

**Alain Lipietz**

**Mirages and Miracles**

**The Crises of Global Fordism**

Translated by David Macey



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## Translator's Note

Earlier versions of sections of this book have previously appeared in English translation as 'Towards Global Fordism' and 'Marx of Rostow?', *New Left Review* 132, March-April 1982; 'Imperialism or The Beast of the Apocalypse', *Capital and Class* 22, Spring 1984; 'How Monetarism Choked Third World Industrialization', *New Left Review* 145, May-June 1984. Existing translations have been modified.

David Macey.

# Introduction

'In science it is self-evident that concepts are going to change; that is to say that, you hope to learn something. This is not theology, after all. You do not make declarations which you must preserve unchanged for the rest of your life. By contrast, in the social sciences or in humanistic studies, positions are often personalized. Once you have taken a position, you are supposed to defend it, no matter what happens. It becomes a question of honour not to change or revise an opinion, (that is, to learn something). Instead you are accused of refuting yourself if you modify your position.'<sup>1</sup>

This is a time for doubts and for questions, a time when schemas fall apart and when every apostasy can be justified. New industrial powers rise up from the depths of extreme poverty. In the Third World, socialism is ravaged by war and famine. Guerrillas become ministers and run countries that were modernized by *gorillas*. Lepers and *flagellados* ('scourged ones') beg on the spotless steps of the banks. Those who once practiced self-reliance are opening their doors to transnational companies. Interest rates provoke hunger riots. Everything has become confused. The enemy has become an abstraction. This is a time for curses to be lifted and for miracles to turn sour.

And yet, twenty years ago, everything seemed so clear-cut, even if not every judge handed down the same verdict. The international division of labour divided the industrialized nations from the rest of the world. The industrialized countries exported manufactured goods; the under-developed countries exported mineral or agricultural raw materials, or migrant labour. According to the dominant liberal view of economics, it was all a matter of 'stages of economic growth';<sup>2</sup> the underdeveloped countries were simply

'behind' the industrialized countries in the same way that children are 'behind' adults. It would not be long before they reached adolescence ('take-off'), the 'industrial age' and then the 'post-industrial age', with integration into the world market speeding up the process.

In contrast, the heterodox currents – the Marxists, the 'dependency theorists' and the 'third worldists' –<sup>3</sup> argued that it was precisely those relations between the 'centre' and the 'periphery' – or, to use another image, between 'North' and 'South' – which precluded even the possibility of 'normal' capitalist development in the South. The dependency argument went roughly as follows. The North needed the South so that it could export its surplus. Moreover, most of the wealth produced in the primary sector in the South was transferred to the North via a process of unequal exchange. The industrial emancipation of the South would therefore be a form of aggression against the North, which, in turn, had the military capacity to ensure that it would never take place.

This thesis – and we will see later to what extent it was correct – had one great advantage over the liberal argument. It concentrated upon studying the links that bound economic spaces into international relations, and it saw the world economy as a system. Its weakness was that it paid little attention to the concrete conditions of capitalist accumulation either in the centre or on the periphery. It therefore could not visualize that transformations in the logic of accumulation in the centre would modify the nature of centre-periphery relations. Nor could it see, in consequence, that transformations in the basis of that logic within the peripheral countries would lead to nothing less than the fragmentation of the 'Third World' into a series of distinct developmental tiers.

The supporters of the dogma of the inevitable 'development of underdevelopment' were therefore caught off balance when, in the seventies, real capitalist industrialization began in certain 'peripheral' countries and when, during the same period, there was a marked downturn in the North. When this happened, some Marxists rallied body and soul to Rostow's arguments, and even went so far as to sing the praises of 'imperialism, pioneer of capitalism'

because it promoted the development of the productive forces and 'the unification of mankind'.<sup>4</sup>

Others, like Palloix<sup>5</sup> and Frank, simply denied that anything new was happening. Frank responded to growth in the 'Newly Industrializing Countries' (NICs) by reasserting dogma: 'As the analysis of imperialism, dependence and the world system has emphasized, the very growth pattern of the leaders has been based upon, indeed has generated, the inability of the rest of the world to follow. The underlying reason is that this development or ascent has been misperceived as taking place in particular countries, whereas it has really been one of the processes of the world system itself. The recent export-led growth of the NICs is also part and parcel of capital accumulation on a world scale.'<sup>6</sup> According to Frank, the emergence of the NICs simply meant that emigrant workers were now being employed in their own countries. It did not alter the workings of the 'world economy'. Concrete reality – the class struggle, class alliances, and the specific dynamics of different social formations – was explicitly ignored.

Despite the undeniable formal superiority of the imperialism-dependency approach, it seems that, like the rival liberal approach (the 'stages of development'), it had degenerated into an ahistorical dogmatism by the end of the sixties. It is as though two theorists were contemplating the development of history, each of them wearing a watch that had stopped. If the South was stagnating, one theorist could tell you precisely what time it was: if 'new industrialization' was taking place, another would say it was time for 'take-off'. If the NICs were in crisis, the other would reply, 'I told you so.'

In order to get beyond this stalemate,<sup>7</sup> we obviously have to take into account the historical and national diversity of capital accumulation in each of the nation-states under consideration, beginning with the countries of the centre, but not forgetting those of the so-called periphery.

My ambition here is not, however, to outline 'The Correct Theory' of tendencies at work within the international division of labour, from the origins of imperialism until the present crisis. On the contrary, I would like first of all to put forward a few modest methodological points and to warn

against the misuse of certain terms and concepts that we all use ('all' meaning, of course, those women and men who refer to Marxist theory, or, more generally to analyses using the concepts of dependency and domination). Their misuse explains the stalemate to some extent.

All too often, we reacted against the optimism (or cynicism) of liberal thought – and no doubt we will go on doing so – by presenting concrete history as the inevitable unfolding of a concept such as imperialism: thus indulging in what Bourdieu calls 'pessimistic functionalism'<sup>8</sup> by arguing that the world is as it is because it was designed to serve 'the interests of the powerful' or 'the interests of the system'. The very notion of an 'international division of labour' (not to mention an International Economic Order) suggests that there is some Great Engineer or Supreme Entrepreneur who organizes labour in terms of a pre-conceived world plan. Depending on one's tastes and style, this watchmaker's activity is the outcome of the efforts of readily identifiable subjects such as Multinational Companies or the Trilateral Commission, or the expression of the immanent needs of an ectoplasm which is as protean as it is Machiavellian: World Capitalism, the World Economy ....

Such tendencies can only lead, again depending upon one's style or upon the way experience affects one's personality, to either a banal pessimism of the intellect ('We can't do anything about it; the system is against us') or a new opium of the people ('It will soon collapse under the weight of its own contradictions'). And so we deny the living soul of Marxism and the basis for optimism of the will: the concrete analysis of concrete situations.

When researchers, or worse militants, adopt such attitudes, they abdicate their intellectual responsibilities. Every aspect of a real social formation is seen as resulting from the evils of 'dependency'. Every concrete situation is forced into the Procrustean bed of a schema established by some Great Author of the past, while anything that won't fit is simply lopped off.

In the following pages I will attempt to present, succinctly and in schematic form, the results of my work on how the present crisis is transforming the international division of labour.<sup>9</sup> I will not venture so far as to make a con-

crete analysis of the one hundred and fifty countries that make up the world or of their irreducible specificities. I leave that task to more competent specialists. The so-called 'socialist' countries have simply been omitted from this study in international relations. Their workings are so specific as to require a separate study.<sup>10</sup> Besides, it so happens that, from a strictly economic point of view, they played a fairly minor and even a diminishing role in the transformations that occurred on the periphery in the 1960-84 period. The only socialist countries that will be discussed here are those, which, like Poland or Yugoslavia, are articulated with the developed capitalism of the West in a similar way to the NICS.

And, naturally enough, I will cast caution to the winds. I will talk about old and new divisions of labour, the centre, the periphery, Fordism, 'bloody Taylorism', peripheral Fordism and other bold conceptualizations. I hope to show that these constructs can in some sense help us to understand the real world, while remembering that in other respects (or levels of abstraction) they are fit for the fire. A character who will have a certain role to play later puts it very clearly: 'The order that our mind imagines is like a net, or like a ladder, built to attain something. But afterward you must throw the ladder away, because you discover that, even if it was useful, it was meaningless. ... The only truths that are useful are instruments to be thrown away.'<sup>11</sup>

The reader has been warned. She would do better to burn this book without reading it, if all she is going to get out of it is a new collection of labels to stick on real nations and actual existing international relations without first analysing them carefully. Hopefully the first chapter will be an antidote to that.

The second chapter will review the methodological contribution made by recent work on regimes of accumulation and modes of regulation. This work helps us to grasp the various solutions which capitalism has found for its internal contradictions during the course of its history: the most recent being Fordism, the dominant form of the post-war period. It is only on this basis, which takes us beyond national diversities, that we can begin to identify, albeit in tentative form given the current state of research, the logic

governing changes in relations between the central economies themselves, and relations between those economies and what, in a bow to a conceptualization which must be overturned, I will continue to describe as the 'periphery'.

The third chapter re-examines the historical development of centre-periphery relations in this light. Classical theories of imperialism and dependency will be shown to be misleading in that they give a timeless picture of a configuration which in fact belongs to a vanished period in the history of central capitalism, namely the period of extensive accumulation and competitive regulation.

The fourth chapter brings us to the heart of our subject: the novel phenomenon of the partial industrialization of the Third World, which will be shown to be the result of the various ways in which elements of the logic of Fordism have been extended to the periphery. In the fifth chapter, these developments will be related to political events in Southern Europe during the seventies and to what Nicos Poulantzas has termed the 'crisis of the dictatorships'. Finally, we will see in Chapter Six how the crisis in central Fordism combined with internal factors to destroy many of the 'miracles' of the seventies.

We will end by looking at what might be meant by a struggle against a world order which is in fact a monstrous disorder, even if it is less rigid than it might once have seemed. For this book would never have been written were it not for the outburst of indignation which in the sixties led the young people of the West to share the hopes of those fighting in the Third World against a system which enriched a minority while allowing the majority to sink into unremitting poverty. Even if we do now know that the relationship between wealth and poverty is not as mechanical as we once thought; even if the 'workings of the system' do not mean that oppressed peoples are irredeemably damned; and even if the most 'successful' roads to development are not the ones we wanted to see; the fact remains that even when 'growth' is achieved it is by brutal methods that, all too often, do nothing to alter the gross inequalities which make it impossible to speak seriously of the 'unity of the human race'. In terms of democracy the struggle has scarcely begun.

This book is therefore dedicated to my comrades, to my

friends, and to the women and men who continue to fight for a more just world order; especially to those in the Third World who taught me something about their countries, their problems, and their hopes.