter.161

While some Marxists would view this incorporation of non-Marxist concepts into Marxism as a transgressive and illegitimate eclecticism there is a strong case to be made for this enrichment. The transcoding of non-Marxist themes into Marxism is always a difficult exercise, but as Frederick Jameson has argued in his *The Political Unconscious: Narrative as a Symbolic Act* (1983), the Durkheimian emphasis on social forms can contribute to an enriched Marxism.
Returning to the concept of 'regime of accumulation' which is at the centre of the Regulation School(s) notion of Fordism it has to be said that it has a more rigorous formulation than anywhere in Piore and Sabel et al. While in Piore and Sabel there are, as has been observed, allusions to regulation theory, they do not provide a rigorous specification of its components and in Unger, Hirst and Zeitlin there is even less of a definition and becomes somewhat ambiguously defined in ideal-type terms (as mass production). The most formalised definition of Fordism which is close to Piore and Sabel et al's definition is that offered up in a commentary on their writings by Arthur Stinchcombe in his book *Information and Organizations* (1990) (chapter 2) "Individuals' Skills as Information Processing: Charles Sabel and the Division of Labour". In his conclusion he writes that Fordism consists in making complex products cheaper by routinizing not only the decisions but also the production process:

"The key here is that the more a fordist factory can routinize the whole process, the fewer decisions have to be made anew for each unit produced. So the real dependent variable here, the thing we are trying to explain, is How many new decisions, non-routinized decisions made by human intelligence and discretion, are there per decision that has to be made to make the product? Thus a formal measure of fordism would take the following form:

\[
\frac{\text{routinized decisions}}{\text{total decisions}} = \text{fordism (routinization of production)}
\]

"This is the level of routinization or degree of fordism of production. The more complex the product, in the sense of the more total decisions required to produce it, the more time and expense will be saved by routinizing. Mass production in the fordist sense saves more on a complex product like an automobile or refrigerator than it does on a simpler one like a towel or sheet." (1990, p.71).

Stinchcombe's formula elegantly highlights the manner in which Sabel and Piore conceive Fordism. Aglietta's definition of Fordism does not necessarily contradict this viewpoint and understanding, but it goes considerably beyond it. Although it is conceptualised as a labour process much in the manner of Sabel it has a richer understanding, based as it is on the
Marxist tradition, but also some drawbacks which will be identified. "Fordism ... is the principle of articulation between the process of production and a mode of consumption, which constitutes the mass production that is the specific content of the universalisation of wage labour". That is, industrialisation, its patterns, modalities and trajectory must be understood in the wider sense than just a work process or labour process, and must connect up with the reproduction of the economy in the entirety of its cycle (see Lash and Urry, 1994).

Moreover, Aglietta gives a considerably more detailed understanding of the production side of Fordism than Sabel or Stinchcombe:

"The characteristic labour process of Fordism is semi-automatic assembly-line production. This particular type of labour process was established in the United States from the 1920s onwards, especially for mass consumer goods produced in long production runs, and was subsequently extended upstream to the production of standardized intermediate components for the manufacture of these means of consumption. The establishment of one and the same type of labour process was a powerful force for the vertical integration of production processes and a material support for the transmission of local mutations in the productive forces between the two departments of production."

(1979, p.117)

Aglietta links up the organisation of the labour process with the establishment of the consumer goods industries and its extension to other sectors of the economy such as intermediate components. Furthermore, he argues that the vertical integration of industry and the development of the multi-divisional corporation and was the logical effect of these series of transformations. These themes link up with Chandler's research on strategy and structure and, crucially the displacement of the market principle by the 'visible' hand of the corporation and management. It also has comparisons with the 'transaction costs' school. Aglietta further argues that at the level of the labour process, Fordism takes up and improves upon the principles of Taylorism and puts them more effectively into practice, to obtain an ever greater intensification of labour:
"Fordism further developed the mechanization of labour, increased the intensity of work, radicalized the separation between manual and mental labour, rigorously subjected workers to the law of accumulation and turned scientific progress against them as a power serving the uniform expansion of value." (Ibid, p.118).

Following Marx's comments on the stage or phase of capitalist development called in Capital 'machinofacture', Aglietta shows that Fordism is an intensive regime of accumulation based on the same principles, that is, the extraction of relative surplus value and the real subordination of the producer to the production process. However, Aglietta argues that the conditions to be met for the expanded reproduction of an 'autocentric' Fordism, was not achieved overnight, but was an uneven and staggered process beginning in the 1920s and only fully crystallising in the 1950s and early 1960s. As Driver writes:

"Aglietta argues that the increase in salaried unproductive works associated with Department 1 was the historical basis for the social demand for commodities previously consumed as luxuries. The expansion of the automobile, consumer durables and standardised housing units in the period following the First World War marked a watershed, but the initial process of expansion faltered in the twenties. 'The working class market could not yet be reached under the social conditions of production of the time'." (1983, p.87).

As early reviews of The Theory of Capitalist Regulation observed, Aglietta went beyond the analysis of such radicals as Galbraith, Marcus and Baran and Sweezy who identified the specificity of 'American Capitalism', the 'One-Dimensional' society and 'Monopoly Capitalism' as lying in the sphere of the organisation of consumption. For Aglietta, as Davis observed:

"Fordism ... presupposes the emergence of a distinctively capitalist mode of organized consumption based upon the 'dominance of commodity relations over non-commodity relations'. In Aglietta's terms the 'wage-relation only assumes its complete, mature form when the proletariat, through the mediation of new structural forms, is able to buy all of its conditions of existence within the general circulation of commodities'. Under Fordism a 'social norm of
consumption' - i.e., a regulated average level of mass consumption higher than mere substance - is brought into being as a crucial determinant of the accumulation process."
(1978, pp. 216-7).

Aglietta understands these developments as taking place against the background of the class conflicts and struggles of the inter-war years and the new conditions which made possible new forms of institution-building, or, in Aglietta's term, structural forms of regulation. The key chapter in his book where he analyses this transformation is chapter three "The Transformation of the Wage Earners' Conditions of Life" and particularly section one "The Capitalist Production of the Mode of Consumption". In this section he develops the beginnings of a Marxist Regulationist theory of consumption and, in particular, a theory of working class consumption under high Fordism. Aglietta rejects the standard neo-classical theory of consumption. That, as a series of expenditure functions and as a theory of the individual consumer as the source of an axiomatic set of well organised and stable choices, given certain resources and market conditions. Rather, Aglietta calls for:

"... a theory of those practices that make consumption a socially conditioned activity, subject to contrary forces of homogenization and differentiation that modify it in a manner favourable to the generalization of wage-labour ... Our point of departure will be the definition of consumption as an activity or, more accurately a process that is, organized set of activities which - while predominantly private - are subject to a general logic of the reconstitution of energies expended in social practices."
(1979, p. 156).

**Fordism and the Consumption Norm**

Consumption is viewed first as a material process, located in time and space, linked with the cycle of social labour power. Furthermore, consumption (as opposed to productive consumption) is predominantly private activity or process, "its concrete practices take place principally within the household, a site where individuality is protected. They are not
directly under the sway of the relations of production". This is why consumption can give rise to a diversity of ideologies of consumption which Aglietta does not specify or characterise in an adequate manner (gender, sexuality and patriarchal ideologies of the household are not mentioned) the form and content of particular consumerist ideologies, but his work is quite fundamentally dependent on the work of French critical theory. For example, the early writings of Jean Baudrillard are drawn upon in a direct and unmediated manner and in particular Le Système des objets (1968), La Societe de consommation (1970) and For a Critique of the Political Economy of the Sign (1976). In turn, there is the influence of Lefebvre, the Arguments group, Socialisme ou Barbarie and Guy Debord (1987) and the Situationists. These cross-cutting influences, incidentally, point to the fact that Althusserianism in France was less dogmatic than the British version which viewed any sort of syncretic approach as an epistemological obstacle. Drawing upon this work Aglietta argues that the Fordist consumption norm involves the universalisation of the commodity form and the generalised 'reification' of social life: "With Fordism ... the generalisation of commodity relations extended to their domination of practices of consumption".\[1\]

But although Aglietta's theory of consumption draws upon the above traditions of thought he goes beyond them by making a linkage in a more direct manner between production and consumption:

"We have seen how Taylorism and later Fordism, adapted to the restriction of the working day by sharply increasing the intensity of labour and systematically compressing wasted time. The result was the disappearance of any time for recuperation at the workplace itself. The increased exhaustion of labour power in the labour process had to be entirely repaired outside the workplace, respecting the new time constraint of a strict separation between working and non-working hours. Since this was overlaid by a further constraint of separation and increased distance between workplace and residence, transport time was considerably prolonged, with the result that the time constraint imposed by labour did not fall despite the limitations of working hours. Individual commodity consumption in the form of consumption that permits the most effective recuperation from physical and nervous fatigue in a compact space of time, within the day, and at a single place, the home." (1979, pp.158-9).
Thus Aglietta concludes that the structure of the 'consumption norm' coincides with its conditioning by capitalist relationships of production, governed by two basic commodities or consumer durables: standardised housing and the automobile. The formation of the working class consumption norm is, in turn, presupposed by the development of regulatory institutions which socialised finance and increased the possibilities for consumer credit, within the framework of the Keynesian macro-economic policy instituted by the State.

For Aglietta, heavily dependent on Barthes and Baudrillard (but also, Althusser), the working class consumption norm can be characterised as a 'functional aesthetic':

"... this functional aesthetic duplicated the real relationship between individuals and objects with an imaginary relationship. Not content to create a space of objects of daily life, as supports of a capitalist commodity universe, it provided an image of this space by advertising techniques. The image was presented as an objectification of consumption status which individuals could perceive outside themselves. The process of social recognition was externalised and fetishised. Individuals were not initially interpellated as subjects by one another, in accordance with their social position: they were interpellated by an external power, diffusing a robot portrait of the 'consumer' ... Yet it cannot be stressed too greatly that the role of the image in consumption, which many sociologists have made into a fundamental explanatory principle of capitalist development, is strictly subordinate to the material and social conditions that we have discussed."


To show the dependence of this argument on Baudrillard's view of consumption it is enough to quote Baudrillard:

"In the phenomenology of consumption, the general acclimatization of the life, goods, services, behaviours, and social relations represents the perfected 'consummated' stage of evolution which, through articulated networks of objects, ascends from pure and simple abundance to a complete reconditioning of action and time, and finally in the systematic organization of ambience, which is characteristic of drugstores, shopping malls, or the modern airport - our cities of the future."

Baudrillard’s comments, then, provide the background for the analysis put forward by Aglietta on the ‘functionalization’ of existence in the ‘consumer society’ where of all things credit plays a determining role, even though it has only a marginal impact on the spending budget. The ideas are exemplary.

"Presented under the guise of gratification, of a facilitated access to affluence, of a hedonistic mentality, and of ‘freedom from the old idea of thrift’, etc., credit is in fact the systematic indoctrination of forced economising and an economic calculus for generations of consumers who, in a life of subsistence, would have otherwise escaped manipulation of demands and would have been unexploitable as a force of consumption."
(Ibid, p.49).

Although these arguments can be subject to criticism, they at least have the merit of extending the concept of the industrialisation process into the realm beyond the process of production. Sabel et al seem to neglect this process of ‘educating’ the working class into the ‘consumer lifestyle’, which would go some way into explaining why the various craft forms of production existent in the nineteenth century were defeated by mass production techniques. However, the major criticisms that would need to be directed at the Baudrillard/Aglietta (and by extension Frankfurt School) critique is that it reproduces a much too one dimensional picture of the consumer (for a more nuanced argument see Lipovetsky, 1994).

In fact this argument meshes in within the larger claim that the Baudrillardian and Marxist Regulationist schools are both functionalist in the manner they conceptualise society and social relationships. However, this observation should not be interpreted too liberally as it is still the case that there is a logic of capital involved which is more powerful and hegemonic. While writers like Giddens are correct to observe that there is always a ‘dialectic of control’ in society between asymmetrically located actors, and that some actors, and their decisions and strategies, carry more weight and win out, or set the parameters for, the room for manoeuvre of subordinates."
From Fordism to Neo-Fordism?

As Aglietta makes clear, the concept of neo-Fordism was originally proposed by Christian Palloix (1974), to refer to a modification of Fordism caused by the contradictions engendered by it, manifested in such effects as high rates of absenteeism, labour turn-over, wastage, poor product quality, high inventory costs, line balancing problems, strikes, sabotage, and so forth. For Palloix (and Aglietta) neo-Fordism is not an 'Industrial Divide' or the beginnings of a transition to a post-industrial society, rather it is an "adaptation of Taylorism and Fordism to new conditions of struggle in production, with the aid of preserving the profitability of capital, rather than a radical revolution of the labour process". According to Palloix neo-Fordism must be understood as a purely formal attempt to abolish the collective worker,

"taking into consideration the social tensions which necessitate the setting-up of an absolute despotism in the coordination of the labour processes based on automation, of several groups of workers, autonomous in appearance, but which are in reality forced to submit to the logic of the collective worker."

This line of analysis must also be seen as part of a joint or collective line of analysis which had contributions from many other researchers. On the French side it is useful to mention Coriat, Lipietz, Guillarme, Gaudemar, Boyer, Brender and, on the Italian side Bologna, Tronti, Panzieri and Negri. However, it was Aglietta who gave the term its most precise and forceful definition and meaning in The Theory of Capitalist Regulation:

"Neo-Fordism, like Fordism itself, is based on an organizing principle of the forces of production dictated by the needs of capitalist management of the work collective. The new complex of productive forces is automatic production control or automation; the principle of work organization now in embryo is known as the recomposition of tasks. The combination of these two lines of development has unleashed the most shameless propaganda about the liberation of man in work. It is certainly possible that automation does contain..."
possibilities which will eventually, in the very long run, lead mere operative work in production to disappear. But one thing is clear. These possibilities will have no chance of being realized unless capitalist relationships of production are abolished."
(1979, p. 123).

So for Aglietta the capitalist mode of production can only escape from its contemporary problems or 'impasse' by developing and inventing a 'new cohesion' based on a modification, but not a transition from, Fordism. This line of reasoning is reinforced by referring to the arguments of other researchers already mentioned. For example, Coriot (1980) argues that the new assembly lines that are being created and applied are similar in many ways to the old Fordist ones. In basic principles of organisation they are much the same based on continuous flow production and the fragmentation of the labour process, but implemented on another basis and in a different modality. Accordingly, there are three constant characteristics of the new assembly line: (1) the continuous flow of work on the line is maintained, but it is segmented into distinct work-spaces or stations, each supplied with its own stock of components and tools; (2) team-work is introduced on the principle of each team being semi-autonomous and self-determining - albeit within a space still determined by management; (3) the use of the central conveyor-belt and parallel conveyor belts.

Moreover, his argument that many companies and managements have started to experiment with new ways of organising the classic assembly-line (and organisational structure) has been substantiated by many researchers and explains the frantic experimentalism of the type of thinking we find in Peters, Waterman, Moss-Kanter and the California Management Review. However, a wider frame is needed if we are to understand the current transformation which go beyond the labour process, which is but one moment of Fordism, to account for the whole regime of accumulation and its modes of regulation. Jean-Paul Gaudemar provides the beginnings of an analysis of the rise of the 'Mobile Factory'. Gaudemar argues that there are two tendencies in modern capitalism which are at first sight contradictory, but which are in reality complementary. First, the movement towards spatial concentration (the model of Toyota City) might be apposite here and the kanban or just-in-time system. Second, the
revival of what seems to be a traditional form of production space, albeit in a more sophisticated electronic form:

"In one case, the industrial site is a super-factory. In the other, the factory is spread out, diffused, at times an anti-factory. In one case the vertigo of size. In the other: small is beautiful ... Are these tendencies really contradictory? The thesis ... is that they are not, since both announce the end of a paradigm - that of the factory-fortress - and the birth of a new figure, a production space characterizable as a space of fluidity and mobility. This mobility of objects and means of labour, of products and people, as well as social relationships, appears both a systematization of previous tendencies and as a fundamental element in efforts to resolve the contemporary crisis of the factory."

(cited in Zone 1/2, p.285).

Gaudemar's observations unite a number of ideas. First, the idea that there is a crisis of Fordism and the emergence of a neo-Fordism. Second, the Italian Autonomists, and in particular, the point of view developed by Toni Negri (1988), where the thesis that the 'social factory' is replacing the 'massified' factory of Fordism and that the social figure of the Fordized worker is being replaced by that of the new 'socialised worker' which is diffused throughout social space, locatable in all the institutional spheres of capitalist society. Another influence is the post-structuralist writings of Deleuze and Guattari (1972, 1980) and their concept of 'deterioralization' or 'decoding' of capitalism by the hyper-inflation of the market principle as society's 'steering mechanism'.

This argument finds support in the cognate arguments of Feher and Alliez where from a regulationist perspective they argue the following:

"What metamorphoses is capital capable of, and from what point of view can they be apprehended? ... [the] current articulation of both a new regulatory mode of economic activity and of a new regime of capital accumulation - a combination linked to the rise of a 'neo-puritan' ethics - tends to turn this so-called 'crisis' into an ordinary, if not permanent, state of affairs. During the last 15 years a certain type of social order has undoubtedly waned."

(cited in Zone 1/2, p.315).
For Feher and Alliez, in a postindustrial/postmodern inflection of the Regulation School, assert that these changes are due to the information revolution, where the establishment of a vast network for the productive circulation of information has led to the collapse of the distinction between productive and reproductive spaces and the transformation of people and 'intelligent machines' as:

"functionally interchangeable terminals - relays in the capitalist social machine. But it also leads to the dereliction of the people and space that cannot be 'plugged' in to the network either because they are insufficiently 'informed' or because the information they produce is irreducible to merchandise form. The distinction for each worker between his or her spatially defined work time and free time - and their articulation regulated by the welfare state - gives way to a division into two groups of workers: those who are integrated into the new valorization circuits and those who, because they are excluded, see their conditions of existence seriously jeopardised."


Adopting the most dystopian Huxleyian schema they argue that: "The regime in which the worker is subjected to capital is fading, gradually being replaced by a regime in which individuals are enslaved by, or rather, incorporated into, capital". For Alliez and Feher the worker, literally, becomes a 'cog' in the social machine. The new capitalism is characterised, then, by the following transformations: (1) the globalisation of capital; (2) flexible accumulation; (3) automation of production; (4) the re-segmentation of the labour market and labour force into (a) responsible in-house workers; (b) less costly marginal workers; (c) protected workers or 'micro-entrepreneurs'.

These formulations are common ways of comprehending the current transformation of work and employment and it is useful just to focus for the moment on the use of the term information is their argument, for it finds points of resonance with other researchers conclusions on the nature of neo-Fordism. For example, Castells, from a 'super-modern' perspective, argues that two features are characteristic of the stream of technological innovation under way:
"First, the object of technological discoveries, as well as their applications, is information. What micro-electronics does is to process, and eventually generate, information. What telecommunications do is to transmit information, with a growing complexity of interactive loops and feedbacks, at increasingly greater speed and at lower cost. What the new media do is to disseminate information in a way potentially more and more decentralized and individualized... And what genetic engineering does is to decode the information system of the living matter and try to program it."

(1989, p. 13).

Castells, then, places great emphasis on the role of 'information' and 'informationalization' of late capitalism, where telecommunications, office automation, improved data transmission and telecommuting are revolutionising the social relations of production and communication, substituting for the 'space of places' the 'space of flows' within the 'information city'.

The conclusions that Castells draws are similar to the various Regulation School conclusions, namely, that (1) new technologies in both offices and factories which allow for labour-saving innovations that increase productivity, while simultaneously leading to job losses on a massive scale, particularly within the manufacturing and unionised sectors of industry; (2) the automation of information-processing functions which allow capital to supersede one of the major barriers to the growth of economic productivity. The possibility of office automation allows corporations to grow in size without losing flexibility and efficiency, thus overcoming the obstacles to labour productivity in the service sector. However, as services were the "refuge for the growing labour surplus from other sectors as well as a response to the political pressures on the public sector to provide jobs and services, automation of services will be uneven and will provoke bitter social conflicts"; (3) the impact of automation on the occupational structure will result in a bifurcated labour market, with an 'upgrading' of a minority of workers and a rapid growth of professional sectors, while, on the other hand, there will be a majority of workers who are deskillled and reduced to low paying jobs, either in labour intensive services or in 'down-graded' manufacturing. Castells position is shared, in modified form, by many other writers. For example, Daniel Bell, whose book The Coming of the Postindustrial Society (1973) has established itself as the canonical (albeit contested) text
on the subject, gives central importance to the role of information and the position of 'theoretical knowledge' in 'post-industrial society'. In his most recent writings on the subject, however, Bell while keeping close to his earlier claims and position, now recognises the continuing importance of manufacturing in 'post-industrial' society and, significantly, he backs up his comments by utilising the 'flexible specialization' hypothesis of Piore and Sabel's *The Second Industrial Divide*.

Nevertheless, Bell's argument, like Castells', gives central importance to the new role of 'information', across sectors and inter-sectoral transformation/shifts:

"In the case of telecommunications - to be brief - the breakdown of the old distinction between telephone, computer, television, and facsimile (Xerox) means that new, highly differentiated systems - private branch exchanges, local area networks, 'internal' communications networks between firms, international satellite communication - all emphasise diversity rather than uniformity, with many specialized systems rather than a single product such as the telephone."

(1973, p.175).

The social, cultural and political implications of these developments, according to Bell, are that the revolution in communications are transforming the scale of human activities and that the management of scale is the key problem of a globalized world hooked up by rhizomic information systems and networks:

"Given the nature of 'real time' communication, we are for the first time forging an interdependent international economy with more and more characteristics of an unstable system in which changes in the magnitudes of some variables, or shocks and disturbances in some of the units have immediate repercussions in all others."


With its fashionable allusions to chaos theory Bell's remarks joins other social theorists such as Giddens (time-space distanciation), Harvey (time-space compression) and Castells (space of flows) in his concern with the relationship between scale, space, place and information.
Regardless, however, of these similarities, Bell's argument still neglects the most central question and problem that the new information technologies raise, namely, that they serve the purpose of increasing relative surplus value in manufacturing and services (Lokjine). Or to put it more strongly in the words of Negri:

"... Automation can no longer be analyzed as the perfection of the process of exploitation of productive labour, but rather must be viewed as a modification of the totality of social relationships. The problem is to ascertain to what extent information technology is the means by which capital undertakes the real subsumption of all the social forces of production and reproduction. Through automation, the relationship between production and circulation of commodities is found to be totally integrated within capital. The socialization of production means that society is exploited by capital as such."


For Negri this means, first and foremost, that automation and 'computerization' are instruments used by the capitalist class which concentrate scientific knowledge in symbols and transmission belts which manifests itself in the following: the substitution of labour and thus the 'streamlining of its turnover'; checking the precise times involved "in every condition and phase of the production cycle and thus the subordination to it of all activities and needs of the socialized labour force. And finally, success in establishing new hierarchies and new legitimacy for socialised control ... To this and the process of automation, and above all those of computerization, allow social actors to be homologized and classified with regard to the aim of control" (pp.106-7).

**Neo-Fordism as Panoptic Control**

For Negri (and Guattari) informational capitalism is a new and, by implication, more repressive form of control (tendentiously totalitarian) which through its mobilisation of science and technology creates something akin to Foucault's model of panoptic power, a society of surveillance and spectacle. However, there are similarities with other traditions of
thought such as the later work of Habermas. Thus, Negri's comments that capital appropriates communication, depriving communication of its spontaneous and 'constructive substance' and reducing it to a schematic interpretation of reality with the result of producing forms of subjectivity which are adequate for a 'computerised mode of working' mirrors Habermas' own discussion, albeit in a more conventional Marxist manner, of the distortion of communication by colonisation of the lifeworld by abstract systems of money and bureaucratic power. As Negri and Guattari (1990) write, the global integration and restructuring of modern capitalism aims at utilising 'computerisation' [informatization] that:

"Exploitation could thus be articulated scientifically over the entire arena of the social, extending the control of profit creation mechanism. Under these conditions, the assembly line of commercial and industrial production spreads its fabric over the social, not its symbolic sense but materially. Society is no longer merely subsumed by capitalist command; it is absorbed entirely by the integrated mode of production. Differences in productivity and in levels of exploitation can then be articulated in a smoother, more diffuse way within each geo-political segment."

(p.49).

Thus Negri's understanding of the contemporary form that industrialisation is taking is completely opposed to the liberal-reformist understanding and thematisation which believes that new technologies will lead to a more decentralised society, where workers are 're-skilled' or 'informatized'. A view that can be found in various modulations in such a diverse group of writers and researchers as Bell (1972), and Toffler (1983). Furthermore, he is opposed to the viewpoint expressed by Piore, Sabel, Hirst and Zeitlin which argues that although there are no 'necessitarian', 'deterministic', 'objectivist' or evolutionary reasons why industrialisation should assume a particular form, specific forms of politics in the industrialised world are driving society for contingent reasons to a potentially more democratic form. Indeed, Negri's totalising viewpoint that 'everything connects' is as opposed to Sabel et al's point of view as you can get and especially the viewpoint of Hirst and Zeitlin.
For example, Negri (but also see Castells (1992), Soja (1990), Harvey (1989), Lash and Urry (1994), Mingione (1991)) argues that the new informated capitalism is characterised by the re-emergence of forms of production and labour control that are usually associated with pre-capitalist or 'backward' forms of capital accumulation. For example, the usual cases that are cited include such well-publicised phenomena as the rise of 'homeworking', 'sweated work', 'informal work' and 'downgraded manufacturing'. Rather than to theorise these as separate sectors with their own logic and effectivity Negri would argue that they have to be theorised within a totalising logic of connections, a manner of theorising which has already been declared invalid by Hirst and Zeitlin (and to a lesser extent by Unger). But this caveat has no real logic to it in principle, as long as the chain of mediations are traced in a subtle and empirical manner. Whether Negri achieves this, however, can be subject to doubt, although an effort is attempted.

Negri argues that the Italian 'Third Italy', which is understood by Sabel et al as forming part of a more progressive industrial region or series of districts, is understood by Negri in a completely different manner as an aspect of the most 'modern' sector of Italian capitalist industry: the 'submerged' or 'diffused' economy:

"For example, the light engineering firm Bassani-Ticino, situated between Varese and Milan, employs 3,000 workers on the premises and 15,000, each with a computer and lorry, on the outside. Each week, work sheets are distributed and the previous week's work produced using computerized machines, is collected. This is a traditional form of capitalism - but at a higher level... The same phenomenon is to be found more or less throughout the whole of Northern Italy. Examining the situation closely, it is possible to see, for example, that child labour using sewing machines is in fact regulated by a highly organized industrial process, one which is organised according to the regulations of the savings banks and of the Viscentini law which gives fiscal benefits to large industry. Between Venice and Padua in Marches and to the North of Milan etc., thousands of workers are employed in the 'dispersed' factory which, moreover, is tied to the needs of the international economy. In the footwear sector, for example, German firms provide the shoe designs, the machines and everything necessary for the 'great Italian territorial factory'
which, in its turn, organizes extremely flexible working on the basis of centralized, information based management."
(Ibid, p.212).

Post-Modern Fordism

This interpretation is a far cry from the flexible specialization hypothesis of 'high-technology artisanal cottage industry'. It is necessary to emphasise that this articulation and mediation of the 'high-tech' with the 'low-tech' (a typical postmodern double-coding) does not mean a stalled modernisation, but rather an advanced moment of informational (postmodern) capitalism with a totalising logic to it. Such a logic demands the use of the term capitalism, or in Mandel's expression (which has its origin in the Frankfurt School), late capitalism which is consistent with Marx's usage and evocation in The Grundrisse where as Jameson writes:

"[the] 'world market' as the ultimate horizon of capitalism turn on this matter of internationalization and how it is to be described ... Besides the forms of transnational business ... its features include the new international division of labour, a vertiginous new dynamic in international banking and stock exchanges, new forms of media interrelationship, computers and automation, the flight of production to advanced Third World areas, along with all the more familiar social consequences."

Suffice it to say, as Jameson further explains the term 'late capitalism' should not be interpreted to mean that capitalism is near its end or on the point of collapse a la Luxemburg, but rather it is the moment when capital has colonized and expanded on a global and planetary scale and nothing else is outside it or other than it. The same position is taken with more economic detail in Harvey's The Condition of Postmodernity (1989) which while problematic in its interpretation of postmodern theory, art and cultural practices is astute on the level of the economic analysis of 'flexible accumulation'. Like Jameson, Harvey interprets the present in the following manner:
"There has been a sea-change in cultural as well as in political-economic practices since around 1972. The sea-change is bound up with the emergence of new dominant ways in which we experience time and space. While simultaneity in the shifting dimensions of time and space is no proof of necessary or causal connection, strong apriori grounds can be adduced for the proposition that there is some kind of necessary relation between the rise of postmodernist cultural forms, the emergence of more flexible modes of capital accumulation, and a new round of 'time-space compression' in the organization of capitalism. But these changes, when set against the basic rules of capitalistic accumulation, appear more as shifts in surface appearance rather than signs of the emergence of some entirely new post-capitalist or even postindustrial society."

(Precis to The Condition of Postmodernity, 1989).

Adopting the language of regulation theory, Harvey argues that these changes must be understood as a transition in the regime of accumulation and its associated mode of social and political regulation. Harvey argues that the long-boom, from 1945 to 1973, was built upon a certain set of labour control practices, technological mixes, consumption habits, and configurations of political-economic power which he calls, in a fairly orthodox expression, the Fordist-Keynesian system. This system, according to Harvey following other regulation theorists, began to break up from around 1973, and since then we have had a period of "rapid change, flux, and uncertainty", characterised by the development of "new systems of production and marketing, characterised by more flexible labour processes and markets, of geographical mobility and rapid shift in consumption practices [which] warrant the title of a new regime of accumulation, and whether the revival of entrepreneurialism and of neo-conservatism, coupled with the cultural turn to postmodernism, warrant the title of a new mode of regulation, is by no means clear" (p.124).

Harvey's theorisation of post-Fordism or what he calls 'flexible accumulation' is more sustained and thought through than his fairly general and abstract concept of Fordism. Harvey identifies three positions on post-Fordism which can be criticised. These are: (1) flexible specialization, as espoused by Piore and Sabel; (2) the position which rejects the idea that 'flexibility' as a unique and recent stage of accumulation; (3) the argument of Harvey himself which he calls 'flexible accumulation'. Harvey makes use of a number of
'ideal-type' schemas and tables which purport to sum up in broad, often binary, terms the nature of the postulated transition. The work of Lash and Urry (1987, 1994) are taken as paradigmatic examples. However, Harvey never quite explains the relationship between these ideal-typical schemas and social reality and in the end his argument offers no precise specification of the relationship the transformations he is attempting to trace. Like many of the Marxist writers examined in this chapter, the argument that a 'totalising' argument is necessary, which traces all empirical changes as the effect or result of the capitalist mode of production and accumulation is convincing. What is less convincing is the lack of recognition, except in principle, that what is most important is to recognise the diversity of organisational forms that exist within the world-system of capitalism which do make a difference. That is to say, it is important to see how national, regional and local specificities must be taken into account. The regulation theory with its recognition of the need to theorise an intermediate level of abstraction between the abstract mode of production and empirical results, goes some way along this road (Lipietz 1992, Boyer 1990, Aglietta 1979, etc.), but it does not go far enough in tracing out the links in enough detail. And, moreover, does not give enough space for politics and culture in having a causal influence or effect on concrete outcomes. In effect, it gives little space for politics and we return to a rather functionalist, deterministic and necessitarian theory of capitalist industrialisation.

Conclusion

Therefore the critique developed by Sabel, Piore et al does have some efficacy as an alternative theorisation of contemporary social and economic changes, avoiding the abstraction of Marxist critiques. However, their critique still needs to be cautioned by the inherent scepticism of Marxism, regarding the possibilities of escaping in this world from the inherent logic of capital accumulation. It might be that any amount of empirical data or evidence will not settle the issue of the manner in which the transformations in the character of production, work and employment should be assessed. Each theory has different 'language games' or 'phrase regimes' (Lyotard, 1979, 1986) which interpret the evidence
according to different criteria. That is to say, theory is always underdetermined by the evidence and by the forms of politics one envisages as possible and desirable. The Marxist critique because of its totalising reach leaves one feeling, paradoxically, that little can be done to change the world, for the sublime power and reach of the 'total system' is untransformable. It is, in short, a form of 'false necessity' where it is difficult to imagine anything beyond the constraint of the system. The FS research programme, however, helps us to visualise another form of society which is perhaps still capitalism, but fundamentally reformed.

In this the FS thesis again connects with the neo-modernisation thesis referred earlier in Chapter One and in the introduction to Chapter Two. Neo-modernisation theory provides an explanation for the revival of market-based thinking, but also provides a more subtle argument which reveals the possibility of different forms of socially constructed and 'embedded' market forms, 'beyond individualism' (Piore, 1995). For Alexander in his recent sophisticated discussion of the phases of post-war social theory neo-modernisation theory, dependency theory and postmodernism, which attempts to revalorise the possibility of market alternatives to neo-liberal market capitalism. Alexander argues persuasively that the fall of Communism and the rise of market-based thinking has produced the climate for a new form of social theory which avoids postmodern forms of fragmented thinking:

"Because the recent revivals of market and democracy have occurred on a world-wide scale, and because they are categorically abstract and generalizing ideas, universalism has once again become a viable source for social theory. Notions of commonalty and institutional convergence have re-emerged, and with them the possibilities for intellectuals to provide meaning in a utopian way."

REFERENCES: CHAPTER 2

1. The lack of communication and dialogue within the Marxist tradition is noted by other writers. For example, Martin Jay in Marxism and Totality (1984) uses Freud's' phrase the "narcissism of small differences" to describe the hostility between the different Marxist traditions. That Marxists have almost always pursued a confrontational mode of 'dialogue' with one another is a major problem of this tradition of social theory.


3. This decentering and deconstruction has marked nominalist tendencies. It is what Unger calls a species of ultra-theory. No doubt, with some reformation, these critiques of totalisation can be developed into the sort of super-theory which Unger argues for.

4. For example, Richard Hyman (1992) and Anna Pollert (1991) are sceptical of the generalisations of the Regulation School from a more orthodox form of academic Marxism which appeals to empirical evidence but never questions the fundamentals of the Marxist theory of the capitalist mode of production.

5. The relationship between Fordism and Modernism has been examined by many researchers. See Harvey (1989) and Jameson (1992).

6. The Durkheimian themes in the Regulation School's concept of social forms of regulation has been noted by Clarke (1990). It is also useful to refer to Polyani's influence.

7. This definition is, of course, inadequate in its bare formalism.

8. The influence of Althusser upon the Regulation School(s) has often been noted. However, the influence of Lukacs, the Situationists and Baudrillard has been noted less.

9. Michael de Certau's (1987) argument meshes in with the argument that capitalogic forms of social theory are inadequate and cannot explain resistance, conflict and reception.

10. Castell's work on the informational economy is an ambitious attempt to theorise the impact of high-technology industries on the mode of development of modern capitalism. Its theoretical structure is an empirically rich post-Fordist thesis.

11. Post-modern Fordism is a term that could be used for the arguments of Harvey, Jameson, Lash and Urry.
12. This is not to endorse Lyotard's argument, but it does seem to point to the fact that social theory is always undermined by the evidence. As Richard Rorty (1989) argues, it is always possible to describe something under some other description. In this sense it is necessary to be something of an ironist.
CHAPTER THREE:

FLEXIBLE SPECIALIZATION: A PROGRESSIVE RESEARCH PROGRAMME
3. FLEXIBLE SPECIALIZATION: A PROGRESSIVE RESEARCH PROGRAMME

The FS hypothesis has, as I have argued above, developed against the background of Sabel's critique of various forms of 'deterministic', 'necessitarian', 'reductionist' and 'essentialist' theorizations of the process of industrialization. While there is a great deal to be said for this critique it has the tendency to 'bend the stick too far' in the opposite direction and to become too 'voluntaristic' and 'plastic' in its conception of the industrialization process and the available social, economic and political alternatives. As I have argued, the Marxist emphasis on the 'totality' and 'totalisation' should not be jettisoned because a plausible case can be made for the view that capitalism is a system which produces certain non-homogeneous and heterogeneous effects on a world-scale. In other words, while the idea that there are 'other' 'possible worlds' is plausible, it needs to be emphasized that the strength of capital as a stabilised social order fixes the parameters of difference. But, of course, everything depends on how this fixity is understood. As argued previously the development of a neo-modernisation theory would help to avoid total contingency on the one hand and, on the other, a rigid objectivist functionalism, whether of an orthodox modernisation type or of objectivist, structuralist-functionalist Marxism.

Following Jameson (1992), it is important to understand that differences of organization are produced in a non-functional manner by capitalism itself. Political responses and cultural struggles of all kinds necessarily mediate this in various ways. As Stuart Hall has written, admittedly in a different context, it is too simplistic to identify a homogeneous logic of capital, that would gradually reduce the world to sameness, where all particularity and specificity would disappear. Rather, as Hall argues, the

"more we understand about the development of capital itself, the more we understand that that is only part of the story. That alongside the drive to commodify everything, which is certainly one part of its logic, is another critical part of the logic which works in and through specificity ... It is the
contradictions which it has to overcome that produce its own forms of expansion. And that until one can see the nature of that contradictory terrain and precisely how particularity is engaged and how it is woven in, and how it presents its resistances, and how it is partly overcome, and how those overcomings then appear again, we will not understand it. That is much closer to how we ought to think about the so-called 'logic of capital' in the advance of globalization itself.

(1988b, p.29).

Hall's remarks are sensible and avoid the either/or position of Hirst, which offers either a homogeneous totalising logic of capital or the capsizal of all structure into nominalistic ideal-types with no essential connections with each other. Hall's argument connects up with the 'realist' position in the philosophy of the social sciences (see Bhasker, 1978; Sayer, 1992), which argues that there are generative mechanisms behind real world empirical events, of a complex and structured nature, and that distinct levels of abstraction are needed to uncover them in their interrelationships. Finally, it connects up with the debate around the relationship between structure and subject, system and actor, determinism and voluntarism which writers such as Giddens (1992) and Bourdieu (1987) have grappled with. 'Structuration theory' and the 'theory of practice' being the two most important attempts within the social sciences to deal with these antinomies in a satisfactory manner. Of course, Unger in his Social Theory (1987) also attempts to deal with these problems, but in a one-sided manner which gives primacy to the 'negative capability' of the acting subject or actor over more objective and embedded institutions and practices. Therefore it is necessary to examine the structural and institutional level of Piore and Sabel's work and, in particular, their views on the transformation of production, work, employment, organization and industrial relations. The examination of their broad views on social theory and the nature, process and trajectory of industrialization has set the scene, as has some of the criticisms that can be directed against them by critical researchers and writers. The following substantive questions will therefore be taken up and examined regarding FS: (1) the institutional environment and support for flexible specialization; (2) the conditions necessary for the reproduction of the system of flexible specialization.
From Fordism to Flexible Specialization

The term 'flexible specialization' is the hinge around which Piore and Sabel et al. pivot their main arguments and it is necessary to examine in more detail their understanding of the term and how they have used it and developed it in their successive writings. As Hirst has emphasised it is important to separate it off from other cognate terms such as 'flexibility' or 'post-Fordism' or 'flexible-accumulation', and by extension terms such as 'lean production', 'new production concepts', and so forth. FS has its own specificity and meaning which must be understood in its own right. The key to understanding the genealogy of the term is Sabel's Work and Politics (1982), particularly chapter five "The end of Fordism?", which announces that there are signs everywhere in the industrial and political world, of change and transformation and crisis and experiment. Or, in Sabel's own words: "There are new things under the sun ... factory work is being revolutionised". Moreover, the Fordist model of organization is being challenged by new forms of the division of labour. "International competition and overlapping domestic conflicts between producers and consumers, and between workers and capitalists, are driving many large firms out of mass markets for standardised goods. To survive this challenge manufacturers often have no choice but to produce more specialized, higher quality products" (1982, p.194).

Contrary to Hirst and Zeitlin's argument that Piore and Sabel have no need for large abstractions such as Fordism it is obvious that in Work and Politics (1982) at least he does, recognizing that there are variant forms of Fordism, and that within its parameters workers can protect their skills and attain forms of job-control, thus avoiding the Bravermanesque over-totalising deskilling thesis. A second observation to make is that a species of determinism enters the picture in Sabel's remark that manufacturers 'have no choice but' to dispense with Fordism. For Sabel, mass markets are a precondition for the Fordist organization of production and when they start to break up, fragment, segment, or as Sabel boldly suggests, 'disintegrate', then Fordism as a method, technology and process for
organizing production begins to lose its appeal. What is replacing Fordism will be, at the leading edge the opposite or inversion of Fordism:

"Where Fordism calls for the separation of conception from execution, the substitution of unskilled for skilled labour and special-purpose machines for universal machines. I will argue that specialization often demands the reverse: collaboration between designers and skilled producers to make a variety of goods with general-purpose machines."

(1982, p.194)

However, Sabel avoids the mistake he fell into earlier, of suggesting that what is historically in train is necessarily inevitable. He avoids confusing the dimensions of 'description, prediction and prescription' (Pollert, 1988), by exploring various possible institutional possibilities by which FS could be realized. And, moreover, he recognizes in much the same spirit as the Regulation School(s) that one 'possible world' could be the development of a neo-Fordism. On the other hand though, it is conceivable argues Sabel, that the changes under way could lead to drastic redefinitions of prevailing ideas of organizational and technological efficiency. In short, in line with the idea that the industrialization process is contingent and non-necessitarian, Sabel argues that:

"What finally happens will depend on the eventual volatility of demand in the industrialized countries and the stability of the international economic order. It will depend too, as we shall see, on the outcome of workplace struggles - some already underway - between work groups and managers, but also among the work groups themselves, over the costs and benefits of reorganization. Because it builds on so many imponderables, the following discussion is necessarily speculative. Its purpose is to define possibilities, not to predict results. One thing, though, is sure: Practical experience in productive associations is racing ahead of existing ideas of organizational efficiency, all the more or less rooted in Fordism."


Sabel goes on to explain some of the conditions that need to be met for a FS productive regime to be implemented and reproduce itself. The break-up of mass-markets is a necessary, though not sufficient condition for the creation of such a productive regime.
Sabel never specifies what a mass-market is, and this is a big problem in assessing his definition of mass production and mass markets. The globalization of production into a planetary industrialization means that other producers are entering the market and manufacturing commodities and consumer durables which can compete with the old industrial heartlands, not only on the level of quality, but also cost. The rise of the newly-industrializing countries, then, is a crucial part of his argument as is his rejection of the evolutionary assumptions of the 'product-lifecycle' theory. However, although Sabel's comments are convincing on the intuitive level his argument that this will lead to the break-up of mass markets is not proved.

Another precondition that Sabel identifies is an environmental or ecological one. Although the argument is fairly undeveloped and seems to disappear entirely in later work it is of some importance and should be emphasised, especially in the light of recent heightened ecological consciousness and the shortage of realistic and practical theories of what an ecological economics would look like. Sabel writes:

"Within any one society, too, the spread of mass produced goods slowly undercuts the preconditions of the Fordist model. Consumers, workers, even nature itself all react to the tremendous increase in the production of standardized goods in ways that threaten the stability of mass markets."


Sabel argues that dominant Fordist models of economic development and industrialization are un-ecological and involve an instrumental and conquistadorial domination and exploitation of nature. The logic which would involve a move towards an ecological economics is located at the political institutional level:

"Government regulation to protect the environment is a case in point. As increasing amounts of a good are produced, the chance that its production, use, or simply disposal will make the natural environment less hospitable to human life also increases. Whenever insults to the environment come to attention, there is the possibility that the state will regulate the production or use of the offending product in ways that will force its redesign or abandonment. As
more countries set separate standards for the performance of a final product, it becomes more difficult to produce a standard, exportable good in mass quantity. In 1974, for example, Renault was having to manufacture several dozen variants of the R16 for export."


However, by any criterion Sabel's argument is a very 'shallow' (Naess, 1989, Gray, 1993) environmental argument (certainly not ecological) and is an argument for a 'green capitalism', responsive to public opinion and public regulation, that is to say, consumer demand. On the political level it hardly seems a truly ecological form of production as this would involve the progressive harmonisation of standards across countries through bodies like the European Economic Community (EEC) and other international agencies. The fragmentation of standards is something to be regretted and rectified rather than viewed as progressive. In this instance, mass production is possibly more ecological than fragmented and segmented markets. Another argument that Sabel throws in as an afterthought is that Fordism leads to health risks for workers and so work has to be redesigned. This argument is useful but unoriginal, going back as it does to the 1920s and the human relations school. The current ideology of human resource management reproduces these ideas in 'postmodernized' form and has points of parallel with Sabel's ideas, as will be shown in another chapter.

Customised and niche markets

The third, related, condition for the dissolution of Fordism concerns the consumer and consumer behaviour. Sabel builds upon the work of sociological theories of consumption in arguing that consumer choices are not just 'rational-choices', but rather are based on forms of 'distinction' (Bourdieu, 1979). As I have shown, the regulation school, and especially Aglietta in A Theory of Capitalist Regulation (1982), argues that Fordism as an articulation of a principle of production with a principle of consumption gave rise to the ideology of the 'consumer society'. Sabel says little about this in his analysis of Fordism and seems to
suggest that the development of 'taste cultures' and 'games of distinction' are a recent phenomenon to do with the break-up of mass markets.

Sabel's argument that the growth of 'market niches' and 'customised' production, where the consumer is more prepared to pay a 'premium' for a specialized product is a problematic interpretation of the history of Fordism. He gives the example of white-pan bread, a mass production commodity if ever there was one, which experienced a drop in production of fifteen percent in the United States between 1972 and 1977, "while production of speciality wheat varieties increased by sixty-two percent". Again we are given only anecdotal figures documenting these transformations, rather than broad aggregates and time-series data.

Certainly under certain institutional conditions artisanal production can beat off the challenge of mass production and this supports the conclusion that Sabel draws that mass production is not an inevitable destiny. To suggest, however, that the transition to 'niche' and 'customised' production is a generalized phenomenon needs more evidential support and argument. As for its progressiveness as a social phenomenon one must have doubts. As Davis (1991) has argued, one of the developments of the twelve years of Reaganism and Thatcherism has been the hyper-development of an over-consumptionist life-style by sections of the middle-class, particularly in the United States of America. Expensively produced artisanal articles are not for the poor and disadvantaged, but, to use an already historically dated term, for 'yuppies'. Similarly Harvey (1989) and others have pointed out that the working conditions and the terms of employment and representation of the 'artisanal' workers are not necessarily very good. A more adequate theory of consumption would have to trace the continuities rather than the discontinuities with Fordism.

**Neo-Fordism or 'High Technology Cottage Industry'**

Sabel concludes that the capitalist core countries can meet these transformations in one of two ways. On the one hand, they could attempt to restore the status quo ante by adopting a protectionist strategy which freezes the economy in the old mould. Or, alternatively, as
argued in *The Second Industrial Divide*, they could pursue a strategy of institution-building on a global scale which involves a world-wide Keynesian consensus along the lines, say, of the Brandt Report strategy which, under present conditions, is unlikely. The alternative to these strategies is to seize the bull by the horns and promote 'innovation', which in the context of Sabel's work means promoting FS and rests on the idea that:

"... at the outset the customers' wants are vaguely defined and potentially diverse. The presumption is that the customer has no precise need for a particular good. Rather, he has a yearning or problem whose satisfaction or solution will have to reflect many singularities of his situation. The job of the innovative firm is to find a technically and economically feasible way of satisfying this inchoate need, thus creating a new product and defining the customers' wants at the same time ... This strategy is practicable only if Fordist habits of using labour and machinery are discarded or substantially modified in favor of more flexible forms of organization. Flexibility, the capacity to produce a range of different products at the lowest total cost, will be more important than reducing the cost of any one product to the technically attainable minimum. Because an economy of this type prospers by producing an unforeseeably large variety of products, each in comparatively small numbers, it needs general-purpose machines and an adaptable work force that adjusts quickly to new patterns of organization, rather than special machines and unskilled workers."


Sabel qualifies this argument by recognising how difficult it will be to realize this strategy, and he recognises that mistakes will be made and blind alleys gone down before it succeeds. As already mentioned above, Sabel does posit a hybrid between Fordism and FS which he calls neo-Fordism. In this strategy, in response to the volatility of markets and the inflexibility of technology and labour, capital attempts to develop a production system or regime which attempts to overcome the accumulated structural rigidities of conventional Fordism, through the devices and processes of decentralisation, subcontracting, labour flexibility, strategic human resource management and so forth. The fact that Sabel recognises neo-Fordism as one possible world that could stabilise capitalism is however never elaborated in any detail. He thinks it is important to recognise the open-ended fashion in which Sabel addresses this possibility, thus he writes: "Now the fateful question: will it work? Will some
combinations of flexible automation and redesigned assembly procedure make it possible to pursue an innovative production strategy while holding tight to the principle of low trust, Fordist organization" (p.214). At this point he expresses agnosticism as to whether it will succeed or not, but suggests that it may succeed in Germany where the high-trust corporatist state system (plus co-determination) would prove an institutional stabiliser for a neo-Fordism, flexi-Fordism or, to use Streeck's term, diversified quality production.

**Institutionalism, Romanticism and Flexible Specialization**

In the light of Sabel's later writings this argument is quite a significant caveat to his general formula expressed in *Work and Politics*, that the only real radical alternative which is on the horizon is that of the 'Third Italy' of 'high-technology cottage industry'. However he insists that the 'Third Italy' trajectory is the most likely:

"In yet other cases, attempts to restore flexibility to the factories may get out of hand, leading to the emergence of forms of work association unanticipated by the managers who set them in motion, it has happened once already in Italy, producing a form of high technology, decentralized production that suggests radically new ways of organizing industrial society even as it recalls the earlier variant of small-scale industrialization that gave way in the nineteenth century before the triumph of Fordism."


For Sabel, the Italian example is, at this stage of his research and writing at least, the prescriptive and normative model of how FS should be institutionalized. Much like the 'fellow-travellers' of the 1930s who travelled to the Soviet Union to see the 'workers' paradise' in the flesh, to see the 'future that worked' as the Webb's famously declared, or as in the 1960s those that travelled to Mao's China and wrote paens of praise to the 'Cultural Revolution' and the practice of putting 'politics in command' in the factories, so similarly in our postmodern 'post-ideological' and 'post-historical' times Sabel likewise goes travelling in search of a concrete utopia.\[^{6}\]
He travels to the 'Third Italy' which is in the north-central and north-eastern part of Italy, distinguishable from the rural south and the traditional industrial north-west. It comprises of the regions of Tuscany, Emilia-Romagna, Umbria, Marche, Veneto, Friuli-Venezia-Guilia and Trentino-Alto Adige. In Sabel's evocative invocation the area is described in lyrical terms akin to the style of journalism one finds in the travel section of the Sunday Supplements of the 'quality' papers:

"There are small towns near Bologna, along the Adriatic coast near Ancona and Venice, where the number of officially registered factories or artisan workshops almost equals the number of inhabitants ... The regions in central and north-eastern Italy where these shops cluster have come to be called the Third Italy, defined in contrast to the Industrial Triangle formed by Turin, Milan and Genoa on the one hand and the South on the other. Within this area each district specializes in the production of a range of related goods. In Tuscany, for instance, cloth is made at Prato, ceramics at Sesto and Montelupo; in Emilia-Romagna, knitwear is made at Capri, ceramic tiles at Sassuolo, motorcycles and automatic machines at Bologna ..."


Sabel's discussion is an exemplary case of 'bending the stick too far' to make a point. However, his romanticisation of the Third Italy as a new arcadia has entered the discourse of the avant-garde, postmodern theoretical academic left and has assumed mythological proportions. For example, George E. Marcus and Michael M.J. Fischer in their manifesto of postmodern anthropology, Anthropology as Cultural Critique: An Experimental Moment in the Human Sciences (1986), write:

"Charles Sabel's Work and Politics (1983), uses an ethnographic perspective strategically, first to situate its argument, as a conventional way of understanding the labour process in industrial societies, and then to present case material from Italy as an illustration of a much more ambitious thesis. At the most general level, Sabel observes the breakdown of the global hegemony of neo-Fordism as both the central ideology and the practice of industrialization. He argues for the revitalization of de-centralized, flexible production modes that rely on a kind of artisanal model of production which most scholars have assumed is no longer practical in a high technology world. As evidence, Sabel presents a detailed real-life case in which neo-Fordism was in fact replaced by
modern version of the artisanal model in northern Italy's 'third zone' during the late 1960s. Large factories were successfully reorganised into decentralized, high technology workshops. Sabel was a shrewd, *de facto* ethnographic observer of the political manoeuvrings that led to this shift, and he records these on both the level of elite policy making and that of the shop-floor. In particular he exhibits intimate ethnographic knowledge of the latter: the lifestyles and outlooks of various categories of workers and how they interacted in the formation of small-scale, high-technology production units. The power of his book is that it ethnographically documents a case that in its general terms suggests a clear and attractive alternative to the model of mass production in many other places with histories and local situations that both compare and contrast with Italy.

(1986, p 83)

The argument of the 'experimental moment' in ethnography is that all research is actually, in post-structural vein, 'writing culture', where it is difficult to gain access to 'true reality' and that the position and inscription of the researcher affects the research. This sits uneasily with Marcus and Fischer's contrary argument that Sabel is superior to other writers on industrial sociology in that he "exposes the insensitivity to conditions 'on the ground' that most theoretical discussions of industrial process have displayed, and thus their limited ability to explain or affect real conditions" (1986, p 83). Regardless of the contradictions and confusions in their theoretical position their interpretation of Sabel's work shows both a misreading of the argument presented (e.g. they argue, incorrectly, that large firms have become high-technology workshops: this is not quite Sabel's argument) and a naive faith in its accuracy. This casts doubt on the critical dimension of their project and invites scepticism as to the accuracy of their other examples of the 'experimental moment'. Nevertheless, it is a paradigmatic example of how broad sections of the post-Marxist, post-modern theoretical left have interpreted the FS hypothesis.

Sabel's (with Piore) research and writing on the 'Third Italy' did, however, depend on 'other texts' which Marcus and Fischer fail to refer the reader to in any detail and, moreover, if we follow their other assertion that the ethnographer must listen to the 'natives point of view'. They should refer to the indigenous Italian researchers which Sabel depends on for his ideas. It was, for example, Bagnasco's *Tre Italia: la problematica territoriale dello sviluppo* (1977).
which introduced the term the 'Third Italy' to the social scientific community. The work of Sebastino Brusco popularised the idea in his article, "The Emilian model: productive decentralisation and social integration", which has translated by Zeitlin and published in The Cambridge Journal of Economics. Other Italian researchers include Brusco (1982, 1989), Triglia (1991) and Bellandi (1983), and since this original research there has been a mutual collaboration and exchange of ideas between the Italians and North Americans (and now extending to the rest of Europe including Britain), manifested in jointly-authored articles such as Brusco and Sabel's "Artisan Production and Economic Growth" (1982).

Contrary to Marcus and Fischer's gloss there is a background to Sabel's work and, moreover, it is considerably more ambiguous in its argument than Marcus and Fischer suggest. For example, Sabel recognizes that within the 'Third Italy' there are distinct and variable political, institutional and employment conditions:

"Most of the shops and factories in these areas employ from 5 to 50 workers ... Some would recall turn-of-the-century sweatshops. The three or four workers are children scarcely fifteen years old ... the tools are simple, the product crude, the hours long, the air full of dust and fumes." (1982, p.220).

Sabel does not give any statistics on how many small-enterprises recall 'sweated shops' and the reader is led to believe that it must be a declining proportion or minority of the total number of enterprises in the 'Third Italy'. For as he argues: "many others are spotless; the workers extremely skilled and the distinction between them and their supervisors almost imperceptible; the tools the most advanced numerically controlled equipment" (1982, p.220). In the article with Brusco these are characteristic of the third ideal-type model, or 'high-tech cottage industry', the other two being the traditional (sweated?) firm and the dependent firm. They all coexist and there is no reason to believe that subsequent development will lead to the extinction of any one of them. The three models, in other words, are not to be understood as three necessary evolutionary steps.
However, this conclusion sits uneasily with the view that the 'high-tech cottage artisanal' (independent) form is at the leading edge or part of the avant-garde of industrial development. As argued, Sabel does not put forward a crude logic endogenous, evolutionary development where firms go through a process of transformation of one into the other. Nor does he argue for a quasi-Darwinian mechanism of selection or logic of industrialism, but rather for a contingent, non-necessitarian and non-deterministic form of industrialization driven by political, cultural, social, economic struggles and conflict, cooperation and consensus.

For Sabel (and Sabel and Piore in The Second Industrial Divide, 1984) the emergence of 'high-technology cottage industry' in Italy was the result of two developments, both necessary, if the system was to emerge and grow. The first was the industrial struggles of the 1960s and the 1970s, and the second, the general change in market conditions. Sabel argues that these Italian events are circumstantial but compelling proof that local conflicts over the application of dominant models of organization can combine with global changes in economic conditions to produce novel forms of the division of labour.

Sabel presents the by now familiar argument about the 'decentralisation of production' in Italy since the industrial struggles of the 1960s and 1970s:

"As the unions' power over wages, hours, work conditions, and employment levels in the large factories increased, managers tried to regain control by subcontracting work to small producers. Craftsmen, unsettled by the compression of wage and skill hierarchies, began to look for work in small shops. Sometimes the new orders and disaffected craftsmen came together in small factories founded especially to evade union control. Often, however, they met in older shops that had been established during earlier periods of economic and political turmoil. For example, near Modena, in Emilia-Romagna, many beneficiaries of the decentramento produttivo were socialist and communist artisans who had gone into business for themselves in the early 1950s after a series of bitter strikes ... The upshot was that by the mid-1970s there were in Italy innumerable small firms specializing in virtually
every phase of the production of textiles, automatic machines, machine tools, automobiles."

In Sabel's reconstruction of this process the emphasis is put on the rational-choices of craftsmen to leave the large factories and set up on their own (or for sacked craftsmen to set up on their own or with others). These micro-enterprises appear to be unionized and prosperous, rather than dependent on the large firms. Moreover, the regions of the 'Third Italy', so Sabel argues, have shown remarkable growth rates in the last twenty years; dramatic proof of the area's riches is the ascent of Modena, regarded as the capital of the small-firm economy, in the league tables of provincial wealth. Ranked by per capita income, it was the seventeenth richest province in 1970, the second richest in 1979. Furthermore, it is useful to add that by the 1980s, Italy was the fastest growing economy in Europe and that in 1986 Italy's GDP at $673 was higher than that of the United Kingdom. However, what this reveals is unclear, growth rates can be high in a capitalist economy, but this need not mean economic transformation or affluence for the many.

The second observation that Sabel makes is that from the 1970s enough small firms became relatively independent of large firms. This happened for a number of reasons such as the 'ambition', 'joy of invention' or 'fear [of] economic devastation by an economic downturn' made the artisans into entrepreneurs who, by using high technology computer numerically controlled machines, were able to introduce and implement process and product innovations. As a result they could make an increasingly diverse range of products that can be marketed and sold, rather than being dependent on a few big clients:

"The result is a system of high-technology cottage industry that does in a decentralized way what large innovative companies like Thyssen speciality steel division do within the framework of huge organizations: create new demand by filling needs that potential customers may have only begun to suspect were there."
At this point Sabel's argument shifts focus, for now he is ready to propose that FS can be institutionalized in other circumstances, namely, in the large firm. This is a line of argument that Sabel increasingly follows in his later work, where the rhetoric of 'high technology cottage industry' disappears from the discussion. In intimation of this direction he argues:

"The innovative capacity of this type of firm depends on its flexible use of technology; its close relations with other, similarly innovative firms in the same and adjacent sectors; and above all on the close collaboration of workers with different kinds of expertise. These firms practice boldly and spontaneously the fusion of conception and execution, abstract and practical knowledge, that only a few exceptional giant firms such as Thyssen have so far been able to achieve on a grand scale, and then ... only by disregarding the rules of Fordism."


Turning now to the conditions necessary for the expanded reproduction and institutionalization of this system and the creation of new institutions of industrial restructuring, to shape the required form of labour market, product market and capital market in which such a sector can operate, Sabel argues:

"A closer look at the preconditions for the emergence and perpetuation of the innovative small firms will underscore the relation between Italian developments and my overarching theme: the role of ideas about the world, political conceptions in the broadest sense, in shaping economic activity."


This theme joins up with the earlier discussion about the non-deterministic and contingent nature of industrialization and industrial trajectories and will be taken up more fully in my later discussion in chapter 4. But Sabel's general position is summarized thus:

"In Emilia-Romagna ... the innovative proprietors, the unions, and the regional government are already so intertwined by common political ideas that the creation of such collective services seems possible ... The success of agricultural and industrial producers' cooperatives, owing in some measure to the governments willingness to place orders with local artisans determined to defend their independence against large firms, has popularized the idea of
collectively owned enterprise while drawing the state and the labour movement still closer together."

Sabel's *Work and Politics* (1982) is a stimulating book which sets up the research programme on FS. At this stage, however, in this initial conception, he focuses on the Italian experience as prototypical of the new progressive, non-Marxist production space he sees as emerging, given the correct practice of political calculation. The insistence on using the term, 'high-technology cottage industry', gives a remarkably romantic tinge to his argument which carries over into *The Second Industrial Divide* (1984), but this latter book deepens the analysis considerably and the moments of high romanticism start to disappear as a factor reflected in the disappearance of the term 'high-technology cottage industry'.

**The Second Industrial Divide**

Michael Piore's and Charles Sabel's jointly authored book, *The Second Industrial Divide: Possibilities for Progress* (1984) continues many of the themes developed in Sabel's *Work and Politics* (1982). Rather than summarising the argument of the book it is better to examine some of the key theses that it develops about FS. The first part takes off from the theses developed in *Work and Politics* (1982). The introduction and the first chapter rehearse some of the previous arguments about the crisis of mass production and Fordism, the contingency of history, and so forth. However, new innovations do appear which give the book a sharper profile and historical depth. The first innovation is the introduction of the term 'industrial divides'; the second is a sketch of a history of the 'alternatives to mass production', drawing on the *Past & Present* (1983) article by Sabel and Zeitlin.

The introduction of the term 'industrial divides' introduces a meta-historical dimension to Piore and Sabel's conceptualization of the industrialization process which has already been outlined. In summary the term embodies a critique of single-track visions of industrial
evolution and, in its place puts forward a branching-plant vision of alternative possibilities, some realized, some delayed, others stalled. They are 'brief moments' when history becomes unstuck and possibilities make themselves available.

The next argument which Piore and Sabel put forward is that the alternative possibilities that are available are a stagnant orthodoxy (neo-liberalism), an international Keynesianism or more 'realistically', FS. The most important concept introduced in The Second Industrial Divide (1984) is that of 'industrial districts' which was developed by Italian researchers, drawing upon the research and writing of the economist, Alfred Marshall. For Piore and Sabel these districts were defined by

"three mutually dependent characteristics. The first, most obvious characteristic was the district's relation to the market. The districts produced a wide range of products for the highly differentiated regional markets at home and abroad; but - more important - they also constantly altered the goods, partly in response to changing tastes, partly to change tastes, in order to open new markets ... This relation to the market encouraged and depended upon the second and third characteristics of the industrial districts: their flexible use of increasingly productive, widely applicable technology and their creation of regional institutions that balanced cooperation and competition among firms, so as to encourage permanent innovation."

(1984, p.29).

This development of the concept of 'industrial districts' needs some elaboration if we are to see the significance of the term for Piore and Sabel's argument. As already mentioned, the term has its origin in Alfred Marshall's writings. In Industry and Trade (1892) he argued that efficiency is not only found in large firms, but can be realized in small firms interacting in spatially agglomerated localities which he discovered in England, Germany and other countries. As Cooke explains:

"Nineteenth century industrial districts, as described by Alfred Marshall, were systems of small, craft-based companies specialized in the production of a particular set of products, interlinked by tight networks of sub-contractors, often organized around family relationships, dependent on starting finance raised
within the community and capable of producing customised products, often for luxury markets. Such districts would be localised in particular regions or even within towns or specialized areas of cities. The best examples of industrial districts were the Sheffield cutlery, tools and special steels district, the Birmingham armaments and jewellery quarters, the Lyons silk manufacturing district, the New York garment district and the Roubaix and Kortrijk textile towns of France and Belgium."

(1987, p.164).[9]

**Industrial Localities and 'Vertical Disintegration'**

Against this background *The Second Industrial Divide* (1984) Piore and Sabel identify at three distinct institutional forms of 'industrial district': (1) municipalism; (2) welfare capitalism or paternalism; (3) familialism. By *Municipalism* Piore and Sabel mean a territorially dispersed production centre, coordinated by an urban seat. Productive units are small and capital requirements modest. Citing the nineteenth century social scientist, Frederic Le Play, Piore and Sabel borrow his term *fabriques collective* to name this form of industrial, political, social and geographic phenomenon. The most famous example which Piore, Sabel and Zeitlin continue to cite throughout their work is the nineteenth century Lyonese silk industry. Lyons was regulated by a dense web of institutions, governed by 'trust', 'regulated competition', 'cooperation'. There were mechanisms to cushion workers and artisans from economic downturns such as the system of *caisse de prêts* (loan banks) which provided credit to weavers during downturns of the economic cycle, and in Saint-Étienne municipal taxes were introduced to finance unemployment insurance.

**Welfare capitalism or Paternalism:** This refers to the manufacturing system that occurred in large factories where what would now be called 'functional flexibility' and high levels of skill were required. Piore and Sabel argue that these firms were really 'groupings of artisans' shops under one roof, rather than assembly-line factories. The entrepreneur or industrialist provided more or less the same kind of mutual services that small firm municipalism provided. Obviously, the term 'welfare capitalism' has little to do with the social democratic
meaning of the term. The third institutional means of securing the flexible use of resources was based on the family and kin group network (Familialism):

"The idea of using family ties to create an alliance was conceived by a prominent cotton-textile manufacturer in Roubaix, France: Alfred Motte. In the 1850s, after a failure to gain ground against established and better-situated mass producers, Motte switched his strategy; he began to construct a confederation of firms owned by different members of his family." (1984, p.34).

The main problem for Piore, Sabel and their co-workers is to explain why these industrial districts got replaced by other systems of economic organization. If they were dynamic, flexible, efficient and innovative is it not logical to presume that they would survive and replicate themselves in the economic struggle for the survival of the fittest? The historical interpretation which they present is one that avoids an expressive or homogeneous, evolutionary logic as we might expect. They argue that some of the industrial districts survived until after the Second World War - Lyon and the silk industry is an example. Much of their argument turns around the assertion that it was the specific economic policies of the state which forced industry onto the single-track of mass production and Fordism. Other factors, of course, played a part, such as, in the case of Sheffield, the role played by the numerous "craft unions, each organizing a narrow trade and powerful enough to defend successfully the existing division of labour". This account, which relies on an interpretation of labour history which emphasises the sectionalism and craft-consciousness of the British labour movement, is something of an orthodoxy amongst labour historians of which Zeitlin is an important figure.

Sabel and Zeitlin conclude their account of industrial districts by arguing that:

"On this evidence, the obstacles to the progress of mechanization on craft lines lay not in some self-blockage of this model of technological development, but in the unfavourable environment - political, institutional, economic - with which it had to contend. Yet from the perspective of the narrow track-idea of historical development, the technological vitality of the industrial districts
appears to be an incomprehensible violation of the laws of progress. To make sense of this vitality, therefore, it is necessary to shift vantage point and imagine a theoretical world in which technology can in principle develop in different ways: a world that might have turned out differently from the way it did, and therefore with a history of abandoned but potentially viable alternatives to what actually exists."


This conclusion can be said to be the overall message of The Second Industrial Divide (1984) itself. What is contestable is how to interpret the overall argument. For some, as I have argued, the book is an example of the exagger-book genre, high on generalization, weak on specifics. For others it is a carefully constructed argument which avoids facile generalizations and sweeping assertions.

**Industrial relations, work/employment and the labour market**

Apart from The Second Industrial Divide (1984) and various articles on artisanal production in the 'Third Italy' Piore and Sabel wrote more or less contemporaneously a number of articles (sometimes jointly with other authors) on alternative forms of FS regimes to that of the 'Third Italy'. It is to these I shall now turn so as to explain more fully their claims about alternative futures.

Sabel's "Industrial Reorganization and Social Democracy in Austria" appeared in 1984 and is interesting because it combines an analysis of what is wrong with European social democracy, especially in its Austrian form, with an analysis of how FS could evolve in the peculiar circumstances of Austria. The article begins with the by now standard opposition between Fordism (or mass production) and FS. Sabel focuses in on three variants, the West German, the Japanese and the Italian. For Sabel the German form of FS (which is emerging) is organised through the large firm through the internal 'decentralisation' of the factory; the Japanese example is an intermediate form, where the large firm or corporation becomes a final assembler and marketer of components produced by flexible small firms; in the Italian
example, by now the most familiar, the large firm disappears and production is carried out by federations of autonomous small firms within industrial districts. It seems the Sabel is using the term FS as an ideal type concept which then gets modified by other institutional practices according to the context. But this seems to lead to the same problem that Hirst and Zeitlin criticize regulation theory for. Namely, the proliferation of sub-types, hybrids and variants which are poised "uneasily between theory and empirical description" and which involves not only "severe 'stylization of the facts' to fits its theoretical categories, but also ad hoc modifications of the categories themselves to accommodate observed variations" (1991, p.21). How Piore and Sabel avoid this criticism for Hirst and Zeitlin is not clear.

For Sabel the Austrian form of FS could be developed by hybridization, borrowing from the lessons of Germany, Italy and Japan:

"Some combination of these three types of flexible specialization is plausibly applicable to Austrian industry. The West German model, for instance, suits part of the steel industry; the Japanese model might be applied to the production of turn-key factories ..., and the Italian model might be applied to the textile industry or the production of diesel motors. And there are obviously pieces of the Austrian institutional system such as the Aussenhandelsstellen, which fit naturally into such a scheme."


However, Sabel believes that there are obstacles in the way of inventing a flexible specialization social economy in Austria. These are to do with the entrenched system of social democracy and corporativism (Austro-Keynesianism) which has organized the Austrian polity and economy since the late 1940s. These institutional arrangements were perfect for mass production, but the unintended or perverse consequence of these arrangements resulted in structural rigidities, which now prevent the transition to a FS in Austria:

"Thus the triumphs of Austro-Keynesianism, like the triumphs of any other bold plan of institutional innovation, threaten to imprison the innovators in the past, in two related ways. First, the operation of the current system distracts attention from analysis of problems associated with the breakup of the mass
markets on which Keynesianism depended and the construction of the new infrastructure needed to address them. Second, and worse, from the perspective of the old system, many of the spontaneous and yet fragile attempts to create the kind of infrastructure required by the new situation appear to one (or even both) of the social partners as potential threats to the discipline and social equilibrium on which prior success has been grounded. The institutions are not just (partially) blind to the needs and possibilities of reform, but (partially) hostile to the society's efforts at self-help.”


In interpreting these arguments it is important to observe while there are echoes of the orthodox neo-liberal arguments about the need to remove 'rigidities' and 'blockages' and the need to make 'structural adjustments', Sabel is far removed from these points of view and is confident that the tripartite corporatism of Austria can survive in the context of institutional transformation and rebuilding. Thus he goes on to argue:

"The systems of social partnership was born out of the Austrians' recognition that they for a vulnerable Astgemeinschaft. Under specific historical conditions, that Gemeinschaft took on a particular and corresponding institutional form. As those conditions change, Austria's leaders sense that they face a crucial choice. They can hold fast to interpreting Astgemeinschaft narrowly as the set of practices and institutions which are its current expressions; or they can return to the idea of a community of the vulnerable as a general commitment to share equitably the burdens of adapting social institutions to a continuously changing world. In the latter case, social partnership means not a commitment to the defence of spheres of influence, but rather a willingness to create a system of risk spreading that makes possible the transition from one form of economic organization to another by assuring that no party will take advantage of change to impose burdens on the other."

(1984b, p.359).

**Against false necessity: the flexible social market**

It could be argued, however, this form of politics is not so distinct from the 'social market economy' political philosophy. As Ralf Dahrendorf has written in his Reflections on the Revolution in Europe (1990), "Alfred Muller-Armack had invented the term 'social market

Dahrendorf lists the modest plans for social intervention into the market and observed that it was the practitioner of the 'social market economy', the German Chancellor Erhard who extended the idea of 'the social' and the need for its intervention into the market economy. Dahrendorf also recognizes that the 'social market economy' does not really add up to a theory or system, but is inherently pragmatic in its orientation and implementation, drawing upon diverse sources such as the various Papal encyclicals on social reform, such as, Rerum Novarum (1891) and Quadragesimo Anno (1931). A more rigorous formulation of these ideas was developed by Alexander von Rustow, in the post-war policy journal Ordo which forms the focus for Foucault's lectures and seminars on neo-liberalism and 'governmentality'. The important idea here was that the 'market' is not a natural relation, but something that has to be consciously developed, nurtured and, moreover, regulated. As Gordon (1991) has written the major problem, as the Ordoliberen saw it was to promote, in the spirit of Max Weber, entrepreneurial attitudes and relationships within an ongoing social order of solidarity:

"As Foucault points out, Rustow's thinking here seems almost to make an admission that the principle of enterprise bears its own seeds of contradiction, since the idea of Vitalpolitik ... seems in large part designed to palliate the desegregating effects of market competition on the social body." (1978, 1991, p.42).

Gordon contrasts this with orthodox neo-liberalism of the Chicago school variety such as Gary Becker where the social gets reinscribed and swallowed by the economic in a reversal of terms by which the social is formed into a special case of the economic.¹⁰¹

This gives credence to Clarke's argument that Piore and Sabel's politics are a

"essentially Christian-Democratic critique of both social democracy and neo-liberalism. Their main economic argument is that neo-liberal strategies make no allowance for externalities, so that some collective framework is
required to make appropriate investments in training, research and infrastructure. But social democratic statism politicizes such investment decisions, instead of subordinating them to the competitive needs of local or national capitalists. The most appropriate basis on which to build an economic strategy is therefore neither competitive economic relations nor statist political forms but a set of common solidaristic values, which Hirst recognizes to be as Clarke argues (1990) the 'small town virtues, old style familialism and deeply conservative social attitudes, characteristic of Christian Democracy.' (1990, p.79).

However, Clarke misrepresents Piore and Sabel's (and Hirst's) position somewhat by refusing to see that there might be some radical potential in these ideas, something which will be examined below.

**A new trade unionism?**

Michael Piore's article "The decline of mass of production and the challenge to union survival" (1986) is another interesting reflection on the institutional and political conditions necessary for the implementation of FS, this time focusing on the decline and failure of the United States trade union movement. It was written mid-point in the Reagan years and starts by observing the decline of the labour movement in the United States manifested in falling union membership, density, concession bargaining and inter-sectoral shifts from manufacturing to services. Piore argues that there is an absence of political vision in the contemporary labour movement which finds some points of comparison with the arguments of Hobsbawm regarding the 'forward march of labour halted' in the United Kingdom. In the 1930s, Piore argues, "labour place in American society secured by a social vision which made trade unions fundamental to the way in which society was supposed to, and did in fact, operate. That social vision has now been abandoned" (1986).

Piore views the Rooseveltian New Deal as crucially important for giving shape to this vision which has now decayed. The conditions for this settlement were: First, the emergence of
collective bargaining (the Wagner Act and the National Labour Relations Board), which created consumer purchasing power and matched it with productivity increases. Second, the trade union movement was part of a broad progressive coalition in electoral politics which lobbied for welfare rights on behalf of the poor and the working class. This widened the coalition of previously disenfranchised groups such as blacks. Third, the commitment to mass production as a technological form which was seen as the key to prosperity, and the establishment of trade unions as 'countervailing' powers to the giant multi-divisional corporation. The upshot of this was:

"Unions moved to stop managerial actions which violated union rules, but they were not involved in proposing substantive alternatives. In this sense, industrial unions never entered actively into the operation of the business and they were legitimized by a social vision which excluded them from doing so. One could almost say that they had a place in the broad social structure but no place in the conduct of the business itself. In this they contrasted radically with craft unions whose social vision gave them an organic role in the business but no place in the larger society."


Moreover, Piore goes on to argue that in the 1970s the institutional, political, economic and cultural assumptions which had helped to maintain and reproduce this institutional settlement had all but collapsed. The proliferation of 'new social movements' resulted in the labour movement coming to be perceived as a narrow, special interest group. And paradoxically the 'shifting involvements' of political culture had seen a swing away from collective and public involvements towards a narcissistic culture of private involvements. Furthermore, the labour movement's economic role was undermined by the changing international division of labour and the need for United States companies and multinationals to be internationally competitive. Moreover, technological changes - "ranging from the computer in design and manufacture to the laser for cutting, the photocopying machine in printing, and biotechnology for organic products - enhance economies of smaller batch production and give an advantage to flexible firms in parts of the economy where unions are not well represented". Finally, these new technological forms favour new modes of labour-management relations involving
cooperation and the development of social technologies such as quality circles, profit-sharing and 'human resource management'.

These new developments have, then, undermined the New Deal settlement and the 'Great Society' vision and, unfortunately, neo-liberal Reaganism and replaced it with its espousal of the 'spirit of enterprise'. Piore concludes:

"Neither the exuberant individualism of Reagan nor the disciplined individualism of neo-classical economics has a place for trade unions. In the former, they stifle creativity; in the latter they are a monopoly element, driving up wages at the expense of efficiency."

(1988, p 221).

Piore argues that in the economic climate of the 1980s and 1990s we have entered into a new competitive environment which foregrounds enterprise and entrepreneurialism as the well-spring of economic prosperity. But he writes that this only gives half the picture:

"The focus upon individual initiative captures one aspect of the new reality, but it leaves out of account a second aspect of that reality, and the public policy lessons it teaches denies that aspect completely. Individual activity and initiative do not take place in isolation: they grow out of, and are heavily dependent upon, the broader social setting in which productive activity is embedded. The social dependence is multifaceted. It depends upon an intellectual community for the exchange and development of ideas. It depends on complex networks of sub-contracting and inter-firm cooperation to translate the continual flow of ideas into operational, commercially feasible goods and services. It depends heavily upon a pool of skilled workers to get these goods and services into production ... it depends on a web of trust and cooperation ... and restraints upon competitive activities to insure that competitive pressures are channelled into innovative activities ... Above all, wages and inter-firm exchanges must be removed from competition, otherwise sweating or, in the case of inter-firm contracting, a kind of cheating and exploitation, will destroy the trust required for creative interchange."

(1986, p.211).
This analysis is characteristic of other left-liberal writers on the problems of the United States economy. For example, Robert Reich (Clinton's economic adviser), Paul Kennedy, Lester Thurrow and John Kenneth Galbraith in various ways foreground the Durkheimian 'pre-contractual' element in the 'contract' which neo-liberalism occludes. Like the 'social market economy' theorists, emphasis is given to the social conditions that help produce and promote an 'entrepreneurial' climate. Moreover, the themes of 'trust', 'consensus' and 'normative order' is a continuous refrain throughout the literature on the new production spaces or localities in Silicon Valley, Southern California and Boston and so forth.

However, this interpretation is problematic in its oscillation between description and prescription. Other researchers, such as Florida and Kenney (1992) for example have called into question the idea of trust and cooperation in Silicon Valley arguing that the unfortunate reality of Silicon Valley and Route 128 is one of severe, at times devastating competition that drastically limits the ability of small entrepreneurial firms to cooperate with one another and to generate follow-through on cutting-edge technological innovations. Rather than harmony of interests, the reality is one of each protecting his own - a trait clearly reflected in the recent rash of lawsuits charging companies with stealing employees or copying technology. Cypress Semiconductor, for example, currently faces at least twenty intellectual property lawsuits. Larger firms like DEC and Intel have developed in-house staffs of ten or more lawyers to deal with intellectual property litigation.

Piore's argument must be understood against the background of his marked nostalgia for the craft and artisanal communities which preexisted mass production and Fordism. Some of these principles, argues Piore, have survived into the present in industries where small enterprises are still predominant. He gives some examples, such as the garment and construction industries, where communal institutions have been embedded in ethnic communities - of Jews and Italians. The existence of political parties, local government institutions, employer associations and trade unions were all critical of wage stability, standards of workmanship and the training of workers. As a model it can be extended in a new form into a programme for the future:
"The new model unionism is developing none too soon. The social pieces missing from Reagan's vision of reality can be provided by other institutional forms ... In newer industries like the high-tech communities around Boston, Massachusetts and Stanford, California, the communal structure is embedded in the culture of local universities like MIT and Stanford, populated by university alumni, and led by employer organizations and lobbies who are restructuring the state and local government institutions to provide the requisite communal services."


The same argument is taken up by Sabel and Katz in their article "Industrial Relations & Industrial Adjustment in the Car Industry" (1985) where they observe the current transformation in U.S. and German industrial relations such as the introduction of quality circles and quality of working-life programmes. In a manner similar to, but more ambivalent than Piore, they write:

"In our view, current economic developments imperil national unions, but do not condemn them to extinction. The craft models no less than the automobile experiments suggest that increasingly flexible local units could be compatible with a new type of national union ... First, unions will have to exchange the rights to impose uniform conditions for rights in decision making. Second, the unions will have to find ways of tying the interests of particular companies to the interests of their industry, and even of the company as a whole. By linking the day-to-day operation of individual companies through, for example, joint training programmes, contracts facilitating labour mobility between kanban suppliers and their customers, and industry-wide health and safety programs, the unions may be able to offset the divisive tendencies of local autonomy." (p.314).

Whether this will be the outcome is another question. It remains a possibility of prescription rather than description and they conclude by observing that the future of the national union is nothing if not open. A more extended statement of this position may be found in Kochan, Katz and McKersie's book The Transformation of American Industrial Relations (1986), which presents a case for trade union involvement in the human resource management strategies of the U.S. corporation. But, as their research shows, the more likely outcome of the development and implementation of these packages will be the further marginalization
and eventual displacement of trade unions in the United States. This argument is further elaborated upon in Piore's *Beyond Individualism* (1995).

**A Europe of industrial districts?**

Although the picture in the United States looks bleak for the proponents of the FS programme the situation in Europe is perhaps more hopeful, and Sabel has increasingly turned his attention to the possibilities of this continent rather than on the North American. A key essay in Sabel's expanding oeuvre was his contribution to Hirst and Zeitlin's *Reversing Industrial Decline? Industrial Structure and Policy in Britain and her Competitors* (1989). The essay, "Flexible Specialization and the Re-emergence of Regional Economies", takes off from his previous research and writing and, in particular, his work on industrial districts and alternatives to mass production.

In Sabel's reconstruction of economic history these regions were more or less devastated by inter-war and post-war economic policy which foregrounded the Fordist and State-regulated policies of mass production, led by the giant multi-divisional Chandlerian corporation. This dovetailed with the Welfare state social policies which insured against risks, personal disasters and stabilised demand by guaranteeing minimum levels of purchasing power for persons with no income. The crisis of the 1970s is introduced briefly by Sabel at a high level of generality which would shame even the most crude of New Times post-Fordists:

"But in the early 1970s, as international competition increased and world markets fragmented, firms became more and more wary of long-term investments in product-specific machinery. The product's market often disappeared before the machinery's costs were recovered. The more volatile markets became, the more firms experimented with flexible forms of organization which permitted rapid shifts in output. As they did, they encouraged the reconsolidation of the region as an integrated unit of production."

(1989, p.18).
Sabel identifies five developments, each reinforcing the others which are contributing to this result: (1) the emergence of twentieth century variants of industrial districts in Italy, West Germany, Japan, Denmark, Austria, France and the United States; (2) the reorganisation of large, multi-national firms; (3) "the double convergence of large- and small-firm structure". Large firms in reorganising attempt to establish the collaboration characteristic of relations among firms in the flexible-specialization economies; (4) the transformation of local governments from welfare dispensation to job-creation and labour-market shaping agencies; (5) plant and regional level officials of trade unions are cooperating in the industrial reorganisation.

To show how these five factors are interacting with each other to produce the transformations he believes are taking place Sabel examines more closely the various industrial districts that are springing up in Europe and which have been identified by various researchers. The 'Third Italy' is the first case which is mentioned but others are identified such as the 'Second Denmark', Baden-Wurttemburg, Silicon Valley, Route 128, Oyonnax in France, Valles near Barcelona, and so forth. Sabel recognizes that there are objections to his way of formulating and interpreting these phenomena. First and foremost he recognizes that many researchers make the strong case that these regions involve forms of work which resemble turn-of-the-century sweatshop conditions:

"Many of the new firms in the Third Italy were founded in the 1970s expressly to avoid the unions' growing control of the large factories. Many of the new firms evaded taxes, refused to pay social welfare benefits, imposed long hours, used toxic materials hazardously, and paid sub-standard wages."


However, Sabel argues that, in the last decade, this view has been substantially modified by a new understanding of what is really taking place. Thus he writes: "In Italy, for instance, much of what first seemed child labour proved to be carefully monitored initiations of children in their parents' work-day world" (1989, p.24). It is interesting that he makes no attempt to substantiate this conclusion, nor does he cite any of the numerous studies which
argue more circumspectly or the opposite (see Amin, 1992). More importantly, Sabel argues that during this period the new regional economies began to elaborate or revitalise systems for regulating cooperation between firms and workers that recalled the earlier controls on competition in the nineteenth century industrial districts. This did not mean that labour relations in the industrial districts became harmonious, let alone joyously communal. But it did mean that conflicts were conducted and concluded with respect for the preconditions for continuous redisposition of resources. Strikes in the Third Italy thus tend to be shorter than in other areas of Italy, and to eventuate in agreements in principle rather than detailed rules. For Sabel, then, the new industrial districts are in the process of continued institution building which are elaborating a system of rules, norms, regulations and institutions which are forming a communal system of cooperation, of trust and cooperation between firms, firms and workers and local government:

"In the region of Emilia-Romagna, for instance, provinces such as Modena substantially expanded the technical consulting services provided to the small and medium-sized firms. In Baden-Württemberg, the already excellent public technical consulting services and vocational and technical education system have been substantially improved. Vocational high schools (Berufsschulen) once gave elementary instruction to apprentices. Now they are teaching the skills formerly taught to technicians and engineering students in community colleges or polytechnics (Fachhochschulen)." (1989, p.26).

**Theorising industrial districts**

Sabel concludes though that it is still unclear how best to theorise, explain and characterise the new industrial districts. While his arguments have depended on ethnographic case studies and anecdote, others have attempted to develop more formalised models:

"Sociologists studying organisational behaviour and economists studying industrial structures as instruments for minimising the costs of transaction among production units or as solutions to the related problems faced by
principals in controlling their agents have also detected something novel in the new arrangements associated with industrial districts."
(1989, p.29).

However, he argues that these abstract theoretical models are no more proof or adequate than the ethnographic evidence. In this context he refers to Williamson's 'transaction costs' (1975) school and Ouchi's (1980) theory of networks and clan culture, and relatedly, the models being put forward by organisational theorists who draw upon population biology metaphors about the competitive advantages of generalist organisations over specialist ones in less stable market conditions of economic turbulence. Sabel finds none of the theories he reviews totally adequate and suggests that perhaps something can be learned from the analysis of the contemporary reorganisation of multinational companies.

Sabel's observations on the current strategies and structures of the multi-national large corporation start from the idea that they are repudiating mass-production and that they have begun to organise production along the lines of FS Sabel outlines, yet again, the text-book version of how mass production and Fordism emerges and replicates itself through the logic of the separation of conception from execution and the fall in unit costs according to scale. However, this only made sense if the massive costs of building such organisations and forms of production could be amortised:

"But the more markets fragmented in the 1970s, the more difficult this became. Here too, the failure of the world car strategy is emblematic. Firms learned to expect the unexpected from the market. Once they assumed that they could not foresee which products would succeed, they introduced more new items to increase the chances of finding a winner. To speed up the development of new products and assure that winners selected by the market could be manufactured in time to meet the demand, the firms then had to learn to cut the costs of reorganising production. In a word - their word - they had to become more flexible. To do that, they had to reintegrate conception and execution, thereby blurring the distinction between planning and production at all but the highest levels of the corporation and reducing costs and time required for both."
(1989, p.32).
Sabel realizes that this abstract theory needs some modification as reality is always more complex and so it is therefore

"necessary to assess the correspondence between the textbook picture of corporate reorganisation and a composite picture of actual practice. In the absence of comprehensive evidence it is helpful to establish two polar reference points - cases where corporate reorganisation matches the foregoing description, and cases where the goal is a clear alternative - and then scrutinise intermediate development for clues about the viability and potential diffusion of the extremes."

(Ibid, p.35-6).

Sabel draws up a number of ideal-type models on this continuum. First, there is the Italian example of the chemical firm, Montedison at Ferrara, where the firm has reconstituted itself as a holding company made up of smaller units. Companies such as Xerox come close to this model as well. Second, other companies have adopted elements of the vertically disintegrated model, but without breaking fully with the organisational principles of the mass production firm:

"Many American firms, for example, appear to be pursuing what might be called a Japanese (as opposed to world-car) variant of the strategy of flexible specialization. The aim is to increase the variants of production without abandoning the distinction between conception and execution."

(Ibid, p.37).

However, despite these divergences Sabel concludes that: "If the experience of these Japanese and West German companies indicates a trend, then the shift towards the textbook will be self-reinforcing".

The next argument that Sabel introduces is that of the rediscovery of the region as the context for the creation of industrial districts with egalitarian potential. Regions are no longer blank spaces on the map of industry, but rather are now viewed as economic, social and political entities.
"full or under- or unused resources that range from traditional artisanal skills to petty commerce. Prosperity depends, according to the new doctrine of endogenous growth, on developing these resources rather than importing the equipment and skills of a mass-production economy from the rich exterior."

(Ibid, p.41)

Sabel lists many examples of regional initiatives and concludes that there are signs everywhere of regional consolidation at the economic, social, cultural and political levels. This argument which is not developed in detail is one of the most important of Sabel's observations and will be examined in the next chapter. But it has importance also in the context of Sabel's reflections on the relationship between production regimes based on FS and politics. And in particular, the politics of the welfare state which in recent years has been more at the centre of Sabel's theorising and research:

"The very nature of flexible specialization suggests that it will require complementary macro-economic institutions, different in kind but not in ultimate purpose from the Keynesian reinsurance (against risks) systems. And because of the conditions which favour its diffusion, furthermore, it is likely that even abstracting from the additional problems of creating an appropriate international trade regime, national economies will have no easier time, and perhaps a harder one, discovering why and how to construct such an institution."

(1989, p.53).

Here Sabel recognize that the flexible specialization economy/region has to find ways to stop the polarization of work and income into the secure and protected multi-skilled workers on the one hand, and on the other, the excluded and marginalized 'underclass'. The danger that a new feudalism could emerge has been recognised by many writers both on the left and by other researchers close to Sabel's position.

In one form the welfare state would look

"like a more ramshackle version of its current self. The industrial districts would half surreptitiously reshape their services locally to meet their needs;
wherever possible they would try to reduce their contributions to public
revenues with the plausible argument that through their job guarantees and
training programmes they already bear many of the risks and responsibilities
once born by the state. At the same time, the national state would support the
excluded - primarily unskilled workers, many of them women - through some
combination of unemployment insurance and poor relief. In northern European
countries with strong Social Democratic traditions some alliance of
progressiveness urging the attractive possibilities of leisure in a post-material
society and conservatives anxious to keep the poor of the streets might press
for a legal right to a minimum income, thus removing poverty from the
national political agenda and legitimating the silent coexistence of those inside
and outside the new economies. In classically liberal societies such as the
USA, much of the new under-class would scrape by serving the privileged.
The rest would be grudgingly provided for, and constantly tested to determine
its propensity to respond to various incentives to join the active labour force".
(1989, p.56).

The second line of development would be more progressive and would involve the extension
and institutionalisation of FS throughout the whole of the economy and society. The pooling
of resources, cooperation between trade unions, management, local authorities, education and
training authorities would lead to the emergence of a 'virtuous circle' of expansion and
solidarity between elements of the system:

"If the pooling of knowledge succeeds, it can become the political metaphor
and matrix for the pooling of other resources as well. The more knowledge
available to each industrial district, the less likely that each can draw on the
resources of the others in its moments of distress. If firms, workers, trade
associations and trade unions come to define their interests in this way, then
they will press for those policies - modelled perhaps on cooperation in
education - which encourages the diffusion of regional economies. The result
would be to draw currently marginal groups into the flexible economy while
strengthening the armature of supra-local institutions which would eventually
have to construct the macro-regulatory system of flexible specialization."

But Sabel does not expand on how this system will work in any detail. Rather he ends on an
inconclusive note that either the circle of prosperity will remain closed to many, resulting in
conflict and antagonism, or else the circle of prosperity will be enlarged as new forms of
institutionalised confederation are imagined, invented and implemented. Then the "capitalist democracies will face the problem of reconciling the new mechanisms of redistribution with their traditions of parliamentarism and equal treatment under law. Better the problems of prosperity" (1989, p.59).

What becomes clear in this conclusion is that Sabel's ideas should not be interpreted as simply describing an existent situation, but rather represent a social theory with a clear normative reference. The logical direction for Sabel to travel is towards a more explicitly formulated political theory which would attempt to articulate his socio-economic themes, in a more satisfying intellectual and political manner with a political theory of democracy, community and justice.

**Kern and Schumann and the "new production concepts"**

Sabel's work is not just a research programme in the sociology of work, employment and industry but a social and political theory with practical intent. This becomes clearer in two further papers which he has published which will now be considered. Both papers follow logically from his regional economies paper. The first, titled "Trade Unions and Decentralized Production: A sketch of Strategic Problems in the West German Labour Movement" (1988 and 1991), written jointly with Horst Kern, points out a convergence with the German research programme on new production concepts.

It is significant then that Sabel's work, which has always been in close dialogue with Kern and Schumann, should now converge into joint research and writing. In an early article summarising their research on new production concepts and the 'end of the division of labour', Kern and Schumann wrote:

"On the basis of these analyses we can state as a principal position that a fundamental change is taking place in the use of labour. New production
concepts are being formulated and put into practice, whose common
denominator is the avoidance of technical automation of the production process
if the price is too high and a growing regard for qualifications and independent
skills. The trend of capitalist rationalization is changing: the rationalization
logic remains the same but fundamentally new forms are emerging."
(1987, p 156).

For Kern and Schumann the forms that are emergent and transitional form a spectrum of
possibilities and there is no necessitarian logic to the implementation of one particular
formative context, which at first sight is similar to the statements of Piore, Sabel et al. As
Kern and Schumann write:

"The term 'spectrum' therefore emphasizes the openness and malleability of the situation, the multiple possibilities for intervention. The thesis of the new production concepts outlines a new constellation, a possibility which will presumably grow in importance but not a definite process or results which can be determined in detail in advance. Rather it should develop into a policy of industrial modernization which opens the path to the development of the opportunities inherent in the constellation: modernization as a social project. It is mainly the problem constellations, the direction of development and the possibilities for action which are foreseeable not the concrete results."

Like Piore and Sabel, Kern and Schumann reject the Bravermanesque conclusion that
'de-skilling' is the inevitable logic of capitalist development and forms of industrialisation.
Rather, they argue that in some 'central' sectors of industry such as engineering, chemicals
and car manufacture, there is a restructuring and a reorganisation of production and
production planning underway based on the reintroduction and recognition of production
skills which augurs the possibility of the 'end of the division of labour', a 'de-differentiation'
of work (Clegg, 1990). Thus:

"Capital investment itself demands a radical change in the utilization of working capacity. The more the product conception tends towards the manufacture of highly sophisticated quality articles and the production concept aims at a wide application of the new technologies, the more an increased allocation of tasks and a wider application of qualifications appears to be the
optimal concept for the assignment of work ... Higher productivity cannot be
attained under the present conditions without a more considerate, 'enlightened'
treatment of human labour - that is something that capital too must learn.”

The main concerns of Kern and Schumann are not, however, with these rather narrow
productivist issues, but others come close to Sabel's political and social interests. Kern and
Schumann recognise that the logic of these developments is not necessarily towards increased
egalitarianism, but rather could open up and reproduce more entrenched divisions between
workers in different sectors, industries and occupations and, moreover, between workers and
non-workers. They identify four groups who appear to them to be of particular importance
for the 'inner dynamics' of the emerging social structure. First are those who personally bear
the new production concepts: modern skilled production workers, maintenance specialists,
and those who could gradually move into such positions. These are the winners in
rationalisation. In the rationalisation process their behaviour is that of associates,
protagonists in the reorganisation of the firm; they have a high status within the firm and can
claim bonuses. They could even emerge from this development with increased power.
Secondly, there are workers in traditional jobs in the central sectors who, because of personal
characteristics - advancing age, lack of qualifications - are not apparently attractive for
employment by the firms according to the new production concept. Their behaviour in the
rationalisation process is most likely that of tolerators of rationalisation. They are, of course,
largely protected from the worst effects by wage agreements and conditions of employment
set out in the firm's contracts. Yet their interests are rather less securely protected with
obvious risks of becoming redundant in the process. And thirdly, there are workers in
branches affected by the recession. They are already losers. When they are collectively
affected (i.e. plant closures), there exists a very high potential for action. Finally, there are
the risk-bearers on the labour market and in particular the long-term unemployed. These are
driven still further into the ghetto of long-term unemployment, since with the new
production concepts the external insulation of the firms grows as does the demand for
specific qualifications. They are effectively marginalised. The end of the division of labour
at the core of the major areas of industrial production thus coincides with a tendency
towards intensification of insulation against the outside. Since the immediate post-war years, the inequalities within the labour force have never been as great as at present. Never have the risks and opportunities connected with industrial work been as differentially distributed among workers as they are now. While there are differences, then, between Piore and Sabel and Kern and Schumann, particularly in the greater emphasis that Kern and Schumann put on the distinctiveness of the 're-professionalised worker' over against the artisanal and craft worker, there are many common points of convergence between their points of view.

**Kern and Sabel: flexible production concepts**

This comes into focus in Kern and Sabel's jointly written article referred to above which will now be discussed. In this article the focus is on the *specificity* of the German system of emergent FS. Outlining the uniqueness of the German system of industrial organisation and, moreover, industrial relations, Kern and Sabel comment on the power, influence and authority of the trade union movement and worker representation in the co-determination or Nitbestimmung system, which has important consequences for the form, and modalities of implementation, of the new production concepts. They observe that the framework for trade union action is being redefined by these changes and restructurings. The growing diversification of product markets means the trend towards vertical disintegration and the increasing concern with product and process innovations to keep competitive advantages and to stay ahead in the competitive race. This leads to fundamental changes in the strategies and organisational structures of companies, manifested in increased sub-contracting and just-in-time delivery systems to mention the most important. Furthermore, there is the accompanying trend towards the growth of industrial districts and regional economies. In this complex context of economic and organisational confusion Kern and Sabel argue that:

"In the Federal Republic, the current reorganisation of industry creates new possibilities for the extension of trade-union authority simply because German codetermination laws allow labour to block or delay many of the changes management wants. Whether it is a question of more flexible use of labour,
including corresponding changes in the regulation of the legal work-week and overtime; lengthening the permissible periods of production, including relaxation of restrictions on shift and weekend work; greater freedom to rejuvenate the work force, including increased use of early pensions to remove older workers and more aggressive hiring of younger persons with up-to-date technical skills; extensive retraining and continuing education programmes - the factory council's approval is required for the execution of any of these measures."


However, the logic of industrial reorganisation of work and employment which goes under the name of the new production concepts or flexible specialization is to undermine these de facto and de jure powers that the workers have at their disposal. Kern and Sabel argue that at least three problems stand out and "unless the unions discover a way to use their bargaining power to address them in a concerted way, they may cumulatively transform the de facto rules of collective bargaining in Germany". The first problem is that with the new production concepts there is an increased demand for more technically skilled employees whom the unions find difficulty in organising. For example, there has been an increase in the recruitment of university trained engineering graduates which have no real allegiance to the trade union movement. Second, there has been a weakening of the allegiance to the trade union movement of the traditional evening class engineers who now spend more time in education. Following from these transformations are the recruitment problems that the trade unions face due to the change in the "typology and geographic distribution of production units". Put in simple terms, with the decline of centralised and concentrated production sites and their molecular dissolution through vertical disintegration into a plurality of micro-organisations, the unions find it difficult to forge a unitary collective identity. Third, the trade union or, more importantly, the factory council often responds to these developments in a defensive manner. However, this strategy at the most produces only 'pyrrhic victories' which do nothing to manage change in the interests of the employees.

In this context Kern and Sabel argue that what needs to be thought about and strengthened is the reorientation of trade-union policy. As I have argued Piore and Sabel had already been
moving their research interests in this direction but with inconclusive results. Other researchers and writers have been attempting to find solutions, answers and alternative strategies as well, most notably, Alain Touraine in *The Workers' Movement* (1988) and Andre Gorz in his various writings, but particularly *The Critique of Economic Reason* (1989). Kern and Sabel rarely refer to cognate discussions but, nevertheless, their argument finds points of comparison and difference with these researchers findings and argument. Their first observation is that as the situation in the United States has shown it is futile to believe that conflicts provoked by industrial reorganisation will inevitably bring recruits into the labour movement. Their starting point is, rather:

"... the effect of industrial reorganisation on the very constitution of the labour market. An understanding of the complex, apparently contradictory consequences of corporate decentralization and regional agglomeration is, we believe, indispensable to the formulation of any trade-union strategy whose aim is to turn the new competitive conditions to labour advantage. We begin by sketching responses which address the needs of highly skilled workers - the traditional core of the unions' constituency in the Federal Republic, and the reservoir from which most of its leaders at all levels have been drawn. Then we will try to show that the same strategy which appeals to them can be further developed to meet the concerns of the un- and semi-skilled."


Kern and Sabel argue that in the more open labour market situation trade unions need to extend their bargaining areas towards the organisation of leisure, job counselling, placement, training and education. To do this, they argue, the trade unions need not only to adapt their current strategies, but also to create new organisational structures:

"Here the unions might take a page from the corporations' book on the decentralization of responsibility and the opening of institutional borders. In order to provide the new labour market services and influence the strategies of both firms and public authorities, they must move beyond their jurisdictional limits to create local, grass-roots alliances among themselves and with many actors they have ignored or battled in the past: municipalities, no-profit groups, social movements, political parties, churches, and educational institutions. The result would be 'networking of trade union capacities'. To do this they will
need the authorization of national unions whose authority will also be necessary to institutionalize successful regional experiments."
(1988, p 394)

The model here is the current transformation of corporate organisational structure itself along the lines of the networking structure or decentralisation. Just as these new corporate structures and networks blur the distinction between the inside and the outside and in the process produce an open labour market, so trade unions should follow suit:

"Corporations . . . are experimenting with new governance structures . . . while decentralizing substantial, potentially self-reinforcing autonomy to operating units . . . At the same time, these new governance structures create open labour markets that blur the distinction between paid work and social life. By organizing the open labour market and shaping regional economies, the unions can influence the new governance structure - not least by encouraging those aspects of decentralization which augment their own capacity to gain further influence. On this view, they ought not to aim to exemplify labour collective power . . . by changing the extent and goals of local action. Thus understood, localization of union strategy goes hand in hand with its universalisation, and is a precondition for that 'broadening of the trade union mandate' so often mentioned in the German labour movement's current strategic discussions."

Kern and Sabel also posit that the labour movement must take up and articulate the demands of the un-skilled, semi-skilled and unemployed by creating a thick institutional exoskeleton which protects all workers. The conclusion of their article is that the new divisions of labour that are emerging must be accompanied by a revitalised labour movement. That is to say, the new production concept, flexibly specialised regionalized economy must be based on a new solidarism forged by the labour movement in cooperation with private capital and the central and local state (within the context of the wider structures of the European Economic Community):

"Just as important, only the national labour movement can, through its legislative influence, help create a system of incentives which encourages the formation and expansion of flexible, high-skill, and hence robust regional
Thus Kern and Sabel argue for a form of FS regional economies which refuse the neo-liberal agenda of wild capitalism unhindered by social and political controls.

**Flexible specialization as a moebius strip**

The second important article which adds concreteness and empirical detail to these reflections is Charles Sabel's "Moebius Strip Organizations and Open Labour Markets: Some Consequences of the Reintegration of Conception and Execution in a Volatile Economy" (1991). This article does not depart from Sabel's prior formulations, although new evidence and new concepts are introduced to give form to his argument. The term 'moebius strip' organisations is a new term which is a useful metaphor for some of the organisational transformations which have been identified by organisation theorists (see Clegg, 1987, Cooke, P.). For example, Cooke (1987) has argued that:

"The model of organization of the Fordist corporation, hierarchized, bureaucratized, divisional, task-divisional, task specified, spatially decomposed has come under attack in the contemporary management literature. What is being rejected is the 'mechanical picture' of the organization, as Michael Piore and Charles Sabel term it, in favour of something called an 'anti-organization'. The similarity between this conceptual overturning and that of Richard Rorty concerning the 'mirror of nature' approach to philosophy is striking. This is because the anti-organization is also a ferment of critical discourse in which the rules that have governed past corporate practices are there to be challenged, contradicted and placed in doubt."


The concept of the Moebius Strip, of course, is another term that finds resonance in post-structuralist philosophy and is the figure that Sabel refers to, but without much discussion of its function in what must be the most abstruse theoretical discourse - Lacan's.
Mentioning Lacan's use of the moebius strip idea is not to suggest there is any connection between Sabel's use and Lacan's. However, there is a parallel in so far as both formulations suggest that stable forms of identity, boundaries, and boundary maintenance are being re-negotiated in the 'postmodern' period. And perhaps this is a better metaphor than Cooke's even more unlikely homology between Rorty's anti-foundational pragmatism and the 'anti-organization' (Clegg, 1987, Harvey, 1988).

However, the manner in which these discourses are appropriated by sociological discussion leads very often not to enlightenment, but rather to pretentious obfuscation and, as Poulantzas remarked with relation to the 'New Philosophers', to the use of a fashionable language of 'analogy and metaphor'.

Sabel's article with its arresting title is in the grand style of combining bold theoretical conjectures and empirical reference with speculative reflections on the 'possible world's of fin-de-siecle and fin-de-millennium capitalism. Although Sabel nowhere in any of his writings refers to poststructuralist or postmodernist theory, in this article one gets the strong impression that Sabel has been influenced by some of the tropes and motifs of those theories, at least in an implicit way.

Thus it seems to be the case that the influence of theorists like Foucault, Derrida and Rorty throughout the humanities and social sciences in the United States appears to have affected Sabel's manner of thinking and formulating questions of social theory and social transformation. For example, we find at the beginning of his article a statement which could have been written by the 'deconstructionist' pen of a Derrida:

"Corporations, buffeted by markets that have become more volatile in part because technology is proving so malleable, are desperately trying to reduce their risks by transforming dedicated or special-purpose resources into general-purpose ones - whenever, that is, they cannot simply transform fixed into variable costs. In the process they are inventing organizational forms whose complexity and mutability often threaten to overwhelm those who design and execute them as well as the sociologists and economists who struggle to
understand their own constitutional principles. Work now refers to such disparate and rapidly changing experiences that it is at least as reasonable to treat the word as a popular shorthand for survival as to regard it as a category of activity that gives similar contours to our different understandings of life."


Sabel identifies two responses to this situation. The first is in response to the 'breakdown of the linguistic whole' and is to articulate separate languages to understand some of the pieces. These examinations of the plural and diverse trajectories of 'patterns of work, and forms of corporate governance' often

"produce a vertiginous experience of diversity as the constitutive fact of social life. Caricatured, the view is that societies consist of contradictory institutions whose historically specific heterogeneity is a precondition for survival in a changing environment. Context and contingency - national, local, or corporate - suddenly explain most things in a world with no grand rhythm or reason."


Sabel identifies the work of Storper (1989) as exemplifying this position. He has some sympathy with it but as I shall show does not wish to follow all the way. The second response is to "search for new generalities amidst the apparent ruins of the old". The task is to formulate the general laws and tendencies which are replacing the old world, a "response [which can] end in the intoxicating vision of a world not gone to pieces but, rather, stood on its head. In this view, universal materialising machines replace product-specific capital goods; small and effortlessly recombinable units of production replace the hierarchies of the mass-production corporation; and the exercise of autonomy required by both the machines and the new organisations produces a new model producer whose view of life confounds the distinction between the entrepreneurial manager and the socialist worker-owner. Contingency and context determine only whether and in what precise way particular nations, regions, or firms manage the necessary handstands" (1991, p.24). Interestingly, Sabel cites himself and Piore as being the victims of this fantasy as mediated through the interpretations of others who are not named: "Although many people hold some part of the views caricatured in the text, no one - ourselves included - comes close to holding them all".
Sabel rejects both alternatives and hopes to develop an analysis which does justice to the rational kernel of both points of view. "The aim of this chapter is to adumbrate a sociology of work or production that does justice to the prudent version of these caricatures: to account, that is, for the diversity and similarity of efforts to adjust to the new competitive environment" (1991, pp. 24-25). Thus Sabel rejects what might be called the extreme postmodern capitalism into the vortex of disintegration and dissolution on the one hand, and on the other, the rationalist exaggeration. Perhaps like Zygmunt Bauman (1989) he is arguing for a sociology of postmodernity, rather than a postmodern sociology. As Bauman explains:

"I suggest that a sociology bent on the continuation of modern concerns under postmodern conditions would be distinguished not by new procedures and purposes of sociological work, as other postmodern strategies suggest, but by a new object of investigation."


Against this background, then, Sabel argues that his position advances two principal arguments. These arguments introduce some new twists to his well-established ideas. First, that the strategy of responding to turbulent markets by deploying general-purpose machines, must be "hedged and complemented by the deployment of less flexible" (1991, p. 25). In concrete terms this means the emergence and development of forms of organisation and production that tend to dissolve or blur the hierarchical distinctions within firms and enterprises, the boundaries between them, and the boundaries between firms in particular industrial districts and regions, and, moreover the boundaries between the public and the private. As Sabel argues:

"I will call such production structures meta-corporations or Moebius strip organizations: meta-corporations because they are designed to be easily redesigned and Moebius-strip organizations because, as with a looped ribbon
twisted once, it is impossible to distinguish their inside from their outsides. Another consequence is a constant re-ordering of versatile and rigid technologies that reflects among other things, guesses about the longevity of the parts of a product in relation to the whole as well as uncertainty about those guesses." (1991, p.25).

What is of importance here is the acknowledgement that flexibility is not an absolute principal and that it depends on certain 'rigidities' as well, in an articulated ensemble. In Adornoian language the flexible and the rigid form a 'constellation' of forms, relations, institutions and practices which are in a shifting and mobile relationship with each other. This converges with Dore's description of the Japanese system of socio-economic organisation as characterised by 'flexible-rigidities' or what Kenney and Florida (1993) call 'structured-flexibility'.

**Postmodern labour market?**

Nevertheless, Sabel does not mean the kind of labour market (or, internal labour-market) rigidity found in the Japanese model of so-called 'life-term employment' for core employees, for the second part of his argument is that the changes charted above will and are leading to heightened demand for skilled labour while undermining the fixity of any particular job:

"Workers under these circumstance must acquire skills, including the ability to cooperate in particular settings in order to be employable, yet cannot rely on long-term relations with any single employer. To learn what they need to learn in order to move from job to job in an economy in which boundaries between firms and between firms and society are blurring, they must join various networks that cross company lines and reach from the economy into social and family life. I will call this situation an open labour market. ... Because of Groucho Marx's notorious fascination with ambivalent attractions, I will refer to the employees' experiences of open labour markets as the creation of Groucho Marx identities."

In this passage Sabel moves away from the romanticism of artisanal/craft-worker identities which mars his earlier work, with its evocation of the crafts-man doing nothing other than his metier which we find in nineteenth century social thinkers such as Frederic Le Play and Denis Poulot' Le Sublime, ou le travailleur comme il est 1870, et ce qu'il peut etre (1870) (see Touraine, 1988). The move away from the romantic model towards a position closer to Kern and Schumann has, as I have shown, already been announced in the article Sabel authored with Kern. In its place we have a skilled or 'polyvalent' worker who has no relationship with the individualistic and autonomous (but solidaristic with his trade and comrades) craftsmen of the nineteenth century with his tool-kit in his hand. Nor that of his sublime attitude of defiance against the employer which Poulet evokes in his unconsciously amusing way in his classic work.

Sabel makes his argument more precise by examining in greater detail the character of the new meta-corporation. He rehearses again his argument about how mass production/consumption-markets are breaking up, without unfortunately giving any real substantiation that this is indeed taking place. Nevertheless this market-based argument is at the core of his theory and forms the causal mechanism which leads to the administrative decentralisation of the corporation. For example, the drive to reduce development costs will lead to the blurring of the boundaries between, and the hierarchical distinctions within, firms. The first step is the administrative decentralisation of the corporation. Responsibility for design, manufacture, and sale of a narrowly defined range of products

"...is assigned to quasi-independent operating units. The corporation often becomes, in effect, a holding company that makes strategic decisions, raises capital, allocates it among the operating units, and periodically monitors general performance. By rotating promising managers through different kinds of jobs in different operating units, headquarters also forms a corporate elite that understands the needs of the concern as a whole. The corporate planning, accounting, research, and technical staffs are cut to the bone, if not disbanded or reorganized as wholly owned subsidiaries that must sell their services to other operating units or outside firms. Thus, the corporation becomes more a federation of companies than a single organizational entity."

(1991, p.28).
These themes which Sabel recounts are now the staple of management literature and whether we call it corporate 'downsizing', 're-engineering' or 'managing chaos' the upshot is the same.

Thus Sabel puts more stress on the need for a strong 'exoskeleton' or infrastructural support for firms based on the region:

"A final consequence of the reintegration of conception and execution, one that further blurs the boundary between firms and between the economy and society, is the formation of regional economies: clusters of firms with different specialities working in various combinations to serve common markets. First, the more volatile markets become, the riskier it becomes to hold inventory - hence, the need for just-in-time logistics, which require that suppliers put production units, warehouse facilities, or transportation hubs close to their major customer's plants. Second, the more volatile the markets and technology, the more likely it is that timely knowledge is embodied in everyday experience - the more likely it is, in other words, that knowledge becomes local knowledge. Living together in the sense of learning to speak a common technical or commercial language becomes the precondition for working together. Once firms value such conviviality, they may be present where this expertise is grounded. Call this the localization effect of firms - or of members of a community of producers - on each other. Third, the more specialized a firm becomes the more it depends on the collective provision of training, research, hazardous-waste disposal, supplemental unemployment of medical protection, environmental monitoring, market information, or warehousing that it cannot provide itself."


Postmodern industrial relations?

The third difference is that Sabel is aware of the continuing importance of conflict, mistrust and trust in social relationships in the meta-corporation. This is not meant in the Marxist sense of class conflict to be sure, but he disavows the idea of 'normative consensus' (or unitary industrial relations paradigm) or the assumption of a conflict-free organisation of social relations. Indeed, Sabel's concept of conflict is more akin to Durkheim than Marx in
its emphasis on building institutions of conflict resolution and bargaining. Moreover, there are some similarities between his concept of 'trust', which is theoretically explicated in his recent paper 'Studied Trust: Building New Forms of Cooperation in a Volatile Economy' (1993) and social theorists such as Luhmann and Giddens. For example, Giddens (1988) in his various reflections on high modernity has put 'trust' at the centre of his understanding of the uniqueness of modernity. Giddens has a much more rigorous formulation of the concept of 'trust' than Sabel and recognises that it is too simplistic to counterpose 'trust' to 'mistrust' in the manner Sabel does. Nevertheless, when Giddens discusses 'trust' with relation to what he calls 'abstract systems' (systems of knowledge, expertise and professionalism, management) his formulation could be better made with more discussion of conflict and negotiation within these systems than he in fact does.

Sabel's recognition of the conflict between groups of workers, between groups of workers and groups of managers, the conflict between groups within management and between enterprises and other organisations is a healthy dose of realism. Sabel further recognises that the key problem in securing a high-trust system would be to institutionalise mechanisms for conflict resolution and arbitration, especially at the local and regional levels. In the 'Third Italy', for example, he argues that the vitality of the districts depends on arbitration boards and joint councils which can resolve dispute between all the parties concerned. These formulations are given a more concrete form in the conclusion to his paper where Sabel outlines a further set of vital distinctions regarding trust, power and conflict. First, within the restructured economy itself based on the meta-corporation and, second, between the meta-corporation and those it excludes. Sabel argues that in the traditional sociology of work there was a clear connection between these two kinds of power and conflict.

Sabel argues that there are two possible outcomes or responses. The first is an exclusionary one where

"the ins stay in and the outs stay out, maintained by welfare systems and casual employment that guarantee their physical survival while sapping their capacity"
to change their situation. In the meta-corporations, small groups of workers use their market power to extract privileges at the expense of the excluded or their co-workers, further decreasing the chance of any redistribution of rights in favor of the outsiders. The suggestion is that if there is any justice ... the social tensions these divisions produce will eventually lead to chaos or to the effort to construct a more inclusive alternative." (1991, pp.44-45).

Here Sabel evokes the scenario put forward by such thinkers as Andre Gorz (see also Castells, 1988, Kern and Schumann, 1987) in his various works such as Farewell to the Working Class (1987), Pathways to Paradise (1983) and The Critique of Economic Reason (1989). In Gorz's vision there emerges a social structure of the included and the excluded, driven by the expansion of an economy which, through automation, robotisation and new technologies, displaces ever more people. At the best they are turned into a new servant class who minister to the 'needs' of the people in the inside of the system. In effect it involves what Gorz calls a new form of apartheid or Brazilian type of society\textsuperscript{14}. Within the post-Fordist school(s) we also get a similar theory of the development of a type of social structure of extreme inequalities. For example, Mike Davis's research and writing on Los Angeles as 'the bad side of postmodernity' (1992), and Soja's research on Los Angeles "Capital of the 20th Century" (1990) outline in paradigmatic terms the evolution of these developments. Soja writes that Los Angeles regional job machine has churned most actively at two levels. Employment and production in high technology industries have expanded to make Greater Los Angeles perhaps the world's largest 'technopolis' with more engineers, scientists, mathematicians, technical specialists - and more high security cleared workers - than any other urban region. Meanwhile an even greater expansion in low-paying service and manufacturing jobs (with a booming garment industry leading the way) and an explosion in part-time and 'contingent' work (flexibly organised to meet changing labour demands) has ballooned the bottom of the labour market to absorb most of the nearly two million new job-seekers (mainly immigrants and women) entering the market over the past twenty years).
Similar conclusions have been reached by Manuel Castells (1992) in his discussion of the rise of the 'dual city' in Los Angeles, New York and London. Saskia-Sassen (1991) has reinforced these conclusions in her work on 'world cities'. David Harvey in his key book on *The Condition of Postmodernity* (1989) also reaches the conclusion in his discussion of 'flexible accumulation', that the transformation in labour market structure has been paralleled by equally important shifts in industrial organisation:

"Organized sub-contracting, for example, opens up opportunities for small business formation, and in some instances permits older systems of domestic, artisanal, familial (patriarchal), and paternalistic labour systems to revive and flourish as centrepieces rather than appendages of the production system. The revival of the 'sweatshop' forms of production in cities such as New York and Los Angeles, Paris and London ... has proliferated rather than shrunk during the 1980s. The growth of 'black', 'informal', or 'underground' economies has also been documented throughout the advanced capitalist world."


**A culture of contentment and anxiety**

The arguments resorted to above are supported by numerous other studies which come to similar conclusions (see, for example, Storper, 1992, Scott, 1990, Pahl, 1986). Other writers such as Zygmunt Bauman argue in similar terms about postmodern economic and social conditions. Much in the manner of Gramsci's discussion of Naples, Bauman (1989) draws his example from literature in this case, Rabelais:

"There is, in other words, a possibility that the phenomenon of postmodernity can be only sociologically interpreted as a Thelemic phenomenon (in Francois Rabelais' Gargantua, the imaginary Abbey of Theleme offers its inmates all the amenities of the 'good life' - strikingly similar to those offered today by the postmodern culture, this is achieved by locking out the impoverished providers of the insiders' luxury, outside thick and tall monastery walls. The inside and the outside determine and condition each other's existence)."

(1989, p.59)
However, as interpreted by Gorz, Piore and Sabel's (and Kern and Schumann) argument about the polarization and emargination (or the collapsing-middle) of the social structure depends too much on, to quote Gorz:

"the Marxist utopia of work ... They believe in the possibility of workers becoming 'masters over machines' and achieving autonomy through their work; and in the possibility of restructuring tasks to such a degree that the division of labour (and not just its fragmentation) can be overcome. In their view, workers should be able to identify with their work and derive from that identification an awareness of their strength and their role as liberators ... It would then be possible ... to see this new elite as a new chivalric order, a hypothesis (or thesis) outlined by Oskar Negt. Just like an order of knights, in fact, this new elite would hold the instruments of power - the entire economy, or better still, the whole of collective life - in its hands. Everything would function through this elite."

(1989, p.74).

Here we have the very postmodern dystopian view of a new feudalism that can be found in writers as diverse as Umberto Eco through to William Gibson, and in other texts of popular culture such as sci-fi films such as Blade Runner, Mad Max.

Although, as argued above, Sabel has tempered his romantic picture of the craft-worker (artisan) in his later work with a more updated version of the polyvalent skilled worker or employee, Gorz and Negt's criticisms still carry some weight, especially in the context of Sabel's second alternative to the polarisation scenario just outlined. He writes:

"This second, inclusive outcome corresponds to the classic idea of the socialization of the means of production. In this alternative, the struggles for power in both senses were linked in a way that weakens the grip of the owners of capital on the meta-corporation while widening the circle of the flexible economy to include more and more of the unskilled."

Sabel believes that everyone can become part of the new chivalric order. The mechanism to achieve this had already been sketched out in his article with Kern, namely, a reinvigorated and restructured strategic trade unionism:

"The key to this solution is the formation of a new kind of labour movement, born of existing trade unions or other organizational experiences. Instead of directly regulating conditions of work in firms or industries, this labour movement would help employees acquire the skills and knowledge of the labour market they need to move from job to job, while also enabling them to manage the changing relationship between work and the rest of life. By providing these services, this movement would become as indispensable to the meta-corporation as other systems suppliers, while encouraging older firms - daunted by skill shortages - to reorganize as meta-corporations. To succeed nationally, the new labour movement would seek allies by pressing for legislation facilitating the redistribution of resources from prosperous regions to those that needed to restructure... Here is a new bloodless version of the revolutionary victory of reason and solidarity."


It should be noted that the new trade union movement is visualised in very different terms from the old trade unions. It bears some likeness to the idea mooted by some radical writers and activists that the trade union movement should move towards an 'extended' form of collective bargaining as in the Nordic countries and, in particular, Sweden. There are also similarities to the policies of the so-called French 'Second Left' of the 1980s, particularly around the Confederation francaise du travail (C.F.D.T.), which had an influence on the policies of the French Socialist Minister of Labour, Jean Auroux who argued in 1982 the following: "The low rate of trade-union membership cannot simply be explained by anti-union repression, even where that exists. The same stale empty rhetoric with its manichean ideology, the absence of a more inclusive viewpoint, the refusal to allow trade-union participation in national politics thus preventing the exercise of solidarity... are all contributory elements in the disaffection of wage-earners who are much better informed that is often thought" (cited in Touraine, p xi, 1988).
New social movements

The above argument bears some similarity with Alain Touraine's observations in his book, *The Workers' Movement* (1988), where he argues that the labour movement is in decline and must be reinvigorated by other (new) social movements which can invent and provide new and original forms of organisation, strategies and policies:

"The workers' movement was the first modern social movement. In all probability others will follow, but they will not reproduce either the same issues or the same mode of organization. On the contrary, by shifting away from the workplace into the broad cultural domain, they will be able to fight against a kind of domination which extends far beyond production to the whole of life in society, including consumption, information and education. Perhaps they will create new, non-subordinate relations with intellectuals and political parties: the workers movement undoubtedly had its own limitation on this and other points. But it still remains the most imposing so far of all the figures in the huge family of social movements. And the best way to honour its function as heart and soul of the workers' struggle by which industrial society was built is to look towards the future. The workers' movement can provide the nascent social campaigns with the image of a social movement, and in so doing can help them develop and discover their own identities."

The theme of the decline of the workers' movement is now a sociological commonplace, which Touraine is careful to dissociate himself with in its crude form, but the idea that new social movements are bearers of new ideas, values, principles of organisation and issues finds its way, implicitly, into Sabel's arguments. Other researchers such as Offe (1988) and Melluci (1989) highlight the growth of less hierarchical organisations based on networks and networking which establish links between people on the basis of a lateral and horizontal rather than vertical set of principles - whether it be neighbourhood groups, feminist, lesbian, gay groups, ecological, anti-racist and civil rights groups - all are said to practise a very different form of "cognitive praxis" (Eyerman, 1991) than the old social movements, and it is from these that the trade union movement must learn if it is to survive into the twenty-first century.
However, there do seem to be some significant differences between the respective proposals of the social movement theorists on the one hand, and Sabel on the other, which deserve to be investigated. Despite their differences all the social movement theorists would hold to the idea, originally expressed by Touraine, that in the postindustrial or programmed society conflicts continue to exist:

"Industrial conflict has not, however, disappeared. The new social categories still fall under the domination of work organization and inhuman work norms. New regions are becoming industrialized; women and immigrant workers are being subject to new assembly-lines; office workers' jobs are becoming more mechanical; and the working conditions of many workers re deteriorating, particularly due to the rapid incursions of shift work: proletarianization is forging ahead. Industrial class relations do not disappear with the emergence of the class relations of programmed society."

(1988, p.11).

The main change, for Touraine, lies in the fact that these have become institutionalised and that forms of domination and resistance have shifted to a higher level. In short, the conflict envisaged by Touraine is still a struggle between opposing adversaries involving a principle of 'identity', 'opposition' and 'totality' (see Touraine, 1988, 1989). This is qualitatively different from Sabel's definition of conflict which involves bi-lateral exchanges and disputes, but no struggle over the dominant 'cultural model' of historicity. By comparison with the radical theorists of the new social movements, it seems that Sabel's vision of the trade union is fundamentally incorporatist or corporativist in the sense that he envisages the union as accepting the dominant relationships of production. In fact, Sabel seems to be saying that the chief role of the union would be to act as a sort of labour exchange, advising workers on job-slots and on retraining, rather than other more fundamental forms of contestation, let alone wage-bargaining. It is interesting that this 'pluralist' or even 'unitarist' argument has been taken up by some of the 'New Times' writers in Britain. For example, Martin Jacques has argued that:

"Anyone familiar with management theory will know that the state of the art company less and less resembles a pyramid. Hierarchies are getting flatter, the
space above the base contracting. The old pyramid is looking more like a deflating balloon. The company career promises, consequently, to become an increasingly rare phenomenon: there won’t be enough vertical lines.” (1993, p.23).

As with much of the 'New Times' writing it is easy to criticise for its generalities. Moreover, where trade unions or workers are in such a picture is not explained. Perhaps they have been all made unemployed because of the 'third wave' of automation and new technologies! Sabel is slippery enough to avoid this conclusion, but it is still uncertain what he means when he concludes his article by hypothesising a number of 'possible worlds':

"The world of the inclusive meta-corporation might be a world of cabals and cliques in which the struggle for an honourable place within the community of production constantly threatens the forms of corporation on which productive flexibility depends. Or to avoid this danger, it might be a world in which workplace autonomy was combined with, even dependent on, forms of social conformity persons of my generation once associated with post-war U.S. suburbs and those in the United States now associate with Japan. What would be the role of women in either of these societies? Of men? Or the meaning of citizenship?"

(1992, p.46).

On the one hand it could be the 'really existing' meta-corporation of Silicon Valley as in Florida and Kenney's (1992) picture of rampant market competition, mistrust and conflict. Or on the other hand, their picture of the 'structured flexibility' of Japan and the fear of 'Japanisation'. Sabel would hope for a different outcome, but as these last remarks suggest it is nowhere to be found in the present. What seems to be happening, to transcode Sabel, is the transition to, and emergence of, the possibilities for a society based on moebius surface forms and Groucho Marx identities. It is emergent in Raymond Williams sense of the term in that it is beginning to displace the dominant (mass-production) forms of production and society. That this lies in the future and depends on political will is made more obvious in Sabel's concluding remark where he criticises pluralist readings of his work:
"Notice, however, that this inclusive world does not correspond to the idea of a pluralist society, at least in its U.S. variant. Pluralists believe the identity of each individual is the composite of the vector of his or her attachments to groups of different kinds. But the identities of these groups are fixed by ethnicity, religion, or place in the division of labour. In the metacorporate world I am describing, individuals form and reform identities by reference to groups whose identities are constantly in flux. Individuals are thus not the 'natural' result of the accidental combination of 'natural' collective self-understandings. Surely, a second pressing task for a new sociology of work is, therefore, to better characterize the substance of solidarity within the meta-corporation."

(1992, p.46).

The critique of U.S. pluralist self-understanding does not extend to what Sabel calls the British variant where, as he writes with relation to Paul Hirst's recent work in political philosophy, there is a reciprocal constitution of individuals and groups within a form of what Hirst, following Cole and Laski, calls an 'associational socialism'. Sabel's comments also find resonance with Unger's political theory of self-invention, but a self-invention within quasi-communitarian forms. Moreover, the appeal to the blurring of boundaries and identities, as we have already seen, moves in the direction of a post-structuralist understanding of the social and of the politics of 'subjectivity', 'identity' and 'solidarity'. Not, however, in the facile sense of theorising a complete unfixity of meaning, or dissolution of the subject into the lability of language, or, as Anderson (1985) claims, an 'absolutisation of language', 'attenuation of truth' and 'randomisation of history'. In line with defenders of certain forms of post-structuralist discourses (see Laclau, 1985, 1992) Sabel recognises that:

"A world in which boundaries within and among firms and between the public and the private are blurring is not a world without boundaries [my emphasis]. New boundaries, indeed new kinds of boundaries, are being drawn as the old fade. To detect them, we need not only a new language of analysis but new concepts of equality and fairness. And by the oldest paradox in the book, once we have such a language and such concepts, we will begin to change the very boundaries we discuss."

(1992, p.46).
Conclusion

The next chapter will discuss the political implications of Piore and Sabel's theory of FS. As has been argued, there has been a continuing development of the themes which have been the focus of the FS hypothesis. First, as Sayer and Walker (1992) write it is true that the debate has moved on from Piore and Sabel's *The Second Industrial Divide* (1984). But this should not be interpreted to mean, as they seem to, that there is no need to read, interpret and criticise it any more as an act of intellectual amnesia. Moreover, it is to recognise, as Sayer and Walker do not that Piore and Sabel have modified and revised their positions quite considerably over the years.

Second, while there are many problems with the formulations proposed by Piore and Sabel their analysis is, as Hirst and Zeitlin argue, more complex than the 'New Times' analysis. Therefore, Sayer and Walker are wrong in relation to FS at least when they write "The trouble with concepts like Fordism, post-Fordism, and FS is that they are overly flexible and insufficiently specialized" (1992, p.193). The argument that there is a dualistic and binary framework in Piore and Sabel's work has a certain truth to it, but only at the highest level of abstraction and Hirst and Zeitlin seem nearer the mark than Sayer and Walker, although Hirst and Zeitlin take their logic of nominalism too far in the other direction. Related to this is the claim of Best in his *The New Competition: Institutions of Industrial Restructuring* (1990), that Piore and Sabel's argument for the diversity of industrial trajectories is belied by their positing of either mass production or flexible specialization as possible futures is accurate up to a point, but increasingly less valid for the later work of, in particular, Sabel.

Third, the criticism that Piore and Sabel are too romantic in their appeal to the historical figure of the craft-worker or artisan, made by many critics, most notably Christel Lane ("Kern and Schumann also make it much clearer than do Piore and Sabel that the type of worker at the centre of the new production concepts is not identical to the craft worker of old" (1992)) cannot be sustained with reference to their later writings as they have moved closer to the Kern and Schumann position on this matter as I have argued above.
Fourth, the argument that they overestimate the importance of small-scale industry and underestimate that of 'structured flexibility' on the Japanese model has some truth, but again increasingly less as their argument has been refined and extended, especially with relation to Germany and as Sayer and Walker argue:

"The academic attention given to the Third Italy in the post-Fordist literature seems bizarre when one compares the number of firms which feel threatened by the Third Italy, or the number of books for managers on 'learning from Japan' with those sent to the Third Italy."

Fifth, the strongest critics of Piore and Sabel and the FS hypothesis are more radical in their challenge. Included in this category are first and foremost, Andre Gorz and Jurgen Habermas, who challenge the productivism and economism of the model put forward by Piore and Sabel. Thus the challenge to the model put forward by Piore and Sabel et al, which should be challenged at the empirical level of attempting to falsify their empirical propositions, should also be supplemented by a political analysis of their writings, as prescription. This, in turn, should lead to a non-reductionist sociology of knowledge which situates their thinking with the contemporary Zeitgeist which is, of course, the disillusionment with the idea of a socialism beyond the rule and hegemony of capitalism and liberal democracy.

Again, it is necessary to note that the FS school is a response to the collapse of orthodox Marxist forms of radical thinking, which unrealistically postulated the 'end of the market' on the one hand and, on the other hand, a radical response to neo-liberal celebrations of the 'free-market' and 'individualism'. The FS thesis postulates a third way beyond Marxism and 'beyond individualism' (Piore) and, therefore, in this sense, the FS thesis represents a variant of neo-modernisation theory where, as Alexander argues, contemporary radical intellectuals have "reinflated the emancipatory narrative of the market...a new and positive social theory of markets has reappeared" (1995: p.86). Moreover, as Alexander also recognises this new narrative of neo-modernisation has led to a shift in the intellectual theorizing about the
political and politics. Alexander writes: "In fact, in a manner that parallels the rise of the 'market', there has been the powerful re-emergence of theorizing about democracy" (ibid, p.89). It is to these features of the FS thesis which I shall now turn in Chapter Four.
REFERENCES: CHAPTER THREE

1. Unger's concept of 'false necessity' echoes much recent social theory. The theme of plasticity and contingency is widespread in the social sciences. False necessity is harder to avoid that is sometimes thought. Unger argues that 'deep structure' social theory is unavoidably necessitarian. However, as Perry Anderson (1992) has pointed out in his critique, Unger also falls back into a version of 'false necessity' in his analysis of the contradictions of Social Democracy.

2. Product-cycle theory argues that there is an evolutionary, necessitarian logic to economic development. In its strong form it cannot explain how some economies are overtaken by others. Sabel rejects this theory, although it could be argued that it creeps back into his argument about flexible specialization.

3. Sabel writes little about human relations, neo-human relations and strategic human resource management. However, much of his argument makes implicit references to these ideas.

4. Although consumption and consumerism has become a major object of research it has yet to be integrated into a more general theory of production and consumption. One of the strengths of Regulation theory is that it attempts to integrate a theory of production with that of consumption. While Piore and Sabel also attempt the same they offer little evidence for their thesis that mass markets are breaking-up (see the critique by Williams, et al).

5. Institutionalism is a theory of economic activity which criticises neo-classical economies for neglecting the social and institutional features of economic activity and practice. Romanticism refers to a tendency for the FS theorists to idealise or paint with a rosy hue particular regional economies and economic models.

6. In our 'post-historical' and 'postmodern' times it is necessary to imagine a utopia which rejects a 'politics of redemption' to use Agnes Heller's expression.

7. The postmodern (1993) movement in anthropology takes self-reflexiveness to extremes. All the researcher can do is examine his/her own social positioning and context. However, this leads in the case of Marcus and Fischer to uncritically accept the research findings of Sabel. Sabel is not postmodern in the poststructuralist reflexive manner. A point which is not mentioned by Marcus and Fischer (1986).

8. This quote exemplifies the romanticism of Sabel's account. The reader is invited into a rhetoric of romanticism where phrases such as the unity of the abstract and the concrete avoid actual evidence.
9. The term 'industrial districts' was, of course, coined by the economist and social thinker Alfred Marshall. The new interest in spaciality and the regions is one of the external reasons (from the point of view of a sociology of knowledge) for the interest in these ideas and theories.

10. The argument of neo-classicism is the opposite of the new institutional economics.

11. The argument about the decline of trade union density in the United States obviously has parallels with trends in Britain and Europe. The ideology of human resource management is clearly in its overall logic, anti-trade-union.

12. While Foucault, Derrida and Rorty cannot be collapsed into a singular category (see Habermas (1988)), they do, however, share a number of common themes and motifs. They oppose necessitarian and deterministic arguments. They champion contingency and to use Unger's expression 'negative capability'.

13. These terms point to a more complex understanding of the relationship between rigidity, structure and flexibility.

CHAPTER FOUR:

POLITICAL THEORY AND FLEXIBLE SPECIALIZATION
4. POLITICAL THEORY AND FLEXIBLE SPECIALIZATION

The debates over FS (and cognate terms) within the social sciences are often presented in a dry, neutral and objective manner befitting academia and the political dimension while not absent is not very often theorised as such. However, as I have argued above, the FS thesis is fundamentally about politics, political transformation, and political institution-building. As Sabel suggests in the concluding remarks of *Work and Politics*:

"The more you look at Italian developments the more you are driven to conclude again that, within the broad limits imposed by competition in world markets, economic structure is fixed by political choices." (1982, p.231).

He writes this in the context of his understanding of much radical thinking being deterministic, essentialistic, and reductionist in its theoretical understanding of politics:

"Scientific thinkers on the Left will say that each group's inevitable pursuit of its interest, determined by its place in the division of labour, is the real explanation. Both [and neo-liberalism] will agree that ideas of dignity and honor, the political programs they inform and the conflicts to which they give rise were only the foam on the wave of history. If you have been persuaded by the book you have just read, you will not believe them." (ibid, 232).

Thus Sabel and the FS school reiterate their principle thesis that social and economic organisation is about political choice and decisions, rather than the inexorable working out of an infrastructural logic. However, the defeat of 'Communism' in Eastern/Central Europe (and its transformation into a form of authoritarian market-capitalism in China) has, paradoxically, led to the foreclosing of alternatives to capitalism. In this sense the FS school represent, as argued previously, a *neo-modernisation* approach which attempts to avoid the functionalist
objectivism of orthodox first stage modernisation theory and deterministic Marxism. As Tiryakian (1991) has argued modernisation theory II or neo-modernisation theory avoids the errors of orthodox modernisation theory by foregrounding the importance of the actor and action. To quote: "Neo-modernisation theory would...renovate the voluntaristic basis of action theory" (1991, p.172). Alexander's (1995) argument that neo-modernisation theory offers up the possibility of more socialised definition of the market can easily be interfaced with the communitarian politics implicit in the FS thesis. In the neo-modernisation paradigm the embeddedness of the market has "...transformed the image of the market into a social and interactional relationship that has little resemblance to the deracinated, capitalist exploiter of the past." (Alexander, 1995, p.88).

This point is emphasised with directly political implications in Piore's Beyond Individualism (1995) where he argues that the rational-choice, market-based individualism of classical liberalism has to be replaced by a political, social and economic theory which makes possible an individualism which flourishes in the context of community:

The influence of civic republicanism is most evident in the writings of Thomas Jefferson, but it is most prominent in the work of James Madison, Benjamin Franklin, indeed most of the founding fathers. In that tradition, as in Greek thought, the political community does not constrain the individual; it provides the context through which the individual realizes himself or herself as a person."

(Piore, 1995, p.141).

In this context, it is important to return to the FS critique of Marxism, for despite the accusations of determinism and objectivism, Marx would have agreed with the civic republican tradition that individuals can only realize themselves in a wider community.
Marxism and determinism

It is not quite clear how Sabel understands the term ‘the Left’. At one level, he is writing against not the left per se, but rather deterministic doctrines of the left (and right). Although he does not develop these points it is obvious that he is referring to forms of Marxist determinism and objectivism. That is, Marxism is interpreted as a theory which interprets history as the outcome of strictly deterministic, scientific laws of history modelled on the natural-sciences in the nineteenth century meaning of the term.

However, interpretations of Marx have moved on since. For example, the authors who are usually cited as examples of Western Marxist vary, but there is agreement that George Lukács, Antonio Gramsci, Karl Korsch, Herbert Marcuse and the later Jean-Paul Sartre are paradigmatic instances. It will be remembered that Lukács’ famous 1923 book History and Class Consciousness, criticised Bukharin’s popular Manual on the ground of its objectivism, determinism and technologism. And that Gramsci’s first writings were directed against the positivist interpretations of Marx and called instead for a “Revolution Against ‘Capital.” And even towards the end of his life and now in the Fascist prison he could write in the Quaderni del Carcere a critique of Bukharin which reads very much like Lukács’ and, moreover, the whole interpretation of the Prison Notebooks has been to establish a non-objectivist and more sophisticated form of Marxism which believes, like Sabel, that politics is everything, all the way down as Rorty would say. Later Marcuse (and the Frankfurt School, particularly Walter Benjamin in his “Theses of the Philosophy of History”) and Sartre would take up these themes in various ways and insist on the importance of human praxis, willing, imagining and poiesis.

Interpretations of Marx which found their textual support not in the 1859 Preface but, rather, in the early works such as the famous 1844 Economic and Philosophical Manuscripts.

Despite their differences, these writers had taken on board the fact that the old mechanical and objectivist Marxism of Kautsky and Bukharin is not defensible. All agreed, essentially, that everything is politics. Writers left out by Anderson (1976) from the canon of Western
Marxism include paradoxically, some of the most important such as the Socialisme ou Barbarie group, the Arguments group and the Italian operaista tendency. Again all politico-theoretical tendencies which interpreted Marx in a deeply political sense. Thus, despite their differences, all would agree that the 1859 Preface is too crude and needs supplementing with a more sophisticated reading.

The Arguments philosopher, Kostas Axelos, wrote something most of the Western Marxists would probably have agreed with:

"The principal fault of all historico-dialectic materialism is that the object, reality, the materials are taken only under the form of produced objects, material realities, materials for work, they are thus effectively grasped, but they lack a ground and a horizon. This is why the other side was developed, in a metaphysical way - in opposition to naive or sophisticated realism - by idealist philosophy which, naturally, neither knew nor recognised the world we call real: the totality of forms, forces, and weaknesses of the constituted, concretized and fixed world - the mode of being of the constituting and open World, the other side of the same and unique World. Marx wanted sensible objects to be superior to ideal objects, but he did not grasp human activity itself as problematic activity. Thus he considered - in the Contribution to a Critique of Political Economy as much as in the Poverty of Philosophy - material life as the only truly human one, while thought and poetry were grasped only in their conditional and ideological forms."

(Cited in Poster, 1976, p 225).

No doubt Sabel would be concerned that this criticism, despite its now somewhat arcane language, is close to his own. Countless other works of interpretation would back up this interpretation of Marxism as a critique of productivist political economy, rather than a search for laws of history.

However much one can argue for a anti-deterministic (anti-essentialistic, anti-reductionist) Marx there is, of course, always the possibility of interpreting Marx in the other direction, but in a sophisticated way. Cohen’s Karl Marx’s Theory of History (1980) is one such example which, using all the resources of analytical philosophy, attempts to present a Marx
who gives primacy to the productive forces and, essentially, rewrites the 1859 Preface. Whatever one makes of this (see Callinicos, 1989, 1990; Hirst, 1985; Elster, 1989) it offers a salutary warning to the kind of Marxism theorised above in that it criticizes the idea that anything is possible, given human will and ambition to achieve it. The hubristic belief that human societies are just blank pieces of paper upon which the party-vanguard or the political redeemer can write new characters has nothing emancipatory about it, but is, on the contrary, a recipe for terror and totalitarianism.

**Marxism and democracy**

Certainly, it is correct to point out that a foraging society or mode of production could not, through mere effort of will, transform itself overnight into an advanced capitalist society, or for that matter, agrarian empire, but the fundamental point is, rather, that given the material conditions and the social forces and interests engendered by those conditions, the process of social transformation must be one that respects the gains of modernity - rights, rule of law, civil society, representative democracy, and so forth. Respect for these cross-cuts the voluntarist/determinist divide as Robin Blackburn recognises in his essay “Socialism After the Crash”:

"Thus while Marxism cannot escape the implication in the fate of the Russian Revolution, neither should it be ignored that many of the most notable Marxists of the day - not only Kautsky, of course, but also Rosa Luxemburg - repudiated the practice of party dictatorship right from the beginning. ... The subsequent history of the Soviet Union has been marked by successive critiques ... This criticism and rejection has related in different ways both to the basic strategic line of march and to particular crimes and errors perpetrated along the way. Most of these critics have situated themselves squarely within the Marxist tradition. They have appealed to a Marx who bitterly attacked press censorship and the arbitrary exercise of state power, who insisted that the battle to win democracy must have priority, and who supported the accountability of political representatives."

While Blackburn is essentially correct he is, however, too ecumenical in his list of those within the Marxist tradition who have abided by these principles (e.g. Trotsky was no democrat) and, moreover, he is too ready to believe that Marxism has a developed political theory. For as many critics of Marxism have noted it is the failure to develop a proper political theory of democracy that has disabled Marxism. This is not a new idea, of course, Bernstein anticipated it in his critique of the Bolsheviks in a statement which, as Beilharz recognizes, anticipated the recent events in Eastern/Central Europe:

“The socialistic theory of the bolshevists is, as it does not offhandishly recede behind Karl Marx, a Marxism made coarse, its political doctrine is an overvaluation of the creative power of brute violence and its political ethics are not a criticism but a coarse misunderstanding of the liberal ideas of the great French revolution of the eighteenth century have found their classical expression. But just as by the unbending language of facts they have already seen themselves compelled to subject their economic policy to a thorough revision, the time will not stay away when in the face of the rebellion/revolt of the ineradicable striving of the peoples to freedom and right they will also have to fundamentally revise their policy and their ethics.”

(cited in Beilharz, 1990, p.82).

**Post-Marxism and flexible specialization**

What is new, however, is the recent explosion of political theory which is attempting to construct a radical theory within the context of a fundamental concern with democracy - or rather radical democracy. This means that Sabel is right to foreground politics as being at the heart of social organization and social transformation, but he is wrong to suggest that Marxism even in its so-called determinist form is a negation of the principle that different routes of industrialisation are possible, for even the most determinist Marxism allows variations in the political forms of capitalism as shall be argued in the context of a critique of Unger's political theory. Moreover, what is regressive in Sabel’s writings is his neglect of the most important question that post-Marxists are now grappling with namely, the forms of politics and of democracy that are possible to articulate new industrial identities. That is, Sabel never explicates what he means by politics and what the normative ground for his
appeal to politics are. On the one hand, it is a rather Hobbesian/Weberian notion of politics as struggle and conflict between groups. On the other hand, is the implicit suggestion that FS is potentially, the ‘good society’ in operation, but Sabel never sketches out in any detail the precise form such a politics would take. For a theory of socio-economic organization that gives primacy to the political and politics this is disabling and disturbing. Admittedly in his recent writings he has started to tackle these issues in more detail, but the main criticism still hold that a theory or research programme which claims the importance or centrality of politics must develop a theory of the political and politics as a central concern.

**Piore and the Vita Activa of Arendt**

Piore, for example has attempted to recruit the political philosopher Hannah Arendt as an inspiration for his own political and social philosophy. His article, “Work, Labour, and Action: Work Experience in a System of Flexible Production” (1992) draws upon Arendt’s distinctions, based on classical Greek philosophy, between labour, work and action. Arendt’s *The Human Condition* argues that there are three realms of human experience, each characterised by their temporal durability. *Labour* is mere biological reproduction and consumption which does not endure. *Work* has durability and can be characterised as the manifestation of *homo faber* or the craft-worker and artisan. *Action* is true *praxis* embodied in discourse, dialogue and communication. This is the sphere of activity of the citizen in the *polis*. Arendt’s political philosophy was, of course, taken from her understanding of the conditions of life in Ancient Greece. *Labour* was the work of slaves (and women engaged in biological reproduction), *work* was the activity of the free artisan and *action* was the prerogative of the citizen unburdened of the necessity to engage in these two activities.

For Arendt, with the emergence of modernity, the social and mass production, the activities of work and action in the true sense had been destroyed. Piore writes: “In the notion that work has been reduced to labour through mass production, Arendt follows Marx; this assertion and its analytical implications are essentially coincident with the theory of mass
production as developed by Marx and later by Taylor and Ford" (1992, p.312). At first sight one would think that Piore would focus on Arendt's second category of work. The FS thesis would be taken as arguing for the necessity to return to craft or artisanal production. However, Piore turns to the importance of the third category, of action to develop his ideas on the politics of FS.

However, this theorization is problematic, because Piore misinterprets Arendt's argument by collapsing action into work, a move which Arendt would not have supported. Piore argues the following:

"What might it mean to think of production as a form of action? It means that the production process becomes for the people who participate within it a public space like the political forum of ancient Greece, that they see that space as a realm in which they reveal themselves to each other as individuals." (1992, p.314).

The production space of industrial districts will form this new public sphere of action and community. Under Fordism and mass production, the production process is merely a means for that attainment of an end, income. But under FS, the realm of action and production becomes an end in itself. Nonetheless, the means still has to be considered of importance in that the wealth produced can provide a decent living for everyone in the community. The central paradox that Piore puts forward is the following: "... How is it possible to ensure that production serves as an effective means for the community's survival without having the members of the community become so preoccupied with income that action, which makes the community dynamic in the first place, loses its centrality in the community's value system?" (1992, p.316).

It is doubtful whether Piore's transcoding of Arendt will provide an adequate political philosophy for a flexibly specialized economy and society for the following reasons. First, Arendt's trichotomy of spheres of action are too rigid and artificially separated from one another (see Heller, 1976). Many feminist researchers, for example, point out the sexist
nature of Arendt's diminution of the role and status of biological reproduction. Second, Piore is unable to escape from the aporias of Marxism. As Agnes Heller (1982) has shown there is in Marx two paradigms, a paradigm of work and a paradigm of production. The paradigm of work can be found in the early Marx of the Economic and Philosophical Manuscripts of 1844. Here Marx, like Piore, attempts to show that work is an anthropological category. In line with a tradition of romantic thinking, Marx argues that human beings fulfil themselves in creative work and activity, shaping the world according to their aesthetic needs and desires. In the Grundrisse and Capital, Marx moves to a paradigm of production, where liberation of humanity lies beyond work and necessary labour time. As Oskar Negt argue, the paradigm of production understands labour as a fundamental historic category and not an anthropological one. Piore is still too stuck in the first paradigm (see Habermas, 1987, Heller, 1993, Murphy, 1990).

**Unger and Hirst: political foundations**

Other theorists who have taken up the FS thesis have, however, been more explicit in their attempt to give a political dimension to Piore and Sabel's ideas, namely Roberto Mangabeira Unger and Paul Hirst. I have argued they have a distinct understanding of the type of politics that needs to be developed and its relation to FS.

Unger and Hirst, however, do have differences, but despite these differences there are many similarities. These are, as has been argued above, a common concern to criticise traditional and post-traditional Marxist understandings of the concept of capitalism. Both reject the totalizing assumptions of Marxism. That is to say, the concept of capitalism and the capitalist mode of production is taken as a too all encompassing term which cannot account for specificities and differences. In short, it is not a precise enough term to have any use at an analytic and political level. It is, they both argue, a deep structure theory which gathers all institutions, practices and relations around a single centre or organizing principle. Both also agree that the reductionist and essentialist assumption that the working class has an
objective interest in overthrowing capitalism is false. In short, they both reject the classical theory of political representation. They also are sceptical of the political forms that Marxism offers as alternatives to capitalism and attempt to develop a politics of 'radical democracy'.

This is not, of course, to deny the disagreements between them. The first thing to realize when reading them is the distinct traditions of theorizing they draw upon. In Unger it is a florid, ornate and baroque prose. While Hirst's prose is increasingly bare, functional and terse. Their distinct language based practices spills over into the type of social theory and political philosophy they are constructing. In Unger's case it is a passionate, romantic and overweening desire to crack the 'practico-inert' (Sartre) shell of the present OECD order. To disentrench the social order and to increase, in his peculiar use of Keats' phrase, 'negative capability'. All part of Unger's intense and visionary modernist politics (see Anderson, 1992, Belliotti, 1989, Hawthorn, 1987).

On the other hand, Hirst's language is a reflection of his increasing disillusion with any residue of romanticism and modernist renewal. It is not exactly that he has accommodated himself to the dominant order of capital as some critics suggest (Elliot, 1986; Benton, 1984), but rather his view of the possibilities of transformation has moved towards a form of associational democracy that was propagated by Cole and Laski, and has been taken up under modern conditions by scholars like Robert Dahl (1982) and more recently Streeck (1993). And it is probably the case that Hirst would reject the Ungerian proposals put forward in his False Necessity as adequate or realistic solutions for providing a political and institutional support for FS. Unger is a Brazilian who was opposed to the Dictatorship and is now attempting to find a radical politics which can be usefully applied in Brazil in its fragile formally democratic phase in a situation which is in danger of being polarized between conservative reaction, populism and extremist revolutionary currents. On the other hand, Hirst is writing in a completely different political environment where Conservatism rules, within the context of a liberal representative democratic representative system.
Roberto Unger's political theory has been the subject of a great deal of debate in the United States, but rather less in Britain despite the fact that his three volume book *Politics, a Work in Constructive Social Theory* was published in paperback by Cambridge University Press in 1987. His work polarises opinion although many respected political philosophers and sociologists have commented on his work critically but sympathetically such as Perry Anderson, John Dunn, Geoffrey Hawthorn and Richard Rorty. It is not necessary to go into a thorough review of Unger's political theory but only how far it relates to his institutional theory of the politics of FS. As I have argued, Unger shares with Sabel an opposition to forms of determinism:

"The most serious dangers that deep structure analysis poses to the endeavour of the modernist visionary are precisely the dangers that arise from its truncation of our insight into structural diversity: the closure imposed on the sense of historical possibility, the reliance on an explanatory script and the inability to grasp how and why the relation between the formative and formed, between social structure and human agency, may change. Deep structure social theory disorients political strategy and impoverishes programmatic thought by making both of them subsidiary to a ready-made list or sequence of social orders."

(1987, p 93).

As I have shown, then, this is a valid move if we ignore some of the caricatural comments he makes about Marxism as inevitably deterministic and evolutionist. However, Unger's understanding of Marxism is shared by others such as Hirst but also heterodox figures who have also gone through Marxism in various ways such as Lefort, Castoriadis and Lyotard. Castoriadis does not go as far as to reject the concept of capitalism because it is too abstract, but he casts in doubt the dominant forms of Marxist critique on the same grounds as Unger - its objectives and determinism.

There are other similarities that Unger shares with Castoriadis which might be mentioned as relevant in this context. Both share the belief that social theory should not be a negative
critique of a bad reality, but should also see as its task the need to sketch out possibilities for the future in the form of alternative institutional arrangements, or formative contexts and imaginary significations. That is to say, they both see the imperative to go beyond Marx's reluctance to depict what the future emancipated might look like. As is well known, Marx was scornful of all those utopian schemes and philosophies of the nineteenth century such as Fourier's, Cabet's or Proudhon's. He thought it was enough to outline the supposed real movement of history as it was unfolding in the development of the modern labour movement. On the one hand, this was laudable in the sense that he refused to be the legislator who anticipated the future in advance of its invention and creation by the protagonists of history themselves. This tradition of refusing to provide blueprints for the future organization of society was handed on to later inheritors of the Marxist tradition and, in the most accentuated form, by the Frankfurt School.

When Marxists have sketched out the future it has often been to tragic effect. For example, Lenin's *The State and Revolution* must count as such a case as argued by A.J. Polan who writes in his *Lenin and the End of Politics*:

"... it has proven difficult to explain precisely why Lenin chose the moment of temporary lull in the storms of 1917 to write the book in his enforced Finland exile. And it is even more difficult to discover why he chose to propound the argument it contained. What possible connection these thoughts bore with what subsequently occurred under his leadership is the most obscure question of all."

(1986, p.10).

Other Marxists, such as Trotsky, also stand indicted; his puerile and sub-Nietzschean ideas that under communism everybody would attain the giddy heights of genius is not a very edifying speculation and further evidence of the vacuity of his political theory.

However, the past century's experience of revolutionary experiments and actually existing socialism has called into question the idea that the appeal to the *praxis* of the working class and their self-organization will be enough. Any real politics has a duty to explain how it
envisages the future organization of society, its institutional structure, systems of jurisprudence, economic, political and social organization and so forth. It is to Castoriadis’ and Unger’s credit then that they have taken these issues seriously, although this is not to say that there are not many problems with how they conceptualize and envisage their autonomous society or empowered democracy.

Castoriadis early on realised that in the context of the failure of the Russian Revolution and the discrediting of socialism by Stalinism it was necessary to be more specific about how socialism might be organized. For Castoriadis it is not a case of drawing up blue-prints or cook-books of the future - in this he agrees with Marx - but it is necessary to have some idea of where you are going and not just how you are going to get there, so in various writings of which the most important are his two articles which appeared in Socialisme ou Barbarie, “On the Content of Socialism”, he attempted to give more flesh than is usual in the Marxist tradition to the future society. In this 1957 article Castoriadis writes:

“The experience of bureaucratic capitalism allows us to clearly perceive what socialism is not and cannot be. A close look both at past proletarian uprisings and at everyday life and struggles of the proletariat enables us to say what socialism could and should be. Basing ourselves on a century of experience we can and must now define the positive content of socialism in a much fuller and more accurate way than was possible for previous revolutionaries. In today’s vast ideological morass, people who call themselves socialists may be heard to say that they ‘are no longer quite sure what the word means.’ We hope to show that the very opposite is the case. Today, for the first time, one can begin to spell out in concrete and specific terms what socialism really could be like.”

(1988, p 91).

Castoriadis then goes on to spell out in some detail his particular version of the positive content of a libertarian socialism. Although Castoriadis was later to voice some reservations about his proposals the point is that he saw it as his duty to unite a critique of capitalist society with a positive outline of the content that would replace it.
Unger too believes that central to social theory that sets itself the task to help the emancipation of humanity must have an alternative institutional framework. In chapter 5 of False Necessity, "The Program of Empowered Democracy: The Remaking of Institutional Arrangements", Unger expounds his point of view on these matters which is worth quoting at length:

"This chapter sets out a program for reconstructing the large-scale institutional structure of society: the constitution of government, the organization of the economy, and the system of legal rights. The institutional program is extended by a program for remaking the fine texture of social life: the style of direct, person-to-person relations. The immediate subject of the programmatic argument is the institutional structure of contemporary societies and in particular the formative institutional context of the Western industrial democracies ... The program is not meant as a timeless blueprint, to be applied with appropriate variations to any historical circumstances. It responds to a particular situation with particular measures and beliefs, drawn in large part from a particular institutional and imaginative tradition ... How does the programmatic vision connect with the account of context change developed in the preceding parts of the book? After all, the dominant tradition of modern philosophy since Hume and Kant has emphasized the differences between the is and the ought. Modern social thought affirmed its identity in part by the resoluteness with which it tried to overcome the loose confusion of normative and explanatory ideas."


Unger argues that the classical division between the is and the ought has no place in social theory. Although he is not the first to recognize this. The direction in the last twenty-five years in political philosophy (but not sociology) has been to draw the is and the ought closer together. This general criticism of positivism or behavioural social science can be seen in many better known philosophical projects in social thought such as John Rawls and Jurgen Habermas (and, of course, Castoriadis). As Geoffrey Hawthorn writes in his critique of Unger "Practical Reason and Social Democracy: Reflections on Unger's Passion and Politics":

"Both start with a conception of what people are, and of the most general circumstances in which they find themselves, and argue to a view of what
societies that included such persons could be. Both assume that people are committed to live together and to arrive at an agreed form of, or framework for, collective life through a 'reflective equilibrium' (Rawls' phrase) or through 'self-reflection' (Habermas). Both further assume - Rawls more clearly than Habermas - that having agreed to a form of collective life, people will agree to explicit principles to maintain it and will decide these principles in an equally explicit procedure. This can be done, they both believe, with the greatest practicable degree of social transparency, as Rawls calls it, with the greatest 'publicity' ... But neither Habermas nor Rawls makes clear how a mere understanding of a common interest - either in justice or in what Habermas calls Mundigkeit - might hold a society together. Nor is it clear in either thinker for whom such a society is an option. Unlike Habermas, Rawls does see that there are innumerably many and particular loves and attachments and thick conceptions of the good. But having consigned them to the private realm, as liberal moral philosophers tend usually to do, he, like Habermas, leads us out all too easily to the politically opaque and uninteresting constituency of all the rational agents there are."


Unger and communitarianism

In short, Habermas and Rawls' theories go part of the way to reuniting the Kantian dissociation of description and prescription, but unfortunately their conception of society and individual is remarkably thin. They offer procedural theories rather than, to use Geertz's term, 'thick' substantive theories of human actors and societies. Unger in contrast, according to Hawthorn, criticizes them for dispensing with a "view of the self or of society as a basis for normative vision". Unger in contrast attempts a richer and more socially embedded vision of human beings and their doings, a vision which has some connection, at a distance, with the communitarian critics of Rawls and Habermas. The communitarians are a diverse group of writers who share at least one thing in common, that is, an opposition to the abstract individualism of classical liberalism. Writers such as Alasdair MacIntyre in his After Virtue: A Study in Moral Theory (1991), Michael Sandel in his Liberalism and the Limits of Justice (1982), Michael Walzer in Spheres of Justice: A Defense of Pluralism and Equity (1983), Charles Taylor in his Sources of the Self (1989) and Philip Selznick in The Moral Commonwealth Social Theory and the Promise of Community, (1992) are some of the leading
societies that included such persons could be. Both assume that people are committed to live together and to arrive at an agreed form of, or framework for, collective life through a 'reflective equilibrium' (Rawls' phrase) or through 'self-reflection' (Habermas). Both further assume — Rawls more clearly than Habermas — that having agreed to a form of collective life, people will agree to explicit principles to maintain it and will decide these principles in an equally explicit procedure. This can be done, they both believe, with the greatest practicable degree of social transparency, as Rawls calls it, with the greatest 'publicity' ... But neither Habermas nor Rawls makes clear how a mere understanding of a common interest — either in justice or in what Habermas calls Mundigkeit — might hold a society together. Nor is it clear in either thinker for whom such a society is an option. Unlike Habermas, Rawls does see that there are innumerable many and particular loves and attachments and thick conceptions of the good. But having consigned them to the private realm, as liberal moral philosophers tend usually to do, he, like Habermas, leads us out all too easily to the politically opaque and uninteresting constituency of all the rational agents there are."

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influences on the communitarian position. With Unger the communitarians would say that the classical liberalism of Rawls is too individualistic and atomistic and presume an actor outside of the society's communal traditions. However, communitarianism is politically janus-faced in that it could be used to legitimate a politics of conservatism or to legitimize a socialist or radical democratic politics.\(^{[8]}\)

It all depends on what kind of community is being theorised. For example, Robert Reich has argued that in the 1980s a certain kind of community of neo-liberalism was established in the USA. A "community" based on the concern for money and social status: "There is one thing Americans do have in common with our neighbours. It is our income ... [A] passionate interest in maintaining or upgrading property values ... is responsible for much of what has brought neighbours together in recent years" (p.22) This is the community of what Galbraith calls the culture of contentment\(^{[9]}\) and which is today so dominant, if not hegemonic. On the other hand, most of the communitarians would place themselves on the left (although some might not accept this bi-polar coding of politics). For example, Sandel (1982) has said that communities should have a say in plant-closings, capital mobility and sudden industrial change. Indeed, this kind of message would find resonance with the argument of Piore and Sabel and a strong case can be made for the suggestion that the politics implicit in The Second Industrial Divide are a communitarian politics. Others on the left who have a sympathetic albeit critical relation with communitarianism include the American journal Telos and the post-structuralist theorist, Chantal Mouffe. Mouffe, for example, has written on communitarianism and argues that communitarianism has a radical potential so long as it is read 'symptomatically' through the grid of a post-structuralist, radical pluralistic, democratic theory. Her position steers a course between the classical liberals and the republican communitarian position. First, she argues that the argument is a rehearsal of the debate between what Benjamin Constant called the liberties of the Ancients and the liberties of the Moderns. That is, between what Berlin famously called positive liberty or rights and negative liberty or rights. The communitarians have a preference for the former (although they would not reject the latter either). However, they do argue that there are no natural rights outside a particular tradition or community of people which can lead to accusations of
relativism. More to the point it should also be recognized that all communities define themselves in acts of exclusion (see below).

As Mouffe argues:

"[the communitarians argue] ... that such an absolute priority of the right cannot exist and that it is only through our participation in a community which defines the good in a certain way that we can acquire a sense of the right and a conception of justice ... Where the communitarians lost their way is when some of them, such as Sandel, conclude that there can never be a priority of the right over the good, and that we should therefore reject liberal pluralism and return to a type of community organized around shared moral values and a substantive idea of the common good. We can fully agree with Rawls about the priority of justice as the principal virtue of social and political institutions and in defending pluralism and rights, while admitting that those principles are specific to a certain type of political association."


Further, Mouffe argues that the communitarian position that classical liberalism has divorced the sphere of morality from that of politics is valid, but needs reformulating:

"We do need to re-establish the lost connection between ethics and politics, but this cannot be done by sacrificing the gains of the democratic revolution. We should not accept a false dichotomy between individual liberty and rights on one side and civic activity and political community on the other."


Mouffe argues for a radical pluralistic democracy which unites these two positions by transcoding them into the language of democratic articulation. However, the problem with the work of Mouffe (and Laclau) is that their enterprise is highly formalistic. There is not much in the way of content, beyond attractive sounding declarations. Perhaps as their work develops this criticism will become less accurate? However, a more devastating criticism can be addressed to the communitarians and Mouffe. This is the standard critique that once you have jettisoned universalistic values or groundings is not the result relativism?
Indeed, Axel Honneth (1991) argues that as the debate has evolved and Rawls has modified his position to a more contextualist position both he and the communitarians "currently find themselves in very much the same dilemma. They no longer have any supra-contextual criterion with which to distinguish with justifications between morally acceptable and morally objectionable concepts of the collective good. The reason for this is that they wish, in their employment of contextualistic arguments, to abstain from providing a universalistic foundation for the principles of morality anchored in the constitutional principles of western democracy. Yet, both sides are at the same time all the more dependent on such a criterion because in the meantime they widely agree that without any link to value convictions there is an inability to clarify the conditions under which individual freedom is realized." (1991, p 31)

Nevertheless it is important to summarise the main principle of communitarianism which have influenced the FS thesis which can be summarised, by referring to Selznick's (1992) argument that communitarianism comprises a complex set of seven basic values. These are (1) historicity which refers to the strands of history, culture and tradition which inform social forms; (2) identity which refers to the sense of loyalty, community and distinctive identity which particular historical forms impart to social groups; (3) mutuality which refers to the experience of solidarity, reciprocity and interdependence in particular communities; (4) plurality which refers to the necessity of 'intermediate groups' which provide the possibility of meaningful participation in society; (5) autonomy which refers to the necessity for individuals to be protected from coercion in communities; (6) participation which refers to the necessity of communities to encourage participation and involvement in them and, finally; (7) integration which refers to norms, beliefs, values and practices which hold everything together.

Unger's position is close to the communitarian critique in some ways, but in others it is distinct and unique, (Kymilicka, 1994; Holmes, 1993) or rather sui generis. On the one hand Unger argues for a social constructed and embedded theory of society and politics, but also makes some rapprochement with the Rawls/Habermas position insofar as he attempts to
formulate a more universalistic schema than communitarianism allows. This revolves around his ontology of negative capability[^10] which suggests that human beings are creative, passionate, inventive, desiring and imaginative being striving, to borrow a well-used term, to achieve recognition from others. In Anderson’s concise definition, negative capability can be defined thus:

"The meaning that he attaches to this term is virtually the opposite of that intended by Keats. What it denotes is active will and restless imagination pitted against all circumstance or convention, a constitutive human capacity to transcend every given context by negating it in thought and deed. As such, Unger argues, its exercise has gradually expanded since the dawn of civilization, giving history what cumulative (though not irreversible) direction it appears to have. Today the goal of politics must be to increase the space of that negative capability, by creating institutional contexts permanently open to their own revision - so diminishing the gap between structures and routines." (1992, p.113).

Unfortunately, this move opens up Unger to a number of criticisms. From the communitarian position its universalism is suspect. And as John Dunn puts it:

"Many of Unger’s critics will probably concentrate their fire upon the character of this telos - Unger’s idiosyncratic reading of the form of the human good. Even those who see a human society as fundamentally a relation between the imaginations of its members will probably find the ferocity of Unger’s insistence on individual imaginative autonomy too extreme to be sane. Still others are likely to see his human society of endless participatory deliberation and choice as more of a forum for endlessly futile bickering and the squandering of time and energy than they are to see it as a promise of linking individuals to their social milieu in a vital flow of interest and enjoyment." (1987, p.19).

This view of human beings as endlessly active evokes a picture of a high and febrile romanticism. Unger’s appeal to endless imagination and inventiveness, of course, is shared by many on the left and goes back, it could be argued, to Marx’s Promethean and Faustian musings. Of the moderns, Castoriadis shares some of the same assumptions with Unger as argued by Rorty.
This metaphysics of creativity as the expression of a normative imperative can be found in Marx himself, with a difference. For Marx it is capitalism which is creative and dynamic, putting into shame all the achievements of past civilisations. Agnes Heller has reinforced this point in her essay "On Being Satisfied in a Dissatisfied Society". Following her general discussion of contingency, Heller argues that:

"The term dissatisfied society has been coined in order to illuminate one conspicuous feature of western modernity. Dissatisfied society is not an essentialist term. That is to say, it is not meant to designate the essence of modernity. Modernity can be described in accordance with many categories, each of which elicit one particular feature or other of the world epoch which differs from all those who have preceded it. The notion of a 'dissatisfied society' seeks to grasp the specificity of our world epoch from the perspective of needs, or, more particularly, from that of need-creation, need-perception, need-distribution and need-satisfaction...it suggests that a strong dissatisfaction operates as a strong motivational force in the reproduction of modern societies."

(1989, p.14)

Drawing on a wide range of philosophers and social thinkers - Hegel, Kierkegaard, Marx, Sartre, Fromm, Unger - Heller makes a strong case for her understanding of modernity as driven by dissatisfaction. Indeed, it is a theme which runs through modern anthropology and sociology in general.

Unger shares the classical assumptions of what Stephen Crook (1992) has termed 'modernist radicalism' and that his ontology and metaphysics of activity or 'negative capability' is not so original. What is more original is Unger's attempt to adapt the classical method of political philosophy, whereby the philosopher logically derives normative conclusions from a particular concept of human nature, to his view that you can draw normative conclusions from a unfixed or plastic view of human nature. For if human nature is so plastic and contingent then surely, so the critic would suggest, human beings can create any number of forms of society. However, Unger would reply that a contingent and unfixed human nature cannot logically be corralled into a necessary structure which places restrictions on human
freedom. It demands therefore a disentrenching of social life and a discovery that there are, to use Touraine's term, no meta-social foundations of social life. As Unger explains his project:

"The argument moves through three steps. First, it considers the narrowest link between the programmatic and the explanatory ideas. The institutional program includes a feasible version of petty commodity production, the most stubborn rival of the style of economic organization that became dominant in the course of modern Western history. The second step goes on to consider the relation between the larger theory of transformation that informs my polemical genealogy of dominant and deviant styles of industrial society and the conception of the ideal that inspires this entire institutional program. Both the program and the explanatory theory take as their point of departure the same fundamental account of our relation to the contexts of our activity. In particular, they discover both a practical and an epistemological interest in the paradox of contextuality: our need to settle down to a particular context and our inability to accept any context in particular as fully satisfactory. The programmatic argument sees the change of our relation to the contexts of our activity as the basis for a broad range of forms of empowerment. The third step in the effort to establish a link between the explanatory and the programmatic argument is the sense in which a vision of human empowerment can possess prescriptive authority. Views that define both the meaning of empowerment or self-assertion and the causal conditions for its promotion should be seen as the most common form of historically located practice of normative argument. Such a fundamental practice cannot be in any simple sense true or false, right or wrong, though we may have reasons to change it or even to abandon it. Our ways of assessing the normative weight of conceptions or self-assertion ultimately reflect views about our relation to our fundamental practice."


**Unger and the mythical history of modernity**

Unger's first step, then, is to argue that there are many deviant forms of industrial organization that do not fit the classical English pattern of industrial development and organization. In other words, that the standard economic history of industrial trajectories and its sociological cognate the industrial society theorem are misleading. At this point
Unger's argument is dependent on the ideas of Sabel and Zeitlin in their "Historical Alternatives to Mass Production" (1983) article, but it also depends on Unger's prior argument about the historical evolution of work organization in the OECD democracies.

Although Unger describes what he calls a continuum of work organization it has the bleak ring of a Braverman:

"At one pole of this spectrum lies a rigid form of rationalized labour. A clear distinction is made between the work of defining the more or less abstract projects that are to be carried out by the group and the actual work of execution. The definition of the tasks include decisions about the structure of jobs, hierarchies, and perhaps even material rewards within the organization as well as decisions about how to reassess both the layout of work and the understanding of the collective tasks in the light of the group's concrete experiences. ... This rigid classification of operational acts, tied in with an independently defined plan, is the core meaning of routinization of work." (1987, pp.154-5).

However close it is to Braverman's description Unger does qualify his statement, as he must to be consistent with his methodological prescription of non-necessity, by arguing that this rigid style of work organization can be realized in any number of alternative institutional arrangements and he further emphasizes that the general schema should not be mistaken for any of its concrete instances. Nevertheless, this is not convincing as it depends on the ideal-type of the rigid style of work organization which we can read as a combination of the Chandlerian multi-divisional corporation (the visible hand), Taylorist patterns of labour process organization and, Fordist mass-production.

Counterpoised to this, for Unger, is the ideal-type of flexible organization:

"Take now the flexible form of labour. It relativizes the differences formulating tasks and executing them. The project becomes simply the provisional and sketchy anticipation of a collective effort. Each operational act represents the project on the march: an adaptation of the plan to circumstances that is also both a step towards greater detail in the understanding of what the
project is and a proposal for its redefinition. Because the moments of formulation and execution tends towards merger and simultaneity rather than separation and sequence, the boundaries among operations are themselves more elastic. Each operative step gains meaning and guidance from its direct relation to other steps as well as from its link with the provisional and progressively enriched plan. The foremost difficulty or organization becomes the need to maintain direction and unity without abandoning the impetus towards flexibility."


Thus Unger lays out for the reader the same ideal-type dichotomy of mass production and FS that Piore and Sabel (Zeitlin) put forward in their writings. And like them, he rejects the post-Fordist formulation that these stand to each other as in a necessitarian evolutionary sequence:

"I argue that this view of industrial development drastically underestimates the degree of deviation from the mainstream that occurred even in the prize exhibits of the mythical history as the economic and social transformation of England. In fact the deviant forms reveal more of what was distinctive to the West and what made it incomparably revolutionary than do the dominant ones. I also claim that the traditional view gives a mistaken sense of the degree of prevalence that the more rigid type of work organization in fact achieved. According to the mythical history the deviations appeared for special reasons - the idiosyncrasies of the regions where they arose - but failed for general ones - the inherent imperatives of industrial development."


To recapitulate then, for Unger, as for Piore and Sabel, the conditions which lead to specific and particular socio-economic forms of organization are essentially political:

"One approach is to study the dependence of the dominant industrial style upon a variety of extra economic institutional arrangements that were themselves subject to constant struggle. The study of this dependence could then be complemented by an attempt to imagine the institutional conditions under which the alternative industrialism could have flourished more widely. This is the theme pursued throughout this interpretative history of contemporary formative contexts as well as in later parts of False Necessity."

(ibid, p.187).
To further prove his thesis Unger argues that any constraints which might exist at the natural or the economic level significantly under-determine the 'styles of work organization' and that, moreover, technological constraints that exist are as much a product or a result of the cause of social settlements as a cause. And that therefore we cannot "comprehend either in advance or in retrospect the range of feasible organizational responses to technological or resource constraints" (p.195). In this context it is necessary to point out that Unger's methodological precepts regarding the heterogeneity and diversity of possible forms of economic organization undermine Best's criticism, directed at Piore and Sabel, that:

"... instead of extending their critique of a single organizational imperative to allow for a variety of possible organizational forms they [Piore and Sabel] stop short by distinguishing between only two possible types of production systems: mass production or flexible specialization ... [they] risk replacing one immanent logic with another and losing the contingent dimension to economics and economic policy-making institutions." (1990, p.9).

In other words, although Unger, Piore and Sabel operate with an ideal-type dichotomy between mass production and flexible specialization they do envisage a continuum between these two forms. The continuum is the product of the political/institutional forms which modify, extend and transform bare economic ideal-types into substantive politico-socio-economic realities.

**Unger and petty-commodity production**

Nonetheless, Unger does tend to retreat, despite these disclaimers, into the rhetoric of what he calls petty commodity production as a normative ideal at least. The petty commodity form of production for Unger means the following: an economy of small-scale, relatively equal producers, operating through a variable mix of cooperative organizations and independent activity. Unger does recognize though, contra Best, that the petty commodity
form of production coexists with other forms such as the multi-divisional enterprise and mass production form. That is to say, they can exist in the same synchronic space rather than in an evolutionary diachronic process of succession. In other words, it avoids the kind of chrono-political argument that Johannes Fabian in his book, *Time and the Other: How Anthropology Makes its Object* (1983), has warned against in the context of anthropological studies, that is, the denial of coevality to any form of life (petty commodity production) different from its own (mass production). Just as the primitive tribe or band in the periphery of the modern world-system is presented as existing in a different, past time from the core or centre, so the petty commodity form of production is often theorised, especially by the industrial society theorists, as residual and existing in the past, ready to be displaced by modernity and its advanced technologies. Bauman's comments on Fabian are very relevant in this context:

"The allochronic distancing device (Fabian's felicitous term) seems to be a variant of a more general expedient: construing the Other (defining the Other) in a way that apriori decides its inferior and indeed, transient and (until disappearance) illegitimate status. In the age of the forward march of reason-guided progress, describing the Other as outdated, backward, obsolete, primitive, and altogether 'pre-', was equivalent to such a decision."


This argument can be carried over into Bauman's own work on modernity and postmodernity. In *Modernity and Ambivalence* (1993) Bauman argues that what characterizes modernity in the post-Enlightenment period is its increasing inability to tolerate ambivalence, difference and ambiguity. The cultivating and gardening mentality of modernity (and this means, first and foremost the legislating 'intellectuals and ruling-elites) demand order and clear boundary-maintenance, which is reflected and reproduced in its rationalizing, normalizing and instrumentalizing tendencies. All Otherness has to be obliterated and, to use Lyotard's term, the incommensurate cannot be tolerated. In these terms, Unger, although a 'visionary' and 'radical modernist' in some ways, is at the same time, through his championing of the petty commodity form of production, a contestor of this dominant modernist form of understanding. It would go too far to call him a postmodernist, whatever this term might
mean, but he is certainly ambiguously situated within the modernist camp as defined by Bauman at least.

Nevertheless, Unger's use of the term the petty commodity form of production can be criticized. For as Anderson has written:

"What Marx spoke of einfach Waren-produktion - 'simple' commodity production - he defined it not by the scale of its output but by the nature of its key input: it was that form in which the producer marketed goods without resort to wage-labour (or servile dependents). For Unger, on the other hand, petty commodity production includes every kind of market enterprise short of the centralized factory and multi-divisional firm - from the manufacture of cutlery in Solingen to computers in Silicon Valley. The connexion of this gamut of economic forms with even the widest notion of petty bourgeoisie is tenuous indeed."

(1987, p.139).

Moreover, Unger has no real concept of the structural forces which will be the carriers or the addresses of his political programme and vision. As Anderson writes there is no

"overall class map of these social formations ... The petty bourgeoisie itself, the hero of Unger's parable, is in this respect virtually plucked out of thin air. For there is no surrounding class relationships into which it is inserted, in structural antagonism or dependence, affinity or ambivalence. Nobility or bourgeoisie, middle classes or working classes, are little more than smudges on the horizon."

(1987, p.139).

Anderson further notes that Unger fails to mention the fact that in the twentieth century, the petty-bourgeoisie have often been mobilised behind right-wing populist and fascist political movements.

Although Anderson's critique has some force, it should be added that in other places, Unger is more concrete in his political analysis and the role of class and class structure is given more emphasis. Unger's understanding of the petty bourgeoisie should perhaps be viewed in
the context of the political situation in his native Brazil. For example, in a series of newspaper articles in the largest Brazilian newspaper, *A Folha de Sao Paola*, Unger fully considers the role of class, class structure and class alliances in the transition from dictatorship to democracy and beyond. What is significant in Unger's account is that contrary to Anderson's rather orthodox Marxist transcoding of Unger's argument, where if the working class is not always referred to as the potentially hegemonic class located at the centre of the mode of production, then it doesn't measure up to a coherent argument. Unger develops in his articles on Brazil a fine grained class analysis which leads logically to his argument for a labour-intensive, small-scale production system. An argument which has some similarity with Sabel's reflections on FS in the 'Third World'.

In William Simon's article "Social Theory and Political Practice: Unger's Brazilian Journalism" (1987) succinctly summarized Unger's argument:

"Some aspects of the Brazilian social structure seem enigmatic, especially from the perspective of the wealthy Western countries. In order to come to terms with them, one must abandon the premise that in every historical situation, classes have well-defined boundaries and that they speak with a single voice."

(in symposium on Ungar, p.303).

Unger rejects the idea that has already been criticized, that classes are homogeneous collective actors acting on the stage of history like protagonists in a drama with a recognizable class identity (Poulantzas, 1980; Laclau, 1985; Hirst, 1979). As always the fallacy of misplaced concreteness or reification must be avoided and Unger is successful at this without abandoning completely the problematic of representation. Unger notes that the class map of Brazil is characterized by: (1) a weak middle-class of professionals and functionaries; (2) relative absence of hostility between the organized working class and the unorganized, under-employed, and disadvantaged urban masses; (3) another conflict which is significantly absent, according to Unger, is between the middle and lower classes in the countryside and those in urban areas.
Unger argues that the tasks of the Brazilian democratic movement is to show, in Simon's words, to [the middle classes] that its interests are not in conflict with such a movement. In programmatic terms, this means the protection of small property, both rural and urban [my emphasis]..." (p.304). For the working class and the disadvantaged the policies which would foster solidarity among

"the various elements of the working classes [in the short run would be] ... a full employment policy would moderate tensions arising from competition for scarce jobs. In the long run, the reorientation of industry toward popular consumption and more labour intensive technology would avoid the danger of an implicit alliance between industrial workers and rich consumers [my emphasis], an alliance likely to strengthen divisions within the working class."
(ibid, p.306).

The other potential conflict between the urban and rural masses could be avoided by implementing a development strategy which would

"strengthen small and medium-scale family operations through technical assistance, credit, and marketing facilities [my emphasis] than it would be for the strategies of consolidating agricultural production in large-scale capital-intensive enterprises."
(ibid, p.307).

This is not the place to assess the accuracy and adequacy of Unger's account of the role of class and class alliances in Brazil, but it is to indicate that Anderson's reading is not fair to the complexity and detail of Unger's full argument, and that there is a close symbiosis between Unger's socio-economic policy proposals and his view of social classes, their interests, their representation and their identity.

Furthermore, where Unger does propose some sort of leading role for the petty bourgeoisie it is not understood, as Anderson reads it, some sort of indeterminate stratum based on small-property per se, but rather on the white-collar stratum which, Anderson says, Unger ignores.
"... Unger virtually ignores white-collar employees - the archetypal petty bourgeois of the big cities from the late nineteenth century onwards, epitomized in the calicots public of T.J. Clark's unforgettable portrait of Parisian popular culture of the period."  
(1992, p.139).

This is a rather incredible interpretation for as Richard Rorty has pointed out:

"Unger does not assume that the agents of transformation in the Third World will be workers and peasants. He thinks they will be petty bourgeois functionaries: 'In countries with a strong statist tradition the lower rungs of the governmental bureaucracy constitutes the most likely agents for the development of such floating resources. For example, in many Latin American nations whole sectors of the economy (e.g. agriculture) are closely supervised and coordinated by business bureaucrats: public-credit officers and agronomists ... But the bureaucracies are typically mined by a multitude of more or less well-intentioned, confused, unheroic crypto-leftists - middle class, university-trained youth, filled with the vague, leftist ideas afloat in the world. The ambiguities of established rules and policies and the failures of bureaucratic control can supply these people with excuses to deny a fragment of governmental protection to its usual beneficiaries and make it available to other people, in a new proportion or in new ways ... The result is to create a floating resource - one the transformers can appropriate or fight about.' ..."  

Of course whether this is an adequate theory of strategy and agency is open to question and how it fits into Unger's Brazilian articles is not clear. For instance, it could be argued that it is to vanguardist, replicating some of the worst faults of both social democratic elitism and Jacobin/Leninist elitism. But then again, the anarchist dread of the people representing themselves, unmediated by any sort of leadership or guidance is perhaps too optimistic and politically unlikely.
Radical democracy and flexible specialization

From the ontology of the actor as a passionate, acting, shaping, imagining and desiring being, through to the mediation of class and class conflict, Unger arrives at his concrete proposals for political, social and economic organization. It is at this point that we can see more clearly the connections that Unger draws between his ontology and his programmatic orientation, between his view of 'contingency' and his version of 'radical democracy' mediated by the economic form of 'flexible specialization'.

Unger writes of two 'possible worlds' within the alternative, which suggests as he says a range of possible forms within a continuum:

"The changing international division of labour threatens the stability of mass-production industries in the richer countries and underlines the importance of a greater emphasis on the vanguardist industries, with their characteristically more flexible interplay of task-defining and task-executing activities. The change of emphasis can be accomplished by either more conservative or more subversive means. Its more restrained form would resort merely to economic incentives and manpower training. Its more radical variant would begin by depriving mass-production industries of the legal-institutional devices by which they protect themselves against potentially fatal instabilities in the product, capital and labour markets. This more transformative sequel would culminate in a capital-allocation system more supportive of the teams of technical workers and manager-technicians that typically do the main work of vanguardist industry. The reconstructed mode of petty commodity production represents just such a system."


The first alternative, the conservative one, would suggest the post-Fordist or regulationist scenario of 'flexible accumulation'. That is a regime based, say, on human resource management, the giant corporation, just-in-time inventory systems, multi-skilled core workers, and so forth. The second, more radical alternative would involve a whole new political settlement and 'regulatory regime'. Unger is quite clear that his programme for a
flexibly specialized 'radical democracy' is nowhere in place in the radical form which he envisages. It is a prescription for the future, rather than a description.

This is something which there is endless confusion about and the worst offender is the academic Marxist critique which more often than not when it is writing about the transition from Fordism to post-Fordism argues in a manner which is, paradoxically, mechanical and automatic. Things are happening so the argument goes, but we do not know yet where things are going. Capital is an omnipotent Leviathan which evolves in a certain direction, propelled by mechanical forces. Rarely do these academic radicals suggest ways in which the productive system could be reorganized into other 'possible worlds'. They then make the automatic supposition that what Piore, Sabel et al are describing is some reality, rather than an emergent possibility. (A good example of this form of argument is Harvey's The Condition of Postmodernity (1988). In this literature there is always a totally capital-centric form of theorizing which says little about alternative plans/policies for organizing production.

This can be demonstrated in more detail by examining Unger's political theory of 'flexible specialization' as a political theory of alternative social (and personal) and economic organization. Unger situates himself within the coordinates or the matrix of the classical tradition of political philosophising, triangulated by liberalism, socialism and communism:

"Nothing in the program worked out here represents a sharp break with the shared ground of the modern secular ideologies of emancipation ... All these doctrines emphasize the link between individual or collective empowerment and the dissolution of social division and hierarchy. All hold that such dissolution depends upon the remaking of practical institutions. They differ, of course, in their understanding of institutional reconstruction (a voluntary act? a reflection of underlying forces?), in their specific institutional proposals and their resulting evaluation of present society, and therefore also in their way of characterising the content of empowerment."

It differs in its enlargement of the sense of social possibility and the possibility in turn of 'context revising' practices which make possible an escape from passive imprisonment with a particular framework of 'context-preserving' practices. Unger's argument recapitulates the one already made above about post-Fordist Marxism, that is his theory's intimate and fundamental connection between "explanatory and programmatic arguments", differs from deep-structure social theory in that here we are presented with a type of theory which makes "programmatic thought superfluous. There is no point in asking ourselves what society should become if history will tell us in the end what it becomes" (p.349).

In these circumstances Anderson's ability to provide compressed summaries of complex ideas is welcome:

"The programmatic proposals which ensue ... Unger criticizes what he sees as the modal type of Western liberal state for effectively paralysing significant change from above, and precluding it from below, by constitutional checks and balances originally and deliberately designed for the restrictive purposes of eighteenth-century notables. But he does not endorse any call for more direct democracy which he regards as little more than an imaginary inversion of the prevailing model. Instead he argues for 'dualist' constitutions conferring rival power and initiative on two centres of authority, president and parliament, favouring creative conflict between them, with rapid resolution of deadlocks by popular consultation. The principle of this conception is an 'overlapping' rather than separating of powers - extended to the creation of a special instance for ensuring the democratization of information inside and outside the state itself. So constructed, Unger's republic is designed to mobilize the democratic energies of its citizens rather than to neuter them. Yet its charter can be realized only if the economy is transformed. For 'such a democracy cannot flourish if the everyday world of work and exchange is organized in ways that not only differ from the principles of democratic government but limit their scope, undermine their influence, and disrupt their workings.' The target of Unger's critique here is the assimilation of markets as decentralized arenas of exchange, with property rights as absolute claims to divisible portions of social capital. The former are indispensable, for freedom and for efficiency; the latter are unacceptable mechanisms of inequality and privilege ... Unger's remedy is to transfer control over major productive assets to a 'rotating capital fund' which would desegregate property rights down through a tier of capital-givers and capital-takers - an ultimate social fund controlled by the government, leasing capital to autonomous investment funds operating in given sectors, who
then auction or ration resources to competitive teams of producers, for stipulated periods. Breaking up consolidated property rights in this way would then encourage more flexible forms of work organization, characteristic of small or medium vanguard enterprises today [my emphasis]. The working of the market, in which capital-takers acts as 'unrestricted gamblers', would be buffered by welfare rights guaranteeing a minimum income for all."
(1992, p.142.)

These proposals which Anderson summarizes are, however, significantly more complex than indicated. For example, Unger argues that the State itself should be subject to fragmentation and division, even beyond the classical republican insistence (Montesquieu, Harrington, Toqueville, etc.) on the division of powers into legislative, executive and judiciary. For Unger this means the institution of three new branches of the state. These are: (1) an informational power. This branch of government would be charged with enlarging access to the means of communication, information and expertise; (2) a transformative power. This branch would be responsible for systematic intervention in all other state and social institutions. This power would have responsibility for the practical re-organization of major institutions, for changing their procedures, and their ways of handling technical, financial and human resources; (3) a sovereign programmatic power. This branch of government would be committed to implementing the transformative programme of the elected party in power. It would be responsible for monitoring and steering the process of political and social transformation.

Unger's radical insistence on experimentation rejects all the classical conservative obstacles to reform which are best captured in Hirschman's rhetorical tropes in his book The Rhetoric of Reaction (1989). namely, perversity, futility and jeopardy. Mobilising the themes of Hirschman's earlier book, The Passions and the Interests: Political Arguments before the Rise of Capitalism (1987), it is further possible to argue that Unger is reintroducing passion into economic life and displacing the interests. At this point we can see more clearly the relationship between the explanatory and the programmatic dimension of Unger's argument in that the ontology of the self which is argued for in False Necessity. finds its concretization in the programme. As Anderson writes about this dimension:
"Unger completes his programme by arguing that a transformation of personal relations is the necessary counterpart of institutional change. He calls this prospect 'cultural revolution' - significantly, the only time the latter acquires salience in his vocabulary. Its contours are much more elusive, in part because detailed treatment of them is deferred to a further volume on the 'micro-structure of social life'. But two elements are already sketched. Interpersonal relations can be rewrought in the spirit of modernism by deliberate role-jumbling and confusion of expressive conventions, while the idea of a community should move from the seamless sharing of customary values to a heightening of mutual vulnerability, which accepts conflict as itself a positive value. Although these notions occur only as a tentative coda to *False Necessity*, they are of central importance to Unger, who insists that 'qualities of our direct practical and passionate dealings always represent the ultimate object of our conflicts over the organization of society.'"

(1992, p.143)

However one interprets this concept of the personality theorised by Unger it is easy to see that the programmatic conclusions of his work illustrates that the FS thesis is fully embedded with the institutional, political, social and personal relationships of society and cannot be understood outside them. In this sense the term embedded flexible specialization can be used to highlight the fact that for Unger and for Piore and Sabel, whatever exists today is at best a transitional or interstitial form of FS and not the hypothetically real, embedded sort. To use the term coined by Clifford Geertz, and increasingly used by radical geographers to describe industrial districts, localities and regions, embeddedness is a thick institutional relationship mobilizing local-knowledge.

A political and economic institutionalism

Unger (and Piore, Sabel, Zeitlin, Hirst) are firmly, then, in the institutionalist camp which is becoming increasingly a dominant progressive research programme within the social sciences. Institutionalism is a critique of the individualist assumptions of rational-choice theory and neo-classical economics on the one hand, and the economistic assumptions of various forms of Marxist analysis on the other. As Swedberg and Granovetter put it:
"Economic action is socially situated and cannot be explained by reference to individual motives alone. It is embedded in ongoing networks of personal relationships rather than being carried out by atomized actors. By network we mean a regular set of contacts or similar social connections among individuals or groups. An action by a member of a network is embedded because it is expressed in interaction with other people. The network approach helps avoid not only the conceptual trap of atomized actors but also theories that point to technology, the structure of ownership, or culture as the exclusive explanation of economic events."

(1992, p.9).

As I have shown, Hirst's trajectory from the rationalistic assumptions of Althusserian Marxism to the implicit Weberianism of the FS thesis is comparable in many ways with Unger's critique of 'false necessity' and 'deep-structure' social theorizing. However, Hirst dispenses with the more metaphysical and speculative assumptions and jargon that Unger mobilises in his theorizing. The Romantic element which is so evident in Unger's writings is notably absent in Hirst's writing, although certain romantic motifs do appear in Hirst's appeal to 'possible worlds' and the importance of trust in economic and social relationships.

On the other hand though, both Unger and Hirst in their critique of Marxism have attempted to rescue forms of radical, anarchist and socialist traditions which have been marginalised by the dominance and hegemony in the twentieth century of Marxist forms of political, economic and social theorizing. It is well known that Marxism as a synthesis of theoretical knowledge has brooked no compromise with alternative forms of radical thinking which it has seen as competitors. From Marx's criticisms of Proudhon through to the theoretical and organisational struggle against the anarchism of Bakunin in the First International, Marxism has attempted to proclaim itself the sole radical agenda and source of theoretical truth. This refusal of pluralism and implacable hostility to other traditions of thought and action is something that has led to the collapse of Marxism as a political tradition at the end of the twentieth century. Its sins are being returned to it in the form of the dogmatic rejection of Marxism in its entirety by many intellectuals, especially in the former Soviet Union and in Eastern/Central Europe.
Unger and Hirst (Giddens and Habermas could be included as well in their reconstructive endeavours) in their different ways, however, refuse this dogmatic response and do not reject Marxism, but utilize it while recognizing the importance of alternative traditions of thought. In Unger’s case, the traditions to be redeemed and transcoded include utopian socialism, anarchism and social democracy. Unger collectively names this tradition petty-bourgeois radicalism and writes “I have found inspiration for the development of the economic proposals in the writings of nineteenth century publicists, especially Proudhon, Louis Blanc, and Lassalle” (p.628).

Unger’s full explanation of how he plays one thinker off against another is worth quoting in full:

“I have also found inspiration for the development of the economic proposals in the writings of nineteenth century publicists, especially Proudhon, Louis Blanc, and Lassalle. A study of Lassalle’s debate with Rodbertus and Marx proved especially helpful. Lassalle, an early leader of German social democracy, criticized as impractical and demobilizing Schulze-Delitzsch’s cooperativist ideas. Emphasizing the importance of access to capital, Lassalle advocated the establishment of state-supported cooperatives. Central government would supply the necessary capital and supervise the sector of producers’ cooperatives, which would eventually out compete the private firms sector ... Lassalle’s program gave new life to Louis Blanc’s plan for industrial social workplaces, which in turn codified ideas current among radical circles and politically engaged skilled workers in the 1830s and 1840s ... Rodbertus criticized Lassalle’s proposals as both impractical (because the producers’ associations would not be able to compete successfully with private firms within an economy based on current principles) and unjust (because if the proposals did succeed, they would produce a new system of group privileges). In his parallel debate with Lassalle, Marx argued for the inefficacy of reform that failed to change and to replace, on a societywide basis, the laws of the capitalist economy ... Rodbertus drew gradualistic conclusions and Marx revolutionary conclusions from what was essentially the same argument.” (1987, p.629).

Unger replays the debate and no doubt Marx and contemporary Marxists would criticize Unger’s ideas as petty bourgeois on the following grounds. The domination of the economy
by producers' associations is simply a repetition of, to use Kolakowski's expression, Proudhon's Utopia. The cooperatives, even if they belonged to the workers, could only exist in a state of competition and the laws of the market would continue to operate with the inevitable crises, bankruptcies, and the concentration of capital. Furthermore, Unger's view of the State is contrary to the orthodox Marxist view that it is an instrument or structure which has to be broken and which, moreover, serves the dominant ruling class. However, as I have argued, Unger attempts to overcome these criticisms by drawing upon Marxist criticisms mediated in the more reformist form of Rodbertus.

Whatever the criticisms that can be made of Unger's proposals, the Marxist criticism stands condemned, from a contemporary perspective, as being unrealistic in its hope for a perfect and rationalised economy without contradiction and conflict. As Robin Blackburn has shown in his essay "Fin de Siecle: Socialism after the Crash", the forms that socialism will take are varied and that the best we can hope for is a form of socialized market:

"An important socialist tradition, stretching in Britain from William Morris to Raymond Williams, has opposed the corrupting and destructive logic of pervasive commercialization and passive consumerism. Yet the market itself, in and through the reactions to it, also broadens the potential scope of human solidarity. Thus the market should be socialized not only 'from above', through the action of the state, but also 'from below', through the pressures of working collectives and communities."


This is a message which finds resonance throughout the contemporary left as the idea of a totally rationalised and planned economy, a legacy of modernist enlightenment, is rejected in favour of a postmodern eclecticism regarding alternative economic forms. That is to say, a rejection of both the hegemony of the transnational multi-divisional corporation as the singular form of propulsive growth and its mirror image, the socialized and nationalized state owned economic form of organization.
Hirst's ideas follow on from this form of political theorizing. That is, the recognition that socialist ideas have to be reconstructed on the basis of a rejection of the Marxist understanding of a simplified and rationalized form of economic calculation based on the dissolution of the commodity form. And further, like Unger the basis for this renewal can partially come from the revaluation of other radical thinkers and traditions outside Marxism. While Unger looks to continental traditions of thought for the basis of this reconstruction, Hirst looks at the British tradition of 'associational' and guild socialism of G.D.H. Cole, Tawney and Laski (as well as North American pluralists such as Dahl). This tradition is not ignored by Unger, but his judgement about its inadequacy is more negative than Hirst's: "British guild socialism extended and failed adequately to reconstruct, the tradition of Louis Blanc and Lassalle" (p.629). Unger does not explain fully why this is, but it can be interpreted to mean that the British tradition is still caught in the aporias of the continental tradition and that the same criticisms that have been directed at Proudhon, Blanc and Lassalle can be directed at G.D.H. Cole et al. Hirst, on the other hand, has nothing to say about the continental tradition (except Marx) and his reconstruction via British socialism is concerned solely with attempting to provide an alternative to Marxist forms of theorizing and policy proposals.

**Hirst and practical theorizing**

While Marx's *Capital* and *Capitalism Today* (two volumes) was concerned, as I have argued, with criticizing the epistemological foundations of Marxist discourse at a very high level of conceptual abstraction, Hirst's later writings are much more engaged with political and legal theory and policy formation/proposals. In a sense the earlier writings were a clearing operation which made the later work possible, and inaugurated at the same time, a break between the earlier theoretical abstractions and the later, more modest, practical philosophising. That is to say, a break between the search for *episteme* of the earlier writings and the acknowledgement that politics has more to do with the Greek concept of *phronesis* or political judgement. This move was announced in Hirst's first writings on law...
and ideology and in his essays in *Marxism and Historical Writing* (1985), especially "Labour's Crisis - Principles and Priorities for Social Reconstruction" and "Obstacles in the Parliamentary Road". But surprisingly these writings are purely pragmatic in the alternatives to orthodox Marxist and Trotskyist understandings of the 'British Crisis' that they offer, and it is only with his book *Law, Socialism and Democracy* (1988) that a coherent attempt to provide a practical political philosophy is made (engaging with the social democratic politics of the kind typified by Cole, Laski, Tawney, Crosland, Bernard Crick, David Marquand and John Dunn). And a later book edited by Hirst, *The Pluralist Theory of the State* (1992) has extended this argument considerably, culminating in 1993 with his book *Associational Democracy* (1993).

**Hirst, secondary associations and democracy**

Hirst argues for what he calls 'associationalist' forms of democracy which avoids the traditions of collectivism and statism, which Stephen Yeo has identified as the two other forms of socialist thinking and practice in Britain and by extension Europe. While Yeo argues that these terms are ideal type constructs rather than substantive realities, it is still useful to outline their main distinguishing features as developed political ideologies. In the 1970s socialist discourse was dominated by 'collectivism'. The term was used to refer to a societal project where

"the factory relations of large-scale industry have been extended to giant, society-wide, transnational systems; where scientific knowledge has become a precondition and supervisor of production, subordinating hands to heads ... As a project or tendency 'collectivism' is deeply rooted in large-scale industry and in the divisions of labour which accompany it, regardless of the label used to describe the surrounding system as a whole. Doubtful about whether to welcome it as a 'stage' in history or whether to fight it directly, associationists have only just begun to identify collectivism clearly for what - and whose - it is."

Collectivism is not the solution to the problem and injustices of capitalism because it is part of the system itself - complicit with its logic and rationality, rather than in discontinuity with it - whether in the capitalist or socialist form. Unger makes much the same criticism of large-scale industry and collectivist attempts to cling on to the rationalized and bureaucratized social forms of societal decision-making.

The second form identified by Yeo is that of 'Statism' which refers to a project or to a society in which the political and economic claws of private capital have been clipped but where the conditions for collectivism listed above do not obtain ... To cut a long story short, in statism a group without a direct base in material production, seeks to exercise control. It concentrates, perforce, on the circulation/distribution, rather than production" (p.241). Statism is perhaps the most criticised form of socialism which has been identified by contemporary political philosophers. The whole revitalization of the concept of civil society and the argument that there is an absence of a Marxist theory of politics and the representative democratic state is fundamental, as is the whole discourse of 'anti-politics' that can be found in the discourse of Central/Eastern European opposition movements in the 1970s and 1980s. In the context of the generalized critique of Marxist theorizing and political theory we can situate Hirst's own developing political theory.

Associationalism has links with the idea of non-statist form of socialism which develops a thriving and autonomous civil society or public sphere. Moreover, it has links with the form of radical pluralism associated with Robert Dahl. In Grahame Thompson's words:

"It is perhaps with the idea of 'associational socialism' as developed by Paul Hirst that the notion of FS has the closest contemporary affinities. But Sabel and Zeitlin link to the early Proudhonist notion of worker cooperatives, and discuss it with respect to other early socialist projects ... In its more contemporary guise, Paul Hirst has argued for the extension of the notion, to rid it of its solely productionist connotations, and promote associations as occupying the central spaces of social, political and economic life. The impetus for this reconceptualization of the idea has come from a number of
quarters. One of the most important of these involves what might be termed a 'rediscovery' of the virtues of pluralism."
(1989, p.536).

Thompson contrasts the notion of pluralism and associationism with the neo-Marxist concept and strategy of hegemony and in the process identifies hegemony as being a statist notion and political strategy. In Britain the strategy of hegemony (more idea than reality) has been most closely associated with the now defunct journal of the former Communist Party of Great Britain, Marxism Today. Together with Stuart Hall's writings, Marxist Today introduced the Gramscian idea of the necessity for a fight for ideological and political struggles outside the state in civil society. At first sight this might seem like a paradigmatic anti-state strategy insofar as it rejects simplistic Leninist and social-democratic ideas of the state as instrument or subject to be captured by a 'war of movement' or frontal assault. It foregrounds the importance of culture and consciousness, of ideas and their practices, and so forth. In Hall's famous formulations from the dismal decade of the 1980s it made the left aware and cognisant with the emergence of 'authoritarian populism' or Thatcherism as a dominant ideological ensemble which had entered into social, cultural and political circulation. Taking various modalities of materiality, sociologists influenced by this approach could identify its ramifications in, for example, the law and order sphere and economics, employment and work in the form of the 'enterprise culture' or the rise of the 'yuppie'. However, it was still a statist strategy in the sense that the inheritance of Gramsci is still fatally complicit with the orthodox Marxist and Leninist theory of the party as vanguard or in Gramsci's phrase, 'Modern Prince'. Whatever attempts that have been made to recruit Gramsci into the democratic socialist camp it is unable to come to terms with the fact that Gramsci's Marxism still holds the totalising assumption that it is the role of the party's organic intellectuals to weld together an organic bloc, uniting infrastructure with superstructure and to tie together or 'suture' the webs of the social into a harmonious whole or, to use Gramsci's own aesopian expression, to create a regulated society.
While this is not the place to give an exegesis of Gramsci's writings and their contemporary meaning it is easy to see that there is nothing in Gramsci's writings which provide a political theory for the present or even a sociology (which is not, of course, to devalue Gramsci's local insights and attempt to reconstruct Marxism). As Piccone has noted in his book *Italian Marxism* (1986) and in his review of the publication of the English language edition/translation of *Quaderni del Carcere*:

"Consider Gramsci's theory of hegemony. Outlined before the advent of the culture industry - and Adorno- Horkeimer's devastating analysis of its impact on the development of revolutionary consciousness - Gramsci's speculation about the 'war of position' allegedly leading to the achievement of cultural hegemony and thus the creation of the necessary cultural preconditions for a revolutionary social transformation appear today as relevant as DC current for the development of modern electronics. Party intellectuals ... were to universalize workers' needs and aspirations in terms of a theoretical framework - Marxism - conducive to a qualitative alteration of predominant social relations. This process, however, was to take place through a mode of communication - direct contact, public forums, newspapers, pamphlets, etc. - which had already become secondary by the early 1930s with the advent of radio. The very form of the new modes of communication, independent of any content, implied isolation, passivity and a kind of permanent sub-individuality conducive to mass manipulation by powerful centralized bureaucracies."


Moreover, as Giddens has noted in his book *The Nation State and Violence* (1988) the historical opposition or dichotomy between the State and civil society cannot be sustained in the modern age where state agencies and bureaucracies have thoroughly colonized and restructured the 'private' and 'civil' sphere of society. Nevertheless, while it is necessary to insist on the fact that the state is implicated in all areas of the life-world or civil society and that the barriers between them are permeable it is still important to maintain the distinction as a normative idea and, to a certain extent, de facto reality if we are to avoid the error that Althusser introduced in his "Ideology and Ideological State Apparatuses" essay, where the state in its ideological apparatuses modality was extended to all areas of society and the division between the public and private abolished. The mistakes that follow from this sort of neo-Gramscian analysis can be found in the writings of Laclau and Mouffe where their
understanding of the conditions of existence of 'radical democracy' conceal a traditional Leninist problematic.

As Thompson argues, then, in contrast to 'hegemonic' socialist strategies, associational socialism has a very different understanding of socialist strategy and calculation. "We can now contrast the idea of a 'socialist pluralism' to this notion of hegemony" (1989, p.536) argues Thompson and he explains that the origins of the notion of pluralism is not the simplistic liberal pluralism of American political science, but rather has its roots in the indigenous British tradition of pluralism which includes not only radical thinkers like Cole and Laski, but also conservative thinkers such as Figgis.

That pluralism is usually associated with conservative and liberal theory as mediated by North American political science is obvious and, moreover, is associated with anti-radical ideas needs to be corrected by the more recent interpretations of it as a radical theory that can correct some of the errors of Marxism. David Held in his pathbreaking Models of Democracy (1989) makes this turn as does Greggor McClennan in his Marxism and Pluralism (1990). Robert A. Dahl (1982) has also insisted that the traditional left has misinterpreted pluralism. In an appendix to his book The Dilemmas of Pluralist Democracy: Autonomy vs. Control (1982) he argues that:

"I have been puzzled by the assertion sometimes made by critics of 'pluralist theory' that such a theory contends, or assumes, that all groups, interests, interest groups, and so on are equal or substantially equal in organisational capacities and access, or resources or power, or influence, or the like." (p.207).

Dahl defends pluralism against what he considers unjust charges. He quotes Truman's The Governmental Process to the effect that "Several bodies of data, however, indicate: (1) that the frequency of membership in formal organizations of the association type increases from the lower to the upper reaches of the class structure, and (2) that the members of many if not most, such groups are drawn from the same or closely similar status levels".
In Hirst's interpretation of 'pluralist associationalism' the division between the state and civil society is dissolved, but not in the neo-Gramscian sense. Rather a more radical deconstructive enterprise is pursued whereby the substantial unity of the state itself is fractured into a number (a plurality) of institutional spheres of decision-making. As Thompson puts it:

"In this pluralist tradition the idea is to allow, and even encourage, the formation of as many different organisational voices and institutional entities as wish to form. A radically decentralised administrative and governing structure is envisaged. The usual liberal (and Marxist) conception of the separation of the state from civil society is dissolved within this conception as the state apparatures eventually become just another set of associations." (1989, p.536).

Thompson further argues that this is quite antithetical to ideas of hegemony. Hegemony, it could be argued, is too tied up with traditional notions of sovereignty whereby there is a hierarchically ordered tier of decision-making reaching to an apex or summit of power. However, if one "promotes a radical concept of associations ... allegiances are dispersed and sovereignty non-hierarchically ordered. A different, genuinely 'plural' system of governmentality and regulation is needed. This can be fostered as 'associational socialism ..." (1989, p.537).

**Associational democracy and flexible specialization**

The connection between this form of associational democracy and FS is not sketched out in Hirst's political writings in any explicit manner. However, Thompson asks:

"Where does this connect to FS and its allied concepts? Clearly FS provides one of the preconditions for associationalism. The break up of the large-scale mass production firm - with its vertical, horizontal or multi-product integrations - presents an attractive proposition for those interested in associational socialism. If FS became the norm, the industrial districts and
regional economies it engendered - with their myriad of interconnected support mechanisms and interdependent associations - would represent an economic basis for the wider network of associations in which people could invest their other social and political activity."
(Ibid, p.537).

Thompson asks whether all this smacks of 'corporatism' and he acknowledges that it does in the sense that it attempts to build a consensus of trust and normative regulation (plural regulation) and integration, that is to say, to rebuild society on the basis of norms of reciprocity and solidarity. This can be interpreted as a form of Maussian or Durkheimian socialism in its foregrounding of solidarism and the importance of work and occupational communities (secondary associations) as the basis for the constitution of society.

**Associations, regions and flexible specialization**

It is necessary to read Durkheim through the lens of Marcel Mauss so as to highlight the aspect of Durkheim's writings which emphasize the democratic regulation and organization of the world of work and the public sphere itself. Thompson's gloss on Hirst's political ideas raises doubts that the nation-state (Durkheim's object of analysis par excellence) is an adequate social space for the development of such a system of solidaristic democracy or associational socialism. Thompson foregrounds, yet again, the importance and vitality of regional and local economies, strongly embedded in Polyani's (1957) sense, in the social structure:

"The enthusiastic reception of FS and allied concepts by those instrumental in developing the idea is based upon detailed analyses of the economic structure of various regional economies in Europe in particular, and to a lesser extent in the USA and Japan. Perhaps the premier of this regional economy emphasis concerns the case of Italy. Here it is the Emilia-Romagna region in the centre of the country that has attracted most attention. But this regional-based emphasis has been extended to the area around Lyon in France, to Southern Germany, to Jutland in Denmark and other places in Europe, and to Hollywood and Silicon Valley in California and Route 128 in Massachusetts, and to the
example of Sakaki in Japan". (Ibid, p.539). This argument ties in directly with Sabel's article on the emerging regional economies which has been examined above. Indeed, Hirst's (and Zeitlin's) writings on associational socialism presuppose a more locally based socio-economic structure and forms of political representation. However, while regional economies have been identified in continental Europe and in the United States of America there has not been much success in identifying similar localities, districts or regions in Britain. While Cambridge is often cited it is not a particularly good or successful example and has none of the romantic appeal of Emilia-Romagna.

**Britain and industrial decline**

Before I come back to the issue of regionalism and industrial districts it is necessary to observe that for Hirst in his book *After Thatcher* (1989) the key problem of the British economy and society is that of industrial, social and political backwardness. This observation is shared by many strands of political and intellectual opinion. The most cogent analysis from the left has been Anderson's analysis first in his "Origins of the Present Crisis" (1992) and reformulated in "Figures of Descent" (1992) and more recently in his closing chapter of his collected essays *English Questions* (1992). In his closing essay "The Light of Europe", Anderson writes on these debates and controversies with his usual synoptic verve:

"There is a standing answer to questions such as these within the repertory of the Left. Ever since the modernity of the British economy and the British State was first seriously called in question in the early sixties, socialists have been tempted to deny that the issue has reality or relevance ... Beyond a wealth of different local contentions, however, three tropes dominate it. In the style of Albert Hirschman's taxonomy of the rhetoric of reaction, but in a discourse of progress defining capitalism in England rather than condemning revolution in France, these might be called: priority - generality - purity. In one variant, the specificity of British capitalist society lies essentially in the fact that it came first in historical order - virtually everything distinguishing it followed from this early lead alone. In another, there is nothing special about British capitalism at all: it is rather a formation which exemplifies the international laws of the development of capital as a whole. In a third, what is peculiar to the United Kingdom is the purity of its native capitalism, as opposed to mongrel versions with more pre-capitalist strains elsewhere. The three lines of argument are logically distinct, but can coexist or overlap in particular polemics ... What is common to the trio, of course, is minimization of all those social,
political and cultural features of the British record which appears at variance with the rational dictates of capital."  
(p.331).

Anderson restates the case for the specificity of the English state. He rejects Pollard's view put forward in Britain's Prime and Britain's Decline (1989), that the decline should not be dated back to late Victorian or Edwardian times and has rather more time for Alfred Chandler's view, expressed in Scale and Scope: the Dynamics of Industrial Capitalism (1990), that the failure of British firms to develop the organizational capabilities necessary for competition in capital-intensive industries contrasted with the new organizational structures emerging in the United States and Germany with the rise of the 'visible hand' of the giant multi-divisional corporation.

This analysis can be theorized in many forms and although Anderson's analysis would at first sight dovetail in with Hirst's there are significant theoretical and political differences in the manner by which each writer theorizes the nature of Britain's origin and decline as an economic and political power. As Hirst has explained in his essays collected in Marxism and Historical Writing (1985), his initial sympathy with the New Left Review type of analysis exemplified in Anderson's "Origins of the Present Crisis" (1965) gradually dissipated as the Review turned to Trotskyist politics and eclectic importation of various Western Marxist writings. In his "hard hitting" review essay of Anderson's two books on state formation in Europe, Passages from Antiquity to Feudalism and Lineages of the Absolutist State (1977), titled "The Uniqueness of the West", Hirst pinpointed a number of problems in Anderson's writing of history. First, the 'speculative empiricism' of Anderson's method whereby the destiny of the West is inscribed from its beginning in, to use the Parsonian term, the 'seed-bed' societies of Ancient Greece and Rome, mediated with the feudal era by the conduit of the Christian Church, is teleological:

"Anderson's method and his original conception of the strategy of the New Left Review form a unity. There is no real change in method between 'The Origins' and Passages-Lineages. In both texts certain objects of analysis are ascribed to
a 'trajectory', to development from an origin. 'Trajectory' is inscribed within a narrative and the singularity of this narrative is defended and demonstrated by speculative empiricism."


Moreover, Hirst is opposed to what he views as the 'abstraction' and 'culturalism' of the NLR strategy:

"Analysis provides no strategic guidance for action in the current situation. That situation is ascribed its essential characteristics by a history. Given Anderson's method and commitment to socialism the paralysing effects of the past must be effective at the cultural level. Culture determines politics. If it did not then political practice would be necessarily impossible. The weakness of the left would be a necessary feature of the social structure British Capitalism bequeathed to us by the history of its formation. Culture, however, formed by the past, is capable of change - ideas can be imported whereas social structures cannot. The political backwardness of the British Left is ascribed to the cultural effects of a history, the effects of the absence of a class conscious bourgeoisie."

(ibid, p.123).

Whether this is an accurate portrayal of Anderson's position today is debatable. On the one hand, his recent essay "Figures of Decline" (1992) gives a more materialist account of the nature of British society than his earlier "Origins of the Present Crisis" which did have markedly idealist and culturalist motifs to it.

**Britain and the lack of flexible specialization**

Nevertheless, in Anderson's understanding of the longue durée of the British crisis the solution involves some form of modernization of the whole structure of British society. Anderson refers to "three major types of regulative intelligence" in advanced capitalism since the Second World War, with a fourth sub-variant. First, the French technocratic form of regulation; second, the West German or Modell Deutschland corporatist form of regulation; the Japanese model forms a combination of the above two; third, the Swedish and Austrian
form of social democracy. The uniqueness and singularity of Britain as a polity lies in the fact that there has been a "lack of any of these three possible correctors, once the process of decline became manifest" (1992, p.191). However, this singularity is itself overdetermined by the larger forces of international capital movements and flows which place in crisis all forms of national regulatory regimes:

"Britain, then, not only witnesses the probable early beginnings in America of something like a vast repetition of the same historical process it has undergone, in the absence of the same gyroscopes it has lacked, but also perhaps the signs of its ultimate generalization throughout the advanced capitalist world. For the radical internationalization of the forces of production - not to speak of circulation - that defines the spearhead forms of capital in the final years of the twentieth century promises to render all national correctors, whatever their efficacy to date, increasingly tenuous in the future. In that sense, no bourgeois society - not even the last great classically national economy, Japan - will be immune from the unpredictable tides and tempests of an uneven development whose elements are acquiring a well-nigh meteorological velocity around the world, across all frontiers. The British crisis has no solution in sight; and perhaps the time in which one is possible, as a national recovery, has passed. At the zenith of English capitalism, Marx declared that his portrait of it in Capital held a mirror of the future to the rest of the world. Now, towards its nadir, the superscription may read once again: De te fabula narratur." (1992, p.192).

Hirst's understanding of the British crisis has points of similarity, but also, importantly, contrast and dissent from this viewpoint. On the one hand, he agrees that the British crisis is a structural one to do with the organization of the whole economy, society and polity. Furthermore, he agrees that some form of modernization is needed, of the political/constitutional framework and the social and economic framework of British society. And that this is a long-term rather than short-term conjunctural problem stretching back into the past. However, in line with his earlier criticisms of Anderson's work he would reject the teleological reasoning of Anderson's account and would foreground the importance of nodal points in the history of British society where change and transformation were possible and were for various reasons missed and not taken advantage of for various reasons. For example, Hirst places great emphasis on the last two decades as being crucial for the
accelerated decline of the British economy. Decades when other countries introduced new flexible manufacturing systems and corresponding systems of regulatory institutions, but Britain stuck with its obsolete structure of mass production manufacturing and archaic system of management and training. In other words, not even a true Fordism, but to use Jessop's term a flawed Fordism or blocked Fordism. This argument should not be misinterpreted to mean, as Peter Nolan and Kathy O'Donnel (1991) believe, that Hirst ignores the longer view of Britain's decline, for in other writings, such as Hirst's *After Thatcher* (1988), this long history is recognised as being of vital significance at all levels of the British social structure (a point which is reinforced by Zeitlin's historical writing). The second point made by Nolan and O'Donnel, that Hirst ignores the wider international and political economy within which Britain is situated as a conduit for transnational capital is more to the mark. The continuing emphasis, which *Marx's Capital and Capitalism Today* inaugurated, on national economies seriously weakens Hirst's overall argument and separated him from Anderson's final remarks in "Figures of Descent".

The substance of Hirst and Zeitlin's arguments in their *Political Quarterly* article "Flexible Specialization and the Competitive Failure of UK Manufacturing" (1989) can be summarized in the following seven points: (1) British firms catering for the mass market were absorbed in meeting UK domestic demand and are therefore still highly inefficient in delivering to foreign markets; (2) since the merger boom of the 1960s, British firms have been dominated by the belief that there are inevitable competitive advantages to large-scale firms (economies of scale); (3) British management is badly trained and bases its ideas on old-style low-trust Taylorist systems of management control; (4) British firms and governments have failed to develop an adequate framework of industrial training and skill shortages are therefore widespread, especially when there is an upturn in the economy; (5) where British firms have adopted new technologies and flexible manufacturing systems the results have been less than successful. As Bryn Jones has shown in his article "Flexible Automation and Factory Politics: The United Kingdom in a Comparative Perspective" (1989) British firms have not exploited the potential of the equipment and have tended to run it as if it were dedicated mass production machinery. For the majority of British firms, investment in such equipment
is seen in terms of short-term cost savings and the reinforcement of labour control; (6) British policy-makers have believed in the virtues of 'competition' to the exclusion of 'cooperation'. Hirst appeals to the concept of the public sphere, a concept popularised by Jurgen Habermas in his book *The Structural Transformation of the Public Sphere* (1989). For Hirst the 'public sphere' seems to mean a form of micro/macro corporation whereby relationships of trust and cooperation within the division of labour are established; (7) the final point Hirst makes is the absence in Britain of the industrial district and regional economy:

"Britain is thus an economy that has overconcentrated on mass production for given markets and has suffered differentially in international competition as a result. The causes of industrial decline are recent, but they also mean that traditional remedies for reversing industrial decline are ineffective and obsolete. Traditional Keynesian policies to stimulate effective demand are ineffective as specific strategies to cope with de-industrialization and foreign import penetration."


A few words can be said about Hirst and Zeitlin's argument. First, the argument that flexible manufacturing systems (FMS) have not been fully implemented in Britain seems to be a reasonable conjecture. They cite a number of studies such as C. New and A. Myers. This can be further backed up by the research of Christel Lane (see her various articles and her book *Management and Labour in Europe*, 1987) which shows, from a comparative perspective, the differential success in implementing flexible specialization into Germany, France and Britain.

Second, their espousal of FS is not adequately argued for and, in particular, it is not clear that mass production has been superseded as they suggest. Forms of flexible mass production are probably the evolutionary successor to old style mass production. Like Sabel, Piore and Unger, Hirst and Zeitlin have, again, the unfortunate tendency to confuse the imperative with the indicative. A consideration of the arguments of Streeck's concept of
diversified quality production, Kern and Schumann's new production concepts, or the lean production concept would face Hirst with alternative ways of formulating the problem.

Their suggestion that some regions of Europe and North America are already operating flexible manufacturing systems and social systems, with the web of corresponding regulatory institutions of consensus and trust, is at odds with their more radical purpose of going beyond orthodox social democracy to a more 'radical democracy'. However, there is the implicit recognition in Hirst's writing that these new forms of regional economy are the beginnings of a process of transition to a more realized democracy, rather than the end-point. That is to say, an 'associational democracy'.

**Conclusion**

Unlike Unger, Hirst does not go into full detail about the form and content of his alternative institutional arrangements, but, although there is plenty of room for disagreement with Unger, there are definite convergences, although Hirst's formulations suggest a more cautious set of formulations of what Unger calls the modest eclectic. The major point of agreement between them, however, is the recognition that a more fully realized radical democracy needs to be developed, linked with the invention of a flexibly specialized economic system. Both agree that false necessity has to be countered by the thesis of **artifactuality**:

"Associations are not socially given but are in large measure the products of public policy. Associations' conditions of operation and the culture of associational relations with one another and with the state can be shaped by deliberate reform interventions by the democratic state."


Both Unger and Hirst sketch out in more detail that Piore and Sabel the possible institutional contours and framework of a politics of FS, but there does not seem to be any reason to
believe that Piore and Sabel would necessarily object to the main thrust of Hirst or Unger's political ideas, although local disagreements of emphasis are likely.

The major conclusion that has to be made then is the following. The FS school are attempting to develop a political, social and economic theory which goes beyond orthodox liberal individualism and reconnects with older, communitarian based, liberal republican and utopian socialist political traditions. Piore's argument in Beyond Individualism (1995) is the contrast between "two individualist norms, a norm of individual autonomy in classic liberalism and a norm of individuality realized in a community of equals that is associated with the civic republican tradition" (p.193). However, despite Piore's attempt to connect up this tradition with the new identity politics in the United States, his paradigm of community is still very much dependent upon the idea of work-based collectivities and communities of which the Third Italy provides the ideal-type. Piore writes,

"... The economic prowess of central Italy in particular is dependent upon communities of differentiated small firms... The firms in the community network share a common culture and language, a kind of dialect of production. They also share a variety of common institutional supports ranging from canteens and medical facilities to marketing mechanisms and to schools, training facilities, hiring halls, and of course, a common labour force. The worker loyalty that the large corporation tries to attach to itself is in central Italy attached to the local community and the collectivity of enterprises embedded in it."


However, as shall be argued in Chapter Five, this dependence on worker collectivities has some problematic aspects of which the most important one is its over-dependence on the centrality of an obsolete, masculinely gendered, theory of labour, work and production as the foundation for a progressive politics. Neo-modernisation theory or theory of reflexive modernisation must be cognisant of the reductionism of this perspective, based, as it is, on a one-sided and out of date economic reason.
REFERENCES: CHAPTER FOUR

1. Anderson's (1971) history excludes many important schools of Western Marxism. His thesis that Western Marxism retreated from politics into philosophy and aesthetics can only be maintained by suppressing the political tradition of Western Marxism. The Italian 'workerist' or operarist current, the French Situationists and the political group Socialisme ou Barbarie.

2. Aristotolians or neo-Aristotolians are too dependent on Hannah Arendt's politics of separate spheres of poesis, techne, and praxis (1958).

3. That the political theory of Lenin and the Bolsheviks has nothing to offer, albeit in only negative terms, is one of the political lessons that has yet to be learned by some political organisations on the Left.

4. These distinctions are totally inadequate for understanding the social complexity of advanced industrial capitalist societies.

5. Richard Rorty (1991) has noted the homologous themes that can be found in Unger and Castoriadis. That is, the importance of the imagination creativity. The fundamentally contingent nature of the social world, and so forth.

6. Unger's term for his vision of society beyond social democracy.

7. Communitarianism is a complex political philosophy which finds its antipodes in John Rawl's Theory of Justice (1971) and Jurgen Habermas's Discourse Ethic. It is important to recognise that the label 'communitarianism' is not one accepted by some labelled as such.


10. Unger's concept of 'negative capability' is taken from the poet Keats. But it means more or less the opposite from Keats's expression. Unger it means the capacity for the human being to change, transform and restructure social relationships.

11. These are Alain Touraine's terms for Unger's 'negative capability'. In contrast to functionalism and other necessitarian ideas (false necessity), Touraine argues that modern societies are characterised by an increased 'historicity'. That is to say, an increased capacity to act upon themselves. In other words, the increased space of 'contingency'. 
12. Unger creates an ideology that human 'nature' is best expressed in a 'formative context' that is constantly open to revision and change. Role-jumbling and flexibility are the key-words here.

13. The critique of Gramsci's Marxism is long overdue. That Gramsci is a profound and innovative thinker is beyond dispute. However, his political philosophy fails to break adequately with Leninism. Thus Hirst's rejection of hegemonic socialism for associationalist socialism.
CHAPTER FIVE:

POLITICS, WORK, AND FLEXIBLE SPECIALISATION
5. POLITICS, WORK, AND FLEXIBLE SPECIALISATION

The paradigm of work

The FS thesis, as already argued, is part and parcel of what Alexander (1995) calls, a "fourth version of mythopoetic social thought" (p.87) (orthodox modernisation theory; dependency or world-system theory; postmodernism, namely, neo-modernisation theory). With its revalorisation of the market (albeit, socialised) the FS school are too dependent on a form of analysis which privileges the primacy of labour as a constitutive principle of society. The FS thesis can only see a progressive politics which places an emphasis on transforming the work society. As Sabel represents the future of the United States, for example, depends upon reform of the economy: "The US economy seems stuck at a crossroads. For a decade, debate has insisted on a choice between two paths of economic adjustment. The high road leads to a permanent innovation economy in which highly skilled workers use flexible machines to make products for more and more differentiated markets" (1995, p.5).

The FS hypothesis represents the place, position and role of work and employment in a way that has to be problematized and questioned. In common with Marxism and the sociological tradition of Durkheim and Weber, the FS hypothesis starts from the assumption that labour and work are the ontological and anthropological foundations for the constitution of society. For these traditions of thought, work and labour are the constitutive organizing and structure-forming principles of society. Society is literally built up, at the phenomenological level, by the metabolism that humanity enters into with nature. For Marx, from his earliest works such as the Philosophical and Economic Manuscripts of 1844 (1982), and Capital (1982) of 1867 we can find the common thread of praxis interpreted as labour being the anthropological principle which is the determining principle of societalization (Habermas, 1992; Heller, 1982; Honneth, 1991; Gorz, 1981, 1989; Offe, 1988).
For Durkheim cognate themes can very easily be traced, particularly in *The Division of Labour in Society* (1893, 1933) and *Professional Ethics and Civic Morals* (1898, 1991). For Weber, work and labour is fundamental in *The Protestant Ethic and the Spirit of Capitalism* (1905, 1958), *Economy and Society* (1922, 1978) and *The General Economic History* (1923, 1992). The arguments of Piore and Sabel, Unger and Hirst and Zeitlin follow this tradition of conceptualizing the character of society through its work process. And, moreover, of identifying work and labour as being at the centre or core of identity formation and self-realization. This can be shown by referring to Sabel's romantic expressionist reflections on 'high-technology cottage industry':

"If you had thought so long about Rousseau's artisan clockmakers at Neuchatel or Marx's idea of labour as joyful, self-creative association that you had begun to doubt their possibility, then you might, watching these craftsmen at work, forgive yourself the sudden conviction that something more utopian than the present factory system is practical after all."


Or alternatively, Unger's reflections on the types of orientation to work and labour in modern society which he identifies in *False Necessity* (1987). And Piore's reflections and borrowing from Arendt reinforce this argument. Indeed, the central theme that runs through all the FS literature is the importance of organizing work in such a manner as will lead to a more satisfying relationship with labour within the employment relation.

*Krise der Arbeitsgesellschaft*[^2]

However, a number of objections can be directed at this labour or work society approach. First, as such sociologists as Habermas (1982), Offe (1988), Touraine (1988) and Gorz (1989) have pointed out it is not clear any more whether work and labour as the constitutive organizing principles of society are as important as they once were. The most forthright and controversial expression of this viewpoint is Offe's who in an important article "The End of the Work-Based Society" (1988) has argued that this principle is declining as a force of social cohesion:
"If we consider the answers given between the late eighteenth century and the end of the First World War to questions relating to the organising principles of the dynamics of social structures, we can safely conclude that labour has been ascribed a key position in sociological theorizing ... Can we still pursue this materialist preoccupation of the sociological classics? ... It is precisely this comprehensive determining power of the social fact of (wage) labour and its contradictions which today has become sociologically questionable ... Labour and the position of the workers in the production process is not treated as the chief organising principle of social structures; the dynamic of social development is not conceived as arising from conflicts over who controls the industrial enterprise; and ... the optimization of the relations of technical-organisational or economic means and ends through industrial capitalist rationality is not understood in the form of rationality which heralds further social developments."

(pp.129-132).

In Offe's post-Frankfurt School theorizing, labour no longer has its radiating force in determining the fundamental relationships of society. This is not to say that work, employment and labour are no longer of significance as we enter the 'leisure society', the 'consumer society' or the 'postindustrial society, for all these things depend on the presence of employment as the principle of allocations of resources and their distribution. Indeed, it is easy to argue that work, labour and employment in their different modalities are still vital for the maintenance of society and its expanded reproduction as, for example, R.E. Pahl has shown in his pioneering, albeit somewhat romantic book, Divisions of Labour (1984). The question is not however about whether work is disappearing, although this is an important aspect of the question as Andre Gorz has forcefully emphasised in his successive books, Farewell to the Working Class (1981), Pathways to Paradise (1983) and The Critique of Economic Reason (1989). But more importantly, and a question which Gorz takes up as well, whether work is still the most important societal steering-mechanism and structuring factor for social consciousness and political action. Offe's stimulating essay is, of course, influenced by Habermas's reflections on the relationship between labour and interaction and 'system' and lifeworld'. The whole drift of whose writings are towards problematizing the traditional Marxist assumption that labour as Praxis is the anthropological, epistemological and ontological foundation. Against the reductionism of orthodox Marxism, Habermas has insisted on the importance of understanding society as structured both at the level of material production and symbolic, interactive and communicative action.
By following this course Habermas is able to avoid the subject-centred reason of the earlier Frankfurt School who ended up viewing modernity as a totalized system of oppressions based on 'identitarian' logic. For Adorno modernity was like a Weberian 'iron cage, or in his own expression a giant work-house. Indeed, for Adorno Marx was ultimately complicit with this tradition of the Dialectic of the Enlightenment, in that communism, in Adorno's understanding, was the logical end-point of this vision. Habermas in arguing for a model of society which examines other principles of social organisation apart from labour to question the sociology of the work society and it is from this theoretical tradition that Offe starts from in his article. Habermas has elucidated on these themes in his later work such as an excursus on the 'paradigm of production' in his *The Philosophical Discourse of Modernity* (1988) and, most importantly, in his essay/lecture "The Crisis of the Welfare State and the Exhaustion of Utopian Energies". In this talk which he gave to the Spanish Cortes in 1984, Habermas reflects on the decline of political and social utopias of the sort that emerged with the coming into being of modernity (first, the early utopias of the Renaissance: More's *Utopia*: Campanella's *City of the Sun*: Bacon's *New Atlantis*; second, the historical and prospective utopias of Mercier, Owen, Saint-Simon, Fourier, Proudhon, Bloch). Today, however, Habermas observes we are witnessing the exhaustion of these utopian energies as society seems to be entering a state of 'crystalline rigidity' characterised by what Gehlen and other have called *posthistoire*.141

**Beyond the utopia of work and production**

Habermas writes:

"Today it seems as though utopian energies have been used up, as if they have retreated from historical thought. The horizon of the future has contracted and has changed both the and politics in fundamental ways. The future is negatively cathected; we see outlined on the threshold of the twenty-first century the horrifying panorama of a worldwide threat to universal life interests: the spiral of the arms race, the uncontrolled spread of nuclear weapons, the structural impoverishment of developing countries, problems of environmental overload, and the nearly catastrophic operations of high technology are the catchwords that have
penetrated public consciousness by way of the mass media ... What is at stake is Western culture's confidence in itself."
(1992, p.51).

Although this was written at the height of the 'Second Cold War' of the mid-1980s and the political scene has changed dramatically, it has not led to the resurgence of confidence in the future or to a renewed optimism on the part of the intellectuals. Indeed new problems and hitherto hidden pathologies have emerged to take place of the old one. However, it should be noted that in his recent essay, "Citizenship and National Identity: Some Reflections on the Future of Europe" (1992), Habermas is more optimistic and writes:

"Until the middle of the eighties, history seemed to be gradually entering that crystalline state known as posthistoire ... In the iron grip of systemic constraints, all possibilities seemed to have been exhausted, all alternatives frozen dead, and all avenues still open to have become meaningless. This mood has changed in the meantime. History has become mobilized; it is accelerating, even overheating. The new problems are shifting old perspectives and, what is more important, opening up new perspectives for the future, points of view that restore our ability to perceive alternative courses of action."
(1992, p.11).

Habermas argues that the classical utopias with their depiction of a life of dignity and for socially organised happiness no longer have force because of the end of a particular form and representation of utopia which based itself on the potential for a society based on socially organised labour:

"The classical social theorists from Marx to Max Weber agreed that the structure of bourgeois society was stamped by abstract labour, by the type of labour for payment that is regulated by market forces, valorized in capitalistic form, and organized in the form of the business enterprise. Because the form of this abstract labour displayed such power to colonise all spheres and put its stamp on them, utopian expectations too could be directed towards the sphere of production, in short, to the emancipation of labour from alien control. The utopias of the early socialists took concrete form in the image of the phalanstery, a labour-based social organization of free and equal producers. The communal form of life of workers in free association was supposed to arise from the proper organization of production itself."
(1992, p.53).
For Habermas this utopian idea of a society based on social labour has lost its persuasive power because, as Offe has argued, labour no longer has the same structure-forming effects.

**Gorz: a utopian post-Fordism**

Another reference point in contemporary social and political theory for Habermas is, as I have already mentioned, Andre Gorz. Habermas argues that in the rare instance that a writer appeals to utopian theme and horizons as in the case of Gorz, it is no longer labour which is at the centre: "Andre Gorz's *Paths to Paradise* (1983) will find this diagnosis confirmed. Gorz bases his proposal to disengage labour and income through a guaranteed minimum income on the ending of the Marxian expectation that self-directed activity and material life could still be one and the same" (P-53) Gorz takes up these themes in his various writings which have produced some controversy. A brief review of Gorz's intellectual trajectory shows that he once had a vision of a society or utopia of self directed and self-organised labour. His book *Strategy for Labour* (1963) which was published in the 1960s looked forward to a situation where the working class or as he put it, the new working class of technicians and cadres theorized by Serge Mallet and others would through a process of revolutionary reforms and take over the organisation of society. The move beyond this vision and perspective was gradual and faltering. His writings on the division of labour and later on the ecology movement introduced themes that placed the utopia of autonomous labour in question, but it was only with his great iconoclastic book, *Farewell to the Working Class* (1981) that a full break with this tradition was accomplished and which would find its summation in *The Critique of Economic Reason* (1989).

With such theorists as Habermas and Touraine, Gorz believes that the actor or agency of potential societal transformation, which the working class was once thought to represent, has disappeared. To use Habermas's phrase 'revolutionary self-confidence and theoretical self-certainty' that the proletariat would be the exclusive agent of change has been replaced by the suspicion that other agents and social forces are beginning to occupy the social
landscape as the paradigm of production and praxis becomes part of our political and theoretical history. Gorz's argument can be summed up in the following manner: Traditional Marxist theory assumed that capitalist production would generate the conditions for revolutionary change, i.e., a large working class. This class was also to be sufficiently united and qualified to carry out the revolutionary task. It was forced to seek social changes, and it knew its goal: socialist society. It is not a question of the proletariat no longer existing, but of surrendering a conviction: that the proletariat is the exclusive agency of historical change. The changed role of the working class is related to changes in the political and social structure: (a) the working class has been increasingly integrated into bourgeois society; (b) society is beginning to run out of work; and (c) new attitudes towards work lead to a declining importance of trades in the formation of personal identity.

Touraine and post-industrialism

Touraine in his various writings comes to a similar conclusion and he observes in his own elegy and farewell to the proletariat, The Workers' Movement (1988) that:

"The workers' movement, throughout the history of industrial society, has never in fact seen itself as involved simply in a struggle internal to the industrial system within which it enveloped, but appealing to Reason, Progress, History, and the objective laws and contradictions of capitalism, it has always had a profound belief in the direction of history, seen as successive stages among which capitalism is to be followed by a classless society when humanity would at last emerge from pre-history into history. But who still believes in those ideas? Revolutions all over the world have created regimes which call themselves socialist, but there is no way in which they can still be identified with the workers, movement even in those instances where the workers' movement in fact contributed to the regime's establishment."

(p.291)[6]

In fact, many other theorists on the radical left share these views apart from the ones mentioned here. In some instances, as with Negri and Guattari, the potential revolutionary subject is extended far beyond the classical social figure of the factory proletariat to the socialised worker, a vague, amorphous and unsatisfactory theoretical and political solution.
While for Laclau and Mouffe (1985, 1992) the agency is never a given, but is rather the effect or the result of the articulation of subject-positions which can never be given in advance.

The deconstruction of the utopia of Labour

All these reflections, then, share Habermas's insistence on the end of the utopia of labour which, in a paradoxical form, has been revived by the FS thesis. Although Piore, Sabel, Unger, Hirst and Zeitlin have criticized and problematized many features of classical Marxism they still share the assumption that work and labour can be meaningful and that heteronomy and alienation can be transcended by reappropriating lost capacities in controlling work and gaining autonomy in one's labour. However, these assumptions are the most problematic aspect of the FS argument which Gorz in The Critique of Economic Reason, Oskar Negt in his article "Utopia and Labour" and, more problematically and hyperbolically, Baudrillard in The Mirror of Production (1976) has questioned with such force.

Gorz's The Critique of Economic Reason (1989) is a full frontal attack on a number of targets. First, it criticizes the arguments of postmodernism that reason and rationality must be deconstructed, arguing the contrary position that has also been put forward by Ulrich Beck (1992) that:

"What we are experiencing is not the crisis of modernity. We are experiencing the need to modernize the presuppositions upon which modernity is based. The current crisis is not the crisis of Reason but that of the (increasingly apparent) irrational motives of rationalization as it has been pursued thus far ... The current crisis is an indication of the need for modernity itself to be modernized, to be included reflexively in its own sphere of action: for rationality itself to be rationalized... What 'post-modernists' take to be the crisis of the quasi-religious irrational contents upon which the selective and partial rationalization we call industrialism - bearer of a conception of the universe and a vision of the future which are now untenable - is based."

(1989, p.1)
Gorz explicitly refers to Beck's thesis on reflexive modernization. Ulrich Beck himself in *The Risk Society - On the Way to Another Modernity* (1992) has reinforced these observations by arguing that the postmodern discourse is the expression of sociological helplessness: "'Post' is also the expression of mental laziness in sociology" (p.86). From these observations Gorz builds up his own theory of the conditions necessary for the 'reflexive modernization, of modernity which focus on the critique of economic reason and of the classical labour-based utopias:

"The utopia which has informed industrial societies for the last two hundred years is collapsing. And I use the term utopia in its contemporary philosophical sense here, as the vision of the future on which civilization bases its projects, establishes its ideal goals and builds its hopes. When a utopia collapses in this way it indicates that the entire circulation of values which regulates the social dynamic and the meaning of our activities is in crisis. This is the crisis we are faced with today. The industrialist utopia promised us that the development of the forces of production and the expansion of the economic sphere would liberate humanity from scarcity, injustice and misery: that these developments would bestow on humanity the sovereign power to dominate Nature, and with this the sovereign power of self-determination; and that they would turn work into a demurgic and auto-poietic activity in which the incomparably individual fulfilment of each was recognized as both right and duty - as serving the emancipation of all. Nothing remains of this utopia ..."

(1989, p.8)

**Dualization, polarization, marginalisation**

In chapter 6, "The Ultimate ideology of Work", Gorz confronts what he believes is the current ideology of work in the present era - human resource management - which is the latest embodiment and manifestation in capitalist form of the labour utopia. Starting from the history of this ideology in the work of the human relations theorists and its practical embodiment in the co-management plans of the 1940s such as the Scanlon Plan, through to the contemporary discourse of 'Japanisation', Gorz shows the ideological nature of these policies and discourses. Far from liberating the worker from heteronomy and alienation, the ideology of human resource management (HRM) is a capillary and molecular form of power, the 'ultimate ideology of work/employment'.
Commentating on the case of Japan, Gorz reveals the preconditions for the reproduction of such a system as the Japanese economy and society. Namely, that it depends on the policy of dualization whereby Japanese firms are only to guarantee their employees jobs for life by subcontracting out the manufacturing and services which they, as parent companies, have no vital interest in undertaking themselves, to a vast network of satellite companies. These subcontracting enterprises cushion the parent company from fluctuations in economic conditions: they employ and dismiss their workers according to changes in demand, and the fact that their employees often have no union of social protection whatsoever means this can be accomplished with great speed. Job security in the parent companies is matched by unstable employment and social insecurity throughout the rest of the economy. Employment for life and social integration are privileges reserved for a male elite (about 25 per cent of Japanese employees in 1987, a figure which is decreasing markedly as older workers are encouraged to retire early and are not replaced). They are only compatible with economic rationality within the framework of a dual society. The social division (or 'dualization') has been the dominant characteristic of all industrialized societies since the mid-seventies.

Moreover, it is necessary to emphasize that the existing form of work organization and the labour process in Japan is not, as is sometimes thought, a flexibly specialized alternative to Fordism, as argued for example by Friedmann in his book The Misunderstood Miracle (1990), but rather an internal modification of Fordist principles creating even greater instrumental rationality in the form of lean production'. As Dohse, Jurgens et al have written:

"Like in the West, work is organized according to the assembly-line principle, is repetitious, consists of short cycles, and is subordinated to centrally planned time standards. The - frequently exaggerated - allocation of indirect production tasks to production workers do not fundamentally change the character of work and can be regarded as an advanced rationalization of indirect production activities". (1994, p.141).

More to the point, Gorz's observations on the Japanese system can be said to be out of date as the system is coming under some pressure as the global economic crisis deepens.
For example, the system of manpower management developed in the sixties and seventies that has served Japan so well is currently undergoing a gradual transformation. Even before economic and demographic conditions made it obvious, perceptive Japanese observers pointed out the inherent weaknesses of 'Japanese management'.

However, despite these local criticisms, Gorz's conclusions that a process of dualization is deepening is supported by much current social scientific theorizing and empirical research. For example, the work of post-Fordist researchers such as Soja, Harvey, Lash and Urry and Davis have evidence and argument to support this thesis, as do researchers like Therborn who uses the term Brazilianization (Gorz uses the term South Africanisation). In Britain, sociologists such as Ray Pahl and Claire Wallace (1984) have insisted on the fact that polarization is taking place between those who monopolize work and employment and those who are increasingly excluded from the work/employment society.

On the theoretical level, Goldthorpe has put forward the view that dualization is increasing, albeit differentially, in all advanced industrial societies.

"If the foregoing analysis is accepted, then corporatist tendencies may be thought of as a response to the current problems of western economies of an 'inclusionary' kind: the increased power of major economic interest groups - and of organized labour in particular - is offset by institutional developments designed to involve these interests in both the formation and the implementation of economic policy ... However, to view corporatist arrangements in this way is at the same time to become aware of the possibility of a response on quite contrasting 'exclusionary' lines: that is one which would entail offsetting the increased power of organized interests by the creation expansion of collectivities of economic actors, within the sphere of production, who lack effective organization and indeed the basic resources and perhaps motivations from which such organization might be developed. Tendencies indicative of a response of this kind maybe described as ones in the direction of dualism".


Goldthorpe's observations are made in the spirit of an attack on the classical liberal industrial society thesis of Kerr which is, of course, a target of Sabel's criticism in Work and Politics (1982). The major criticisms of the industrial society thesis are reviewed
above but Giddens has given a fairly accurate synopsis of them relating to the critique of the 'orthodox consensus' in post-classical sociology:

"These views, which were developed in a political context of progressive liberalism, during a phase of relatively stable economic growth in Western capitalism, now appear almost archaic, following a period of heightened political and economic conflict. Indeed, they may now be interpreted as a cautionary tale of the perils of overgeneralisation in social analysis." (1982, p.235).

The alternative viewpoint that there are significant diversities between and within societies put forward by Goldthorpe and others can not dissimulate the fact that some sort of generalisation always has to be made and it is hard not to come to the conclusion that although the process is proceeding at different rates and in significantly different ways in advanced industrial capitalist societies, the dualization hypothesis has a certain universality to it.

To summarize these new lines of division and of cleavage in the following five points: (1) division between workers in weak and strong sectors; (2) division between workers in weak and strong firms; (3) the division between workers in large and small firms; (4) the division between workers in competing production units; (5) the division between the ins and 'outs'. Most importantly it is necessary to recognise the specifically gendered and racialized character of these processes, something which is often scandalously neglected by the FS school of research.

Thus Gorz's 'dualization' thesis finds much support in a wide range of social scientific writings. The relevance of this thesis for understanding work and employment today is emphasised by Gorz when he discusses the meaning of human resource management and the hypothesis of Piore and Sabel. For although Sabel's critique of the industrial society thesis allowed for the possibility for increased dualist tendencies the logic of the FS argument is to suggest that once industrial capitalist societies jump on to the learning curve of flexible technologies they will enter a new phase of prosperity and, given the right kind of institution-building, will be more egalitarian (the artifactual argument). But there is no escaping the logic of the argument which suggests that FS is a form of
adaptive upgrading towards a post-industrial society (despite the epistemological comments of Hirst and Zeitlin). Thus there is a constant slippage to be found in the writings of the FS thesis between artifactual and necessitarian form of argumentation and, moreover, a constant conviction that the politics of FS gives primacy to the conditions of labour as the centre for human liberation.

Flexible specialisation and human resource management

The contrary suggestion well summarized by Slavoj Zizek that the "world today is more and more marked by the frontier separating its insiders from its outsiders, between the developed, - those to whom human rights, social security and the like apply - and the others, the excluded" (1992, p.21). Gorz takes up this theme when he observes that the arguments of human resource management serve an ideological purpose and function: "the ideology of 'human resources', typified - almost caricatured - by the 'integrated, multi-dimensional, human enterprise', conceived as a site for the blossoming of individual and collective initiatives and thus an engine of social and economic progress ... 11 (p.66)" conceals the fact that it is only a minority of workers who 'benefit', from it. Using Kern and Schumann's studies on the 'reprofessionalization', of labour, Gorz notes that the factory with the highest degree of robotized production in Europe (Volkswagen) has, at the most, only one thousand workers of this new kind in a workforce of a hundred thousand. Gorz concludes by arguing that the

"image of the enterprise as a place where employees can achieve personal fulfilment is therefore an essentially ideological invention. It conceals the real transformations that have taken place, namely that enterprises are replacing labour by machines, producing more and better with a decreasing percentage of the workforce previously employed, and offering privileges to a chosen elite of workers, which are accompanied by unemployment, precarious employment, deskilling and lack of job security for the majority. The advance of technology has thus resulted in the segmentation and disintegration of the working class. An elite has been won over to collaboration with capital in the name of the work ethic; the great mass of workers have become marginalized or lost their job security".

(ibid 14, p.66).
Drawing upon the work of a German trade-union researcher, Wolfgang Lencher, Gorz concludes that enterprises are adapting a flexible strategy which divides the workforce into three sectors or groupings: (1) The stable core must accept occupational mobility and which is functionally flexible and which are the target of human resource management strategies; (2) The peripheral workforce which are numerically flexible; (3) The external workforce, which includes extremely highly skilled professionals, as well as workers with no particular skills and the large, fluctuating workforce occasionally employed by subcontractors. Gorz argues that these growing divisions and process of social polarization means that solidarity between workers can only be forged if it breaks completely with the ideology of 'human resources:

"Now this creation of solidarity is only possible if we break with the work ethic and with what I have termed the utopia of work. This utopia - and, equally, its philosophy of productivity, hard work and professionalism - is devoid of all humanistic content in which work is no longer the major productive force and in which, therefore there are not enough permanent jobs to go round. In such a situation, the glorification of hard work and the assertion that working and living can be one and the same thing, is an ideology which can only be held by a privileged elite which monopolizes the best-paid, most highly skilled and most stable jobs and justifies doing so on the grounds of its superior abilities. The ideology or work and the ethics of effort therefore become a cover for ultra-competitive egoism and careerism: the best succeed, the others have only themselves to blame ... If we are to prevent the 'South Africanisation' of society, we find another utopia".

(ibid 1989, pp.70-71).

**Return of the work ethic?**

For Gorz, then, and for other researchers such as Oskar Negt (see Rabinbach, 1990), the new ideology of work and the revalorization of the work-ethic which can be found in the writings of Kern and Schumann and Piore and Sabel et al, has to be countered by another utopia which will transcend the utopia of labour and the 'work-society.. For despite the arguments of Inglehart and others on the emergence of 'post-materialist values' in 'postindustrial societies', it does seem to be the case that, paradoxically, given Offe's, Habermas's, Negt's and Gorz's arguments about the end of the work-society and the structuring efficacy of the work ethic, the eighties and the early nineties have seen the
themes of 'enterprise', 'entrepreneurialism' and the morality of work and effort firmly established within the 'social imaginary' (see Pahl 1995).

The evidence is not conclusive but I can agree with Michael Rose when he argues in his much neglected book, *Re-working the Work Ethic* (1985) that there is no evidence for, first, the general disenculturation thesis: that is, the argument that the work-ethic is being abandoned, the most highly developed form of the hypothesis being the argument that as:

"one of the virtually inevitable consequences of a move towards a postindustrial society in which a previously 'sacred' link between work and social activity is dissolved because individuals will take for granted their own high standard of living, whilst production of goods is automated, and employment shifts towards work environments where much effort has to be devoted to games between people in which each player attempts to nurture and develop his or her own ego. Work values, along with culture as a whole, are, in this perspective, modified because the immediate material threat is removed".

(1989, p.15).

*New Age capitalism*[^10]

This line of inquiry is associated with the 'postindustrial' and 'post-materialist' argument which we find in Bell (1972) where the argument is that what characterizes the new work environments based on information technologies is not a 'game against nature' or 'against fabricated nature', but rather a 'game between persons'. It is a Goffmanesque world of 'role-players', 'role-takers' and varied strategies of 'presenting the self' in the dramaturgical postindustrial service economy. However, more recent research has shown that these developments do not necessarily mean the end of the work-ethic, but rather the colonization of social life by therapies and management theories which articulate or suture apparently incompatible discourses with the process of capital accumulation and valorization. Rose's critique of the cultural disenculturation thesis (and the constrained recommitment thesis) and his own more empirically sensitive alternative, the differential reconstruction thesis backs this argument up.
However, although Rose's thesis that the work ethic has been held by groups of workers in differential and varied ways in different historical periods is a more sensitive sociological sensitising concept, it doesn't adequately capture the characteristic uniqueness of the postmodern present where narcissism and 'New Age' philosophies can quite easily be united with a revalorized work ethic. As Heelas has argued:

"Expressivism ... has evolved some way since the counter-culturalists rejected the mainstream. During the 1970s it appeared to Bell, as to others, that the quest within was gravely undermining commitment to capitalist endeavour. Yet New Agers' cum radical expressivists are now employed by mainstream companies to unleash human potential in order to create better managers and workers. In measure, New Age capitalism serves to solve the 'cultural contradiction', which so worried Bell. The idea that work is liberating and fulfilling enables some to believe that there is no need to disengage or 'drop out' in order to pursue the quest for what lies within." (1992, p.161).

In his book America (1986), Baudrillard argues in much the same manner showing that in what he calls the 'post-orgy' societies of the advanced industrial societies, the liberationist ideas of the 1960s have been articulated in the new work environments of Silicon valley:

"Reduced pace of work, decentralization, air conditioning, soft technologies. Paradise. But a very slight modification, a change of just a few degrees, would suffice to make it seem like hell".(p.46).

**New economic sociology and work**

While Baudrillard's analysis is perceptive it has little explanatory value and therefore needs to be taken further by examining the conclusions of theorists working within the paradigm of the new economic sociology. In their introductory article to the new economic sociology, "The paradigm of economic sociology", Swedberg, Himelstrand and Brulin (1992) argue the following:

"During the 1960s and the early 1970s an increasing amount of attention was focused on the need to democratize the workplace. Today, however, the climate of opinion has changed and one example of this is the popularity of a new type of
managerial philosophy which has found expression in such works as William G. Ouchi, *Theory Z*, Deal and Kennedy, *Corporate Cultures* and Peters and Waterman, *In Search of Excellence*. The main message of these works is that a company, in order to be successful, must develop a strong sense of self-motivation among its employees. The managers are no longer supposed to just take care of the business side; the key to real success (excellence) is to instil a sense of purpose in the employees and thereby to get them to put in that extra bit of effort.


Swedberg et al argue that the orthodox neoclassical theory of the firm cannot provide an adequate analysis, for in neoclassical theory the enterprise is treated as a black-box, where little can be said about managerial philosophies. More specifically, the neoclassical emphasis on the individual actor fails to acknowledge the fact that all economic interactions take place in complex social situations, where the social actors are related to one another in intricate social networks of varying complexity. In short, economic interaction is embedded in a wider series of social relationships. Drawing upon Granovetter's analysis, Swedberg argues that:

"Granovetter's analysis can thus help explain what some employees find valuable in the new managerial philosophies: the pleasure of being part of an active social network, the joy of collective purpose, and so on ... According to Bowles analysis, which is explicitly launched as an alternative to 'neo-Hobbessian' theories of authors like Williamson, there exists a conflict in capitalist firms over the intensity of labour; the employer can do better than to simply hire workers and let them work as they please. The reason for this conflict is that the employer pays for the time of work as opposed to the amount of work. That the new managerial philosophies with their emphasis on highly motivated employees would be a perfect solution to this conflict is obvious. With no additional supervision, the employees can be made not only to work hard but extra hard - a nice bonus for management."

(p. 194, 1992).

Thus, Human Resource Management can be read and interpreted as a way of integrating the insiders into the corporation. In short, it is part of the whole contemporary process of irrational reenchantment. Thus to conclude,

"Precisely at the moment when the workplace is becoming more rationalised, more technologically intensive, more automated and more
controlled, managers are turning their attention to the irrational side of working life and making the ineffable realm of human values and motivations the conspicuous object of their concern. They are attempting to define yet another utopian language of management whose key words are not so much 'rationalisation' and 'control' but 'trust' and 'commitment', 'participation' and 'humanization'."

Gorz, liberation, and the critique of flexible specialization

The new managerial ideology of human resource management is attempting to define a new 'utopian' language of labour dovetails in with Gorz's criticisms of the project and his critique of the latest forms of work:

"Does the general rise in levels of qualification and the increase in autonomy at work also signify that the unity of working and living, occupational culture and culture in general will be created? Is it true, as the proponents of the utopia of work and number of left-wing authors - such as Kern and Schumann in West Germany, Sabel and Piore in the United States and Mike Cooley in Britain - maintain, that the reskilling of industrial labour will eliminate its heteronomy, restore humanity's mastery over machines, promote the full development of our human faculties within our work and give workers back their sovereignty? The answers one gives to these questions will vary according to the dimensions one takes into accounts.
(1989, p.78).

The dimensions which Gorz identifies are the following: (a) the organization of the labour process; (b) the relation with the product to be produced; (c) the content of work, that is, the nature of the activities and the human faculties it requires. These dimensions map onto the classical idea of alienation that we find in Marx's The Economic and Philosophical Manuscripts (1982) and the modern critique of the labour process and the degradation of labour. For Gorz, work only becomes autonomous activity if the following conditions are met: (a) it is organized by those performing it; (b) it consists of the free pursuit of a self-appointed aim; (c) it is fulfilling for the individual performing it.

Contrary to the orthodox Marxist view that these dimensions of autonomous activity can be reappropriated in forms of workers' control, or the view of HRM and Kern, Schumann,
Piore and Sabel et al that forms of reprofessionalised labour can regain autonomy, Gorz argues that: (a) working in autonomous groups which overcomes Taylorism does not, however, eliminate heteronomy, but merely displaces it; (b) the alienation from what they produce, is in certain respects, "even more complete here than in the Taylorised factory. The specialised skilled workers in these multi-skilled groups no longer hand the producers, know-how which, in spite of everything else, unskilled workers still possessed: they never come into direct contact with the product or semi-finished product, that is, with the actual materials" (p.79); that the reprofessionalised workers of Kern and Schumann and Sabel and Piore are not fulfilled in their labour.

For Gorz, work is not just the creation of economic wealth or value, but also, or should be, a means of self-creation and expression. Drawing upon the phenomenological writings of Husserl, Enzo Paci and Adorno and Horkheimer and Sartre, Gorz argues that:

"The tangible substance of the world has been abolished. Work as a physical activity has been abolished. All that is left is a purely intellectual, or rather, mental activity. This is the ultimate, the absolute triumph of what Husserl defined as 'mathematized nature': reality as we perceive it has been stripped of all its tangible qualities ... Hence the pertinence of the question posed by Husserl, which will also be the starting point for the proponents of Critical Theory: what relation to oneself as a sensory, corporeal existence, inherent in the world through the body, governs the methodical application of technique?"


The end of a utopia and the beginnings of another?

Ultimately the political conclusion that Gorz draws is the opposite of the HRM, Kern and Schumann, Piore and Sabel romanticisation of labour:

"The price we have to pay for technicization is only acceptable if the latter saves work and time. This is its declared aim and it can have no other. It is to allow us to produce more and better in less time with less effort. ... I cannot emphasize this too strongly: a job whose effect and aim are to save work cannot, at the same time, glorify work as the essential source of personal identity and fulfilment. The meaning of the current technological revolution cannot be to rehabilitate the work ethic and identification with
one's work. It only has meaning if it broadens the field of non-work activities in which we can all, the new type of worker included, develop that dimension of our humanity which finds no outlet in technized work". (1992, p.88).

Conclusion

The conclusion to draw is that it is, as Gorz argues (but also Negt, Negri), the division of labour (or a world beyond labour) that can be found in Marx's the Grundrisse (1857) that we must turn, rather than the exhausted utopias of labour of Kern, Schumann, Piore, Sabel, Unger and Hirst. In large-scale industry, Marx writes,

"the creation of real wealth comes to depend less on labour time and on the amount of labour employed than on the power of the agencies set in motion during labour time... Real wealth manifests itself rather - and large industry reveals this in the monstrous disproportion between the labour time applied, and its product ... Labour no longer appears so much to be included in the production process itself ... He steps to the side of the production process instead of being its chief actor."[111]

Thus, the promise of liberation through work and labour must be challenged. Although, Marx's son-in-law, Paul Lafargue's pamphlet The Right to be Lazy (1895) might have posed the question in somewhat of a facile manner it still has its moment of truth which finds its contemporary resonance in Gorz's writings, but also in the contemporary critique of one-dimensional emancipatory politics that we find in the writings of new social movement theorists (Eyerman, 1991) and in Therborn (1991) and Giddens (1991) call for a Life Politics or a politics of universal human life-realization[121] (Therborn) to accompany emancipatory politics. Emancipatory politics is about the following: (1) the freeing of social life from the fixities of tradition and custom; (2) the reduction or elimination of exploitation, inequality or oppression. Concerned with the diverse distribution of power/resources; (3) obeys the imperatives suggested by the ethics of justice, equality and participation. On the other hand, 'life politics, is about the following more qualitative factors: (1) political decisions flowing from freedom of choice and generative power; (2) the creation of morally justifiable forms of life that will promote self-actualization in the
context of global interdependence; (3) develops ethics concerning the issue 'how should we live?' in a post-traditional order and against the backdrop of existential questions. Thus the arguments of Gorz, Habermas and offe must be taken as problematizing the core ideas of Piore, Sabel, Hirst and Unger.

As Anson Rabinbach has written in his fundamental study of the origins of modernity, The Human Motor (1990):

"The goal of emancipating labour from the constraints of tradition or unscientific practices no longer resonates with utopian anticipation as it once did for nineteenth century reformers, scientists, and social thinkers. The displacement of work from the centre to the periphery of the late twentieth century thought can thus be understood by the disappearance of the system of representations that placed the working body at the juncture of nature and society - by the disappearance of the 'human motor'."

(1990, p.300).

This is not, however, to completely reject the line of thought put forward by the FS theorists because it is still the case that the advanced industrial capitalist societies need to develop competitive capacities and advantages where work will still occupy a vital but decentred position. Ulrich Beck (1992) has argued this point with some eloquence in his thesis on risk society. He argues that we are witnesses to the destandardization of labour where we are moving from a system of standardized full employment to a system of flexible and pluralized underemployment:

"In the current and coming waves of automation this system of standardized full employment is beginning to soften and fray at the margins into flexibilizations of its three supporting pillars: labour law, work site and working hours. Thus the boundaries between work and non-work are becoming more fluid."

(1992, p.142)(13)

Nevertheless, it has been the contention of this chapter that the FS thesis is over-dependent on the 'Utopia of labour' and that a more radical version of neo-modernisation theory needs to be developed which can think in more creative ways about the alternatives facing societies in the context of a question addressed to him by Keane in an interview (Gorz,
1994) about the viability of FS answers in the following manner: "...all that has completely changed. Identification with work and the glorification of work can no longer have the sense of an identification with the working class and a glorification of its might. This is a fact that certain sociologists - particularly sociologists of industrial relations - will not see. Whether consciously or not, they want to preserve within their analyses the idea of a working class that derives from its technical power an aspiration to exercise political power and take control of the means of production" (1994, p.86). Indeed, if one wanted to go further in this critique it would be possible to say that the FS thesis represents a further extension of the modern work ethic and the rebirth of what Godignon and Thireit call the 'rebirth of voluntary servitude' (1994) where modern "society now accords a wholly positive value to work, transforming it from a means to an end in itself" (1994, p.226). Not surprisingly, the FS thesis says little about the gendered division of labour and, again, Gorz is entirely correct to criticize Piore and Sabel for attempting to revive the sort of masculinist work society of the 19th century labour utopia. Again, a more progressive neo-modernisation thesis would learn from the sort of gender conscious analysis found in the likes of Beck's theory of reflexive modernisation, where the revolution in gender relationships is seen and acknowledged to have revolutionary implications for society as a whole.
REFERENCES: CHAPTER FIVE

1. These writers have highlighted the role that labour and work play in Marx's theory and have pointed out the problematic nature of their place and role in his theory of societalization. Habermas in particular has attempted to reconstruct historical materialism with his concepts of Labour, and interaction, and more lately in the The Theory of Communicative (1987). Action, system, and life-world'. More in the spirit of Marx's later writings Negt also deconstructs and reconstructs the place that labour assumes in historical materialism.

2. This is Agnes Heller's term for the shift in Marx' writings from a paradigm of work to a one of production. Emancipation no longer lies through labour, but from labour. See Agnes Heller, "Paradigm of Production:Paradigm of Work", Dialectical Anthropology 6 (1981): 71-79.

3. R.E. Pahl's Division of Labour (1986) shows the continuing importance of work in industrial societies. However, he argues that the standardised full employment pattern of the years 1945-73 has ended for good.

4. Post-history refers to a group of theories developed in the wake of Hegel and Nietzsche. See the survey by Perry Anderson in Zones of Engagement (1992).

5. Gorz's books Farewell to the Working Class (1987), Paths to Paradise (1983) and The Critique of Economic Reason (1989) are fundamental theoretical statements of the need for basic structural reforms in the ways in which societal wealth is produced and distributed.

6. Touraine follows Gorz in his conclusions although he is not as ready as Gorz to bid farewell to the labour movement, nor does he buy into the 'End of History' thesis: "At a time when we hear once again the end of history being proclaimed and the identification of what was one of the protagonists with universal truth, what we need to know is how to reopen theoretical and practical debates that have been crushed for too long under the weight of the cadaver of the revolutionary model'. How can one fail to see that tomorrow's Europe will be shaped by those able to invent a new social and political model which integrates and finally reunites the two parts of our continent?" See Alain Touraine, "Can One Still be on the Left?", Thesis Eleven, 28 (1991), 100-3.

7. A term developed most fully by Niklas Luhmann to refer to the tendency of the various sub-systems of society to become self referring. See Niklas Luhmann, The Differentiation of Society (1982).

8. Brazilianization and South Africanisation refer to societies where dualism, polarisation and marginalisation are marked. They stand as metaphors for these tendencies. See Gorz (1989).

10. This refers to the mobilization and articulation of 60s ideological and cultural themes to the theme of the enterprise culture.


CHAPTER SIX:
POLITICS, REGIONALISM AND FLEXIBLE SPECIALISATION
6. POLITICS, REGIONALISM AND FLEXIBLE SPECIALISATION

The final theme that needs to be taken up regarding the FS thesis is the politico-spatial dimension. The role of localities and regions in the FS argument is well-known and subject to much research and criticism, but there are also important political implications which need to be analyzed within the context of debates around what Stuart Hall has called the 'global and local' (1993) and, moreover, around debates on the changing nature of the State and political social movements, rather than on the debate around the concept of Marshallian industrial districts or the 'new industrial spaces' which is at the heart of the FS thesis and has been subject to numerous critical commentaries both supportive (Scott, 1986; Storper, 1992; Brusco, 1989; Cooke, 1987) and highly critical (Amin, Thrift, 1992). 1

The question of regionalism, localities and industrial districts has to be situated within the emerging *neo-modernisation* thesis. As Tiryakian (1994) has argued, the fall of 'Communism' and the end of the Cold-War has not meant the 'end of history' as postulated by Fukuyama (1989) but, rather the emergence of 'new worlds' of turbulence, chaos and anomie. The economic and political restructurings in all parts of the globe has destructured the old national economies causing widespread feelings of insecurity and heightened feelings of risk. Tiryakian argues for a renovated modernisation perspective on these changes - a *neo-modernisation* - which would treat the Parsonian dimensions of personality, society and culture as interactive dimensions of change. Reacting to the determinism of orthodox modernisation theory, Tiryakian's ideas mesh with those of the FS school (the foregrounding of the *artifactual* thesis) insofar as he calls for a more *voluntarist* theory of social action and creativity. However, he is more consistent in his voluntarism in recognizing that there are many dangerous social forces and trends emerging in the world of the late twentieth century than is ever recognised in the writings of the FS theorists. "The period of transition and flux we are in, alternating between order and disorder, between features of globalisation and local reactions to globalisation,
between differentiation and de-differentiation, is witness to a set of dialectical relationships that do not culminate in any linear direction; global or universal characterisations" (1994, p.143). Against this background it is necessary then to consider the dangers of an analysis or theory which puts great faith in the idea of regional economies as a new model of social and economic regulation. The danger that needs to be faced is the possibility that the strongly communitarian and work society centred model postulates by the FS school could help legitimise new forms of inequality and exclusion not just in the sense argued in chapter 5, but also in terms of the Balkanization of societies and ethno-national mobilisations, where the world is divided into productive FS sectors of the information rich on the one hand, and on the other, the non-productive, information poor regions (Lash & Urry 1994).

**Industrial districts and politics**

As an opening introduction I can define the term 'industrial district' in the following manner. Nineteenth-century industrial districts, as described by Alfred Marshall, were systems of small, craft-based companies specialized in the production of a particular set of products, interlinked by tight networks of subcontractors, often organized around family relationships dependent on starting finance raised within the community and capable of producing customized products, often for a luxury market. Such districts would be localized in particular regions or even within towns or specialized areas of cities. The best examples of industrial districts were Sheffield cutlery, tools and special steel districts, the Birmingham armaments and jewellery quarters, the Lyons silk manufacturing district, the New York garment district and the Roubaix and Kortrijk textile towns of France and Belgium. In recent years it has become apparent that such localities not only survive in the contemporary period but that they are amongst the most dynamic, fast-growing centres of production in the 'postmodern' space economy. The next step in the argument made by researchers such as Sabel (1989) and Cooke (1987) is to suggest that these industrial localities, or districts are forming spatial agglomerations of regionally based economies. The 'Third Italy' is the most famous and perhaps well researched example but it is also necessary to add the 'Second Denmark', Baden-Wurttemburg, Silicon Valley and Route
128 in the United States of America, Sakaki in Japan and so forth. At the empirical level it might be the case, as Sayer (1992) has argued, that just as researchers once upon a time spent their time discovering, branch-plant economies, so now they spend their time 'discovering' industrial districts, localities and regions.

However, the most important question is the political implications of the question. As Sabel argues in his essay "Flexible Specialisation and the Re-emergence of Regional Economies":

"Independent of the emergence of the new industrial districts and the shift in large firms' strategy, there has been a striking reorientation in the thinking of regional planners, local development officials, and the geographers, urbanists and regional economists who are their exponents and advisers. In the heyday of mass production poorer regions were conceived as blank spaces on the national map of industry, to be filled by the same development strategies as such voids were filled in the 'Third World'. In more prosperous areas the region or municipality was seen as an administrative unit suited to dispensing welfare services."


Sabel argues that this is changing as political movements rediscover the region as an apposite politico-economic entity. Set against a background of successive development strategy failures such as the Labour Party's 'Alternative Regional Strategy' or the municipal Keynesianism of the late 1970s in cities like Marseilles, London, Dortmund, Bremen, Hamburg and Detroit. And finally, the false hope of a forward flight into the sun-rise world of high-technology industrial parks.

For Sabel these changes created a new social, political and economic orthodoxy that valorizes endogenous local development:

"Like the firms, the localities know that they must survive in a turbulent economic environment; like the firms, they must accommodate volatility through flexibility, though for localities this naturally means facilitating the recombination of resources among companies, so that the latter may better redeploy them internally."

(Ibid, p.43).
Sabel, like most other researchers, expresses caution as to whether the new regional economic strategies will succeed, but is at the end of the day optimistic, given the political will that flexibly specialised regional economies are harbingers of the future. The fundamental obstacles are not apparently economic per se, but rather political and ideological:

"There are signs of regional reconsolidation, but significant obstacles to it as well. Even in countries such as Germany and Denmark with strong federalist traditions, prior efforts at administrative rationalisation of local governments, as instruments of the welfare state efforts to impose national fiscal discipline, obstruct efforts to increase regional autonomy. And these are the most favourable cases. But in these countries, and others as well, the new localists are pressing for an extension of their legal powers and no one is to say which forces will prevail. But it is possible, I think, to indicate some ways political intervention can and has already encouraged the formation of successful regional entities."

(ibtid, p.45).

Under the somewhat obscure title of "The Politics of Memory: Creating Regional Economies", Sabel devotes a section of his paper on how industrial districts and regions should be created, entrenched and multiplied.

**Regionalism, industrial districts and ethno-nationalism**

The 'politics of memory' is perhaps an unfortunate title, for it evokes some rather disturbing tendencies in modern politics, namely, the reactionary politics of ethno or neo-nationalism which is sweeping large parts of the world, not the least Europe. Sabel's paper and politics, let it be made clear, do not have any direct or immediate relationship to these developments and one can only mention the fact that his politics are progressive in the best social democratic sense. Furthermore, the argument that will be developed is only pointing out to certain ambiguities and possibilities that are latent in the regional economies position rather than some fully established political reality.
The 'politics of memory', then, connotes the emergence of local memories or local knowledge that articulates and sutures a politics of ethnic revivalism, with the boundary maintaining structures of a social and economic fabric of relationships, which puts into play a dialectic of the Same and the Other. With the globalisation of economic, social and political relationships we are experiencing a fundamental transformation in the way social systems are organised which, as of yet, has not crystallized into a coherent shape.

One line of analysis followed by Held and Hall (1993) is that the modern state, as it evolved from the 16th to the mid-20th century is no longer adequate for managing the hyper-complexity of post-modern social organisation. The state so it seems is too big for the local problems and too small for the global problems. That is to say, it is a meso-structure which is unable to adapt, or cope with, the myriad of problems that a rapidly changing world is constantly throwing up. In Held's (1989) more ambitious formulations the nation-states system is in long term decline as a series of disjunctions open-up along four critical dimensions: (1) the disjuncture between the international, transnational and global nature of multi-national capitalism (production, labour, finance, commodities, etc.) and the increasing diminution of state power, autonomy and efficacity; (2) the disjuncture between the autonomous sovereign nation-state and the rise of power-blocs of hegemonic states; (3) the disjuncture between the expansion of international organisations and the idea of autonomous sovereignty of the nation-state as the central 'steering-mechanism, of internal relations and international relations; (4) the disjuncture between the nation-state as the legislator and implementor of legal/juridical relations and the rise of international law and legal bodies.

The global and the local

This line of analysis does not lead, however, to the simplistic idea that what is needed is a world government, popular in the earlier years of the twentieth century by the likes of H.G. Wells, but rather that new structures of governance and decision-making have to be invented that link the local with the global by a system of federal institutions and relationships. The growth, expansion and deepening of capitalist economic relationships (in labour, product and capital markets) is part and parcel of what Giddens calls
'disembedding mechanisms', or 'abstract systems', but this is a process which is dialectically entwined with a counter-tendency for the 're-embedding' or reweaving of these disembedded relationships into new institutional and relational patterns.

The return of the local

Quite possibly the emergence of flexibly specialised regional economies (FSRE) could be the outcome of the contradictory tendencies identified above. For example, Kevin Robins (1989) argues that in these 'global new times, we are seeing the "renaissance of localities and of localism. There has been a great surge of interest recently in local economies and localised production complexes - the 'Third Italy', the 'Second Denmark', the industrial districts of Baden-Wurttemberg in West Germany, Sakaki in Japan, or Oyonnax in France" (p.20). In broader terms Robins speculates that the global-local nexus is about the erosion of national cultures by local and regional cultures and that "Modern times are characterised ... by a process of cultural decentralisation and by the sudden resurgence of place-bound traditions, languages and ways of life" (p.27). Robins argument also leads in other, more complex directions, pointing to alternative trajectories and more complex inter-linkages between the local and the global or, as Stuart Hall (1993) argues in his commentary on Robins argument that,

"alongside the tendency towards global homogenization, there is also a fascination with difference and the marketing of ethnicity and 'otherness'. Here is a new interest in the 'local' together with the impact of the 'global'. Globalisation (in the form of flexible specialization and 'niche' marketing) actually exploits local differentiation. Thus, instead of thinking of the global replacing the local, it would be more accurate to think of a new articulation between the global, and the 'local'. This 'local' is not to be confused with older identities, firmly rooted in well-bounded localities. Rather, it operates within the logic of globalisation. However, it seems unlikely that globalisation will simply destroy national identities. It is more likely to produce, simultaneously, new 'global' and new 'local' identifications."
(p.304).

However, within the FS literature per se there is a tendency to underplay the globalisation processes which post-Fordist writers such as Harvey (1989), Lash and Urry (1987, 1994),
Amin and Thrift (1992) and Castells (1989) have identified and to foreground, instead, the
local and the regional dimensions of the equation which leads, so I would argue, to a
romanticisation of the local and regional. For example, many of the left argue for a
'Europe of the Regions' which would be a federated European Economic Community
(ECC), based on a decentralized structure where power would be unshackled from the
centralized nation-state and Brussels bureaucracy and would be devolved to various
regional bodies and administrations. Furthermore, it could be argued, for example, on the
basis of reading of the anarchist and libertarian tradition of political and social thought
Bakunin, Proudhon, Kropotkin (and others outside this traditions such as the geographers
Elisee Reclus and Paul Vidal de la Blache) - that a Europe based on regional federation
holds out the best hope for a radical democratic society.

For the anarchist tradition generally, the productive structure of such a regionally
decentralized Europe would be based on small-scale production as argued for by Proudhon
and by Kropotkin, which in its modern reincarnation is, of course, called FS by Piore and
Sabel, Unger and Hirst and Zeitlin. As Peter Hall argues in Cities of Tomorrow (1989):

"...many though by no means all, of the early visions of the planning
movement stemmed from the anarchist movement ... The vision of these
anarchist pioneers was not merely of an alternative built form, but of an
alternative society, neither capitalist nor bureaucratic-socialist: a society
based on voluntary cooperation among men and women, working and living
in small and self-governing communities"[4]

A Europe of the regions?

To emphasize that this vision is not just the fantasy of marginal libertarian groups it is
worth mentioning that political journals such as The London Review of Books and The
New Statesman[5] have also mooted the idea of a 'Europe of the Regions' and, moreover,
that the Assembly of the European Regions, established in 1985, now has 171 members in
both eastern and western Europe. Writers such as Neal Ascherson, Ralf Dahrendorf and
Hans Magnus Enzenberger have also written in support of a 'Europe of the Regions', based
on a productive structure of FS.
Enzenberger's book *Europe, Europe* (1992) can be read as precisely such a deconstructions of the conventional image of Europe made up of nation-states slowly coming together into a homogenized European super-state. Bearing similarities with Derrida's (1992) reflections on Europe as based on difference, but within the universality of a defence of human-rights and the gains of modernity, Enzenberger bears witness to the essential plurality and diversity of Europe, which has found its specificity and uniqueness in the fact that it has resisted homogenization and uniformity. As historians and sociologists such as Braudel and Wallerstein have argued, Western Europe has been able to expand and grow on the basis of its unique synthesis of the classical and the feudal and the resistance to bureaucratic and absolutist state structures which could have choked off any economic, social and political dynamism by forming a bureaucratic empire.

Enzenberger (1990) lists his own problems which are facing traditional nation-states and capitalist economies which bear many similarities to the one listed by Hall and Held (1993) on the global and the local. Not surprisingly these are developed most thoroughly in his chapter on Italy, 'Italian Extravagances'. They are:

"(1) The Crisis of Sovereignty. The nations of Europe now occupy only a subordinate role in world politics. Sandwiched between the superpowers and pressured by the allies as well as adversaries, they can no longer conduct an independent foreign policy ... In the long term even their economic power will probably be insufficient to allow them to keep up with the major technologies. They will have to earn their living in the interstices of the world economy and look to softer, smaller, more flexible forms of production. This situation is nothing new for Italians;

"(2) The Crisis of Governability. Central political apparatuses have increasingly isolated themselves from society, bureaucracies are preoccupied with their own tumours, and political parties have degenerated into corrupt self service stores. Society ceases to believe in its ability to solve its own problem. It tries to live by its wits and get around centralized systems. A crazy quilt of quarrelling special-interest groups of disparate cultures and sub-cultures is forming; underground and shadow economies are beginning to flourish ... *The economic outcome of this strategy is clear. While state activity has left behind nothing but the grand ruins of obsolescent heavy industry, efficient small and medium-sized industrial companies have sprung up spontaneously in furniture making and tourism, fashion and precision engineering* [my emphasis]. The country's present affluence depends on this swarm of heterogeneous initiatives."
"(3) The Crisis of Planning. The more complex social and economic processes become, the more difficult it is to predict their outcome... Changes can no longer be thoroughly planned and imposed, but can be achieved only through trial and error, in a kind of stochastic process... [the Italians] historical experience demonstrates that the larger the apparatus, the less effectively it actually works. They've always preferred to rely on detours, improvisations, and specific experimental solutions [my emphasis].

"(4) The Crisis of Work. The shrinking employment is a traumatic experience for all industrialized societies. Unemployment is not just an economic problem, which could be solved by redistributing profits. Millions of people have internalized the ethic of work, achievement, and discipline to such an extent that they can't cope with the loss of the 'workplace'. For them unemployment is a psychological and cultural catastrophe as well as an economic one. Such an attitude has never managed to establish itself in Italy, not because the Italians were lazier than anyone else but because the history of the country has not known long periods of full employment. As a result, the Italians possess an extremely rich culture of parasitism. Unproductive 'spongers', beggars and prelates, magicians and gangsters, buffoons and barons, swindlers and tourists, whores and bosses, have never really been despised, ostracized, and condemned here."

(1990, pp.82-3)."

All of the themes that can be found in both FS literature and the post-Fordist literature are present here and Enzenberger gives his ideas a more explicitly theoretical formulation in the postscript to his book, a rather obscure semi-fictional piece called "The Seacoast of Bohemia, 2006", where he argues, using metaphors from 'chaos theory', that Europe is a "fractal object". As far as European societies are concerned

"it really is irregular, right down to its microstructures. Any attempt to create order here in the traditional sense is bound to fail. That's also true of the constitutional framework of the Community. It's possible, however, to lay down certain limits. This hodgepodge is our final shape. That's true even of our economy. The result is P.O.D., that is, the abandonment of mass production. Production on demand - we do it better than everyone else, and that's the reason we're still important in the world market. The Italians were the first to understand this - despite, or because of, their shaky infrastructure, their incompetent administration, and their jumble of institutions. But, as you can see, Italian improvisation also works here in the North. It seems rather chaotic to me, 'What you call chaos is our most important resource. We need our differences...'"

(1990, p.310).
The regions and politics

Enzenberger's *Europe. Europe* exemplifies the relationship between the concept of a 'Europe of the Regions', meaning a Europe of plurality, difference and diversity in terms of cultural identity, economic structure and political constitution and the general theory of FS. Like so much of the FS literature, Enzenberger's voice expresses a certain disillusionment with the great 'grand narrative', left-wing and Marxist project for the transformation of society through the action of an avant-garde political party whose radiating, totalising and hegemonic influence will re-make and transform society.

Like the more explicit postmodernist philosophers such as Lyotard (1979), Enzenberger's history of left-wing activism has turned into a more modest and pragmatic fin-de-siecle pessimism about the 'grand narratives' of modernity. A defence of civil society and of autonomous initiatives at the local/regional level dovetails in with the more modest but romantic ambitions of the FS theorists such as Piore and Sabel, Unger (although Unger's vision is significantly distinct as to be non-assimilable to this on a number of dimensions), Hirst and Zeitlin. For Enzenberger, Marxism although still an influence on his thought, is too implicated in the great Enlightenment and modernist dream of a "transparent society" which can order its relationships with itself through a collective decision-making process of direct-democracy. In line with the likes of Luhmann (1982), Habermas (1987), Lyotard (1983) and Vattimo (1992), Enzenberger believes that societies are too hyper-complex to be able to realize this vision without catastrophic results, involving the over-reduction of the complexity of society. Put simply, the dream of a radical break in social relationships through a revolutionary rupture with the past is rejected.

Similar ideas have been put forward by others such as Derrida whose collection of essays on Europe, *The Other Heading* (1992) closely echo Enzenberger's ideas on cultural identity as always non-identical to itself, open to a 'constitutive outside' (Laclau and Mouffe; Hall (1985) ). More pointedly, the North American Journal of radical social theory, *Telos*, has argued for a communitarian European Federal Populism which would invent new democratic forms of decision-making, dovetailed with regional based forms of economic FS. The editor of the journal, Paul Piccone, is the most insistent voice arguing
for a communitarian, regional/federal system of FS, based on his political and social theory, of late Frankfurt School providence, called the "artificial negativity" thesis. Although the work of the Frankfurt school form the bedrock of Piccone's theory, other influences include the writings of the late Husserl and the Marxist phenomenology of Enzo Paci (1972). However, Piccone criticizes their theories for not taking into account modern developments which has made much of the, one dimensional society' thesis outmoded. Piccone writes:

"One dimensionality came about as a result of a massive drive to annihilate all specificity and otherness typical of the entrepreneurial phase, in order to create the conditions necessary for this further rationalization of capital. Both work and leisure had to be homogenized by turning people into the abstract labor power needed in the new Taylorized productive process, and into the alienated consumers needed to buy the well-packaged and carefully marketed junk that such a system could profitably produce. Taylorization, capital-intensive technology, the culture industry and consumerism combined within a productive system based on the automobile and military expenditures to facilitate the penetration of capital relations into every domain of life. The homogenization and depersonalization associated with this period - i.e., the domination of the concept and of the abstract instrumental reason of capital - constitute the historical limit of this transitory rationalizing phase. The full triumph of one dimensionality corresponded to the exhaustion of the model that had generated it. [my emphasis]."

Drawing upon post-Weberian studies of the sociology of organizations and bureaucracies, Piccone argues that the Weberian vision of a totalizing, rationalizing, bureaucratization of capitalist relationships of production, ignores the fact that these processes become "counter-productive precisely when it successfully penetrates what it seeks to rationalize" (p.46). In somewhat of a functionalist turn of argument, the artificial negativity, thesis argues that the 1960s social movements were rapidly assimilated or coopted into a new logic of social organization and management. As Tim Luke (1984) puts it:

"[through artificial negativity] ... the administrative regime has fostered a variety of ... internal reforms to correct the totalizing excesses of the transition. Bureaucratic insurgency tactics, ranging from whistle-blowing to public employee unionization to information leaks as well as new anti-bureaucratic legislation, such as sunshine laws, sunset provisions, and zero-
based budgeting policies, are making bureaucratic decision-making more accountable as the aura of total power and absolute knowledge are stripped away from the bureaucratic practices. Similarly, the system accommodates artificial negativity by organizing increased citizen participation as part of its standard operating procedures."

(p. 70).

Piccone argues similarly in his later writings on Italian populism that:

"Contrary to the dark forebodings about various '1984s' and 'Brave New Worlds', the homogenization projected by this dialectic of enlightenment turned out to be considerably less pervasive than originally suspected ... The commodity form never succeeded in exhaustively colonizing that pre-modern reality whose residual traditional content seems to resurface spontaneously among the institutional ruins created by the domination of the concept."  
(1992, p. 5).

The outcome of this form of thinking is remarkably similar to Enzenberger's and Derrida's, albeit in a distinct idiom and genre of thought, in that we have the same refusal of traditional left responses, and the reassertion of diverse cultural identities, within a plural and federal Europe. Specificity, particularity and difference being the watchwords and, moreover, a suspicion of the totalitarian designs of the state:

"By subsuming all local particularities, community specificity and regional differences under a fictitious 'national' unity, the state tended to reduce various concrete peoples to abstract citizens who, stripped of their autonomous pre-political identity readily deteriorated into an undifferentiated mass unable and unwilling to sustain their social institutions increasingly entrusted to a separate bureaucratic apparatus."  
(ibid, pp. 5-6).

In this context Piccone and Ulmen argue in their essay "Schmitt's 'Testament' and the Future of Europe," (1989) that there is much to learn from the thought of Carl Schmitt, the infamous jurist and philosopher of the Weimar Republic who was complicit with the Nazi regime, but much like Heidegger has also many important things to say about democracy, the rule of law and, most crucially Europe and the system of nation-states. This is not the
place to investigate the contribution that Schmitt made to legal and political philosophy, but suffice it to say the major insight that Schmitt contributed which is of relevance here is the recognition that the sovereign state that has been the foundation of the Eurocentric order of international law is declining as the result of globalisation and the rise of non-Western powers. Consequently, the *just publicum Europium* no longer obtains.

**Regionalism and flexible specialisation**

For Piccone and Ulmen, Europe today is faced with the task of forging a new form of unification based on federal principles and, most crucially, based on turning away from the traditional centralizing and social democratic configuration to an administratively decentralized federalism that create the conditions for a new "post-industrial system variously described as 'post-Fordism' by regulation theory, flexible specialization, etc., which for the past two decades has already been gradually displacing the so-called 'Fordist, model - a model inextricably rooted in central planning and the totally administered society ... The gargantuan concentration of labor, capital and resources into mass-production factories, sharply separating an increasingly deskilled labor force and management seeking to control all features of the labor process, was not a neutral technological imperative but a key requirement of the central planning system of both over-bureaucratized state socialism and its counterpart, oligopolistic capitalism."

(1989, p.8).

This alternative to this iron-cage of mass-production would be the vision of FS as articulated by Piore and Sabel et al.

Within a decentralized federal system, this industrial model, historically associated with environmental irresponsibility, homogenization of producers and consumers alike, would according to Piccone and Ulmen be displaced by a new system "characterized by a myriad of much smaller autonomous units, where the separation of labour and management is no longer very sharp, quality becomes crucial, and the possibility of greater product diversity allows for better responsiveness to an increasingly fragmented market" (p.8).
However, Piccone and Ulmen argue that this 'possible world' will not come about because capital has discovered social responsibility, but rather because of the need to remain profitable in a world of cutthroat competition. What Streeck (1993) calls 'diversified quality production', is a necessary response from the west to the competitive advantages coming from the newly industrialising countries of the East. Piccone and Ulmen are critical of Clarke's (1990) powerful, but orthodox Marxist, critique of the FS thesis on the following grounds:

"Clarke's argument against the possibility of this sort of organizational development contradicts his earlier convincing claim that industrial rationalization is never brought about merely by technical innovations but by social and political imperatives. If the industrial decentralization postulated by flexible specialisation is, in fact, not only already technologically feasible ... but politically desirable from the viewpoint of relaunching capitalist profitability while at the same time guaranteeing social harmony, then it does not make sense to dismiss it, as Clarke does, purely on technical grounds that it may not be able to deal with mass production - something which can always be worked around. What is crucial is the presence of a strong capitalist political will and foresight." (1989, p. 9).

Nonetheless, for Piccone and Ulmen there is, at least in their essay on "The Future of Europe" a recognition that a regionally based, federated FS regime would not be the romantic vision put forward by the FS theorists. FS would entail new and unanticipated social conflicts. It might involve the inclusion of some sections of the 'community' and the exclusion of others. Women might be excluded, but more specifically it might be the women and men of groups identified as outside the 'community'. In short, the culturally defined Other:

"The marginalization of previously disruptive labour conflicts does not ipso facto usher in a conflict-free system. Residual labour and class conflicts typical of the Fordist phase of capitalist development turn into cultural ones [my emphasis] as a result of declining birthrates in Western societies and the growing importation of labour-power from the Third World or from remnants of the Soviet Empire. Such a fortuitous predicament provides diminishing native populations considerable opportunity for upward social mobility ... In the interim, however, since the only means of effectively resisting hardship associated with this social integration are the resurrection
of fading but still strong cultural particularisms, cultural fragmentation is likely to remain a significant feature of a federated Europe." (pp.9-10).

**The Lega Nord and flexible specialization**

It is significant that Piccone develops his analysis further in later articles where, significantly, he espouses the radical potential of the new populism in Europe and, in particular, the Lombardy League (and Northern Leagues) of Italy. Piccone recognizes that the dominant leftist analysis and interpretation of this new populism is that it is racist, xenophobic and reactionary.

Nevertheless, Piccone argues that to the extent that one of the League's main goals is

"the constitution of a new nomoi, which as this point exist only as what Ernst Bloch would have called 'the not yet', i.e., in vague communitarian longings, rough territorial contours and negatively, in opposition to the central bureaucratic apparatus, the League's identity is likely to remain associated with its visibly exclusionary criteria and therefore vulnerable to charges of racism and ethnocentrism especially from the traditional left." (ibid, pp.42-43).

An observation which is supported by the writings and speeches that come out of the League such as those by Gianfranco Miglio: "Britain has deteriorated since the war. This is due to new elements which are alien to the British world".

Piccone strongly resists this interpretation of the Northern League by arguing that it has changed in recent years and that populism is not an essence, but rather contains a multiplicity of possible directions. Much like Laclau's (1985) classic discussion of populism whose character is defined as the effect of the articulation of a chain of equivalences, between its elements, Piccone argues, albeit from a very different theoretical tradition, that the populism of the League is potentially progressive. Nevertheless, Piccone's defence of the Northern League is not convincing and goes against the grain of most progressive thinking on the matter:
"While in its early days the Lombard League entertained vague notions of ethnicity as *sine qua non conditio* for community belonging, that was dropped with the shift to the Northern League. *There is certainly a concern with illegal immigration, the generally perceived unwillingness of many new immigrants - especially North Africans - to integrate into local communities* [my emphasis], and with the inadequacy of existing facilities (jobs, housing, social services, etc.) to accommodate those new immigrants legally accepted."


Piccone's defence of the Northern League (and by extension other regional movements) backfires by its explicit rationalisation of racist politics revealed in this passage which, moreover, shows the aporia of the whole regionalist discourse: on the one hand, its romantic vision of a communitarian society of regionalised 'high-technology cottage industry, of industrious male artisans and, on the other hand, the series of social, economic, political, ethnic, racial and gender exclusions on which the whole idea at present seems to rest, at least when the idea is mobilised by regional political/social movements such as the Northern League. Thus, the defence of regional movements as new forms of cultural identity do nothing but to displace downwards, into a Balkanized pluralism, all the reactionary themes that can be found in traditional forms of nationalism and national identity.

Regionalism, as a new, invented and 'imagined' form of cultural identity, as presently articulated, while seeming attractive to some on the left is fraught with dangerous forms of exclusions which we are all too aware of at the end of the twentieth century to be optimistic. Apart from Piccone and Enzenberger we find in Britain Neil Ascherson and John Keane taking up these themes of a 'Europe of the Regions' as constituting a new project for the left. However, it is not difficult to agree with Bob Fine that:

"...*a Europe des regions* combining European citizenship with myriad local national identities - offers the scenario of a Europe based on a mosaic of small nations (except, doubtless, for one or two big nations at the centre) entrenched in their own parochialism, kept from each others' throats by the constitution of 'Europe,, and inevitably identified by their apartness from the 'non-European'. The turn to national identity represents as aestheticization
However, although Fine's warning is salutary, his overall critique of Keane's position seems to be based on the fallacy of abstract universalism. That is to say, he appeals to an identity based on work, an anachronistic idea that can be, of course, traced back to Marx's as argued in Chapter 5. National self-determination and national identity is not an unchanging essence and Keane's appeal to new forms of national and regional identity in a poly-diverse world, while problematic, offers up a vision which would position national/regional identity as just one dimension or aspect of a more complex, flexible and polyphonic form of cultural identity in a globalised world. To avoid Fine's scenario it is necessary to take heed of Habermas's warning (and no doubt Keane would agree here) that this postmodern mood, which is

"making its mark, all the way into the detective novel and onto the back-cover blurb. The publisher extols Enzenberger's new book [Europe, Europe] with the notice that he enlists what is irregular against the project of homogenization, the margins against the centre of power, living from difference against unity - Derrida's jargon migrates into commodity aesthetics."

(1992, p.140)

has to be countered by the recognition there is a dialectical relationship between the particular and the universal:

"Repulsion towards the One and veneration of difference and the Other obscures the dialectical connection between them. For the transitory unity that is generated in the porous and refracted inter-subjectivity of a linguistically mediated consensus not only supports but furthers and accelerates the pluralization of forms of life and the individualization of life-styles".

(ibid 14, p.1-40).

In short, greater universalism should be seen as what makes possible greater plurality and difference rather than being seen as in contradiction with each other. But although this Habermasian point is eminently sensible it solves the problem only in abstract terms,
leaving untouched the complex problem of its realization in concrete institutional forms which, ultimately, must be the touchstone of any political and social theory of radical democracy.

Therefore, it is against this background and series of debates, that the FS argument is being mobilized as an infrastructural support or foundation for Regionalism. However, this linking must be viewed as one of the more problematic dimensions of the FS debate in terms of its political instrumentalisation. Piccone writes, for example, the following in support of his more general thesis:

"...the Northern League proposes an integral federalist model which is potentially generalizable at least to all of 'Europe' and may provide an alternative to an increasingly discredited central state as the basic unit of the forthcoming European federation. Caught between a vibrant regional revival predicated on post-Fordism and what Gianfranco Miglio calls the fifth productive revolution' [my emphasis], on the one hand, and a broader nascent European federal framework, on the other, the traditional nation-state is rapidly losing even its last raisons d'être."
(1991, p.8)

Elsewhere he writes that:

"Although the League consciously locates itself beyond any Left/Right division, its animating spirit is rooted both in a much older but largely forgotten Left anarchist tradition, as well as in the most advanced 'post-Fordist, industrial practices which, not by accident, are very congenial to older anarchist forms of economic organization dating back to Proudhon. To a greater extent, the unprecedented prosperity of Northern Italian regions today is largely a function of the gradual post-Fordization of production that has been underway over the past two decades."
(1992, p.43).

While it might be the case that, as Piccone argues, the Northern League and Regionalism is not a racist and ethnocentric movement but rather a progressive movement beyond both social democratic welfare capitalism and free-market capitalism, it remains the case that there is enough room to doubt this proposition and therefore to oppose at the theoretical and political level this new form of what, paradoxically in the light of Piccone's enthusiasm for Carl Schmitt, Schmitt (before Benjamin) called aestheticised 'political
romanticism'. The idea of a 'Europe of the Regions' is more likely to give rise to what Umberto Eco (1986) has called a revived, new or postmodern "Middle Ages" of feudal states, or what Michel Maffesoli (1988) has called 'neo-tribalism' ("Utopian postmodernism is thus a neo-tribal paradise in which a set of spatially set forms of life carry on experiments, each in their own culture. In this vision, however, communication is impossible between tribes", based on a productive structure of exclusions, of insiders and outsiders, as argued by Oskar Negt and Andre Gorz and in Chapter 5.

Conclusion

While the previous comments do not disprove the viability of FS as an economic, social and political strategy they do, however, place in doubt the claimed political progressiveness of the strategy as formulated and concretized in an actually existing political and social movement. It might be that the elements of the FS strategy could be articulated and sutured in different ways, producing new combinations which have greater radical democratic political potential, but this remains to be seen and has to be placed in question if we accept the propositions of Jonathan Friedman (1994) who has argued, from a Wallersteinian world-system perspective, that the disintegration, or break-up, of the current parameters and shape of the hierarchy of economies is giving rise to distinctive new cultural identities. In the capitalist "core" the reaction to 'globalization', post-industrialization' and 'postmodernization' is, as discussed above, a political and cultural reaction formation which takes the form of a search for "roots", in diverse movements such as communitarianism, ethnicity and nationalism. However, as Friedman recognizes this return to "roots" is mediated by the world-system itself and he would be the first to agree with Giddens's observation that with the increasing "time-space distanciation" of modernity, "place becomes increasingly phantasmagoric." that is to say, locales are thoroughly penetrated by and shaped in terms of social influence quite distant from them. What structures the locale is not simply that which is present on the scene; the visible form, of the locale conceals the distanciated relations which determine its nature, (1988, p.19). In short, what may lay behind the visible form' of FS is the whole, totalizing world-system of late capitalism.
The above points discussed in this conclusion do not add up to an empirical falsification of the FS thesis, nor do they show the impossibility of the realization of such a project. They do, nonetheless, sketch out in a preliminary form why the FS thesis should be treated with some caution, from the perspective of a radical perspective in social and political theory which approaches the debate from a practical interest in the constitution and invention of a more emancipated and democratic society. Contrary to Hirst's argument in his *Associative Democracy* (1994) there is no reason why FS might not lead to the further 'Balkanization' of societies or what he calls the 'Ottomanization of society where separate and antagonistic communities live adjacently with each other in mutual suspicion: "This has been carried farthest in parts of the USA, where the radical divergence of ethnic, religious and lifestyle groups have produced a virtual re-creation of the Millets system of the Ottoman Empire in which plural and semi-self-regulating communities coexisted side by side, with very different rules and standard" (1994; p.66). Interestingly, Piore has attempted to tackle the question of the fragmentation of the United States into distinct communities of meaning and action, based primarily upon 'race', ethnicity and gender in his book, *Beyond Individualism* (1995), and his appeal to ideas of 'hybridity', 'borderlands' and anti-essentialism link his ideas up with contemporary radical thinking on this question, although his claim that a revived trade unionism is one of the ways in which different communities could be connected up with one another is not perhaps a theme or a solution which would gain wide acceptance. For Piore, the concept of 'borderlands' (Rosaldo 1993) "yields new insight into how a society composed of communities of action might be integrated socially, into how networked organizations might emerge in the economy, and into processes that might reconcile the conflicts among the claims of such communities and between those claims and the constraints imposed by the economy" (1995, p.167). However, this prescription, however appealing, leaves out of consideration the possibility that the FS solution could just as easily by a justification and legitimation for the further fragmentation and segmentation of the United States into Balkanized regional economies of winners and losers as the modernist nation-state system implodes into the neo-medieval world of the local in the global.

Furthermore, at an intellectual level it is problematic that *Telos* (Piccone, 1994) has recently deepened its interest in federalism, regionalism and communitarianism by
publishing some of the writings of the French New Right, a move which would seem to confirm some of the anxieties expressed in this chapter.
REFERENCES: CHAPTER 6

1. Industrial districts, localities, and regions are all terms used for the renewed interest in spatiality in the social sciences. Debate over their characteristics, development or even their existence is the site of an important intellectual and political debate and is at the heart of the FS debate.

2. "Politics of Memory" is a term used by Sabel (1989). The meaning is never directly explained, but it connotes a politics that returns to the local and the region. It points to a certain populist and romanticist nostalgia in Sabel's writings. It has certain affinities with Kenneth Frampton's concept of 'Critical Regionalism'. That is, the postmodern return to a smaller scale more local politics.

3. The debates around trans-nationalisation, globalisation and the global/local nexus is at the heart of the FS theory. See, in particular, Stuart Hall (1992).

4. The Anarchist tradition of political thought can be seen as a utopian precursor of Piore and Sabel's politics of FS. Unger's political genealogy draws upon this tradition, but also Lassalle, Rodbertus and others. Hirst, the pragmatist of these researchers, says nothing on this tradition, preferring the tradition of English Christian associationalist socialism.

5. See, in particular, The New Statesman, 19th June 1992. This issue deals with Nations and nationalism in the new Europe. It develops and debates the theme of a democratic federal Europe.

6. Enzenberger's reflections can find support is political economy. See, for example, Enzo Mingione's work on informalisation and marginalisation in Italy collected in Fragmented Societies (1992).

7. This term should be taken in a metaphoric sense to refer to the new politics of federalism and difference.

8. Derrida's reflections on the new Europe suggest that there is a politics in Derrida close to Sabel's ideas about a 'politics of memory'.

9. The Italian Northern League's support in Northern Italy dovetails with the valorisation of the 'Third Italy' in academic and political debate. However, although there is an elective affinity between the Northern Leagues's economic and political policies and FS there are other possibilities of articulation.

10. Anthony Giddens in his The Consequences of Modernity (1990) points out that in 'high modernity' what appears as the 'local' is often colonized and penetrated by the "abstract systems" and "symbolic tokens" of a globalized modernity. Illusions of locality are invented
and imagined. This produces a sort of reification and fetishization which occludes and dissimulates the de facto reality of the global.

11. A disturbing feature of Piccone's defence of the Italian Northern League is his sympathy for some of the arguments of the French and European New Right. See in particular Piccone's article 'Old Prejudices or a New Political Paradigm?' in the Special Double Issue on The French New Right in Telos, No. 98-99 Winter 1993-Fall 1994. Piccone finds the French New Right interest in organic communitarianism, federalism and populism confluent with his own interest in these themes. Piccone down plays the racist aspect of the ideas of such New Right thinkers as Alain de Benoist, thus refusing to consider the real dangers that a federal, communitarian populist politics presents in a world where 'differential racism (Tanguieff 1994) is on the rise. For a critique of Piccone read, John Michel article, 'Critical Intellectuals and Identity Logic: Politics, Representation and Community' in Telos, No. 101, Fall 1994. See Piccone's reply in same issue, 'From the New Left to the New Populism'.
CONCLUSION

This dissertation has argued that the FS 'research programme', around which a diverse group of scholars have organised their intellectual labour, is a developing one insofar as it has not yet exhausted its potential for further development and enrichment. However, it has not been the intention of this dissertation to suggest that the FS thesis is a tightly delimited 'paradigm' or 'research programme' in the sense defined by the philosophy of science. Rather, it is a 'research programme' in a more pragmatic sense defined in terms of a series of 'family resemblances' between a configuration of ideas, concepts and intellectual 'networks'. In this sense I would concur with Frank Webster's comment (1995), that the FS thesis concerns a "quite extraordinary diversity of opinion which endorses the notion" (p.157). Nonetheless, I have sought to show that within a significantly diverse set of researchers, principally - Piore, Sabel, Hirst, Zeitlin and Unger - there are enough commonly defined and embraced themes, motifs and concepts to define a common set of concerns and a matrix of interpretation, which in broad terms are the following.

A critique of orthodox deterministic and necessitarian theories of social change and development; a critique of 'neo-liberal' accounts of the industrial and political organisation of advanced, industrial capitalist societies. A critique which is shared by numerous contemporary scholars and researchers, epitomised by the success, in 1995 and 1996, of Will Hutton's The State We're In (1996) (which should be read with the Labour Party influenced Report of the Commission on Social Justice [1994] and Ralf Dahrendorf's Liberal Democrat influenced Report of the Commission on Wealth Creation and Social Cohesion [1994]), Francis Fukuyama's reflections on the reasons for the success of the Asian 'Tiger Economies' (1995) and Benjamin R. Barber's reflections on McWorld (1995). The upshot of all these arguments is, of course, that any purely 'economic' argument about the state of modern industrial capitalism is reductionist and that any reform of economic relationships depends upon a whole 'reengineering' of political, social and-economic 'formative contexts' or the institutional architecture of society; an attempt to reconstitute or reconstruct theories of advanced, industrial capitalist societies, which takes into account the need to respond politically to a world where both 'neo-liberal' and the 'state-socialist' solutions to the problems of modern political economy have been rendered implausible and unfeasible. And, moreover, to develop 'counterfactual' 'plausible worlds' (Hawthorn, 1991) to the present in a spirit of 'utopian
realism' (Giddens, 1994) beyond the world of 'simple modernisation' (Beck, 1991) and into a world of 'reflexive modernisation' (Beck, 1992) in the 'Enlightenment's Wake' (Gray, 1995), to show, moreover, that this group of FS thesis scholars are responding to the profound political, social, cultural and economic transformations that are taking place in an increasingly interdependent, globalised world defined in terms of nothing less than a 'second industrial divide' of corporate transformations, technological transformations, restructurings and neo-industrial 'reflexive modernization', to show, as a corollary of these four points, that it is an error to see the FS School's work and research as simply concerned with a description, of the present state of affairs, but rather to show that their work is transgressive and deconstructive insofar as it is equally about prediction and prescription in a world 'beyond individualism' (Piore, 1995) and into a 'stake-holder' society of 'inclusion' and high 'trust'. And finally to show that it is necessary to problematise the FS thesis by identifying weak points or aporias in its basic assumptions and modes of argumentation. Only by identifying these problematic aporias can there be any advance towards, to use an archaic expression, a 'united front' or 'popular front' of 'non-neo-liberal', 'non-state-socialist' forms of contemporary radicalism. It has been my argument that the FS thesis provides one possible and fruitful framework for moving beyond the antinomy of either 'market regulated' social relationships or 'state regulated' social relationships. Moreover, because of its relative openness, the FS thesis can be deepened and extended in an ecumenical spirit of radical enquiry and research as long as it remains open to other currents of radical theorising which hope for a future beyond the 'free-market' paradigm.

The FS thesis is still a developing one, it is being deepened and broadened by the scholars associated with it as exemplified by the publication in 1995 and 1996 of Piore's Beyond Individualism and Hirst and Thompson's Globalization in Question. It is certainly one of the most creative and innovative approaches to offering a radical alternative to the nostrums of orthodox, neo-liberal market theorising and politics. As argued in Chapter 1 it has successively criticized conventional modernisation theory and in its place has opened up a space for the development of a second stage of modernisation theory - neo-modernisation theory (Alexander 1995, Tiryakian 1991, 1994) - which theorises a more voluntaristic, less deterministic and necessitarian, form of industrial society theory. Although, as argued, there is far too much ambiguity surrounding the degree of openness and contingency (artifactuality) which it allows for in (Giddens 1994, Beck 1995) the development of paths to late modernity or reflexive modernity it opens up avenues for thinking about change and transformation which orthodox modernization theory and orthodox forms of Marxist theorising refuse. Nevertheless, hidden through the back door is the relative closure of alternative possibilities as it argues for the inevitability of the market and the inevitability of the decline of Fordist mass-
production, and the reconvergence of industrial economies and societies upon a common model in a globalised world. Nonetheless, this neo-modernist 'realism' can be harnessed to a 'utopianism' which looks beyond the one-dimensional juggernaut of neo-liberal globalisation (see Hirst and Thompson, 1996).

Following on from this point, and as argued in Chapter 2, the FS thesis has been too ready to reject some of the key concepts of Marxist theory such as 'capitalism' and the necessity for a totalising theory of the modern globalised world-system. On the other hand, as argued in Chapter 3, their foregrounding of the 'political constructionist' (Locke & Thelen, 1995) or *artifactual* thesis allows considerably more contingency and the possibility of institutional invention within social forms such as capitalism, than the Marxist paradigm allows. However, the FS thesis neglects to consider realistic ways of dealing with the profound tendencies which modern capitalism generates towards the generation and reproduction of new inequalities between and within various groups in the population. Chapter 4 argues that the FS thesis is closely allied with the contemporary revival of political theorising within the social sciences and shows that it is close to the *communitarian* perspective which offers up a political analogue to the critique of orthodox individualistic neo-liberal market-based thinking and theorising. In this sense, it offers up a theory which attempts to go 'beyond individualism' and towards a theory of community, association 'stake-holding' and trust. Nevertheless, as argued in Chapter 5, this theory of communitarian flexibly specialised production systems is too dependent upon a productivist, 'work-society' form of theorising and politics, which downplays the possibility of other forms of social organisation that might be possible beyond the old labour utopias. Moreover, taking up themes from Chapter 3, it does not take significantly seriously the manner in which significant sections of late modern industrial societies are being *excluded* from participation in the work-society. Finally, Chapter 6 has shown how the FS thesis with its valorisation of regions, localities and districts opens up the possibility of a virulent form of neo-medieval, Balkanised polarisations of the 'rationaliser winners' and the 'rationaliser losers'. But, as should be emphasised, this is only a possibility in an *artifactual* world and the general conclusion should be that the FS thesis is still a creative and progressively advancing research programme which could incorporate these criticisms into its own research agenda. It is certainly the case, moreover, that the FS thesis represents a radical neo-modernisation perspective which 'goes beyond' the orthodoxies of neo-liberalism and is desperately seeking a vision of a new world order.

As a final set of comments to the conclusion of this thesis I would just like to remark on the manner in which the FS 'research programme' could develop and progress, rather than
'degenerate' and stagnate. As mentioned above the FS thesis shares a number of commonalities with a wide-range of anti-'neo-liberal' political and socio-economic programmes and ideas circulating in the contemporary world of the late twentieth century. Moreover, it has been suggested that the FS thesis can be viewed as convergent with the theory of 'reflexive modernisation' insofar as it shares a similar interest in a 'neo-modernisation' perspective on contemporary political and socio-economic transformations and restructurings. Thus it is my contention that the next stage of theorising should be to make this convergence more explicit and to help draw out where the two programmes of 'flexible specialisation' and 'reflexive modernisation' could mutually enrich each other. This is not to say, of course, that these two programmes or theories are internally homogeneous within themselves as it is the case that the FS thesis, as shown in this dissertation, is by no means a single unified and uncontested set of propositions. Likewise, the theory of 'reflexive modernisation' is a broad perspective rather than a single, logically clarified theory undivided by debate and controversy (see, Beck, Giddens and Lash, 1994, Lash, Szerszynski and Wynne, 1996).

Nevertheless, the two programmes feed on the same zeitgeist and 'networks' of social scientific research which can be broadly summarised as a 'progressive' intelligentsia which while disillusioned with Marxism has not capitulated to the ideology of the globalised 'free-market'. Both programmes identify the late twentieth century as a period of transformation and transition. For the FS thesis it is a time of another 'great divide' or 'second industrial divide' based on fundamental socio-economic transformations which are transforming the productive structure of society on a global basis and which, moreover, are leading to great institutional readjustments on the level of corporate organization and governance, political organisation and cultural production and consumption. Likewise for the 'reflexive modernisation' perspective we are witnessing a fundamental 'divide' in late twentieth century societies between an era of 'simple-modernisation' on the one hand and, on the other, and the coming era of 'reflexive modernisation' based on a need to master our own 'mastery' of the social and natural world. In these terms then the reflexive modernisation perspective can provide a broader framework for situating the institutional changes identified by the FS thesis. One that is able to draw upon the idea that a revamped neo-modernisation perspective is a useful way to go forward in a situation where there are marked tendencies towards a convergence of industrial structures upon some form of 'market' based relationships on the one hand, but also on the other hand, a growing acceptance that the 'market' is always socially and institutionally embedded in a pre-contractual web of relationships and networks which leads, logically, to the conclusion that 'market' based societies exhibit marked divergences between each other in terms of how the market is organized and regulated. In this sense, then, this dissertation leads
to the conclusion that a new hybrid theory is coming into existence which could be called for want of a better term 'reflexive flexible specialisation'. While 'reflexive modernisation' is a sort of meta-theory which highlights the broad sociological transformations contemporary societies are undergoing, 'flexible specialisation' is a more specific research agenda which is attempting to suggest counter-factual, 'plausible' possibilities which are tendentially present in the contemporary world at the level of the socio-economy. Moreover, such a recoding avoids the reductionism implicit in the FS thesis where a narrowly defined concept of industrial division and change is interpreted as representing the whole complex social totality.

In line with the latest developments in 'reflexive modernisation' theory it is necessary to argue that 'reflexive modernisation' is a form of neo-modernisation theory which attempts to steer a course through the idea of modernisation as being 'necessitarian' on the one hand, and on the other, being a 'artifactual' social construction. As Beck has argued the theory of 'reflexive modernisation' is as much about self-confrontation as 'reflexivity'. Beck argues that the transition from 'simple modernisation' to the new 'reflexive' stage occurs unintentionally, "Risk society is not an option which could be chosen or rejected in the course of political debate, it arises through the automatic operation of autonomous modernisation processes which are blind and deaf to consequences and dangers" (p.26, 1996). However, the blindness of the modernisation process increasingly calls forth a response in terms of a political and 'sub-political' (Beck) logic of criticism which opens up a societal space for renewed social critique which Beck calls "reflexive modernisation as a theory of the self-criticism of society" (p.33, 1996). The reference to Beck's concept of 'sub-politics' is particularly pertinent in relationship to his comments on Piore and Sabel's ideas in the section in Risk Society (1992) called 'The Sub-Politics of Industrial Automation' (p215). Commenting on the changes happening in many industrial sectors Beck refers to the "new forms of 'flexible specialization' [which] compete effectively with the old 'hulks' of mass production." (p.215). Moreover, Beck elaborates by suggesting that it is important to to evaluate these restructurings correctly and he writes: "The model of primary rationalization, which is marked out by changes in the categories of job, skill and technical system, is being displaced by reflexive rationalizations." (p 217). These changes involve transformations in the plant paradigm, the arrangement of production sectors, and mass production.

And yet while the theories of reflexive modernisation and FS can learn from one another and feed off each other's insights, it is nevertheless the case that their commitment to local, partial and sectional critiques can give rise to confusion and lack of clarity about the general principles and values which govern and organise society. In criticising Marxism and Critical
Theory for having a transcendent concept of critique, Beck thus avoids an explicit self-thematisation of values, norms and principles which is necessary for any genuine social critique. So while Beck writes that the theory of risk society avoids the "difficulties of a critical theory of society in which theorists apply more or less well justified standards to society and then judge and condemn them accordingly" (p. 33, 1996) it comes into collision with the problem of confusing and eliding the levels of description, prediction and prescription which is one of the problems with the FS thesis as argued above in many places in this dissertation. Therefore a more analytically precise differentiation and specification of these levels of analysis must be the aim of any future research into reflexive modernisation and FS. That is to say any empirical research into the new production, corporate and governance structures that are emerging in the new space economy must specify and analytically differentiate between what is happening empirically (description), the broad trends shaping the future (prediction) on the one hand (for an exemplary analysis along these lines see Lash and Urry, 1994) and, on the other hand, the question of normativity and prescription which is a question of political philosophy defined in the broadest sense.

Thus while the FS thesis draws upon normative political philosophy - ideas of justice, equality, community, liberty, democracy, etc - it rarely makes explicit the way in which it defines and evaluates these concepts. Where it does make distinctions it either collapses the distinction between description and prescription as in the case of Sabel in particular. Or, on the other hand, it builds up an unbridgeable gulf between what is (description) and what should or could be (prescription) as is the case in different ways with Unger and Hirst. Consequently the actual agents or actors of social change are entirely left out of the picture and thus the intermediate level of prediction is elided and undertheorised. Perhaps Piore's Beyond Individualism (1995), with its democratic pragmatist Deweyian overtones, goes some way to avoid these errors and to successfully integrate all three levels in a satisfactory, but analytically differentiated fashion. Whatever the case may be the future of the reflexive modernisation theory, of which the flexible specialisation thesis is a sub-component, depends upon the successful identification and differentiation of these analytically defined levels of research and advocacy. An engagement with some of the arguments of radical political philosophy is on the agenda as represented by, say, John Roemer (1995), Elmar Altvater (1993) and G.A. Cohen (1988).

While it is true that the political terms 'left' and 'right' have been subject to something of a deconstruction in recent years and there is much talk of the 'End of Left-Right Dichotomy' (de Benoist, 1995) or 'Beyond Left and Right' (Giddens, 1994) there is still the need to recognise
that history has far from ended in the utopia of an egalitarian liberal democracy, rather there is the threat of a 'turbo-charged capitalism' (Luttwak, 1994, 1995) where we will see the revival of various forms of fascism and fundamentalist jihad. In this context it is necessary to 'reinvent the Left' (Miliband, 1994) in a spirit of ecumenical dialogue with all those traditions of social thought which hold out hopes of the realisation of a more just and solidaristic society. Thus, despite these deconstructions, Stephen Lukes is correct to say that "Left-Right maps still make sense of our politics and the Left is right" (p.10, 1992). The FS research programme if open to these other radical social theories can contribute to this reinvention. Thus it is important to view the FS research programme as an attempt to create and invent a set of ideas and programmes which are concerned with the institutional reinvention of the political, social and economic architecture of society, inspired in particular by a theory of 'radical democracy' (Unger) It is a theory and programmatic ideal which hopes to avoid the error of rationalistic social engineering on the one hand and also on the other hand, the error of 'free-market' 'reengineering' and 'downsizing' of the 'new' 'ruthless' economy (see, Sennett, 1995; Head, 1996) Furthermore, its artifactual or political constructionist approach takes into account important contextual factors to do with national, regional and local specificities and differences, thus avoiding false universalistic schemas (see Locke & Thelen, 1995) which have harmed previous attempts at proposing forms of institutional and political reinvention.
Giddens, for example, in *Beyond Left and Right: The Future of Radical Politics* (1994), seems to suggest a relatively unproblematic theory of what he calls 'reflexive modernisation' which conceals the contingent openness of modernity. "The development of social reflexivity is the key influence on a diversity of changes that otherwise seem to have little in common. Thus the emergence of 'post-Fordism' in industrial enterprises is usually analyzed in terms of technological change. But the underlying reason for the growth of flexible production' and 'bottom-up decision-making is that a universe of high reflexivity leads to greater autonomy of action, which the enterprise must recognize and draw on" (p 7). Giddens draws upon the work of Ulrich Beck, but Beck seems to open up a greater space for contingency than Giddens. Beck's distinction between 'simple modernization' is a phase of social transformation in which modernization changes shape. Class, stratum, occupation, sex roles, businesses, sectoral structures are all affected... Unconsciously, and counter to planned activity, modernization is undercutting modernization" (1985, p.36). Giddens use of the term 'reflexivity' seems to suggest a linear, evolutionary theory of development which repeats some of the errors of classical, orthodox modernization theory. Indeed, Alexander (1995, p 42-47) has criticized the "hubris of linearity and the dangers of theoretical amnesia' (p.42) in Giddens' theory of 'reflexive modernity'. Beck's theory of 'reflexive modernity', on the other hand, seems much more in tune with the theory of 'neo-modernization' put forward by Alexander and Tiryakian.
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