**SEEN FROM BELOW**

**LABOR IN THE STORY OF CAPITALISM**

***David Coates***

***Worrell Professor of Anglo-American Studies***

***Wake Forest University***

 To understand the present we have to know the past. For though people make their own history, they do not make it as they please. They make it, as Marx said, under “circumstances directly encountered, given and transmitted from the past”;[[1]](#footnote-1) and because they do, any assessment of the state of contemporary working class experience and politics has to begin with both a history of that class and an understanding of the forces and processes which have brought it to its present conjuncture. As Edward Thompson put it long ago, ultimately “class is not a thing, it is a happening,” and “classes make themselves in the medium of time.”[[2]](#footnote-2) We can stop history for a day, of course, and not see classes. Then we see simply “a multitude of individuals with a multitude of experiences”; but if we watch those individuals over what Thompson termed “an adequate period of social change, we observe patterns in their relationships, their relationships and their institutions.”[[3]](#footnote-3) It is that patterning which takes us to the core of what a class is and becomes, and it is that patterning which holds the key to how the working classes of global capitalism have helped to create the “circumstances” they now directly encounter.

 The past holds an important key to the present in the area of working class experience and politics in at least two ways. It holds the key to an understanding of the traditions on which existing classes can most easily draw; and it holds the key to the conjuncture of material conditions now requiring that drawing to occur. The obliteration of the past in the memory of the present is a profoundly conservative project. The perennial assertion that our conditions (and responses) are now qualitatively different from any that have gone before – that they are unambiguously new – primarily serves to obscure the extent to which they are not, and plays to a currently dominant centre-left politics that sees itself as somehow “beyond class.” A concern with “class” is seen in many progressive circles as old-fashioned and irrelevant, when in truth it is still central to an understanding of the world that left-wing forces strive to transform.

 What is new about our present circumstances is not that the working class condition has somehow miraculously vanished from the face of the earth. *It is rather that proletarian forces within current global circumstances are a complex (and genuinely novel) mixture of new and old working classes*. To grasp the political options likely to emerge from that complexity, we need to understand how “newness” in a working class can trigger one set of political responses, and how “age” in a working class can trigger another. To grasp what impact those political options are likely to have on capitalism as a global system, we need to understand how capitalism is experienced by its least favoured members as well as by its most prosperous. Neither of these understandings is likely to be fully attained unless we break from the normal “top down” way of understanding the world, and study it from below: hence this – the history of capitalism told as the story of working class experience and working class struggle.

I: EARLY CAPITALISM

 Early generations of each national working class necessarily found themselves caught up in what Marx termed the process of *primitive* *capital accumulation*. They found themselves caught up, that is, in the process of proletarian creation, witnesses in their own lives and experiences to the early emergence of the social relations of production defining of capitalism. Of necessity, that process was corrosive and ultimately destructive of the social relationships of production dominant prior to capitalism’s arrival, and impacted profoundly on the social relations surrounding other forms of social life, particularly those geared to the reproduction of life itself. Capitalism, that is, as a mode of production emerged in an articulation with non-capitalist modes of an agrarian and a domestic type. Its rhythms of capital accumulation were fuelled initially by processes of unequal exchange (in the then dominant circuits of merchant capital) and by processes of absolute surplus value extraction (in the emerging circuits of industrial capital).[[4]](#footnote-4) Early capital, that is, was accumulated by buying cheap and selling dear, and by extracting profit from wage labor by working that labor long and intensively for the minimum of wages. There was nothing glamorous about early capitalism. It was a system created by blood, toil and sweat: the blood of captured slaves, the unremitting toil of paid labor, and the perennial proletarianization of independent producers in both countryside and town.

 Capitalism did not arrive, fully formed and globally dominant, in one single moment. It came rather in stages, building incrementally and spreading out only as the classes which drove it (and the classes which sustained it) were carved out from the economic and social universe of its pre-capitalist predecessors. European capitalism emerged slowly and by stealth, fuelled first by the emergence of a merchant class (in Italy, northern Germany, the Low Countries, France and England) and by the slow commodification of agrarian production in a limited range of sites. The development of industrial labor forces came late in that sequence, occurring first on any scale only in England itself, in a sequential pattern Marx himself described (in Volume 1 of *Capital*) as that from ‘handicraft production’ through ‘manufacture’ to ‘machinofacture’. The transformation of the English countryside in a two/three century sweep from feudalism to agrarian capitalism was one of the central preconditions for that sequential pattern. The consolidation of systems of petty commodity production in the emerging English towns was a second key precondition; the growth (and capture by a English merchant class) of world trade in basic commodities and slaves was a third.

 The producing classes in the English experience of capitalist transformation were not thereby initially factory workers. The producing classes of early English capitalism were day-laborers in an English countryside transformed by enclosure into a fully capitalist agriculture. They were slaves in Caribbean sugar plantations, and they were artisan strata and home-based textile workers linked to emerging home markets by a growing merchant class. The death of the peasantry, the proletarianization of artisan production, and the rise and fall of domestic workers in the key textile industry, were all lengthy processes that occurred in sequence in the English case – overlapping if they did at all, only in the decades of the 1820s and 1830s that triggered the rise of Chartism. Indeed, early working class politics in the English case moved through periods dominated by each of those processes in turn: with the last agrarian uprising occurring in 1830, with artisanal politics prevailing from the French Revolution to the fall of Chartism, and with handloom weavers providing Chartism’s most radical shock-troops in the great struggles and defeats of the 1840s. Edward Thompson’s English working class of the 1830s was largely a class of proletarianizing artisans, separated by position and time from the working class politics of a factory-based labor movement which only became dominant in the UK from the 1880s. By being first off the block, English capitalism provided a slow-motion (and hence partially misleading) guide to the politics of the early working class condition: it was a politics which in later working classes would appear at a much more rapid pace, and which by that pace would be transformed.

 The sequence of capitalist industrialization in the remaining heartlands of twentieth century capitalism occurred in a well-known sequence in the years before 1917: coming first to the United States from the 1840s, to Germany and Japan from the 1870s, Spain, Italy and eventually Russia in the closing decades of the nineteenth century, and to France (the great enigma) with immense stealth over virtually a century and a half from Napoleon to de Gaulle. France apart (we will discuss French exceptionalism briefly later), each successive national capitalism squeezed the “English” processes in time, and laid one upon the other. The proletarianization of a peasantry “freed” from the land, the destruction of artisanal forms of production, and the creation of factory workers occurred in each case: but they did so more rapidly, and more simultaneously, in each national capitalism in turn. Particularly in the Russian case which completed the nineteenth century sequence, there was no equivalent to the slow transformation of the English countryside, or to the lengthy (if ultimately transitory) consolidation of a period of artisan production of the kind eulogised in the poetry of William Blake. There was just a brutal, rapid and unmediated rupture with a feudal past, the quick consolidation of (by the standards of the day) large-scale factory production, and a generalised (and quite savage) pressure on working class employment and living conditions, pressure orchestrated by a repressive Czarist state. The politics of that working class experience then took a more radical form than had prevailed in the English case, and for good reason. Much as with China now, capitalism came late to Russia, it came with a brutal rush, and it invited (and received) an equally brutal response.

*Common Working Class Experiences in Early Capitalism*

 Yet for all the variation of timing, there were certain constants in the experience of early working classes which are worthy of note, and which gave an underlying and basic unity to early working class politics. Those constants were these.

 *Materially* (in terms of both working conditions and living standards) the experience of all classes caught up in (and touched by) the process of primitive capital accumulation was (and always is) quite *horrendous*. It always involved, at the very least, the corrosion of (or sharp rupture with) pre-capitalism modes of social reproduction, breaks in the systems previously established to maintain low but persistent standards of agrarian life. The property relationships and patterns of class inter-action characteristic of feudal Europe were one of capitalism’s early casualties; and in that inter-action between an established feudalism and the profit-seeking commodity production systems of agrarian capitalism, the losers were always the poor sections of the feudal peasantry. It was poorer peasants in particular who were robbed of their communal land rights, marginalized within the emerging agrarian capitalist economy, and forced by their lack of access to land and food to sell their labor power. They were forced to sell their labor power to more successful commercial farmers, to merchants offering raw materials for processing with simple machinery at home, and to the new industrialists congregating rural labor in factories, first in the countryside and then in the town.

 Within those factories, or in the systems of domestic production or agrarian day-labor which accompanied them, life for the early generation of proletarianized workers was then necessarily high on effort and low on reward. For capital accumulation in the early circuits of industrial capital relied on that adverse effort-reward bargain. It required long working hours. It required intensive work routines (indeed the move from cottage to factory was largely prompted by that need to intensify the work process). It required the full mobilization of all forms of labor (men, women *and* children); and it mobilized them as whole family units by paying wages at the very margin of human reproduction. Starvation wages, long hours, no relief from work and struggle: the early proletarian condition was truly one of unremitting toil, extensive exploitation, and dreadful conditions of life and leisure.

 *Socially*, the early working class condition was necessarily one of flux and transformation, one in which fully proletarianized workers (those dependent for their daily reproduction on the payment of a wage, however inadequate) were a *minority* among the producing classes as a whole. Such workers were necessarily surrounded by large pre-capitalist social formations. Indeed the later the industrialization, the larger those pre-capitalist groupings were likely to be. Early working classes emerged into a world still full of aristocrats and peasants, one in which (in ruling circles way beyond them) struggles for power, prestige and dominance between those aristocracies and the emerging owners of commercial, industrial and ultimately financial capital were the order of the day. Capitalist classes and working classes emerged, of course, together. Both were new. Both were seen as threats to pre-existing modes of life and power; and both emerged as internally fractured social formations. Capitalist classes emerged internally divided between financiers, merchants and factory owners; and working classes emerged split internally (as we will now see) by the very different routes taken by wage workers as they moved into their new proletarian condition.

 Those routes differed both geographically and occupationally, and established divisions that were both ethnic and industrial. The routes differed geographically by the varying distances travelled by first generation workers from countryside to town. Within the emerging core of the global system and wherever a local peasantry was available for immediate proletarianization, the scale of labor migration was generally limited and ethnic differentiation normally small (unless, as in the case of the north of Ireland, religious cleavages had already been used in the pre-capitalist countryside to divide peasantries and maintain colonial power). But in the US where no such peasantry was immediately available, local capital accumulation actually required (in the south) the importation of slaves, and (in the north and mid-west) the *borrowing* of foreign peasantries, the drawing to the emerging American capitalist industrial machine of huge numbers of immigrants displaced within their own economies and societies by the arrival there of agrarian capitalism and intensified political repression. “Give me your tired, your poor, your huddled masses yearning to be free, the wretched refuse of your teeming shore,” the Statue of Liberty declaimed; and in the last quarter of the nineteenth century ruling classes across the semi-periphery of the emerging global system (from Russia and Poland in the East to Italy and Spain in the South) were only too ready to oblige. The US working class formation was in consequence ethnically fragmented from the outset, and working class unity thereby more difficult to achieve than was normally the case among other early working classes.

 Not that the achievement of unity was easy even in working classes less divided by ethnicity, language and culture; because everywhere the occupational routes taken to full proletarianization were always different for different sections of the emerging class. Some early factory workers came the rural route. They came as displaced agrarian workers, workers who initially often kept strong links back to family and kin in the agrarian economy, Others came as formerly domestic out-workers, workers who had for a period avoided a full dependence on paid labor by buying and selling raw materials and finished products to a local merchant class; and yet others came as former artisans, independent workers whose skills and livelihoods had been threatened (and eventually undermined, sector by sector) by the emergence of factory-based production systems. And within those new factories, new skill differentials were then created or won, so that sections at least of the new generations of wage labor came to exercise a degree of autonomy and work control denied to (and often exercised against) the rest of this emerging factory labor force. Everywhere, against a background of generalised poverty and degradation, there was social change, social insecurity, the destruction of old social patterns and networks of support, the emergence of new ones; and a lack of clarity initially on who eventually would be casualties, on who would win through and who would not, and on which coalitions of the dispossessed were likely to have longevity and which would lose their material base as full-scale industrialisation obliterated earlier forms of manufacturing production. Socially, the new working classes emerged scarred by the divisions and differences of their old conditions, and yet forced into an uneasy unity by the shared degradations and exploitations of their new ones.

*Early Working Class Politics*

 The struggles of early working classes were directed to the establishment of independent working class collective institutions and voice - struggles that were characterised everywhere by intense resistance to any form of working class organisation by both immediate employers and by the state (no matter which dominant class, old or new, controlled that state). The agenda which faced early working class industrial and political activists was thus an agenda of *representation*: a struggle (or more properly a protracted series of struggles, many often unsuccessful) to have their right to articulate working class interests accepted as legitimate and permanent by local employing classes. *Industrially* the key struggles were those directed to the establishment of trade unions, and to the winning of rights of collective bargaining, initially on the most restricted range of issues directly concerned with immediate wages and working conditions. *Politically*, the key issue initially was the right to vote, the winning of a full democratic franchise, originally for male workers, eventually for women workers and for workers whose skin color was other than white. Around that democratic struggle (both before a full franchise was won, and then when it was newly in place) early working class political activists faced (and debated between themselves) issues of organisation and alliance. They debated whether the working class should organise politically in new parties, or subsume themselves within old (middle class) ones; and if new parties were to be created, whether they should privilege or eschew electoral politics. And they sought to create and maintain alliances with related classes in struggle, debating whether the politics of those alliances had of necessity to be radical (with sections of the challenged peasantries against the excesses of capitalist commodification) or merely moderate (with sections of the rising middle class against aristocratic resistance to the sharing of political power).

 If there was a consistent rhythm to those early proletarian industrial and political struggles it was this: a rhythm of perennial movement from industrial and political struggle in line with trade cycles and patterns of state repression; and a movement over time from middle class alliances to peasant/small farmer alliances, as (with aristocratic accommodations to rising middle class power) the new capitalist classes lost their interest in full democratic political reform). Each national capitalism had its own pattern, of course, one fixed largely by the positioning of each economy in the emerging global system, by the resulting space for working class accommodation each thereby enjoyed, and by the balance of old and new classes consolidated within each. The strength of the peasantry consolidated in the Napoleonic settlements slowed the pace of capital accumulation in France throughout the nineteenth century. The absence of any feudal past freed US capital to grant democratic rights (though not trade union ones) to American white male workers prior to full industrialization. The UK period of world dominance created a space for limited trade union recognition and eventually even limited social reform well before 1914; and so on. But *in general, the latter the industrialization, the harder it was for workers even to establish trade unions without meeting the full repressive powers of the state; and so in general, the latter the industrialization the more radical working class politics had to be from the very outse*t. Marx thought the revolutionary impulse would come from capitalism’s core, fuelled by its most established working classes; but he was wrong. At the centre of world capitalism by 1900 there was just enough economic and political space to allow the consolidation there of moderate working class politics. It was where that space was entirely missing, in the peripheral capitalisms whose ruling groups were racing to catch up, that the space for reformism was at its weakest, and where revolutionary socialist politics first took a dominant hold.[[5]](#footnote-5)

 The great danger of making so sweeping and rapid a panorama, of course, is that it records only the *outcomes* of a half century of disputes among working classes on how best to respond to the arrival and consolidation of full-scale capitalist industrialisation. The outcomes definitely form a pattern, one that comes down to us now as a set of important legacies for contemporary working classes. But before mapping those legacies, it is also vital to grasp the full range of initial working class responses, and to understand how common (and uniform) that range was in *all* early working classes. Everywhere, as recognisably modern working classes were formed by full-scale industrialization in the second half of the nineteenth century (and the UK and US even earlier), at least the following ranges of individual and collective responses could be discerned.

1. One response was (and indeed remains) individual, a perpetual daily struggle to alter the effort-reward bargain by anything from slacking on the job to random sabotage, a response which occasionally took collective form as organised machine wrecking.
2. A second response was that of organising – wherever repression was other than total, workers moved to create trade unions – and then struggling (and striking) to obtain better/defend existing wages and conditions.
3. A third response, stronger earlier than late, was of finding ways round full proletarianization, by defending the space for petty commodity production, in a series of schemes from Owenite socialism in the UK and Proudhonist socialism in France to the currency reforms and cheap credit policies of the American Knights of Labor.
4. A fourth response, easiest to maintain in the slower accumulation rhythms of the first capitalist economies than in later ones, was a divided one; the emergence of a minority of organised (normally skilled) workers able to impose their moderate agenda and leadership on the majority of labor movements – the bulk of whose members remained unskilled and unorganised, and only sporadically either industrially or politically militant.
5. A fifth response, characteristic of later stages of early proletarianization, involved the systematic pursuit of class alliances. These alliances sometimes focused on the *countryside*, in a whole series of Farm-Labor alliances that stretched from American Populism to the Bolshevik alliance with the Left Social Revolutionaries. They sometimes focused on the *towns*: class alliances with left-leaning middle class parties from the UK’s Left Liberalism to the Russian Mensheviks’ support of Kerensky.
6. A sixth response was entirely different. It was to eschew class politics of either an industrial or a political kind altogether; or perhaps more accurately to go for an industrial and political response that was not class-based. Churches played a big role here (from Catholic trade unionism to the Russian church’s support for the Czarist terror). So too did sections of the pre-capitalist political class, who saw the possibility of class alliances against industrial capital. Disraeli’s “angels in marble” initiative – a Conservative politician widening the franchise to take in skilled workers in 1867 in the UK – is a classic case. Less sophisticated but more potent, were the many attempts to divide workers by religion (as in Ireland), by race (as in the US South), and by ethic origin (as in the Polish pogroms). “Divide and rule” was just as standard a ruling class response to the rise of the working class as was repression and accommodation; and in all three strategies dominant groups in early capitalism found many willing and enthusiastic working class supporters.[[6]](#footnote-6)

From that range of response three broad trajectories emerged which collectively shaped working class politics in the twentieth century: a trajectory of initial general challenge, a trajectory of isolated revolutionary failure, and a trajectory of ultimate working class accommodation. We need a brief note on each.

*Challenge*

There can be no doubt that prior to the 1917-20 period, the period of intense class struggle that accompanied the end of World War I, the battle lines between working classes and capitalist classes in *all* the core economies were drawn around strategies of ruling class repression and working class revolutionary challenge. On the left in all those labour movements, revolutionary socialist voices were a major presence, challenged predominantly only by what would become Left Social Democracy. That was as true of the US labor movement (where the IWW struggled alongside, and in competition with, Debs’ Socialist Party for a recognizable working class constituency that was growing and radical) as it was in Russia (where Bolsheviks and Menshiviks clashed against the background of revolutionary peasant politics in the form of the Left Social Revolutionaries). The debate inside German Social Democracy was between Luxemburg, Bebel and Bernstein; and even in the UK between the left social democratic ILP and the SDF/BSP. Of course in the end, much of that revolutionary talk was exposed as mere posturing: revolutionary currents were drowned in both the US and the UK, and German Social Democrats split in fierce internal civil war that cost Luxemburg her life. But the 1917-20 period was still one of huge working class political successes: with the overthrow of autocracies in Central Europe and the victory of ostensibly working class revolutionary forces in Russia. In 1920 the world seemed to stand on the threshold of a socialist transformation that would be history’s response to the immiserization caused by capitalist industrialization; and it made sense to read the Russian Revolution (as both Trotsky and by then Lenin read it) as the spark that would trigger revolutionary upheavals within the core capitalisms, as working classes there rallied to the defence of the international cause by overthrowing their own capitalists and by assisting Russian workers in the yet to be completed accumulation of capital in Russia itself.

*Isolated Failure*

It did not work out that way of course, and its failure opened two quite distinct trajectories of working class experience and politics to shape the rest of Eric Hobsbawm’s short century.[[7]](#footnote-7) The proletarian state called into existence by the Bolshevik Revolution survived in isolated form, and in its isolation degenerated into a party-led regime of terror. The Bolshevik Party itself came to play the role historically granted by Marxism to the industrial middle class, of developing the forces of production by the speedy proletarianization of originally agrarian labor. The modern Russian working class was then first created in the 1930s, in a process of primitive capital accumulation that involved forced collectivization and the rapid construction of a Russian military-industrial complex and heavy industrial base. That creation, as earlier in Western Europe, Japan and the United States, was achieved only by horrendous human suffering: by long hours, intensive work practices, starvation wages, and (in the Russian case) immense terror and ideological control. The socialist project was thereby subverted into one of rapid state/party-led industrialization from an entirely peasant base, and, understood in that form, acted for a critical generation as a revolutionary model (and a source of revolutionary discipline) for socialists in both the labor movements of the core capitalisms and in certain key pre-capitalist economies to Russia’s south and east. Working class politics within Russia were thus blocked; and in the defeat of the Russian working class by the party ostensibly created to led and represent it, immense general damage was done to the cause of working class emancipation on a global scale.

*Ultimate Accommodation*

Among the key elements of that damage was the increasingly distorting impact of Stalinist conservatism on the revolutionary project within the labor movements of the core capitalisms, and the resulting extra legitimacy given there to more moderate forms of working class struggle and to the limited agendas of craft unionism. For the alternative trajectory emerging from the defeat of 1917-20 was that of working class reformism within Western Europe and of militant trade unionism without independent political leadership in the USA. Initially neither the Western European working classes nor the North American labor movement were strong enough to impose themselves either industrially or politically. Indeed the 1920s and 1930s in Europe were times of working class defeat by the forces of the Right: most violently in Italy, Germany and then Spain; more constitutionally in France and the UK. But American labor emerged from the Depression and the New Deal with an unexpectedly strident and effective industrial militancy and self-confidence – a self-confidence which the full mobilisation of working class forces to defeat fascism then spread across Western Europe as a whole.

 The result of that defeat – differently manifested in both Axis and Allied economies and societies – was a series of *class compacts* imposed on discredited local employing classes by labor movements radicalized by war. Capitalist classes in each core capitalism in turn emerged from World War II faced with the need to accommodate working class demands for industrial recognition and for political and social rights, and so struck a string of easier effort-wage bargains; such that the result of that class militancy (and of the prior resetting of production systems during the wartime mobilization) was a systematic shift (within the core capitalisms alone) from regimes of accumulation based on the extraction of absolute surplus value to regimes based on the extraction of relative surplus value. In that shift a reformist moment was opened for the working classes of the key capitalisms, during which a generation of workers would emerge whose experience of the material and social imperatives of capital accumulation would be sufficiently different from that of their predecessor generations as to open up (for a brief period) a qualitatively new form of working class politics.

II: LATE CAPITALISM[[8]](#footnote-8)

 As the pace of inter-imperialist rivalry quickened in the late 1930s, and military confrontation on a global scale become ever more likely, the ageing Leon Trotsky wrote of *The Death Knell of Capitalism and the Tasks of the Working Class.* As between 1914 and 1918, he argued, with war would come working class radicalism, and with that radicalism the need for a revolutionary party free of the illusions of Stalinism or Social Democracy. Yet when war ended, that need was neither felt nor met. Instead (and in line with the Yalta agreement) Stalinised communist parties presided over the integration of the French and ijtalian working classes into the new western European capitalist order. Left-wing forces in both the United States and Japan were disarmed by McCarthyite repression. Social democratic political formations retained the loyalty of organised labor movements in the western part of Germany, in Scandinavia, in the UK and in its former ‘white’ dominions; and the Red Army suppressed independent working class organisation in the new Soviet Empire that now included Poland, Czechoslovakia, Hungary and (more independently) Yugoslavia. Peasant-based revolutionary forces in areas peripheral to the core of the capitalist system brought communist parties to power in the late 1940s (particularly in China) and began to fuel struggles for national independence against restored colonial domination in parts of Indo-China; but in the core capitalisms strong labor movements did not make the revolutionary turn. Instead, and with varying degrees of success, they struck industrial and political bargains with their local employing classes, bargains which shifted the basis of accumulation in the capitalist core without fundamentally challenging the capitalist nature of the accumulation system itself.

 Within the core capitalist economies of Western Europe, North America and Japan, what emerged from the intense class struggles of the immediate post-World War II decade was a fragile class compromise. It was one built on production regimes within core capitalisms in which accumulation was increasingly a consequence of the systematic application of machinery to production (of intensive rather than extensive forms of surplus extraction). It was also one in which the contradictions endemic to the capitalist accumulation process were pushed out, through unequal exchange, to those export enclaves within the non-socialist and non-industrialised part of the world economy from which surplus extraction could still achieved in a predominantly absolute, rather than relative, form. The capitalist part of the newly-divided world economy then grew without generalised crisis for an entire generation – from 1948 to 1973 – but within that growth the new prosperity was highly concentrated (in a very restricted group of national capitalisms in northern Europe, North America and eventually Japan). In those economies, and those economies alone, the generalised application of machinery to production produced dramatic increases in labor productivity, and eventually allowed a significant rise in both the private and the social wage paid to proletarian labor.

 In semi-peripheral and peripheral parts of the global system, however, this rise in wages simply did not occur. Instead a more limited degree of investment and commodification in those regions produced export sectors in a range of formally/informally colonial territories, and generated a reserve army of mobile labor willing (and indeed desperate) to migrate to the metropolitan centres of the global system where wages were higher and living conditions more bountiful. Within the Soviet bloc meanwhile, forced industrialisation continued to develop heavy industry and the Russian military-industrial base, but it did not trigger (contrary to Khrushchev’s claims in the late 1950s) any parallel increase in labor productivity (and associated living standards) for the mass of Russian-dominated industrial and rural workers. For an entire generation, as the adage went, “Soviet workers pretended to work and the authorities pretended to pay them”: but neither the workers nor the authorities could match the output of their capitalist equivalents.

 Rather, and for that 25 year period at least, the global capitalist production system froze itself into a First World, a Second and a Third. For that period at least, income inequalities *within* First World economies eased as income inequalities *between* First World economies and Second and Third World ones widened.[[9]](#footnote-9) And for that period too, a form of working class incorporation consolidated itself within the core capitalisms, as issues of rural unrest and the destruction of petty commodity production were pushed out from the core to the periphery, and as the size of the global working class grew only slowly, and grew only within core capitalist areas. Labor migration was a feature of this immediate post-war period as it had been of the late nineteenth century, but these labor migrants did not go to create new working classes, or to join working classes that were themselves in the early stages of creation. They went to join working classes already in existence, to fit beneath those classes as reserve armies of labor in a phase of high labor employment.

*Common Working Class Experiences in Late Capitalism*

Materially and socially, the working class condition in this “golden age of capitalism” differed significantly from the working class condition of capitalism’s first generations.

 *Materially* the working conditions and living standards of vast swathes of workers within the core capitalisms began eventually to ease and improve. For a generation at least, job security became a reality for at least the well-organised sections of the industrial working classes in Western Europe, the United States and Japan. In the large industrial and increasingly mechanised plants of the Fordist kind[[10]](#footnote-10), and in the growing office buildings and public sector bureaucracies with which those plants came progressively to share occupational space, the pace of work eventually slowed, and indeed in some capitalisms (though not in all, the US being the big exception) working conditions even came under a degree of informal worker control. And wage levels too rose to well beyond subsistence for the bulk of capitalism’s established working classes, as accumulation increasingly came to depend on the production and sale (to them) of wage goods of an increasingly differentiated kind, and as welfare bureaucracies proliferated as sources both of employment and of assistance to workers afflicted by unemployment, injury and age.

 This job security, work control, and private and public prosperity was never uniformly distributed within the post-war working classes of even the advanced capitalist economies. Relative prosperity came late (only from the 1960s) in Western Europe. It never fully extended to non-white, non-male sections of working classes even there; and the social wage in particular was not generalised across even well-organised working classes in either the United States or Japan. But there was nonetheless a sea-change in material experience for large numbers of workers in all the major capitalisms, a sea-change when compared to working class experiences between the wars, and a sea-change that rested on the dramatic increase in labor productivity achieved in capitalism’s Fordist phase. It was a sea-change which briefly allowed a resetting of capitalism’s effort-wage bargain, and it was one which brought levels of personal consumption to new and unanticipated heights for many core workers from the mid 1970s. It was not a sea-change, however, which allowed the generalisation of this new (and easier) working class condition to either industrial or rural workers in non-core capitalisms. There, as in the Soviet bloc, working conditions remained arduous and under-capitalised, labor productivity remained low, and wages and living conditions remained stuck at little above pre-war levels, even while the basic working class condition eased in the heartlands of the global capitalist system.

 *Socially* the fusion of systems of relative surplus value extraction with complex class compacts in that heartland altered the balance and character of the class forces surrounding material production there. The early capitalist world in which displaced rural workers and oppressed factory operatives existed side by side, and in which the employing classes were everywhere small and visible, gave way to one in which rural oppression and factory life became geographically separated (rural struggles becoming increasingly a Third World phenomenon and factory-based struggles becoming, for a generation at least, almost exclusively a First World and export-enclave monopoly). The early capitalist world also gave way to one in which the centralization and concentration of capital (and the extension of state roles) produced a huge and highly differentiated middle class alongside core working classes. Indeed in the first generations of that new middle class, the number of newly-created supervisory and managerial positions was such that they could be filled only by a degree of short-term social mobility from within the working class itself: so helping for a generation slightly to soften and blur (in the advanced capitalist economies) the sharp class divisions of worker and capitalist characteristic of their early capitalist period.

 Moreover, the shortage of workers produced by the class compacts of strong labor movements in the core capitalisms drew new groups into the mainstream of the capitalist employment process. Full employment at the core of the system stimulated labor migration, as capitalists looked further and further afield (both geographically and socially) for their reserve army of labor. Full employment at the core stimulated a post-war migration of people from countryside to town in capitalisms where the total destruction of the pre-capitalist peasantry had not been completed (in Italy and in Japan in particular). It stimulated the movement of African-American labor (and later Hispanic labor) north into the US industrial belt. It stimulated the movement of colonial peoples from periphery to core within the European empires (from North Africa to France, from South Asia and the Caribbean to the UK, from South East Asia to Holland); and it stimulated the movement of workers first from Eastern Europe and then Turkey into a Federal Republic of Germany denied the direct fruits of its brief colonial past. It also stimulated the movement of married women back into the paid employment from which they had been increasingly excluded (except in wartime) by the effective closure of manual jobs to women by male trade unionists from the middle of the nineteenth century: leaving more and more married women in the core capitalisms with the “double burden” of their own wage-work and their domestic production that reproduced the wage labor of others. What emerged in consequence was a divided working class in each major national capitalism in turn: working classes divided, at the very least, between organised sections and non-organised sections, between private sector workers and public sector ones, between male workers and female workers, and between indigenous workers and labor migrants.

*Late Working Class Politics*

These material and social changes gave a new (and more complex) face to working class politics for a generation after the Second World War. If the dominant industrial and political agenda of the early working class had been the winning of the right to organise and the right to be represented politically, the dominant industrial and political agenda of later generations of workers was how fully to exploit those rights, once won. Their task was to make their voice heard, and to effect real concessions from dominant classes which had now learned to live with independent working class organisation, but which were still as reluctant as their predecessors had been to surrender real wealth, control and power. The task for the early working class had been to win the right to sit at the capitalist table. The task of the later working class was to win significant influence over what was to be served there.

 Industrially and politically, the immediate post-war shortage of labor within the industrial circuits of the core capitalist economies generated a small but significant shift in class power. *Within the workplace*, well-organised groups of workers were well-positioned to strike new effort-reward bargains, even slowly to establish a degree of control over aspects of the work process, and to link their wages to rising labor productivity. *Politically*, those same workers were well-positioned to elect into office parties committed to the maintenance of full employment and the extension of the social wage. The capacity of particular labour movements to strike either of these bargains – the first industrial, the second political – varied in significant ways: with the industrial bargain initially beyond the reach of working classes facing capitalists defeated in war, and with the political bargain beyond the reach of working classes which had failed to consolidate before the war independent working class political organisations. But across the core capitalisms as a whole, the late 1940s and early 1950s saw the consolidation of class compacts of varying types, compact which collectively enabled a section of each working class – invariably the male, skilled, organised sections – to link wages to profitability, and to spread the social benefits of the Fordist shift from the extensive to the intensive extraction of surplus value.

 While the post-war “golden age of capitalism” lasted – and it lasted for each major industrial capitalism until 1973, and then peeled away progressively for each (starting with the UK and the USA in the late 1970s, ending with Japan and Germany in the early 1990s) – industrial and political *reformism* was the order the day. A generation of workers at the core of the system knew rising living standards, job security and enhanced welfare provision, and responded accordingly.

1. Among those workers, the predominant industrial response was factory-focused, and the predominant political response was conservative. Workers pushed for higher wages and easier working conditions, and achieved success in both. They supported parties of the Centre-Left (either social democratic or Stalinist in Western Europe, left-liberal in the United States), and required of them only a modest resetting of property rights, income distribution, and welfare underpinnings. Initially in the post-war period, working class pressure effected a major resetting of the social architecture of capitalism (with workers’ pushing for health cover, education and pensions), and at the height of the post-war boom, workers struck for a second resetting of the class accord (between 1968 and 1973); but once that new architecture was in place, the pressure of organised workers for its extension weakened and the interest in socialist politics waned.
2. By the 1960s the pressure points in the system had shifted. They had shifted to movements articulating the grievances of excluded and newly-proletarianized workers, movements which often met only ambiguous support (and sometimes even outright resistance) from the organised sections of core working classes. Within the long-established capitalisms, radicalism became concentrated in movements of black workers and in the women’s movements which sprang briefly to prominence in the 1970s. Beyond the core, radicalism shifted into movements challenging agrarian capitalism, colonial rule and imperial domination, movements that were predominantly peasant-based but within which industrial workers played a significant but subordinate part (marginal in Vietnam, central in South Africa). Pressure points shifted too (particularly in South America) into a series of peasant-based movements of workers obliged to straddle rural and urban employment whilst being progressively squeezed in both; and into struggles by newly established industrial workers for basic wages and rights. And in the Second World, more established working class pressure was a key ingredient in the sequence of uprisings against Soviet domination: massively so in the East German rebellion of 1953, less dominantly so but still potent in Hungary in 1956 and Czechoslovakia in 1968, and dominant again in Poland from 1980.
3. Throughout it all, the voice of the Left was hampered by the persistence of old conservatisms and by the articulation of new ones. Divisions of status, religion and politics split the labour movements of each national capitalism to varying degrees: setting skilled worker against unskilled, catholic against protestant, socialist against communist. Ruling class pressures then compounded those divisions. They did so ideologically, initially by the weight of McCarthyite orchestrations of Cold War anti-communism, and later by the renewed challenge of neo-liberal economics to the briefly dominant Keynesian consensus. And they did so materially, as employer confidence grew, in a series of offensives against union power, against wage increases, and against the taxation necessary for adequate working class welfare coverage.

III: CONTEMPORARY CAPITALISM

 Those conservative counter-weights to the full development of reformist social compacts could be (and were) held at bay so long as the rhythm of capital accumulation did not falter and the associated rise in labor productivity continued to permit wages and profits to rise together. But from 1973 that was no longer the case. Successive national capitalisms found wage-profit harmony progressively more difficult to effect, and labor productivity growth progressively more difficult to generate: again in a sequence, beginning with the weaker national units in the system and ending with even the stronger ones in internal class tension. The response of capitalist classes everywhere was ultimately the same: the retreat of capital from industrial circuits to financial ones; the export of remaining industrial capital to easier labor markets, and the internal resetting of class compacts, this time *against* labour rather than in its favour.

 In these new conditions of intensified employer offensives and capital flight, the weakening of working class industrial and political solidarity during the period of reformist dominance left established labor movements vulnerable to the incremental deconstruction of the gains each had made. The last quarter of the twentieth century saw a systematic rolling back of working class political and industrial power, without triggering a generalised shift to the Left among organised workers now subject again to an intensification of the labor process, falling real wages and enhanced job insecurity (of a kind more generally associated with capitalism’s early stages). Disillusioned with reformist politics, organised workers within the core capitalisms proved disproportionately vulnerable to right-wing ideas and political projects. At worst they retreated into new cultures of privatised entertainment, alcohol and sport, and re-invigorated old cultures of patriarchy, nationalism and racism. At best, they retained an affection for social democratic welfare institutions and a belief in the capacity to retain them by re-electing governments of the Centre-Left. Residual pockets of more generalised militancy remained – politically in the French labor movement, industrially in the German and to a lesser extent the American – but by the end of the century the heroic days of working class struggle were, for most established working classes, a distant memory. By then, the centre of working class politics had shifted out from the core of the global system: breaking the mould of Soviet power in political revolutions at the end of the 1980s, and more recently challenging the dominance of industrial classes in the new capitalisms (in East Asia) and peripheral capitalisms (in South America) to which so much of the mobile industrial investment funds of more established capitalist classes was by then gravitating.

 *So as the old millennium gave way to the new one, the global balance of class forces was again in flux, characterised this time by a complex layering of old proletariats and new, and by a complex interweaving of accumulation rhythms based on the extraction of absolute surplus value and accumulation rhythms based on the extraction of relative surplus value.* The export of capital had by then created (and is still now creating) whole new working classes, in renewed processes of primitive capital accumulation which are prizing vast numbers of peasants out of the Asian (and on a smaller scale, the South American and southern African) countryside. As early as 1995, maybe twice as many people world-wide than had been the case in 1965 depended on the sale of their labor power for their daily reproduction – 2.5 billion people in total – a scale of proletarianization without precedent and a speed of proletarianization last witnessed a century before.[[11]](#footnote-11) In the capitalist economies of South and South East Asia, in parts of the Middle East, in the market socialist economy of China, in parts of southern Africa, in Brazil, Argentina and Mexico, economies that were once predominantly peasant-based (with small mining and industrial enclaves) are now (and have been for more than three decades) transforming themselves into wage labor-based economies with large (though still minority) industrial working classes, extensive rural proletariats, and even larger informal sectors in which marginal workers eke out a meagre subsistence through complex and fluid mixtures of wage work, petty trade and subsistence agriculture.

 Many of those caught up in this second great wave of primitive capital accumulation moved directly into factories that were themselves equipped with modern sophisticated machinery, and proved capable of quickly establishing there recognisably distinct working class institutions and militancy; but many did not. For even in the economies that have now been industrializing on a large scale for more than three decades, many of their new industrial workers met fierce state repression and resistance, particularly in authoritarian regimes free of any constitutional or democratic impediments to political violence. China today, Brazil under the generals, South Korea for most of the post-war period, are clear examples of regimes blocking independent working class organisation, and of working classes subject to labor control in part through state-sponsored trade unions of the kind long established in the Soviet Union. And still more of these new workers were not industrially concentrated and capital-equipped in this fashion. They still worked (and still do to this day) with primitive technologies, obliged to exchange subsistence (or less than subsistence) wages for long hours and primitive and intense working conditions, and to do so for large transnational corporations just as much as for local small-scale employers.

 This return to old-style labor exploitation is a key dimension of the modern working class condition not just in the new mines and sweat shops of South and East Asia. It is also a daily reality for growing numbers of workers within the advanced capitalisms themselves, as a growing sub-class emerges there of building workers, agricultural labourers, and service employees closed off by ethnicity, language and trade union indifference from the established labour movement around them. By the year 2000 a whole new international division of labour had blown away the old distinctions between First World, Second and Third, and between North, South and East. By 2000 the North has gone South (in the form of extensive Asian, southern African and South American industrialization). The South has come North (in the form particularly of the Hispanization of the North American working class); and the East has come West, with the collapse of Soviet Communism and the re-entry of an Eastern European/Russian set of established working classes into the circuits of global capital accumulation.

 In consequence *old and new working classes now co-habit the capitalist world as never before*, bringing together workers battling to cope with newly established capitalist classes and workers battling to cope with long established ones. The experience and agendas of primitive capital accumulation are now being lived again world-wide. Even the World Bank concedes as much: that ‘the more than a billion individuals living on a dollar or less a day depend…on pitifully low returns to hard work,…in many countries lack representation, and work in unhealthy, dangerous or demeaning conditions’.[[12]](#footnote-12) More established working classes too now have a new if varied agenda. It is one freed of a distorted Marxism in the former Soviet Union. It is one of an eroding welfare capitalism in much of Western Europe. It is one of intensified work routines and long working hours even in the USA itself. There is no space, in this new global capitalism, for any particular working class to hide. The space for reformism has gone. Everywhere the working class story is one of the ratcheting down of established wages and conditions where won, and the denial of adequate wages and standards where not. There is a venality to contemporary capitalism that was always obvious to workers in its under-developed sections, but a venality that was partially hidden for half a century from well-organised workers in its central core. We are nearer now to the capitalism of *The Communist Manifesto* than we have ever been: a capitalism so single-minded in its pursuit of profits that all of its working classes are “at last compelled to face with sober senses [their] real conditions of life, and [their] relations with their kind.”

 In that very crucial sense, the cohabitation of old and new working classes offers both a fresh set of possibilities and a fresh set of dilemmas for the Left. It offers a fresh set of possibilities because the arrival of new working classes necessarily rekindles radical agendas increasingly abandoned by working classes of a more established kind; and it creates a fresh set of dilemmas because the articulation of old and new working classes in a shared global space makes the international linking of working class struggle a pressing and yet uniquely complex task. The forces striving to divide workers find much on which to build in this new conjuncture: issues of scale, legacies of history, the revival of reactionary religions, and the strength and avarice of ruling classes, all combine to set workers apart even more than before. But the forces of the Left, seeking working class unity and transformative politics, are not without their structural and social underpinnings too: not least in the linkage of workers through the emergence of commodity chains, the rise of transnational corporations, the increased export of capital and commodities, the shared experience of world economic government by the WTO, and the generalised assault made by local employers and states on whatever level of working class remuneration and job control has thus far been achieved. The battle between good and evil, between socialism and barbarism, is on again; and the global working class, far from vanishing, is with us as never before. It is, in a very real sense, simply half-time in the battle between capital and labor. The first half went to capital. In the second half, there is still all to play for. It is time therefore to resume the play.

1. 1. Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte* [↑](#footnote-ref-1)
2. 1. E.P.Thompson, ‘The Peculiarities of the English’, originally published in R. Miliband and J. Saville (eds), *The Socialist Register 1965* (Merlin, 1965); and reprinted in E.P.Thompson, *The Poverty of Theory* (Merlin Press, 1978) p.85. [↑](#footnote-ref-2)
3. 1. E.P.Thompson, *The Making of the English Working Class*, (Gollancz, 1963), p. 11. For a fuller discussion of issues raised in this opening paragraph, see D. Coates, ‘Roger Scruton and the Left’, in N. Kirk (ed), *Social Class and Marxism* (Scholar Press, 1996) pp. 206-213 [↑](#footnote-ref-3)
4. 1. The vital distinction between ‘absolute surplus value’ and ‘relative surplus value’ (and between ‘extensive’ and ‘intensive’ forms of surplus extraction) is best captured in this quotation from Ernest Mandel. Thirst for surplus value is thirst for surplus labour, for unpaid labour over and above the labour that produces the equivalent value of the workers’ means of life. In order to get more surplus labour the capitalists can, in the first place, lengthen the working day to the utmost without increasing the daily wage….This way of increasing the working day is called *increasing absolute surplus value*. …A second way of increasing surplus value, instead of lengthening the working day, [is] to cut down the labour time necessary to produce the equivalent of the workers’ wages. This is…called *increasing relative surplus value* [and] results essentially from growth in the productivity of labour thanks to the employment of new machinery, more rational methods of work, a more advanced division of labour, a better way of organising labour, etc.(E. Mandel, *Marxist Economic Theory*, Merlin Press 1968, pp. 135, 137) [↑](#footnote-ref-4)
5. On this, see David Coates and Robert Looker, “Basic Problems of Socialist Strategy”, in David Coates and Gordon Johnson (editors), *Socialist Strategies*, Oxford, Martin Robertson, 1983 [↑](#footnote-ref-5)
6. For more on this, see David Coates and Robert Looker, “The State and the Working Class in Nineteenth Century Europe”, in J. Anderson (editor) *The Rise of the Modern State*, Brighton UK: Wheatsheaf, 1986 [↑](#footnote-ref-6)
7. #  Eric Hobsbawm, *The Age of Extremes: A History of the World, 1914-1991*, New York: Knopf, 1996

 [↑](#footnote-ref-7)
8. The term is Mandel’s, the title of his last great work. [↑](#footnote-ref-8)
9. For the data on this, see Giovanni Arrighi, “‘World Income Inequalities and the Future of Socialism’, *New Left Review* 189 [↑](#footnote-ref-9)
10. For a discussion of “Fordism”, see David Coates, *Running the Country*, London: Hodder and Stoughton, 1995, pp. 20-25 [↑](#footnote-ref-10)
11. 1. World Bank figures, cited in D. Harvey, ‘The geography of the Manifesto’, in L. Panitch and C. Leys (eds), *The Communist Manifesto Now: The Socialist Register 1999*, Merlin Press, 1999, p. 64 [↑](#footnote-ref-11)
12. 1. ibid, pp. 64-5 [↑](#footnote-ref-12)