

## Reflections on the Process of Production

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In the face of growing global economic and social crises we need to return to clear action oriented and empirically grounded understandings of capitalism. Three decades of inward looking self-indulgent theorizing has lived out what ever usefulness it may have had. Yet, as is so often the case, academic discussions remain rooted in text, classrooms and publishing houses. It is, I suppose, no small irony that our journal is rooted firmly within this self-same academic environment. However, even as we draw upon the very structures and instruments of an academic site of production, we do so with the clear objective of building a new better world. With Marx, we see a need of going beyond simply interpreting our world – we need to change it.

One of the obstacles to building a better world can be found in the conceptions and theories of the nature of contemporary capitalism. From the left to the right interveners in the debate will agree that something has changed in the nature of capitalist production. Some see the collapse of state capitalism in the former Soviet Union as the harbinger of the end of history and the final triumph of free market capitalism. Others wonder at the economic miracle of China and the rise of capitalism under the rule of a communist party. Still others look at the disappearance of industrial manufacturing in North America

and find a new post-industrial world. Yet, at a fundamental level the organization of production within capitalism hasn't really changed much in quality or form even if the center of this production has shifted.

There are numerous books written over the past several decades that have taken a look at the supposed changes in the basic form of capitalist production. One of my favourites, now more than two decades old, is Lauren Benton's *Invisible Factories: the Informal Economy and Industrial Development in Spain*. Benton tries to bring together economic, political, and cultural factors in explaining the rise of a dynamic informal economy.

Several factors have shaped the informalization of Spain's economy. Government regulations have created the legal environment that permits the decentralization of production in the context of a resurgent labour movement and during "a period of weakened demand and general economic crisis" (Benton 1990:32). Benton is here describing what we now more commonly refer to as neo-liberal economic policies. The outcome of neo-liberal policies is that the monopoly sector of capital is able to shift the cost of a large permanent workforce into the domain of the underground or informal economy while maintaining economic control over the process of production: "considerable evidence shows that many jobs were

shifted to the informal sector through a reorganization of production within industry. [Thus] officially recorded job loss in a given sector translated directly into more underground employment in the same sector” (Benton 1990:37).

Benton describes a process of essentially respatialization of the factory in a manner that disperses both economic risk and actual productive activities and reestablishment of a category of worker aptly described by E.P. Thompson in his opus, *The Making of the English Working Class*: “the proletarian outworker, who worked in his own home, sometimes owned and sometimes rented his loom, and who wove up the yarns to the specifications of the factor or agent of a mill or of some middleman” (1963: 299). A similar process is seen in commercial fishing in British Columbia where the large processing firms have sold off their fleets of fishboats to ostensibly independent fishers. These fisher now operate under the illusion of freedom when in reality they are still firmly under the control of large capital; except that now they carry a greater economic burden as owner. As Benton points out:

Decentralization soon showed itself to have unexpectedly positive implications – from the point of view of employers – for the problem of control within the factories. Within formal firms, workers find their position so weakened [due to the existence of the new informal firms] that they must heed employers’ demands to intensify work and increase the number of hours worked. [1990:97]

According to Benton the decentralization and informalization of production provides an opening for political decentralization in two ways: “first the fragmentation of the production process generates opportunities for control over production to shift toward skilled workers and worker-entrepreneurs (Benton 1990:190). Second, the decentralization of production generates changes that are difficult for a politically centralized state to respond to. An added benefit for the economy is that the smaller-scale firms are more responsive the changing demands in the global economy. (Benton 1990:188). I am not convinced. In fact, I would suggest that several decades on from Benton’s original research the evi-

dence is clear: the benefits of decentralization and informalization of production have decisively shifted toward employers.

Even in the contexts of Benton’s 1990 study the benefits she describes seem overshadowed by the more mundane and ever present conditions of work experienced by workers in the informal firms. In one example of how informal enterprises control labour Benton quotes an owner who, when asked about the way piece rates are set, said: “Usually, they give a little and I give a little. Then I say, ‘If that’s not good enough for you, you can just leave.’ It’s usually effective. I am like a judge here. I always have a final say” (Benton 1990:98). How, I ask, is this any different from the way capitalism has always worked, except here the threat, the real coercive force of the owner’s control over the worker’s labour is laid bare: “I am like a judge. I always have a final say.”

What is most apparent in this revelation of the power and social violence of class relations is that the balance of power between labour and capital is shifting. During the post World War II boom labour, especially in Western Europe and North America, benefited from the constant expansion of capital and the institutionalization of the welfare state. Struggles between labour and capital over workplace control, wages, and benefits escalated. However, with the shift of the world’s economy into an era of permanent crisis in the 1970s the balance of forces shifted in favour of capital as workers’ wages and living conditions in the industrialized countries plummeted (Menzies 2010). Fordist forms of production were first introduced to deskill and take control out of the hands of workers and place the control over production firmly within the orbit of capital. The collectivization of work, however, contributed to the militancy of workers and the process of decentralization of production today must be seen from within this context.

During the boom years following World War II working class movements were on the offensive. The gains were not simply material. Workers were able to extend notions of workplace democracy and increase their leisure time. By the 1970s, however, workers’ struggles became increasingly defensive and the provisions of the welfare state became increasingly less able to ameliorate the ill effects of capitalism in the

context of a deepening crisis within capitalism itself (Brenner 2006).

The rise of China as an industrial powerhouse is a critical empirical demonstration that capitalist forms of production continue essentially unchanged into the present. In his provocative documentary, *Mardi Gras: Made in China*, David Redmon takes us from the drunken revelry of Bourbon Street, New Orleans, to a bead factory in Fuzhou, China. The filmmaker brings us inside the massive concentration-like factory to show us the world that these mainly young women workers live, work, and play in. The conditions of work as every bit as harsh as the mines described by June Nash in 1970s Bolivia (*We Eat the Mines and the Mines Eat Us*, 1979). But this is a contemporary factory producing trinkets for consumption and disposal in the United States. One has a sense that the factory could be anywhere or any time. Here we see a contemporary example of the capitalist organization of production – nothing post-industrial nor post-modern about the conditions under which these young workers labour.

Capitalism is an economic system that is based upon principles of expropriation and exploitation. From China to Bolivia, British Columbia to Spain the core relations of production involve compelling and convincing working people to accept them as though the conditions of their work are inevitable and unchangeable. Theoretical arguments that deflect from the reality of everyday people's worlds – however beguiling they may be – simply serve to hold people down. Describing the existing organization of production experienced by most people living today does not require elaborate social theories. What it does call for us to do is continue documenting the everyday worlds of work. Understanding the empirical conditions of work and the mechanisms by which production is organized is a critical step toward effecting liberty and emancipation from the “tyranny of work” (Rinehart 1996).

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