

From Ford to computers

Capitalism has changed and is changing. Vast new areas in the Third World have industrialised. The introduction of small, cheap, flexible computers is revolutionising finance, administration, retailing, manufacturing. The majority of the workforce in many capitalist countries is now "white-collar" — but white-collar work is becoming more industrial.

Dozens of other shifts and changes are underway. Which of them are basic? How are they connected? What implications do they have for socialists?

Into this debate has marched the Communist Party's magazine "Marxism Today", bearing a banner with a strange device — "post-Fordism". "At the heart of New Times", they write, "is the shift from the old mass-production Fordist economy to a new, more flexible, post-Fordist order based on computers, information technology and robotics"¹. These New Times call for a new politics: in place of the old class struggle, diverse alliances.

There are several issues here. Do the political conclusions really follow from the economic analysis? Is the economic analysis sound? Where does the economic analysis come from? What do the terms "Fordism" and "post-Fordism" mean?

First: why is Henry Ford such a notable figure in the history of capitalism? In 1908 the Ford Motor Company launched the Model T. By the end of World War 1 almost half the cars on earth were Model Ts. The Model T had become the first car produced in millions and bought by millions.

In 1911 FW Taylor published his book "Scientific Management", arguing that managers should study, plan, and regulate work routines in minute detail. Two years later Ford introduced the world's first moving assembly line. Each worker on the line had a few stereotyped tasks to do, over and over again, at a pace governed by the speed of the line.

This method of production increased productivity. And it turned the Ford factory into a hell-hole for the workers. In December 1913, Henry Ford found that only 640 of his 15,000 employees had been with the company for three years or more. Workers stayed on average a little more than three months.

The rapid turnover of labour reduced productivity. And trade unionists from the Industrial Workers of the World were organising in Detroit. Ford responded by proclaiming the "Five Dollar Day". On top of their basic pay of \$2.34, Ford workers would be paid bonuses bringing them up to the hitherto-unknown wage of \$5 a day. The bonuses were conditional. To get them you had to have been with the company at least six months, and you had

Chris Reynolds disputes *Marxism Today's* arguments about "post-Fordism"

to convince Ford that you were sober, moral and thrifty. Company agents, the 'Ford Sociological Department', visited all the workers' homes to check their suitability for bonus payments.

Ford also organised evening classes, sports facilities, a company band, and cheap loans. He strongly supported Prohibition of alcohol, which was US law from 1919 to 1933.

The factory remained, as one worker put it, "a form of hell on earth that turned human beings into driven robots"². Ford "made an old man out of a young worker in five years"³.

Henry Ford was vehemently anti-union, and sympathetic to fascism. He created a Service Department of anti-union thugs, eight thousand strong by 1941. It patrolled the factories, spied on workers in work and outside, and attacked union

"The Ford factory... a hell-hole for the workers..."

organisers at the factory gates. Such methods kept Ford non-union longer than any other car company.

That was Ford: a new sort of capitalist employer. In the notebooks he wrote in a fascist jail in the early 1930s, the Italian Marxist Antonio Gramsci tried to assess the significance of "Fordism". "Americanism and Fordism", he wrote, "derive from an inherent necessity to achieve the organisation of a planned economy". It was a matter of "making the whole life of the nation revolve around production" and creating a stable, skilled, reliable, mechanically disciplined workforce.

Gramsci's notes were fragmentary and incomplete. In 1976 a French Marxist economist, Michel Aglietta, developed a new theory of "Fordism".

Gramsci saw "Fordism" as the cultural counterpart of new methods of production, with their intense drive for produc-

tivity. Aglietta's angle was a bit different. He argued that capitalism, in its different phases, needed to find different "modes of regulation", and Fordism was one of those.

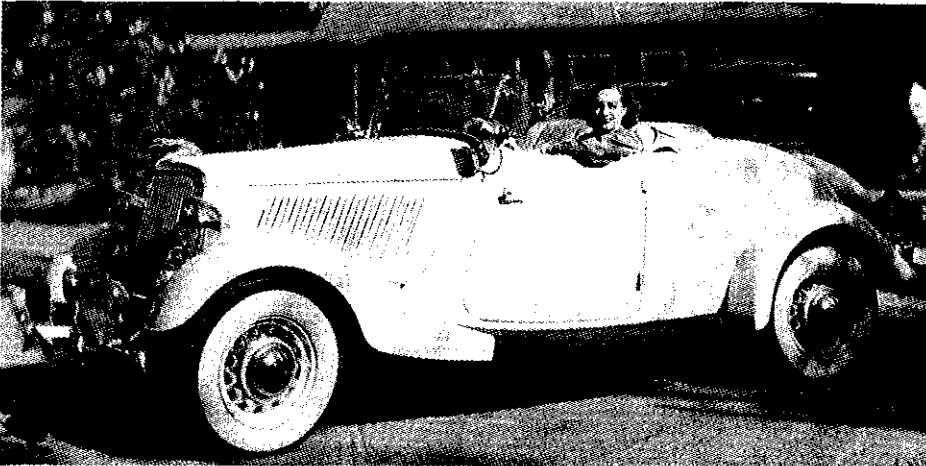
Mechanisation and mass production of standardised consumer goods led to a great rise in productivity — and in the 1930s, to a great crisis of overproduction. Capitalism surmounted that crisis after 1945 by developing rigid forms of wage determination, through collective bargaining, which let wages rise in line with productivity and thus created a predictable mass market for the mass-produced consumer goods. The constant rise in productivity allowed the rate of exploitation to increase even while wages were rising. Inflation also protected the rate of exploitation, by eroding wages. Social security protected the consumer market from drastic slumps. The whole "mode of regulation" was organised under the dominance of big monopolies, closely linked to the state, and allowed capitalism to expand in a relatively balanced, steady way.⁴

For both Gramsci and Aglietta, the technology of the assembly line was the basis of "Fordism". Beyond that, what they said was different. Gramsci was concerned with Ford's organised drive to impose industrial culture and discipline on his workers, and his selective high wages and anti-union repression, in the years following World War 1; Aglietta, with the anatomy of the trade union collective bargaining, consumer society and welfare state which developed after 1945.

Lots of other writers, mostly French, have followed up Aglietta's ideas. The foremost of these writers is Alain Lipietz, who was the Green Party candidate in the French presidential election in 1988, after serving as an economic planner for the Mitterrand government⁵.

Marxism Today gets its exposition of Fordism from Robin Murray, who was the chief economist of the Labour Greater London Council. Murray is crisper, but more sweeping, in his arguments than Aglietta or Lipietz. For him, Henry Ford's method of production were the "secret" of a whole "industrial era". And more: Fordism's impact "can be felt not just in the economy, but in politics (in the mass party) and in much broader cultural fields — whether American football, or classical ballet (Diaghilev was a Taylorist in dance), industrial design or modern architecture"⁶.

Aglietta, in 1976, argued that Fordism had begun to break down in the late 1960s for two reasons. First, the capitalists were no longer able to increase productivity adequately on the assembly line. Workers resisted both individually, by absenteeism, sickness, and shoddy work, and through



A Fordist Joan Crawford

collective struggles.

Second, the cost of the welfare state underpinning Fordism became too great. Labour in education, health care and so on had not been "Fordised", and its productivity had not increased much. Governments ran into budget crises⁷.

The capitalists would try to overcome their disarray through what Aglietta called not "post-Fordism" but "neo-Fordism"⁸. This would be based on automation and computer-controlled machines. "The principle of mechanisation is subordinated to the principle of information"⁹. The new technology would allow employers to restructure work, with job flexibility and the creation of "semi-autonomous groups" of workers, "disciplined by the direct constraint of production itself"¹⁰.

Workers would need less supervision, and "capitalist management...therefore hopes to be better able to isolate and attenuate conflicts that arise at the point of production, and to paralyse the functioning of the trade unions..."¹¹. The new technology and work methods would allow a big rise in productivity in services, and thus reduce the cost to capitalism of the social wage. However, "Such productive forces imply a far greater degree of unification of the proletariat...all these forces point in the direction of a gathering threat to capitalism as a whole. This is why the wage relation, the very principle of class domination, can probably only be maintained by way of an ever more totalitarian system of ideological controls and mechanisms of repression...The future will tell whether the development is such that we may speak of a transformation of state monopoly capitalism into state capitalism..."¹². State-imposed wage controls would be essential to neo-Fordism.

Aglietta was generalising from the tendencies visible in the mid-70s; and reading his book now warns us usefully against the danger of tying tendencies too neatly together into a pattern, or generalising too glibly from short-term trends.

But the warning has been lost on the present-day theorists of "post-Fordism".

They generalise even more glibly — but from different short-term trends.

Now new technology is supposed to lead to the dividing-up of the working class, not to its unification; to the fading away of class struggle in favour of ill-defined new politics, not to an offensive against trade unions and a gathering threat to capitalism; to a revival of free enterprise, not to state capitalism¹³.

In its progress from Gramsci's first tentative comments, the concept of "Fordism" has had far too much stuck on to it. It becomes a parody of dogmatic Marxism — everything from wage bargaining to ballet is a reflection of technology. It

"The concept of 'Fordism' becomes a parody of dogmatic Marxism..."

can hardly matter that the class struggle is dead, since technology shapes everything anyway!

Stuart Hall defines post-Fordism as follows: "a shift to the new 'information technologies'; more flexible, decentralised forms of labour process and work organisation; decline of the old manufacturing base and the growth of the 'sunrise' computer-based industries; the hiving-off or contracting-out of functions and services; a greater emphasis on choice and product differentiation, on marketing, packaging and design..."¹⁴.

Some real developments of today are crammed under the label of "post-Fordism" here without really belonging there — the current employers' drive for "flexible" workforces, for example. Ford's "Five Dollar Day" policy was very similar. He aimed to get a stable and relatively well-paid workforce in his factories — but contracted out a lot of work to other factories which paid much lower

wages. Such was also the "Fordist" policy in Japanese industry.

That post-Fordism divides workers while Fordism united them is central to the argument. But read Gramsci! Ford's labour policy was a deliberate attempt, and for a long time a successful one, to separate off a higher paid and more reliable group of workers from the rest of the working class.

The big factories became strongholds of union organisation, not because their work organisation made them specially suitable, but because trade unionists fought to organise them. And the new armies of white-collar workers — who, as new technology advances, work under increasingly industrial conditions — can be organised in the same way¹⁵.

Fordism is probably still expanding.¹⁶

Mass production of standardised goods on assembly lines is probably becoming *more*, not less, widespread. The "pre-Fordist" service industries are becoming more "Fordist" rather than "post-Fordist". Lipietz has written a lot about the spread of Fordism in recent decades from the US and north-west Europe to many other countries.

And what about the alleged new importance of the design of consumer goods? Aglietta's book cited "systematic diversification" of consumer goods and the development of a design industry as hallmarks of Fordism¹⁷. In the housing boom of the 1930s in Britain, builders advertised new houses as 'all different and individual' with an emphasis unmatched by any advertiser today.

Both terms, "Fordism" and "post-Fordism", jam together too many diverse trends under a single label.

Ideas from Gramsci and Aglietta certainly deserve to be studied and integrated into an overall assessment of capitalist development. But it is difficult to see how they can lead directly to political conclusions. The principles of trade unionism which had to be applied to organise the Ford factories were, after all, no different from those applied in organising non-"Fordist" industries.

So what is going on? *Marxism Today* declares a new epoch of "post-Fordism". But on examination both "Fordism" and "post-Fordism" turn out to be vague and ill-defined concepts, and the proclamation of the new era amounts to no more than a dubious assertion that various social and cultural trends (or supposed trends) are expressions or reflections of the increased use of computer technology.

Large conclusions are drawn. Robin Murray: "We need a new model of the public economy made up of a honeycomb of decentralised, yet synthetic institutions, integrated by a common strategy, and intervening in the economy at the level of production rather than trying vainly to plan all from on high...There is an alternative. It has grown up in the new movements, in the trade unions, and in local government over the past 20 years."

Charlie Leadbeater: "The Left should start with an idea of social citizenship, a democratic individualism..." The

“assumption that you can link the achievement of individual...aspirations to...state services or the progress of class has come in for a great knocking. So you have to have some new agenda for collectivism, and that should...involve ‘intermediate’ collectives.”

Stuart Hall: “This insistence on ‘positioning’ [i.e. speaking ‘as a.’ black, woman lesbian, etc.] provides people with coordinates, which are specially important in the face of the enormous globalisation and transnational character of many of the processes which now shape their lives. The ‘new times’ seem to have gone ‘global’ and ‘local’ at the same moment... A politics which neglects that moment [i.e.

aspect] is not likely to be able to command the ‘new times’.”

John Urry: “Although some of the features of such [class] struggle remain, they are now overlain by a variety of alternative bases of organisation, of new social movements”¹⁸.

The language is often baffling and obscure, but the gist is fairly clear. Class struggle is out. Diverse citizens’ protest groups are in. No economic trend goes anywhere near justifying these political conclusions. Nor, for that matter, are they new; they are a direct copy of traditional citizens’ pressure-group politics from the good old Fordist USA.

The term “post-Fordism” is part of a

whole fashion of post-this-and-that-ism, post-Marxism, post-feminism, post-structuralism, post-modernism...

The fashion was launched in 1975 when Charles Jencks coined the term “post-modernism” to describe a trend in architecture. “Modern” architecture was bare buildings in steel, glass and concrete; “post-modern” architecture is modern architecture with twiddly bits stuck on. The term “post-modern” indicates something beyond modern architecture, without any definite commitment as to what. “Post-feminists” claim to have gone beyond feminism. Similarly “post-Marxists” claim to have gone beyond Marxism rather than simply rejecting it, though in fact their ideas are no more new than the New Politics of *Marxism Today*.¹⁹

The operative word in “post-Fordism” is not “Fordism” but “post”, or, in plain English, after. It does not very much matter what “Fordism” was; the important thing is that we have put those times of class struggle and factories behind us. We are into a new fun-filled consumer society — or at least *Marxism Today* assumes all its readers are. It offers only token concern to the millions of low-paid, unemployed, homeless and hungry people for whom Thatcherite New Times mean just the opposite, and spares little thought for the idea that the Thatcherite candy may soon be snatched away by an economic slump.

No lessons are drawn from the past. Stalinism is out of favour; but then it was probably the right Old Politics for the dour collectivist Old Times. No serious perspectives are sketched for the future, either: none of the contributors to *Marxism Today* even raises the question of how and by whom the diverse scattering of protest which they advocate could ever be drawn together to create socialism. The idea of socialism as a new form of society to replace capitalism has gone down the same black hole as “Fordism”. All we can do is to make the best we can of the “good sides” of Thatcherism — the supposed expansion of individual choice and the boom in consumer goodies.

“Facing Up to the Future” is what *Marxism Today* call it in their new manifesto. Collapsing into the present would be more accurate.

Antonio Gramsci on ‘Fordism’

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. This phase is more intense than preceding phases, and manifests itself in more brutal forms...

It is from this point of view that one should study the “puritanical” initiative of American industrialists like Ford. It is certain that they are not concerned with the “humanity” or the “spirituality” of the worker, which are immediately smashed. This “humanity and spirituality” cannot be realised except in the world of production and work and in productive “creation”. They exist most in the artisan, in the “demurge”, when the worker’s personality was reflected whole in the object created and when the link between art and labour was still very strong. But it is precisely against this “humanism” that the new industrialism is fighting.

“Puritanical” initiatives simply have the purpose of preserving, outside of work, a certain psycho-physical equilibrium which prevents the physiological collapse of the worker, exhausted by the new method of production. This equilibrium can only be something purely external and mechanical,

but it can become internalised if it is proposed by the worker himself, and not imposed from the outside, if it is proposed by a new form of society, with appropriate and original methods. American industrialists are concerned to maintain the continuity of the physical and muscular-nervous efficiency of the worker. It is in their interests to have a stable, skilled labour force, a permanently well-adjusted complex, because the human complex (the collective worker) of an enterprise is also a machine which cannot, without considerable loss, be taken to pieces too often and renewed with single new parts.

The element of so-called high wages also depends on this necessity. It is the instrument used to select and maintain in stability a skilled labour force suited to the system of production and work...

American industrialists have understood all too well the dialectic inherent in the new industrial methods. They have understood that “trained gorilla” is just a phrase, that “unfortunately” the worker remains a man and even that during his work he thinks more, or at least has greater opportunities for thinking, once he has overcome the crisis of adaptation without being eliminated: and not only does the worker think, but the fact that he gets no immediate satisfaction from his work and realises that they are trying to reduce him to a trained gorilla, can lead him into a train of thought that is far from conformist. That the industrialists are concerned about such things is made clear from a whole series of cautionary measures and “educative” initiatives...

From Antonio Gramsci, ‘Prison Notebooks’, p.302-3 and 309-10.

1. *Marxism Today*, October 1988.
2. Robert Lacey, *Ford*, p.128
3. Art Preis, *Labor’s Giant Step*, p.101.
4. Michel Aglietta, *A Theory of Capitalist Regulation*, especially p.117ff, p.158ff, and p.381ff.
5. Alain Lipietz, *Mirages and Miracles*.
6. *Marxism Today*, October 1988.
7. Aglietta p.162ff.
8. Aglietta attributes the term to Christian Palloix.
9. Aglietta p.385
10. Aglietta p.167.
11. Aglietta p.130
12. Aglietta p.173-4, p.368.
13. Aglietta does stress that neo-Fordist state capitalism would not mean suppression of market mechanisms. But he equally asserts that the coming era would “destroy free enterprise as the pillar of liberal ideology” (p.385).
14. *Marxism Today* October 1988.
15. See *Workers’ Liberty* no. 6 — editorial “No, we are not beaten”, and article “The new working class in the Third World” — for a study of the current changes in the working class.
16. On the question of whether world capitalism is in a new, or an old era which is still decaying, see David Gordon, “The Global Economy”, in *New Left Review* no.168.
17. Aglietta p.160
18. All these quotes from *Marxism Today*, October 1988.
19. See Ellen Meiksins Wood, *The Retreat from Class*.

“Fordism”
(Gramsci)
Mechanised
assembly lines

Drive to separate off
a reliable and high-
paid workforce from
rest of working class;
bonuses a large part
of wages

Union-busting

Regulated capitalism

“Fordism”
(Aglietta)

Mechanised
assembly lines

Working class more
or less unified by
national collective
bargaining and
welfare state

Collective bargaining

Regulated capitalism

“Neo-Fordism”
(Aglietta)

Automation and
computers

State wage controls:
trend to unify
working class even
more

Union-busting

State capitalism

Increased class
struggle

“Post-Fordism”
(Marxism Today)

Automation and
computers

Flexible pay systems
using bonuses:
working class
fragmented

Unions become
irrelevant

Thatcherite free
enterprise

Decreased class
struggle