

5

Peripheral Fordism in Southern Europe

In the mid-seventies, three dictatorships collapsed in Mediterranean Europe. Both the speed of the process and the degree of pressure brought to bear by the working class varied in Portugal, Greece and Spain. Outside contingencies did not play the same role in all three cases, but by the end of the decade all three countries had made the transition to a moderate and modernizing form of social democracy (which brought together many of the radicals and even the Marxist-Leninists who had been involved in the anti-fascist resistance), with a traditionally-based Communist Party (which then was reduced to ten to twenty per cent of the vote) to its left, and a conglomeration of traditional notables and modernist technocrats to its right. Specificities aside, it is obvious that the same tendencies were at work in all three countries. Social forces (and not only popular forces) developed under and by the dictatorships had undermined their base.

From 1980 onwards, the dictatorships in Brazil and South Korea began to be shaken by repeated blows from the popular masses or from elements within the ruling classes. In Brazil, the struggle for *Direitas* (direct elections) led to the appointment of a civilian president with a background in the popular opposition on 15 January 1985. A few days later, on 12 February, Chun Doo Hwan's dictatorship failed to prevent the democratic opposition making considerable

advances in the elections it had rigged so carefully. The Korean New Democratic Party (the equivalent to Brazil's PMDB) immediately launched the struggle for direct suffrage in the 1988 presidential elections.

Hypothesis: the same economic causes (the maturation of peripheral Fordism) had the same effects in the early NICS (Southern Europe) and, ten years later, in the 'NICS of the seventies'.

There is no need to worry: I am not suggesting that we lapse into vulgar economic determinism. But it might be useful to use the concepts we developed in relation to what we now call the NICS to shed some retrospective light on the events of the seventies. And in terms of the socio-political outlook for the present NICS, it might be helpful to look at the example of Southern Europe.

Such is the object of this chapter. It is in no sense intended to replace a concrete analysis of the socio-economic formation and of the political conjuncture of either Southern Europe in the seventies or the NICS in the eighties. The task of making such an analysis can be left to better qualified specialists. In this chapter, we will simply be comparing figures and concepts, and outlining hypotheses.

The Internal Bourgeoisie and Peripheral Fordism

The Greek sociologist Nicos Poulantzas described the phenomenon of the 'crisis of the dictatorships' in Portugal, Greece and Spain as resulting from the emergence of an *internal bourgeoisie*.¹ By introducing this concept, he attempted to break with the traditional distinction between the 'national bourgeoisie' and the 'comprador bourgeoisie'. The classic distinction is only meaningful in terms of the old image of the international division of labour and of capitalist accumulation. According to that image, the imperialism of the dominant countries blocks 'normal' industrial development ('normal' in the sense of 'led by a national bourgeoisie') in the dominated countries, and uses a 'comprador' group of feudal elements, bureaucrats and import-export traders to ensure that the countries in question go on exporting primary commodities.

By breaking with an instrumental conception of the state and, more specifically, of dictatorship (traditionally seen as a mere instrument in the hands of the comprador group), Poulantzas was suggesting that in these specific cases the relative autonomy of the state (vis à vis both the local ruling classes and foreign imperialism) allowed a new industrial bourgeoisie (and therefore a new petty bourgeoisie and a new working class) to emerge. This *internal bourgeoisie* is inserted in a novel way into a new international division of labour which cannot be reduced to an opposition between 'primary' and 'manufacturing'. Although it has emerged from totalitarian conditions,² the new social bloc necessarily aspired towards the democratic and trade-union liberties enjoyed by the most highly industrialized countries.

Poulantzas's definition of the internal bourgeoisie was somewhat confused. Having abandoned the canonic division inherited from the Third International (and the old division of labour), he had no difficulty in making a distinction between the internal bourgeoisie and the 'oligarchy', that is, the bloc formed by 'agricultural' and 'comprador' interests. Internal bourgeoisie is primarily industrial, and it is developing true capitalist relations of production. The issue of the appropriation of surplus value and its desire to conquer (or win back) the home market for industrial goods are enough to make it hostile to foreign capital. On the other hand, it is unclear how it differs from the national bourgeoisie, except insofar as *'its development coincided with the internationalization of capital'*. It is, then, dependent upon the process of internationalization itself, both in terms of technology and markets, and in terms of share-holding, patents and sub-contracting.

We recognize here the characteristics which we have ascribed to peripheral Fordism, and which make it so radically different from both the old division of labour and early import-substitution policies. Poulantzas did not really grasp the principles behind this regime because he was still influenced by economic representations which were current amongst the Marxists of the early seventies: intensive accumulation was reduced to heavy industry, and internationalization to imperialism and to the presence of American multinational companies. Little attention was paid

to wage relations or to the various ways in which they are regulated. But the concept of an internal bourgeoisie did allow him to grasp the main political point: real capitalist development did take place under the dictatorships of the sixties, and they were not simply 'retrograde'. Nor, of course, were they anti-imperialist, but they did encourage the development of bourgeois democratic forces (the internal bourgeoisie) which were neither anti-imperialist nor truly nationalist (this precluded the emergence of either Stalinist or Maoist anti-imperialist united fronts led by the national bourgeoisie or the proletariat respectively).

Poulantzas was quite right as to what would become of the anti-fascist fronts led by the internal bourgeoisie. Although he did not know it, he was also right about the petty-bourgeois radical developmentalists, who were well represented in Spain by a proliferation of 'Marxist-Leninist' groups which even found a toehold in the state apparatus itself, and, in Portugal, by elements of the MES. In historical terms, they became modernizing movements which brought the political (and ethical) superstructure into line with the emerging economic base: an industrial economy which had Fordist tendencies, even if it was not yet Fordist as such. In short, they brought it into line with a European version of the American model, or, to be more specific, with European social-democracy.³

According to Poulantzas, the ruling classes of Europe could collectively be regarded as an internal bourgeoisie – but an internal bourgeoisie which has 'made it' and which is on good terms with American imperialism. This implies that we have to take a new look at the postwar transition to Fordism in Europe. We have already alluded to that process by drawing a comparison between France and Italy in the sixties and Latin American attempts to industrialize by adopting first an import-substitution policy and then the logic of peripheral Fordism. We now have to go further and ask why it was that these countries provided such a favourable terrain for the emergence of analyses of modern capitalism.

The studies I refer to produced the concepts of 'Fordism' and 'peripheral Fordism',⁴ and they emerged in two European countries which lie midway between Southern

Europe and 'Mittel-Europa': France and Italy. This is not a coincidence. For various reasons, France, Italy, Greece, Spain and Portugal are all very old market civilizations and once enjoyed a worldwide influence. They were almost 'centres of a world economy', and some were in fact 'centres', albeit never as nation-states.⁵ They emerged from World War Two with industrial and social structures that were archaic compared with the American model; even before the war that model had already been described as 'Fordist' by both Gramsci and Henri de Man.⁶ For a variety of historical, social, political, economic, cultural and geographical reasons, France and Italy took advantage of the Liberation and Marshall Aid to embark upon an imitative process which, by the fifties and sixties, admitted them to the 'virtuous circle' of central Fordism. It was only in the sixties that Portugal, Greece and Spain embarked upon the same course. It is therefore not surprising that the theorization of the Fordist model of accumulation and of its spatial and inter-regional dimensions should have occurred primarily in France and Italy.

Conversely, the study of the processes of 'new industrialization' in Southern Europe, the East, Latin America and Asia sheds retrospective light on the specificities of the French and Italian miracles (and even the Japanese miracle). The virtuous circle of auto-centred Fordism was *never* fully completed, either in the postwar Fordist countries or in the NICs of the sixties and eighties (and it is becoming less and less likely that it will ever be completed). Foreign markets and foreign sources of technology always played an important role, as did the reserve army of labour provided by the break-up of archaic regional socio-economic blocs.

If we pursue the analysis at the regional level, the distinction outlined in the last chapter between 'Fordism' and 'peripheral Fordism' becomes less pertinent. In Italy, for instance, a whole range of situations can be found, from the dominated, archaic and comprador structures of Sicily, to Emilia Romagna, which produces numerically controlled machine tools for the whole of Europe. As for France, it has been shown elsewhere that its Fordism is still marked by the rapid absorption of the peasantry and the archaic middle classes, and that it still has a marked tendency to import

professional equipment and to use what is in Northern European terms an under-paid labour force to produce labour-intensive commodities. I myself have described this as 'bottom of the range' Fordism, and it has often been pointed out that the state (and the 'developmentalist party') played an autonomous role in France's postwar growth.⁷

Are France and Italy examples of a successful peripheral Fordism? There is no point in jumping to conclusions. I have stressed in Chapter 4 that France started out with an advantage: between 1945 and 1968, it made a serious attempt to achieve 'introversion', and wage relations were *already* subject to monopolistic regulation.⁸ These factors may, however, simply be preconditions for any transition from peripheral Fordist to Fordism as such. A comparative study of France in 1955, Italy in 1960, Spain in 1975, and Brazil and Korea in 1985 would no doubt produce fascinating results.

For the moment, however, we will restrict ourselves to comparing our three Southern European NICs, leaving aside Yugoslavia, which is still a fairly classic NIC, Albania, which really is a special case, and Turkey, which only became an OECD member by a stroke of luck.

Similarities and Differences

What follows should not be seen as an attempt to develop a new classification which ranks countries in terms of a scale ranging from 'imperialism' to 'underdevelopment', or to rate concrete realities in terms of 'peripheralization of Fordism'. I simply wish to demonstrate that the concepts we elaborated in previous chapters (the old and new divisions of labour, primitive Taylorization and peripheral Fordism) can shed light on concrete situations, revealing both similarities and differences. Without going into a concrete analysis of our three social formations (far beyond the scope of this study), we shall see that a rapid examination of the macroeconomic statistical data immediately brings out major differences between economic regulation and regimes of accumulation in Spain, Portugal and Greece. Those differences may help specialists in political science to understand the startling

differences in the transition to democracy in these three countries.

It should first of all be noted that, although it played a central role until the beginning of the modern period, Southern Europe has been 'peripheral' for a very long time. As the international market economy developed, the Byzantine Empire, Italian city-states like Amalfi, Venice and Genoa, and then the Iberian kingdoms played pioneering roles, thanks to the ideal support provided by the Mediterranean.⁹ But the fall of Constantinople, the discovery of America and the Cape route, and then the inability of Castille and Portugal to control their colonial empires led to the 'centre of the world' being transferred to the North Sea, initially to Bruges, Antwerp and Amsterdam.

At the same time, Greece (which had already been dismembered and pillaged by the Italian cities during the Fourth Crusade) was reduced to playing a peripheral role and was then cut off from the Atlantic world economy by the Turkish invasion.¹⁰ The 'first international division of labour' was already taking shape within that world economy. Because it was based upon trade between independent states, the polarization seemed to imply mutually advantageous specialization and cooperation. David Ricardo theorized this deceptive appearance with his theses on 'comparative costs', illustrating it with the famous example of English textiles and Portuguese wine. Greece or Spain would have served his purposes equally well.

A detailed study of our three countries in the eighteenth and nineteenth centuries would obviously reveal major differences between them. On the other hand, it would also become apparent (and it is in this sense that Greek independence is significant) that they gradually converged and adopted a political regime appropriate to this regime of accumulation: a free-trade monarchy underwritten by 'the international community'.

Between the two world wars, their paths diverged again. Portugal and Spain festered under fascism, whilst Greece maintained its ties with Great Britain (though it did not enjoy democracy as a result). The history of the two fascist regimes is complex. Whilst they obviously had a reactionary political base, they did attempt to pursue an auto-centred

