Post-Fordist workplace: Matching the labour process with schooling outcomes

by

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Introduction

In the 1980s and early 1990s we have seen many radical changes in the reorganisation of the industrial production and in the utilisation of labour in Australia. At the same time, these changes have been or are being implemented throughout the industrialised world. This would suggest that there is an overarching strategy to integrate the individual nation-states's economies into one unified economic system dominated by a specific mode of production. As a strategy designed to rectify in some ways the wealth disparity between the developed industrial countries (DIC) in the north and the less developed countries (LDC) in the south, these developments might not be altogether unwelcome. But such strategy would also require that the nation-states retained some measure of control over investment policies in order to compensate for market imperfections. It should also involve a reasonable access by the nation-states to the monumental profits realised through deregulated financial markets which, together with real estate markets are primarily concerned with short term speculative profits rather than with a development of long-term productive assets. This, of course, is not the case, precisely because one of the reasons for having deregulated markets is to keep profits out of the nation-states’ control. In the 1980s the deregulation of financial markets has had a twofold effect, firstly, of diverting investment capital from equity markets to speculative investment which is, I would suggest, mostly unproductive in so far as public benefits are concerned, and, secondly, of making it much easier for capital to avoid paying a fair share of taxes. The notion of an unregulated world market driven by profit-seeking and self-interested accumulating units is thus an extremely problematic proposition which requires a further scrutiny by the individual nation-
It is especially so because the emerging social settlement appears to be aiming at a complete integration of the lifeworld and the economic/administrative system, whereby the lifeworld has a tendency to be subsumed by the imperatives of the economic/administrative system (see Soucek, 1993; cf, Habermas, 1989). Most notably, that part of the lifeworld which is cultivated through a provision of public education (such as the concerns with personal growth, moral and interpersonal development, and a creative and critical capacity underpinned by a personal autonomy) appears particularly threatened by its increasing neglect and colonisation by generic, work-related skills, and attitudinal dispositions. This development is ideologically indebted to the ascendency of neoclassical economics. This approach ostensibly seeks to harness the principle of comparative advantage of local economies and through a free market provide conditions for (i) most efficient allocation of resources, and (ii) through a sea-saw-like movement of exchange rates and on the basis of comparative advantage to help each local economy find its specialised niche in the world market and thus, in the final analysis, establish a harmonious world economic system. This is a strategy of export oriented industrialisation (EOI) which has been embraced, for example, by the newly industrialised countries (NIC) such as South Korea or Taiwan over the past twenty years. The economic success of these countries is today used to justify the conversion of the entire global economic system to an export-oriented production on a global scale. The Japanese system of just in time (JIT) with its extremely tight control over workplace performance is similarly venerated as an ideal type of capitalist production. It needs to be noted that both Japan’s and NIC’s success has been achieved precisely because of a vigorous state intervention (Berry, 1998). Yet even with such an intervention, in the NIC’s case this resulted in what Lipietz (1987) termed peripheral and bloody Fordism (ie, in a growing social and economic inequality in these countries), and in the case of Japan in a complete integration of workers’ lifeworlds into the production system (Dohse, Jurgens, and Malsch, 1985). The major difficulties associated with the neo-liberal theory is that, firstly, it tends to reduce social development to a purely technical question of “getting the factor prices right” (Berry, 1989: 187), and, secondly, by disregarding the impact of the vagaries of the free market on the social, cultural, and moral spheres, the neoclassical economics approach undermines not only the future emancipatory potential for social development, but, even more importantly, the already precariously poised social cohesion of our local communities. My argument is that at the present historical conjuncture the distinctly anti-humanist aspect of the neo-classical economics (ie, the subordination of individual lives to the economic system’s
imperatives) is being worked into the school curriculum and presented as the sole “legitimate” option. The ongoing restructuring of our societies, including the radical changes in our education, needs to be understood not only in terms of finding an optimum recipe for establishing a competitive advantage for the Australian economy in the world market, but also in terms of who are the actual beneficiaries of the emerging neo-liberal world economic order, who are the losers, and what might be its consequences for the society at large. In this paper I would like to consider these questions in some detail. My own interest in the labour process and production regimes has been spurred by the current debate on competency-based education and training, and by the tendency to subordinate the goals of general education to the nationally defined economic priorities. My intention, however, is not to argue for or against general or vocational education. On the contrary, I would argue that both are mutually interdependent. What concerns me, however, is the perception at the policy-making level in Australia that because of the ongoing adverse economic circumstances, our education system at all levels should focus almost exclusively on work-based skills formation. A great deal has been said about competency-based training. But just how relevant to the workplace is this system of learning through performance alone? This question informs my inquiry into the way the industrial production systems have been restructured. The shift towards market relations in our educational policy has also been accompanied by corresponding shifts in the areas of social security and industrial relations. There is thus an unambiguous consistency in the way the present government has transferred the balance of power in favour of capitalist interests. In the first part of the paper I examine the role of the state in terms of its involvement in mediating the reproduction of labour power in the areas of education and training, social security, and industrial relations.

In the second part I will look more closely at the industrial workplace. I will provide a critique of the overwhelmingly optimistic claims by the advocates of post-Fordism and the associated production concepts. I will specifically look at the changes in the labour process, work organisation, industrial relations and labour market. I will argue that far from presenting an opportunity for workplace autonomy and increased democratisation of the working environment, the reorganisation of the Australian workplace aims to completely subordinate workers to the interests of transnational capital. I will also establish the relationship between the post-Fordist despotism in the workplace and the educational outcomes designed to match the global economic system’s need for a new subsumed worker. 1 Competitive Pressure and Capitalist Restructuring
In my view, any significant change that occurs in the organisational pattern of work and in the way firms interact with each other is clearly motivated by reasons other than a sheer desire to perfect the production process. It is commonly accepted that the most powerful motivation for any change in production systems is the struggle to remain or become competitive, or, simply, to survive (Marx, 1977; Offe, 1975; Jessop, 1983). There is also a growing body of literature which argues that our societies are currently undergoing a radical change in production systems (Piore & Sabel, 1984; Kern & Schumann, 1984a, 1984b, 1987; Harvey, 1989; Mathews et al., 1988; Mathews, 1989). Yet to interrogate changes in production systems purely in terms of the unity or the separation of conception and execution of labour tasks (Braverman, 1974; Piore & Sabel, 1984), I would argue, is to miss the crucial distinction between the technical relations in production and the social relations of production (Burawoy, 1985). The former refers to the way production on the shopfloor (eg, just-in-time system) and the relations between firms (eg, dual production systems) are organised. For example, the so-called new production concepts (eg, job enrichment and task integration), which are firmly located in the sphere of the technical relations in production, are hailed by some commentators (Badham & Mathews, 1989; Kern & Schumann, 1984b, 1987) as an evidence of and opportunity for workers to seize control over their working environment. The post-Fordist shifts in the organisation of labour are presented as an opportunity for worker empowerment and given a legitimacy of a progressive development in labour relations. This is done largely on the basis of the claim that post-Fordism represents a real reversal of the process described by Braverman (1974) as a tendency in capitalist production towards increasing management’s control over workers by maintaining or even increasing the separation of the conception of labour tasks from their execution. The latter (social relations of production) refers to the relations of distribution and consumption of the product of labour and to the complex mechanism (which includes political, legal and ideological activities) through which surplus value is appropriated by the capital.

1.1 Securing and obscuring the surplus value

With respect to the so-called progressive potential of the new production concepts (ie, multiskilling, task integration, wage flexibility and even the alleged increased worker participation in marginal decision-making, often involving decisions such as to cutting own wages, or reducing some other standard benefits) it might be useful to note that capitalist (or management) control is chiefly aimed at two objectives: (i) a better valorisation of capital (Kern & Schumann, 1984b), and (ii) a simultaneous obscuring and securing of surplus value (Burawoy, 1985). The former, I believe, is self-evident. The latter, perhaps, requires some explanation. The key concept here is the surplus value. By
the surplus value I mean the difference between the value of the product of labour and the cost of producing that labour power. In other words, the worker produces more than what his/her reward is. The firm’s owner, on the other hand, after deducting costs associated with the depreciation of capital equipment, energy and raw materials, wages, supervision, and so on, is left with a surplus which is realised as profit. The extraction of the surplus value thus occurs in the sphere of technical relations in production, whereas the realisation of profits occurs in the sphere of social relations of production. The dislocation of one set of relations from the other is necessary if the mystique of fair wage for a given quantity of performed labour is to be maintained.

The securing of the surplus value is ensured either by workers’ voluntary agreement to perform at a level consistent with the realisation of profits, or by the management’s ability to coerce workers to do so. Given that there is an inherent tension between humanly satisfying work and the quantity of production required per worker (Daly & Cobb, 1989: 305), workers generally need to be coerced into producing a desired output. Braverman (1974) argues that such direct control over workers is derived from the separation of the conception and execution of work tasks. Yet such a separation of tasks might not necessarily be conducive to a most efficient way of organising production. I would suggest that under the hegemonic regime of production (Burawoy, 1985), also identified as the Fordist production regime (Harvey, 1989; Piore & Sabel, 1984), capital has been able to extend concessions to labour without jeopardising the extraction of the surplus value. However, this seemingly contradictory situation had arisen only because of the expansive nature of the post-WWII capitalist economy. In other words, Braverman (1974) was correct to identify the separation of conception and execution as the source of managerial control over workers under Fordism. He was incorrect, however, in claiming that the separation of conception and execution constitutes the fundamental structure of capitalist control. Contradicting Braverman’s argument, Burawoy (1985), drawing on Friedman (1977) claims that there are two basic managerial strategies available to capital to secure surplus value: direct control (i.e., Braverman’s position) and responsible autonomy. In the present climate of extreme competitiveness between firms, the strategy of the separation of conception from execution is becoming increasingly too costly, and securing the surplus value, consequently, more difficult. The obvious route towards securing the surplus value than must be through the other option - i.e., giving workers relative autonomy (Sayer, 1986). Quality circles and just in time production systems exemplify the use of relative autonomy in an industrial workplace. Yet, as Skorstad (1991) warns, the move to give workers some autonomy in
executing their work tasks must not be confused with a sudden emergence of a common interest of workers and management. The only common interest they might have is the survival of the firm. The extraction of the surplus value, however, still remains the management’s foremost objective. The move towards a re-unification of conception and execution would, of course, be unthinkable under the conditions of full employment, because under normal process of competitive wage determination (with scarce labour supply and the extraction of the surplus value becoming more visible) the surplus could not be secured. I concur, therefore, with Braverman (1974) and Bowles (1985) that the securing of the surplus value does require the power of capital over labour. My point, however, is that (given the antagonistic relations in production) the optimum managerial strategy for securing the surplus would alter according to the existing or changing conditions of profit realisation. It would be, however, a mistake to interpret the tension between direct control and relative autonomy in terms of control versus lack of control. The point I want to make, and this will become clearer in my discussion of the industrial organisation systems in the later part of this paper, is that both options represent a real managerial control over workers. The difference is that under the regime of relative autonomy the workers perform the functions of direct supervision and quality control themselves. They are only partially in charge of how they achieve the prespecified outcomes, which are, in any case, set by the management. They are only partially in charge of their workplace because the rhythm of work is determined by three factors which are outside the workers’ control: the optimisation of job performance by altering the speed of the assembly line, the workers are made visible in order to eliminate unnecessary work sequences and excess motions, and the pace is further set by production targets (Smith, 1991: 146-7; Dohse, Jurgens, and Malsch, 1985). These factors clearly leave only a minuscule space for the exercise of the so-called relative autonomy. The notion of relative autonomy, with its promise of the re-unification of conception and execution, which is so popular in the contemporary management literature, must, therefore, be seen for what it is: a purely formal attempt at abolishing a collective worker. Given that the capitalist relations of production remain unchanged, under the guise of “autonomy” it aims to harness the motivation of workers and thus increase the valorisation of capital (Palloix, 1976). In the 1990’s three crucial factors affect in some way the control of labour: (1) the costs associated with the separation of conception and execution, (2) the growing reserve army of the unemployed and the ever-present fear of loosing a job, and (3) the increasing segmentation and atomisation of the labour force. The re-unification of conception and execution of labour tasks
through job enrichment and task integration in combination with technologically advanced machinery have created conditions for a distinctly new type of labour market. This post-Fordist labour market is characterised by a co-existence of three basic and hierarchically separated tiers of workers: (i) core workers, (ii) periphery one, and (iii) periphery two. The core workers are highly trained with multiple skills. They enjoy a relative security of permanent employment, and usually have access to further training which is relevant to their job. They are the ones who enjoy the so-called relative autonomy in their work. As a proportion of the general workforce, they are, however, numerically small. Periphery one workers are typically less skilled. They too enjoy the status of permanent workers, but the security of their tenure is less secure. At times of market fluctuation, they are next in line after the casuals and part-timers to loose their job. Finally, the periphery two workers have no job security. They constitute the growing number (in the USA it is 30%) of casual, part-time, and contract workers operating chiefly in the service industry.

1.2 Implications for schooling

In considering the changes in the production systems, we must take note not only of what is changing, but also of what remains the same. The current restructuring of the industrial workplace is primarily concerned with the changes in the technical relations in production. Even though these changes (I am here referring to the introduction of relative or limited autonomy in the workplace, not to the general intensification of labour) have so far affected only a small proportion of the labour force, they nevertheless represent a limited shift towards the re-unification of conception and execution of labour tasks. One consequence of this is that the extraction of the surplus value might become more visible--i.e., the worker might be able to see more clearly the relationship between production stages. At the same time he/she might question the enlarged responsibility for the overall maintenance of an uninterrupted flow of production (which now might include mechanical operation, maintenance, and quality control) without, however, receiving a corresponding increase for his/her extra effort. The capitalist relations in/of production, therefore, become to him/her more salient. Under Fordism which kept the relations of production invisible from the shopfloor, and which was ideologically supported by the Enlightenment's residual rhetoric of social justice, humanism, and a seeming commitment to the project of emancipation, the collective worker could still dream of the future social changes and opportunities promised by the overarching ideals of modernity, even though such promise, we can now say with the benefit of the hindsight, was never meant to be fulfilled by the economic élites.

The nourishment of this promise was aptly supported by the
provision of universal education, which, even though its overwhelming function always was the concern with vocational education, did nevertheless generate important substantive and theoretical criticism of a basically unjust distribution of wealth (i.e., the surplus value) under the capitalist relations of production. During the post-WWII relative opulence in the core industrial countries, and given that from the vantage point of individual workers the extraction of the surplus value was obscured, the concessions made by capital, especially in the form of the social wage, posed no real threat to capitalism. However, the rapid decline in the rates of profits in the 1970’s and 1980’s (see Harvey, 1989) provided a fresh impetus for seeking new ways of securing and maximising the valorisation of capital. The restructuring of the industrial workplace which followed, and which, as I argued above, sought to increase the profitability by re-unifying the conception and execution of labour tasks, by making the extraction of the surplus value more salient, put the legitimacy of the capitalist relations of production in jeopardy. To the extent the educational function under capitalism has always been subordinated to the overarching imperative of capital accumulation, whilst simultaneously helping to obscure the capitalist relations of production, and given that under post-Fordism the promised dream of social emancipation could no longer be sustained, the provision of education had to undergo a corresponding restructuring of its own. In Australia, the restructuring aimed ostensibly at creating a cheaper educational system which would deliver economically relevant outcomes. I would, however, suggest that at the centre of the restructuring was the issue of worker control. The educational system was now asked (the asking being chiefly done by the transnational corporate and financial capital, and at the level of nation-states mediated by think-alike central governmental agencies) to supply the industrial workplace with workers whose skills were custom-designed for the post-Fordist enterprises. By establishing a direct nexus between funding and the development of specialist courses, for example, the policy-makers forced the schools into a yet more thorough vocationalisation of their courses (see Robertson & Soucek, 1991). In some instances, the curriculum across the board was reconstructed in terms of workplace relevance. In this push towards further vocationalisation what became crucially important was not so much what was included in the school syllabus, but rather what was left out. The complex mechanism introduced into the Australian schooling provision, which was based on the preferential funding, intensification of labour, performance indicators, and economised curriculum left no space for the pursuit of the ideals of democratic citizenship and intellectual autonomy. The new “preferred” schooling outcomes were strictly defined in terms of the correspondence with the labour market, but at the same time became deprived of conceptual skills which might enable students and workers to
perceive the now salient capitalist relations of production. To claim, therefore, that industrial workers can be controlled only by the separation of conception and execution of work tasks is to miss entirely the fundamental ethos of capitalism. Schumann and Witteman (1985; quoted in Campbell, 1989) specifically argue that capital is indifferent to the consequences for labour of its management practices as long as the valorisation of capital is ensured. Burawoy (1985) further points out that the imperative of obscuring and securing surplus sets limits on the form of the separation of conception and execution: “Too little separation threatens to make surplus transparent, while too much threatens the securing of surplus (Burawoy, 1985: 49). My point is that the concepts of job enrichment and task integration do constitute the upper limit of the workplace restructuring without fundamentally jeopardising the function of obscuring the extraction of the surplus value. The true workplace autonomy (ie, collective self-management) would result in a complete unmasking of the capitalist relations of production, and, therefore, can never be implemented without, at the same time, destroying the capitalist system.

The attempt to interpret industrial phenomena such as task integration and quality circles, for example (because at a superficial glance they do appear to re-unify the conception and execution of work tasks), as an evidence of an emancipatory trend in the social relations of production is clearly flawed, because it confuses job control with workers’ control, or, in Burawoy’s (1985: 13) terms, technical relations in production with social relations of production.

At the same time, however, I do not wish to argue that the notion of re-unification of planning and execution of work tasks is irrelevant to the general emancipatory struggles of workers. On the contrary, I would suggest that workplace autonomy is a necessary precondition, or a concomitant phenomenon, at least, of a much broader notion of citizen autonomy realised in the spheres of politics, culture, and general participation in the life of a society. Any serious claim to an increase in worker/citizen autonomy must, therefore, also involve changes in the social relations of production. Kern & Schumann (1984a) understand the contradiction between new production concepts and the competitive pressure of capitalist production well when they argue that the costs (eg, social displacement, redundancies, and permanent unemployment) of adjustment to the post-Fordist production system need to be socialised, and that the state must play an active part in shaping working environments as autonomous places where workers have a real space to assert their own priorities: What is needed is a policy of reduction of work time, by means of which the entry into the sphere of work is secured for all and the right to work is materialised for each person, … a policy of
offensive work reorganisation and training, which generalises the elements of intelligence in production and gives concrete shape to industrial work as autonomous work behaviour (Kern & Schumann, 1984: 327; quoted in Campbell, 1989). However, in their emphasis on the new production concepts, Kern & Schumann seem to overlook, firstly, their own evidence which suggests that at present the number of workers who operate under the conditions of the new production concepts is very small (see Campbell, 1989: 258), and, secondly, that the industrial policy-making power vested in today’s nation-states is greatly circumscribed by the “rational” tyranny of capital mobility. To achieve the aim of socialising the costs of adjustment to the post-Fordist production system, the trade union movement needs to target not only its own nation-state, but, by combining its own efforts with those of global collective workers, it must aim at achieving simultaneous shifts in the industrial and investment policies in the whole industrialised world. If the route of global strategy is not taken, then clearly any attempt at socialising the costs of adjustment to post-Fordism will result in a monumental disinvestment in Australia, or any other country attempting to do so unilaterally.

The current post-Fordist push to restructure the Australian workplace can, therefore, be only understood if these changes are located within a broader socio-economic environment in which today’s firms operate. At the same time, the more optimistic readings of the current changes, which claim that the emerging post-Fordist paradigm of flexible specialisation offers a novel opportunity for a growing workers involvement in the organisation of their workplace through skills-enforced empowerment (Kern & Schumann, 1984b, 1987; Badham & Mathews, 1989; Mathews et al., 1988), need to be made problematic.

1.3 The general logic of capitalist restructuring

Offe (1975) argues that capital accumulation can take place only to the extent that individual firms are able to gain a relative competitive advantage vis-a-vis other firms. In other words, the individual firms must find ways of protecting themselves against other firms by what Offe calls defensive mechanisms (Ibid: 130). Examples of such protective mechanisms are introduction of new labour-saving technologies and general increase in productivity through work intensification, marketing strategies, product differentiation, or cartelization. These protective mechanisms are introduced in a predictable sequence of competitive pressure-defensive mechanism--universalisation--competitive pressure. This cycle of incessant competitiveness is driven by the fact that as soon as other firms adopt a similar protective mechanism, the original competitive advantage is neutralised.

Offe further identifies two levels at which these defensive mechanisms operate: strategic dimensions and a meta-level. The
former describes changes within one strategic dimension. For example, in so far as individual countries’ competitiveness is concerned, subsidised wheat exports by the United States and the European Economic Community countries represent a competitive advantage vis-a-vis countries such as Australia which simply cannot afford similar protective mechanisms. Examples from the manufacturing sector might include opening up of new markets overseas. The point is that as soon as all surviving competitors introduce similar innovations, everyone is back to square one, until the cycle is started all over again by introducing a new strategic dimension. This is the meta-level of innovation implementation. An example of a new strategic dimension is when one firm, in order to gain a competitive advantage, relocates its operations into a low-wage country. The other firms, in order to remain competitive, must either find some other way of compensating for lower prices or also relocate its operations to a low-wage country. If the later is the case, each successive off-shore move by manufacturing firms is an innovation within the same strategic dimension. However, at whatever level of innovation, the changes in the production strategy are always governed by a general logic of capitalist restructuring expressed in the notion of the imperative to gain a relative competitive advantage.

1.4 State intervention in the reproduction of the labour power
The view outlined above addresses only one aspect of the capitalist production—namely, the market-driven struggle of individual firms to become more productive. But capitalist production takes place in a social environment peopled with players whose agendas might be not only widely divergent but often contradictory. Furthermore, because the social location of each individual has a tendency to limit his/her life-chances in terms of his/her social role in general and earning capacity in particular, a situation often imbued with a discernible degree of antagonism (ie, the social space occupied by one individual cannot be concurrently occupied by another), the struggles of individual firms are also bearers of political and ideological struggles. The conflict between individual firms then also impacts on the workers as political players, but also as consumers. A totally deregulated capitalist production, and this certainly is relevant to the current political and ideological struggles dominated by the threat of unemployment to every collective worker1, would likely result, in the first instance, in a complete despotism in a workplace (manifest, among other things, in extreme intensification of labour and decreased wages), and, in the second instance, in at least a partial collapse of the markets, because the propensity to consume would be disproportionately lower than the capacity to produce (Boyer & Coriot, 1987). Capitalist production is thus not only about the
process of producing, but also about reproducing the labour and consumer power. Because individual capitalist firms are in competition with each other, they are not in a position to voluntarily regulate the ratio between their workers’ propensity to consume and the production. That role has been traditionally performed by the state, which mediated the tension between capital and labour not from the position of particular firms or workers, but rather from the position of general capital and collective workers (Jessop, 1983). It would, therefore, be erroneous to argue, as Braverman (1974) does, that a mode of production (eg, competitive or monopoly capitalism) is solely determined by the economic imperatives of competition. Yet the market clearly has a decisive influence over the technical relations in production and over the distribution of the surplus value.

The role of the capitalist state, apart from its core function to secure capital accumulation (see Dale, 1982), is then to break the ties binding the reproduction of labour power to the productive activity in the workplace (Burawoy, 1985). The state performs this role through political apparatuses, which include the following public provisions: (i) education and training, (ii) social security, and (iii) industrial legislation.

Figure 1 is attempting to capture multiple tensions which emerge as a consequence of the state’s mediation of the process of production. It shows three spheres in which the state might intervene. It also allows for different levels of intervention in the separation of the labour reproduction from the process of production. A higher level of intervention represents a wider separation between labour reproduction and production. The area marked “L” designates the welfare capitalism or the hegemonic factory regime. Here the interests of the lifeworld are more or less constituting the overarching ideological orientation of a particular social formation.

The area marked “S” designates the neo-liberal capitalism (or the neoclassical economic paradigm, in Australia known as economic rationalism) or a factory regime based on hegemonic despotism. Here the lifeworld interests are replaced with the economic issues as the chief motive behind the state’s intervention in production politics.

In the sphere of education and training the depicted tension immanent in the state’s mediation is a little more complex. The state’s intervention in education might be high, but depending on whose interests such an intervention champions (ie, those of the lifeworld or those of the economic system), from the general society’s point of view, this intervention can be either desirable or not desirable, with the former sustaining a socially progressive tendency and the latter introducing a regressive moment into the state’s mediating role.

(a) Firstly, the state can intervene in the reproduction of labour by providing an equal opportunity to universal education
for everyone. Contrary to the current orthodoxy (eg, OECD, 1989; Finn, 1991; Mayer, 1992) which collapses the general education into production competencies and thus virtually denies the autonomy of the lifeworld, I would argue that even from the narrow functional stance of the neo-liberal paradigm the distinction between the general/vocational and competency-based education is clearly visible. The latter has the exclusive function of maintaining the economic/administrative system. It aims to develop generic and routine skills needed for industrial production and administration of the system, whereas the former targets the skills and attitudes relevant to the interpersonal dealings both outside and within the workplace. These skills are not concerned with the Weberian orientation towards a rational purposive action of achieving a technical or organisational goal in a purely quantitative sense, but rather with achieving social and organisational goals in a context of a broader social relevance, and with understanding, social harmony, and individual personal growth. Like vocational education, the general education is concerned with the cognitive development, but unlike the former it is also concerned with the issues of social tolerance, moral maturity, and personal integrity. General education, I would like to think, thus aims at social integration underpinned by the linguistic, cognitive, interpersonal, and egological competencies (Habermas, 1979). Under an appropriate pedagogical guidance these competencies translate into intellectual autonomy of the student (Habermas, 1979, 1987; Young, 1990). The distinction I am making here is not that between general and vocational education, but between general/vocational education, on the one hand, and competency-based vocational education which is deprived of its social foundation, on the other.

In the above sense, the state's intervention in the provision of education can be seen as progressive to the extent that it puts in place administrative structures which promote the achievement of intellectual autonomy of the students. At the same time, however, as Carmichael argues (1992), a progressive intervention also refers to the provision of equitable opportunities for vocational training.

(b) Secondly, the state can intervene in the reproduction of labour power by restructuring the provision of education by expunging the qualitative concerns of the lifeworld from the educational agenda. This is accomplished by putting in place administrative structures which recognise only quantifiable concerns of the economic system. The general strategy of economising education was based on the claim that education needed to be made more responsive to the needs of industrial enterprises. The specific strategies involved: (i) the introduction of a common national curriculum dominated by economic priorities, (ii) devolution of selected administrative
powers to schools, (iii) making schools and teachers accountable for achieving centrally determined targets, and (iv) proposals to rewrite the curriculum in terms of competency learning. As I have argued elsewhere (see Soucek, 1994), the combined effect of these strategies was to make education cheaper, but, at the same time, those learning opportunities which traditionally targeted practical and emancipatory learning were to be curtailed (cf. Offe, 1984: 73).

The point I am making is that the present shift towards economising Australian education represents a radically new form of the state’s intervention in the reproduction of labour power. Whereas under the previous Fordist hegemonic regime the state aimed at sustaining and legitimating the capitalist mode of production by acting more or less as a mediating agent between the lifeworld and the economic/administrative system, in the 1980s it vigorously began to promote the interests of a global economic/administrative system.

Similar shifts in the state's orientation have affected the other two key spheres of intervention in the reproduction of labour power: social security and industrial relations. However, whereas in the provision of education the state actively promoted specific educational outcomes, in the areas of social security and industrial relations the state began to withdraw from its mediating role by redirecting some social welfare claims and employment security and working conditions claims towards the monetary relations of the market (cf., Offe, 1984). This shift, usually cloaked in the neo-liberal jargon of freedom of choice, effectively reintroduced the ties binding the reproduction of labour power to productive activity in the workplace.

Firstly, by withdrawing the social security alternative, and at the time of obvious absence of alternative employment opportunities, the workers found themselves in no position to bargain about working conditions. They became directly dependent on their jobs for their survival. Secondly, through the industrial relations legislation, the state effectively circumscribes the method of managerial domination over the workers. Compulsory unionism, Arbitration Commission, and collective bargaining ensure that acceptable standards of working conditions are maintained. In this respect, the conservative push towards non-union bargaining, no-strike clause, abolition of “awards”, replacement of permanent full-time jobs with casual, part-time, and contract jobs aims to atomise the power of the collective workers vis-a-vis employers (Burawoy, 1985; Harvey, 1989). The state's withdrawal from the sphere of industrial relations is then more than likely to result in the worsening of working conditions.

1.5 Production regimes
I am sure we are all aware that our Western societies are at present undergoing rather unsettling and rapid structural changes. What is particularly amazing about this structural reshuffle is that even though its social consequences are clearly undesirable (e.g., huge industrial desinvestment, running-away capital, monumental loss of jobs accompanied by the increase in crime rates, vandalism, drug abuse, disintegration of nuclear family, intensification of labour, and a lost generation of our young people), in the public discourse they are portrayed as common sense and necessary. The government and corporate business is carried on as usual. That is, in our public policy no real attempt is made to resolve the contradictions embedded in the unequal distribution of the surplus value, and, even more importantly, in the massive evasion of corporate responsibility to the nation-states in which the transnational corporations operate. Thus, for example, on current estimates there is what amounts to a total aggregate of the USA economy being invested in off-shore markets, reaping monumental and untaxed profits (Harvey, 1989; cf. Thrift, 1987: 214).

I have argued previously that it is in the nature of capitalist production to seek competitive advantage. In the current spate of the restructuring of our industrial and public sectors, this competitive advantage is primarily gained by shedding labour and making the remaining workforce work harder, cutting wages, and shrinking the provision of the social wage. In other words, the profits are growing, but the consumer base is getting smaller. There is thus a growing disparity between the production potential and the capacity to consume. The neo-liberal paradigm claims that the propensity to consume rests on the individual nation-states’ ability to develop export-oriented industries. The individual countries must export more than they can consume. The national income thus gained is to be reinvested in the home country to generate jobs for those who missed out in the first round of job allocation, and so on. The problem with this logic is that every nation-state’s economy, therefore, depends on other nation-states purchasing the trade surplus of the other countries, whilst, at the same time, each country must limit her own imports. It is a sort of “Catch 22”. The neo-liberal paradigm is thus based on an inherent contradiction--one cannot consume and not consume at the same time. Therefore, sooner or later, some form of regulation, which would recognise the relationship between the consumer capacity (as represented by wage indexation and the social wage) and the returns to the invested capital, will need to be re-introduced. As Boyer & Coriot (1987) point out, if the consumer capacity is too low, the mass demand to spur investment will be too weak. For this reason, I believe, the

1980s industrial restructuring, because it is chiefly concerned with the reduction of production and administration costs and the
consumer side of the equation is thus entirely ignored, should be understood as a transitional stage towards a new regime of production, and not as a regime of production in its own right. The central contradiction of the new regime of production can be located in the tension between the tendency towards overproduction typically sustainable only through an ever-extending system of consumer and production credits, on the one hand, and the instant-cash-payments relations in production and consumption, where the production volumes are directly linked to the markets. The former was the Fordist strategy, which was sustained only through an artificially created demand of the welfare state. The latter strategy, which is associated with post-Fordism, however, does not account for the limits imposed on production by an insufficient demand stimulation. Post-Fordism must thus inescapably result in the underutilisation of production capacity, chronic fiscal crisis of the state, and general disintegration of social structures. The key question to be asked, therefore, relates to the criteria guiding the distribution of created wealth. Specifically what is at issue here is the division of the surplus value.

1.6 From Fordism to what?

As I argued above, the neo-liberal paradigm is appropriate for gaging efficiency criteria, but extremely inapt at maintaining a balance between the production and consumption sides of the equation on which the survival of the capitalist system crucially depends. What has underpinned the neo-liberal restructuring in the 1980s and the so-called emergence of the post-Fordist paradigm was the ability of the capitalist class to secure an incommensurate political power over the society. Through transnational agencies such as the OECD, IMF, and the World Bank, the global capital began to be influential in determining not only the production cuts associated with their industrial operations but also with the social wage. The evidence of the 1980s clearly indicates that the powerful transnational capital has no social conscience. Furthermore, it cannot even look after its general interest (Jessop, 1983). I would suggest, therefore, that the new regime which will emerge in the next decade will have to put in place social structures of accumulation (See Bowles, Gordon, and Weisskopf, 1989), which will curb the enormous power the capitalist class today enjoys over the rest of the society. I would further suggest, as ironical as this might sound, that such developments are also in the interest of the capitalists themselves.

The attempts to decipher or unpack what is at present happening to our western societies are wide ranging. They include neo-Fordism (Palloix, 1976; Smith, 1991; Lipietz, 1987), post-Fordism (Jessop, 1989; Mathews, 1988), flexible specialisation (Piore & Sabel, 1984; Hirst & Zeitlin, 1991), and the new production concepts theory (Kern & Schumann, 1984a, 1984b, 1987; Mathews, 1989; Badham & Mathews, 1989).
In Australia, largely due to the influential work of Badham and Mathews, “The new production systems” (1989), it is the post-Fordist paradigm of production which has gained most prominence. But what does it mean? It certainly includes a mode of flexible capital accumulation which is based on the flexibility of labour skills, wages, and working conditions, and downsizing of the core employment structure. It also includes labour market segmentation, some production flexibility and a more diversified patterns of consumption. The inclusion of the last two items is, however, somewhat problematic. As Pollert (1991) and Smith et al (1990) argue, in the UK most of the product variation is achieved through diversified packaging. Smith et al (1990: 154) even argue that flexible restructuring in the Cadburys case was aimed at producing fewer products. The point, nevertheless, is that what distinguishes post-Fordism from Fordism and other isms is that multiple forms of production (eg., monopoly mass production, self-employment, cooperatives, sweat-shops, and outplacement) can (or must) co-exist in a sort of symbiotic relationship (see Harvey, 1989). At the same time, post-Fordism is clearly looking more to finance capital as its coordinating power than did Fordism (Harvey, 1989: 164). The new regime is also characterised by greatly intensified rates of commercial, technological, and organisational change. And, as Korporaal (1993) points out, the current evidence indicates that the rapid changes in the workplace might remain a permanent feature in the future.

But how has the average worker or citizen been affected by these rapid changes? The answer can be found in Table 1. (See Table 1.) Economic indicators clearly show that the 1980s ushered in an era of notable inequity in the distribution of national wealth. This resulted in an enormous concentration of capital in fewer hands. (See Table 2.) Both the wage & salary share and the social wages were greatly eroded, while the company profits increased quite significantly, except for the 1990-91 period. Equally alarming was the sharp rise in non-permanent jobs. In the 1980s, more than a half of newly created jobs were non-permanent jobs. This perhaps also explains the drop in the union membership by 4%. Within the context of the neo-liberal offensive (Wexler, 1986; Bowles, Gordon, and Weisskopf, 1989) the capitalist antagonism towards the trade union movement can be explained as a function of increasing the power of the capital over the workers. In this context, Bowles (1985) and Bowles, Gordon, and Weisskopf (1989) argue, that the organised labour power was standing in the way of two key objectives pursued by the capitalist class: the increase in the size of the surplus value and the reorganisation of the industrial production to facilitate the intensification of labour effort. Given that a full employment policy and organised labour do pose real structural impediments to achieving capitalist objectives of securing a larger portion of the surplus value
(ie., easiness of obtaining an alternative job, social security provision, and legislative protection against unfair treatment of workers by employers), the neo-liberal offensive aimed at taking these structural impediments away. The workers had to be made directly dependent on the employers for their survival. Only under such conditions would the workers be “willing” to accept whatever conditions were offered to them. The creation of the reserve army of the unemployed was consequential to the disinvestment and off-shore movements of capital to the low-cost labour countries. The deregulation of finance and investment can thus be clearly seen as being instrumental to the underutilisation of the production capacity, and, therefore, to the creation of the reserve army of the unemployed, with the latter being a necessary condition for increasing the power of the capitalist class.

In addition, the segmentation of the labour market yet further atomised and weakened the position of workers vis-a-vis employers. In Australia the conflict and relationships among workers and between workers, employers, and unions has traditionally been regulated through industrial tribunals. Its aim has always been to “provide a substitute for strikes and stoppages, to secure the reign of justice” (Higgins, 1919; quoted in Dabscheck, 1993: 53). However, neo-liberal economists and employers in general regard the arbitration system as an intrusion into managerial prerogatives. It is for this reason that the neo-liberal conservatives push for a decentralised system of enterprise bargaining, which would replace the role of the industrial tribunal with common law relations between individual workers and employers. At the state level, the industrial relations system has already been significantly deregulated in Victoria, and the evidence suggests that working conditions have eroded. A similar type of industrial legislation is now also being implemented in Western Australia by the Court Liberal government. At the federal level, similar changes to the industrial legislation are the preferred option of the conservative opposition. At the international level, the neo-liberal production politics of minimising social welfare, disciplining labour, and restructuring the industrial relations are promoted by the key transnational advisory body, the OECD (see OECD, 1990). The key recommendations issued by the OECD (1990: 13) include: (1) redirection of enterprise agreements towards market forces, (2) lowering minimum wages, (3) linking social security payments to market forces, (4) statutory changes to make it easier for employers to sack workers, and (5) encourage casual and part-time employment.

If we consider the economic indicators, the policy discourse at the international level, the federal and state initiatives in the area of social welfare and industrial relations, the analysis
offered by Bowles, Gordon, and Weisskopf (1989)—namely, that the
1980s restructuring of the OECD countries aimed at increasing the
structurally determined power of capital over labour in order to
increase its share of produced wealth—begins to look ominously
accurate.

However, as suggested above, production politics is not only
about carving up the surplus value. Increasingly, production
politics encroach on areas previously excluded from the power
struggle between capital and labour. The case in point is the
lifeworld space in the after-work time. The intensification of
work and the extended hours of working among teachers and
academics, for example, together with the increased pressure to
update qualifications are contributing to the growing incidence
of “burn-outs” of workers. These conditions also directly impact
on the quality of family life. Increasingly, the remaining
workforce is having their private lives colonised by the economic
system. One of the distinguishing features of the emerging regime
of production is thus also, apart from its direct economic
effect, the colonisation of the lifeworld (cf., Habermas, 1989).
It would, therefore, be quite inadequate to treat and describe
the current restructuring of the industrial workplace purely in
terms of workplace restructuring, as do, for example, those
commentators who base their analysis on the post-Fordist notion
of the re-unification of conception and execution of labour
tasks.

I concur with Burawoy (1989) that a more appropriate way of
analysing and periodizing production regimes is by looking at the
role of the state in mediating the struggle between capital and
labour (see Figure 1). In the remainder of this section I will
outline an alternative model for periodizing the development of
the capitalist production system. I will chiefly focus on the
transitional period from the post-WWII economic boom and
consensus politics, through the crisis of capital accumulation in
the 1970s, to the emergence of neo-corporatist and neo-liberal
politics of the Hawke/Keating era.

Burawoy (1989) distinguishes three basic regimes of capital
accumulation and labour reproduction:

MARKET    HEGEMONIC    HEGEMONIC
DESPOTISM REGIMES    DESPOTISM

Market despotism corresponds to the early stages of capitalist
development. It is characterised by a total power of employers
over workers. This power is derived from the workers’ dependence
for their livelihood on the sale of their labour for wages. They
had no other alternative but to sell their labour. This control
over workers was further increased by fragmentation and
mechanisation of the labour process. Because the employers
themselves were subject to market competition, they tended to
increase their own competitiveness by extending working hours,
intensifying labour, and further fragmenting labour tasks (cf.,
Braverman, 1974). The reproduction of labour power was directly
linked to the process of production. The capitalist was the sole authority to oversee the process of labour reproduction. With the emergence of hegemonic regimes, the state began to intervene in the reproduction of labour power by a public provision of social security, education and training, and (in Australia) industrial tribunals designed to mediate the potential conflict between employers and workers with respect to work disputes, wage rates and general working conditions, but also by making union membership compulsory and by recognising the right of trade unions to represent the interests of all workers. The regime of market despotism was from the point of view of individual capitalist quite successful. The employers kept workers under a strict control and the workers in general tended to obey because there was nowhere else for them to go. The inherent contradiction of the competitive capitalism as an early capitalist system took the form of overproduction. This was a direct consequence of the mismatch between production capacity and the consumer potential. It was thus in the interest of both the workers and the general capital to come to some sort of settlement, whereby a continuous expansion of the capital accumulation could be ensured. The settlement between capital and labour was a political event, analytically distinct from the “labour process conceived as a particular organisation of tasks” (Burawoy, 1989). In its various forms the notion of settlement between labour and capital has remained a permanent feature in capitalist politics (see Freeland, 1986; Seddon, 1990. The key point is that the society as a whole recognised that the production process cannot be left solely to the individual employers or to the market to guarantee an efficient functioning of the capitalist economic/administrative system. It requires a regulation by an independent arbiter. As stated above, in Australia this function has been exercised jointly by the legislative power of the parliament (or more precisely by the executive power of the government, which by definition controls the parliament) and, in theory at least, autonomous industrial tribunals.

Under hegemonic regimes management could no longer exercise a despotic rule over the workers. Workers had to be induced to consent to the way the production process was organised. However, the success of the hegemonic regime was accompanied by a decline in the rates of profits (Burawoy, 1985; Bowles, Gordon, and Weisskopf, 1989). In the 1970s, this crisis of profitability was only partly due to the increased labour share of the surplus of production. There were two other important causes of the economic crisis. The mass markets were saturated and there were obvious limits to the extension of consumer credits, and the environmental concerns imposed further costs on the production. As stated above, the share of the national and global income
depends on the power capital and labour respectively might exercise through production apparatuses which are located in the (nation) state. The aim of the neo-liberal offensive conducted by the transnational capital in the 1970s was to increase its power. As Gramsci (1987: 106-5) points out, at times of a deep systemic crisis, the state tends to assume a hegemonic function on behalf of the ruling class, because the capital itself is incapable of resolving the crisis of accumulation. The leadership role of nation-states was thus effectively used by the transnational capital to affect two radical changes in the balance of power between capital and labour. These changes involved the restructuring of the workplace and the return of managerial prerogative to alter working conditions, including arbitrary redundancies, on the one hand, and the deregulation of finance and trade. The former created conditions for securing a larger share of the surplus value vis-a-vis workers, the latter facilitated a transfer of profits from countries with high taxes to countries with low or no tax requirements at all (see Crough & Wheelwright, 1982; Harvey, 1989). Thus Harvey points out that on current estimates there is what amounts to a total aggregate of the USA economy being invested through off-shore investment markets, such as the Eurodollar market, reaping monumental and untaxed profits. Thrift (1987: 214) also argues that as early as 1982 there were some $2,000 billions of Eurodollars available for a short-term speculative investment. These moneys accumulate interest or capital gains without paying tax to any government. Tax evasion was, in fact, the original reason for the Eurobond market’s existence (Cohen, 1987: 84). Furthermore, within the context of the present debate about liberalisation of trade through NAFTA, APEC, and GATT agreements need also to be understood as a fundamental part of the neo-liberal strategy to secure an increasing share of the global surplus value. The neo-liberal push towards free-market despotism, however, must be distinguished from the earlier stage identified as market despotism. As Burawoy (1985) points out, the new despotism is based on the production apparatuses inherited from the previous hegemonic regime of production politics. The emerging regime of hegemonic despotism (Burawoy, 1985) is thus a blend of market despotism and consensus politics. But the consensus about working conditions are no longer mediated by the state. Instead, the workers are granted a responsible (Burawoy, 1985) or controlled (Smith, 1991; Dohse, 1984; Skorstad, 1991) autonomy, whereby the workers are not so much given an opportunity to gain concessions or otherwise on the basis of relative profitability of the firm vis-a-vis another firm, but rather on the basis of the potential profits that the firm might make elsewhere. The new despotism thus consists in the “‘rational’ tyranny of capital mobility over the collective worker” (Burawoy, 1985: 150).
Following Burawoy (1985), I have argued above that the link between the reproduction of labour power and capitalist production constitutes the key analytical feature for periodization of production regimes. This linking occurs through the regulation of industrial relations, provision of social security, and provision of public education and training. I have argued that the emergence of hegemonic despotism is characterised by an increasing subsumption of labour by the economic system: in the workplace labour lost the power to contest managerial decisions about working conditions, and in the area of social security some benefits have been substantially cut. Furthermore, in the area of educational provision, the federal Australian state began to promote educational outcomes relevant to the industrial conditions of the emerging regime of hegemonic despotism, while curtailing at the same time those educational outcomes which might be dysfunctional to this regime (cf. Offe, 1984). In the final section, I will discuss the relationship between the “preferred” educational outcomes and the characteristics of the new industrial worker.

2 The Post-Fordist Workplace

Bearing in mind the claim raised in the preceding section, we can now proceed to look more closely at the micro-restructuring of the Australian workplace and the associated claims, such as, for example, that the new production concepts are likely to result in the increased employee participation, autonomy, up-skilling, and even opportunities for a greater equity and social justice. At the same time, it might be useful to remind ourselves that to the extent that our public education is being explicitly asked to match the educational outcomes with the skills and attitudes required by the post-Fordist industrial environment, the strategy involved in the restructuring of Australian enterprises has a direct bearing on the educational system. My understanding is that, as a new strategic dimension of innovation, the post-Fordist approach, even though motivated by the basic logic of capital accumulation, aims to increase productivity of living labour by utilising the intellectual and motivational capabilities of workers (Kern & Schumann, 1984b; Campbell, 1989; Mathews, 1988, 1989; Badham & Mathews, 1989).

One final point before we proceed further. In the view of my preceding discussion, it might be useful to distinguish between the concepts of hegemonic despotism and post-Fordism. Post-Fordism describes the technical relations in production. Examples of this technical aspect are just-in-time and total quality control production systems, task integration, labour market segmentation, and the relations between various production systems—ie, between corporate monopoly systems, small flexible firms, sweat-shops, subcontracting, and outplacement. These are
then the analytical categories which describe post-Fordism. Hegemonic despotism, on the other hand, describes the mode of regulation of the post-Fordist production system in the areas of industrial relations, social security, and the provision of education and training.

2.1 Post-Fordism and its claims
According to the post-Fordist paradigm, the 1970s became an era of transition in the nature of work now performed in the industrial environment. These changes continue to be spurred by the general logic of capitalist restructuring which, under the conditions of an ever-intensifying competition, aims to increase the productivity of living labour in order to better valorise its capital. On the downside of these changes, the implementation of the structural productivity principle resulted in a significant displacement of labour. There is, of course, nothing new about the tendency to replace labour with technologically advanced machinery and the intensification of labour effort. Braverman (1974) dealt extensively with these issues. What is new, however, is the role allocated to those who remained in the workforce. It is argued (Kern & Schumann, 1984; Mathews, 1989; Carmichael, 1990) that the new approach signifies a departure from the traditional position of mistrust of workers towards vesting the new worker with special qualities. The skills and expert competencies of workers are now deemed as crucial to the firms' survival. Integral to this claim is the assertion that the new production concepts require a radical re-arrangement of the technical relations in production. It is further argued that the concept of JIT and TQC, because they require a total dedication of the workforce, can operate only under the conditions of democratic participation in the running of the firm, autonomy of designing and executing specific but complex labour tasks, and constant updating of the skills required. The post-Fordist paradigm, therefore, emphasises the areas of work organisation, training, and personnel policies.

At first glance the new production concepts not only have an aura of common sense about them, but they also appear to stand for progressive changes. Certainly the concepts of job enrichment, work autonomy, and the democratisation of the relations in production have the opposite connotations of de-skilling and task fragmentation, and total management control over workers (see Braverman, 1974). However, let us remind ourselves that the chief purpose of the post-Fordist restructuring was to secure a larger proportion of the surplus value; that the post-Fordist relations in production have been (or are being) put in place precisely because of the increased power of the capitalist class, chiefly represented by the transnational capital; and that the post-Fordist industrial system constitutes both the means and ends of the neo-liberal offensive began in the 1970s. We would, therefore, be well advised to treat the post-Fordist claims with some scepticism.
2.2 The new worker

Central to the new type of work organisation is the concept of the new production worker (Campbell, 1989; Mathews, 1989). In opposition to the old production regime based on de-skilling and fragmentation of tasks, the emphasis is now on the integration of tasks and re-skilling. This might involve, in addition to the mechanical operational function, other tasks such as monitoring and maintenance—hence the notion of multi-skilling. The new worker needs to demonstrate a capacity to plan and execute own work, and further might need to acquire additional skills in the area of computer programming and control. These additional skills might involve electrical, electronic, and other techniques. In other words, the previously segmented tasks are now drawn together into a single integrated and multi-skilled task. The changing industrial context thus requires that a special emphasis be placed on flexible skill formation and technological literacy (Mathews, Hall, and Smith, 1988). The foundations for these skills will need to be established through a new system of flexible and broadly-based education and training. In short, the new worker will work smarter rather than harder (Carmichael, 1990; Ashenden, 1990).

Mathews (1989) argues that a crucial aspect of the new industrial relations is a recognition by both workers and management that, in order to maximise productivity, operations need to be as flexible as possible. For this to happen a system of worker autonomy and informed decision-making needs to be established. If, as Harvey (1989) argues, the flexible regime is characterised most of all by greatly intensified rates of commercial, technological, and organisational innovation, this unique blend of worker autonomy and computer technology which now aids the decision-making may be defined as skill dependent innovation (Mathews, 1989).

The image of the future worker conjured up by the proponents of the post-Fordist paradigm is clearly an attractive one. Especially the presence of the notions of workplace autonomy, increased employee participation, democratisation of industrial processes, and the unity of conception and execution appear to promise a great deal to the worker of the future. However, drawing on my previous discussion of the labour market segmentation and the general framework of the political economy of the emerging settlement between labour and capital, I can see at least three problematic areas in the post-Fordist industrial paradigm. These are: (1) the new production concepts involve a very small number of workers, (2) there is a lack of evidence of a clear break with Fordism, and (3) the real impact of the new production concepts on working conditions is by no means clear. (1) Firstly, I have already argued that the new production concepts are chiefly confined to the core industrial production,
and even there the new production methods involve only the core workforce. Referring to the UK situation, Pollert (1991: 21) argues that the new production concepts involve only 5% in the core car industry, with 90% semi- or unskilled, and 50% having no training whatsoever. She further claims that neither is there any evidence of multi-skilling. Curtain (1987: 34) similarly argues that in Australia there is very little evidence of up-skilling through internal labour markets. The claim of multi-skilling and up-skilling is thus not a dominant pattern neither in the UK or Australia. Even though the new production concepts are to some degree relevant to the German industrial workplace (see also Mahnkopf, 1991), their situation is clearly not transferable internationally.

(2) The causal linking between post-Fordism and the new production concepts is, therefore, extremely problematic. Furthermore, as I argued above, post-Fordism is based on the integration of multiple production system, most of which are primarily based on the intensification of labour effort, and on further fragmentation of labour tasks (Pollert, 1991, Hyman, 1991, Smith, 1991). Kern & Schumann (1987: 156), on the other hand, maintain that the “trend of capitalist rationalisation is changing: the rationalisation logic remains the same but fundamentally new forms are emerging.” They describe the new industrial possibilities as “spectrum” of change which is fundamentally irreversible. Yet even by their own reckoning, in the technologically advanced Germany the number of workers affected by the new production concepts is very small (see Campbell, 1989: 258; Kern & Schumann, 1987: 165). The point is that even though some changes in re-skilling are evident, only a very small number of workers are affected by it. It is, therefore, entirely inappropriate to claim that a new production system utilising workers’ intelligence is coming into existence. Furthermore, I suggest that what is needed is a detailed interrogation of the actual changes in the working conditions of the post-Fordist workers. How are the new worker’s skill different from the old assembly-line skills? As argued above, the available evidence suggests that only a small number of workers have so far benefited from the “increased” demand for re-skilling. Kern & Schumann (Ibid: 165-6) identify, apart from the winners, also three further tiers of workforce: tolerators, losers, and long-term unemployed (see also Harvey, 1989: 151; Campbell, 1989: 265). Tolerators are the marginalised workers from the core industries. Their function is to support the core workers. They are, nevertheless, protected to some extent from becoming redundant. The losers are the workers from the marginal industries and those industries affected by the recession. Their ability to stay employed is typically linked to the firm’s survival, and thus tend to “willingly” accept the worsening of
their working conditions. Included here are workers in the service industry, who are often employed on a casual or part-time basis, and have no opportunity for re-skilling or permanency of employment. Finally, there are the risk-breakers or the long-term unemployed. Their chances of benefiting from the post-Fordist settlement are very slim.

(3) Finally, I would like to discuss the changes in the working conditions of those workers who are the supposed winners in the post-Fordist restructuring. What I propose to do is to describe an ideal-type of a modern worker. For the sake of grouping the key descriptive categories, I will collapse together the production concepts of just in time and total quality control. Coriat (1984), describing a modern Renault production line at Choisy le Roi, identifies three key concepts that differentiate the modern production line from the Fordist one. Firstly, the principle of continuous flow of production is maintained, but the assembly line is now segmented into distinct operational spaces. Each operational space is supplied with its own component parts and tools. Secondly, the division of one man/one job has been replaced with a small group of workers who are responsible for the total assembly. Finally, even though each group operates within its own work-space, its work rhythm is still determined by a central conveyor belt. The continuous flow of production is thus maintained. The central feature of this regrouping of jobs is the principle of job-enlargement or integration of tasks. A small team of workers is now responsible for a more complex assembly. These changes allow for both mass-production of standardised products and a more flexible production which is more responsive to the market demand. But it also increases the productivity of labour. The chief gains are achieved by the elimination of losses associated with the assembly line, reduction of rest periods, reduction of movements, and shorter handling cycles. Quality control is now performed by workers themselves. Because their reward is tied to the quality of their work, considerable savings have been achieved by elimination of rectification, but also by elimination of supervising and maintenance personnel. Coriat (Ibid) argues that the new assembly line represents a new economy of time and control. Its essential features are the intensification of labour effort, reduction of set-up time, use of small general-purpose machinery, arranging manufacturing equipment in a special way (ie, product-oriented, not function-oriented), production takes place according to a real demand (as opposed to an anticipated demand, which was the organisational principle of the just-in-case system), a sort of pull-system (Skorstad, 1991: 1078), whereby buffer stocks and throughput time are reduced, and errors eliminated by making their source visible. The visibility of workers has become the chief method of
efficiency control, because it exposes those jobs which do not need one worker’s undivided attention, and unutilised or underutilised time can thus be converted to a productive time. The visualisation principle thus directly results in the intensification of labour (Coriot, 1984). The removal of buffer stocks and the visualisation of performed tasks have exposed the workers to constant irregularities in the production process, such as machine jamming, sudden shortages of component parts, or overloading of the stations. Describing the Toyota JIT system, Dohse, Jurgens, and Malsch (1985) argue that workers are never allowed to settle into a comfortable pattern. Instead the pattern becomes one of continually perfecting the production process, as the managers remove still more buffer stock and speed up the production line. Typically, manpower is provided at only 97% of the line rate, with the other 3% being made up by “extra” effort (Ibid: 130). At the Toyota plant, a system of warning lights is used to indicate the flow of the production line: the yellow light indicates the station is overloaded, the red light indicates a breakdown. The management can thus fine-tune the speed of production line above what would be considered a regular rate, but slightly below the critical point at which a breakdown might occur. Overall intensification of work is thus one of the chief distinguishing features of the JIT system.

The visualisation function is then used to intensify work effort and to identify unutilised time. A greater utilisation of work time in a typical corporate enterprise (as opposed to the secondary production system consisting of subcontracting firms, where the working conditions and award rates are incommensurably worse) is further achieved because of less paid vacation time and extremely low absenteeism. In fact, Japanese workers often fail to take their vacations, or use their vacation time in lieu of sick leave (Ibid: 120). This, of course, requires a totally dedicated workforce, and what is emphasised in terms of work-relevant competence is the behavioural attitude rather than manufacturing technique or innovative processes (Ibid). As Dohse et al (1985) point out, however, this seeming identification of workers with their firm is a complex phenomenon, which is, perhaps, rooted in the specificity of the Japanese cultural environment. Yet the crucial factor appears to be the unique mode of regulation of the labour versus capital conflict. This conflict is almost entirely diffused because the trade union movement is controlled by the management (Ibid) and the union function is completely integrated into the production function. The workforce is atomised and the individual workers have nowhere else to go. The lack of a collective voice has in Japan resulted in a complete subsumption of workers’ working and private lives by the corporate interests. The important point is, especially in the context of the current debate on industrial relations in Australia, that there is a direct relationship between weaker unions or non-unionised workforce, on the one hand, and the
tendency to lower the working conditions (Ibid; Pollert, 1988; Amin, 1991; Sayer, 1986; Kern & Schumann, 1984b), on the other. The absence or the loss of the collective voice then has a tendency to set one worker against the other. Under the principle of team work, where the entire team is responsible for the performance of each individual worker, along with the constant pressure of the production line, and the indeterminate system of award (the wage rate is awarded arbitrarily and seemingly bears no relationship to the work performed [see Dohse, Jurgens, and Malsch, 1985], the group dynamic achieved provides a unique solution to the classical problem of the resistance of the workers to placing their knowledge of production in the service of the management (Ibid; cf, Braverman, 1974). Their cooperation is thus not an expression of free choice, but rather an expression of a complete subsumption of the workers by the production system. In the view of the above evidence, the argument that the new production concepts tend to enhance the autonomy of the work groups becomes clearly problematic, because the rhythm of work is determined by the speed of the production line (which is controlled by the management), and the worker becomes integrated into the “functional logic of a mechanical system which he [sic] has neither devised nor completely comprehended….his position is qualitatively different from that of craftsman in that he must endure a much greater degree of managerial control over the performance of the work” (Campbell, 1989: 255). In this sense, the resulting “autonomy” consists in the freedom to organise the distribution of jobs, and can be, at best, seen as a controlled autonomy. Furthermore, it becomes a self-discipline which has nothing to do with shifting the balance in the technical control of production in favour of the workers, but everything to do with securing the continuity of managerial control.

The concept of multi-skilling is also closely associated with JIT and TQC (total quality control). We have seen that Braverman (1974) identified the increased fragmentation of work as one of the strategies of asserting managerial control over workers. Piore & Sabel (1984) argue that the new production system reverses this tendency, and instead brings about the re-unification of the conception and execution of work. To them, multi-skilling provides the evidence that workers are regaining control over the production process. They further argue that multi-skilling and work autonomy are necessary elements in the modern production system because they enable the firm to respond to diversified market tastes. Yet as Smith (1987) shows, there is not necessarily a direct link between product variation and the need for more complex skills. There is a need for functional flexibility and task integration, but not necessarily for higher-order complex skills. In his study of Cadburys
restructuring, Smith (1987) argues that the clear consequence for the workers was the loss of the remaining areas of craft control. Dohse, Jurgens, and Malsch (1985) also maintain that no evidence of up-skilling or systematic re-skilling of workers is occurring. What the post-Fordist workplace requires is adequate skills to allow for deployment of workers according to the emergency situations on the production line. They observed, however, that there was some transfer of indirect production activities to workers, but without increasing the time allocated to the now significantly enlarged task. The firm thus gained net savings as a consequence of the reduced personnel. For example, a production worker was now responsible for mechanical operations, quality control, and maintenance (Campbell, 1989; Coriot, 1984). For the worker, who was now operating multiple equipment under multi-process-worker concept, the work effort was greatly increased. Sayer (1986: 52) similarly argues that in most instances re-skilling is confined to training workers to be able to switch between jobs in order to help fellow workers who might be overloaded.

In their earlier work, Industrial Work and Worker Consciousness (1985), Kern and Schumann identified the danger which progressive automation could pose in terms of further segmentation of the labour market. The tendency was, they argue, for a large body of unskilled workers to mind a machine system, while a small number of highly skilled workers executed the complex work of centralised direction. In The End of the Division of Labour (1984a, see also 1984b, and 1987), they review their previous stand and argue strongly that the trade union movement must get involved in the implementation of organisational changes, including the programme of re-skilling (cf. Badham & Mathews, 1989; Carmichael, 1990). Their warning is clear: either the trade unions assert their right to co-determine the micro-restructuring of their workplaces, or the management might seek to restrict skill formation to clustering of skills within small teams, and this could result in no significant up-skilling as such skills would be plant-specific and non-transferable. Furthermore, it could result in broadening of jobs and work intensification, rather than in transferable skills-formation.

The evidence from the industrial workplace thus suggests that only very little re-training is occurring, and the little that is occurring is primarily concerned with functional flexibility, or, in other words, with flexible deployment of workers. Job enlargement and task integration, however, do have an impact on external and internal numerical flexibility. As a consequence of industrial restructuring many workers lost their jobs and many more are still uncertain about their chances of retaining or getting one. The concept of multiskilling is thus closely aligned with the general notion of flexibility—ie, the ability of the
firm to conduct its business in an environment of constant uncertainty. Included here is also wage flexibility. This, according to Rimmer and Zappala (1988), is designed to establish a nexus between the product and labour markets. But as Burawoy (1985) observes, the threat of plant closure or of capital being shifted off-shore often results not so much in realigning product and labour markets, but rather in lowering the wage rate. Harbridge and Rea (1992) corroborate this point by providing evidence of a positive tendency towards downward wage flexibility in New Zealand. The notions of multiskilling and flexibility are thus not only quite problematic, but, I would suggest, also need to be located within a broader spectrum of the industrial restructuring. They need to be understood as integral to the overall strategy which is attempting to abolish a collective worker (Palloix, 1976), and thus shift the balance of power in favour of the capitalist class.

The consequence of growing unemployment, intensification of work, along with diminishing benefits associated with past work contracts are unlikely to be willingly embraced by workers. The promise of up-skilling, increased work autonomy, and increased democratisation (see Badham & Mathews, 1989; Piore & Sabel, 1984) and employee participation in the technical relations in production are presented as a trade-off for the loss of some of the benefits won under theegis of the previous hegemonic regime.

I have argued above that neither the provision of enterprise-based training and re-training nor the promise of increased work autonomy have so far been fulfilled. I would suggest that both would be, in fact, quite dysfunctional to the overall neoliberal goal of securing more power and control over the industrial process. The former would clearly be wasteful, because the costs could not be recovered through profitable deployment, given the bulk of workers requires only a basic and often no training at all (see Pollert, 1991), the latter would be counterproductive because autonomous workers would pose threat to the capital’s claim on the surplus value.

If my analysis is at least partially correct, we might expect that the employee involvement in the technical relations in production might be also lacking in substance. Marchington (1992) does provide some evidence that in recent years there has been an increase in the number of enterprises providing some form of consultation in Australia. The majority of these, however, took the form of direct personal communication. Upward problem-solving techniques and representative participation scored rather less well (Ibid: 475). At the same time, the overall pattern of growth remained “tempered” due to many schemes being discontinued. Marchington, however, does not provide any evidence of the impact these consultations might have had on the actual relations in production or on the working conditions in general.
Commenting on the UK industrial scene, MacInnes (1985) concludes that there is no statistical evidence of any changes in employee participation: “It appears that the ‘renaissance’ of consultation is an illusory phenomenon” (Ibid: 93). He makes one other point relevant to the present discussion. Commenting on the attitude of the Stewards, he states that the general perception was the management used Stewards to resolve tensions between workers and management typically on management’s behalf: “they are simply to accord consent to hierarchy as it stands” (Ibid: 109), and further argues that “in its pure form it potentially legitimates any rule change that originates with management...Stewards view this as an invitation to exercise responsibility without power” (Ibid).

Dohse, Jurgens, and Malsch (1985) also assert that participation through quality circles was designed to enhance not worker control but managerial control. In fact, in the Japanese industrial context consultation and participation do occur, but in a controlled environment in which the topics, goals and forms of articulation are limited to company interests. The management uses this strategy to resolve the problem of worker resistance, and to utilise knowledge of employees for purposes of further rationalisation (Ibid: 142).

Sayer (1986) corroborates the above claim, arguing that the management tend to view the development of behavioural skills as investment. The process of consultation, albeit perfunctory, is viewed as a way of ensuring a low turn-over of the workforce (Ibid: 52). At the same time, however, this style of management does have oppressive consequences for the workers, because participation in quality circles and suggestion schemes is often compulsory and workers must, for example, forego holidays or work overtime without pay (Ibid: 69).

2.3 The competency profile of a post-Fordist core worker

In the view of the preceding discussion we can begin to piece together an ideal-type competency profile of a post-Fordist worker. This paper has identified six basic categories:

(1) Team work orientation
   • ability to coordinate a sequence of simple fragmented tasks within a team
(2) Integration of work autonomy with increased control and monitoring
(3) Basic generic skills
   • expending portfolio of basic competencies
   • able to perform multiple routine tasks in rapid sequence
   • production-line problem-solving orientation
(4) Capacity to interpret coercion as consultation
(5) Behavioural disposition
   • accepting authority without questioning goals or purposes
   • willingness to demonstrate own usefulness through diligence, docility and flexibility;
   • prepared to accept intensification of work
tends to develop a company oriented identity at the expense of collegial solidarity

(6) Attitudinal disposition
• “correct“ attitude to work
• ability to identify with the firm’s goal

(1) Teamwork orientation. Because the modern industrial firm’s productivity derives from a teamwork dynamic (this may be considered as a strategic dimension of innovation; cf. Offe, 1975). To remain competitive, all firms must eventually adopt the teamwork approach. Coopting the “collective spirit,” or as some call it, synergy, is clearly beneficial to the firm’s productivity. The evidence, however, suggests that in the post-Fordist work environment this collective spirit is often a pseudo-phenomenon, based more on personal antagonism among workers rather than on a truly collegial cooperation. Such pseudo-collective purpose is typically a consequence of a combination of factors. These include a continuous intensification of work effort, absence of clear description of what is expected of the worker, extreme job insecurity, state of anxiety consequential to constant production innovation which does not allow workers to settle into a comfortable pattern, and linking up rewards with “dobbing in” fellow workers who might not perform at peak capacity (the latter being interpreted as contributing to own intensification of work, as someone clearly must do the job). The associated phenomena of the visualisation and the pressure to identify with the firm’s goals inevitably result in the intensification of work and further erode any potential solidarity among workers or colleagues. This said, I would like to make clear that my objection is not against the concept of teamwork as such, but rather to the specific way the post-Fordist work organisation uses this concept in order to promote purely capitalist interests at the expense of individual workers. The notions of teamwork and collegial solidarity could, in fact, be used to create a more humanistic work environment. However, it would seem that under a capitalist system the imperatives of securing and obscuring the extraction of the surplus value tend to promote the anti-collegial rather than collegial behaviour and attitudes.

(2) Integration of work autonomy with increased control and monitoring.
This is, of course, a contradiction. A person cannot act autonomously and be subjected to a strict central control and monitoring at the same time. Either one does have a control over own work environment or one does not! The challenge for the post-Fordist management then is to make the worker believe he/she is performing the work task autonomously, even though every step the person takes is visible and monitored by the supervising agency.
The post-Fordist worker will, therefore, have to develop a certain “schizophrenia” to be able to integrate the contradictory concepts of increased autonomy and heightened control.

(3) Basic generic skills. The promotion of transferable generic skills is likely to result in the devaluation of the concepts of knowledge and understanding. For example, the OECD policy document, Education and the Economy in a Changing Society (1989:32), clearly devalues the higher-order thinking skills and encourages a basic generic training in the area of routine tasks and mechanical ability rather than enhanced understanding. Instead of developing a trade-based knowledge which would enhance the worker’s control over the working environment, he/she is now encouraged to develop a portfolio of basic generic skills to allow a flexible deployment within the internal labour market and even between firms, according to labour market fluctuations. Under such conditions, the worker has no chance to assert at least some control over his/her work environment.

Furthermore, in an extremely competitive labour market the post-Fordist worker will have to demonstrate his/her willingness to constantly apply his/her intelligence and knowledge of the job for the purpose of further rationalisation of production, even though this might result in the worker’s own redundancy.

(4) Capacity to interpret coercion as consultation. Since the tendency in the industrial enterprises is to replace the collective-based tension between workers and management with the tension between the individual worker and the management, the notion of employee participation will increasingly take form of personal communication between individual employees and the management. Leaving aside the fact that each individual worker will thus be left in an extremely vulnerable position, which will inevitably diffuse any more substantive critique of the organisational arrangements, the worker will still need to live with the contradiction that he/she is listened to, yet his/her voice is a mute voice. Conversely, the management might “consult” the workers about structural changes, but the net effect of such consultations might be that they simply inform workers about what is going to happen anyway. Once again, the need to internalise such contradictions will force the worker to become “schizophrenic”.

(5) Behavioural disposition. Here the emphasis is on normative orientation. However, the social and moral norms are derived from the imperatives of the structural principle of productivity and the right of capital to appropriate the surplus value, rather than from an autonomous personal engagement of the worker with these issues. Personal histories, social issues, or moral concerns are, in fact, an anathema to the imperative of the structural principle of productivity. The post-Fordist worker will thus need to internalise the organisational goals and
purposes, and supress his/her own personal concerns. Ideally, the company’s goals should become each worker’s own goals. The norms governing the interaction between various hierarchical levels will, therefore, be more clearly derived from the context of the firm’s purpose, not from the context of the worker’s lifeworld. The lifeworld of workers will be further colonised by the economic system.

The worker will also need to demonstrate own usefulness through diligence, docility, and flexibility. He/she will have to be prepared to accept intensification of work and changes in working conditions. Ostensibly because these are beyond the firm’s control. He/she will be also encouraged to identify more closely with the firm at the expense of the solidarity amongst collective workers.

(6) Attitudinal disposition. Ego is systematically fragmented and commodified. Legitimate characteristics include: self-interest and self-reliance, and the capacity to adjust personal aspirations to the firm’s goals. Desirable attitudinal outcomes include: positive work attitude, respect for authority, optimistic conformism, dispositional adjustment, and a mixture of a collectivist identity, which is able to accept uncritically the management-defined priorities. Moral orientation is defined in terms of social-contractual legalism. Ethically inspired motivation is replaced with motivation defined in terms of the firm’s goals. The desirable characteristics of post-Fordist worker include: instrumentalised language skills, effective cognitive functioning, political neutrality, and capacity for attitudinal adjustment.

2.4 Education and training

The task of developing appropriate work-relevant skills has come into prominence in Australia with a number of reports sponsored by the Department of Education, Employment, and Training in the early 1990s. The Carmichael Report’s (1992) brief was to develop a flexible training system, with multiple points of entry and credit transfers. It would be a national system which would recognise four distinct levels of the Australian Vocational Certificate (AVC). The task of identifying specific work-relevant competencies was given to the Mayer Committee (Mayer Report, 1992a and 1992b). Both Carmichael and Mayer Reports were underpinned by two central themes: (1) the learning process has been conceptualised as a process of fragmented skills acquisition, and (2) the traditional division between vocational training (ie, system maintenance) and general education (ie, lifeworld) has been dissolved and replaced with a unifying principle of competency-based education/training. The direct consequence of the revision of educational function then was that the lifeworld interests were pushed out of the educational agenda altogether.
The new training system is informed by the belief that the economic and industrial context of the post-Fordist workplace has been dramatically transformed. In this new context the concepts of generic multi-skilling and technological literacy appear to play a dominant role. Thus the Mayer Report again and again emphasises generic cognitive skills rather than the traditional specific manual skills, or the concepts of knowledge and understanding (cf, OECD, 1989), and the development of behavioural skills required for an effective teamwork. The need for multiskilling and flexibility is reflected in its promotion of a broad-based knowledge and flexible modular programmes. More generally, the post-Fordist school is expected to foster resourcefulness, cooperation, independence, and problem-solving skills, as well as literacy, numeracy, and basic technical skills. The cost of the provision of the new training system is to be shared between the state, enterprises, and clients. Because human resources are now viewed as investment, it is envisaged that the modern firm will tend to utilise its internal labour market. This would involve upgrading the skills of its existing workforce rather than drawing on the external labour market. This, then, is in a nutshell the strategy the federal government in Australia adopted in its effort to improve Australia’s economic performance and thus to ease the increasing burden of the long-term chronic unemployment. The enormous efforts that have gone into the restructuring of the state training system and public schooling is underpinned by the belief that the emphasis on work-relevant competency training might in some way resolve the unemployment problem. Of course, it is hard to say whether anyone in Canberra actually does believes it. Nevertheless, this is the face displayed for public consumption.

However, my intention here is not to speculate about private feelings of our political leaders or top bureaucrats. I will content myself with empirical evidence, textual analysis, and the logic of contradiction inherent in the present economic reform. Firstly, drawing on my previous discussion, I would suggest that the post-Fordist regime of production does not require a great deal of involvement of public education institutions in work-relevant skills formation. This job would be done much more efficiently by the firms themselves. The Australian capitalists are, however, rather reluctant to spend money on training, and on their workforce in general. There is, therefore, a clear area of conflict between firms’ parsimony and their need for specific firm-based skills (cf, Curtain, 1987).

In this sense, the Carmichael Report (1992), which clearly draws on the European experience, provides a valuable contribution to the ongoing debate about training--especially its linking between the provision of college education (an area of the state’s responsibility) and the hands-on experience in the workplace. I would further suggest that the financial and instructional input in the area of work experience, following the German lead (see
Mahnkopf, 1992), should be a joint responsibility of the
employers associations and the craft unions. The curriculum
content should be equally divided between lifeworld interests and
the work-relevant skills formation. In addition, contrary to
claims raised in the Mayer Report (1992a and b) and the OECD
policy statement (1989), I would argue that the work-relevant
skills must be taught in the context of the overall production
process.
The obvious reason for this not being the case at present, I
would argue, can be found in my earlier analysis of the neo-
liberal strategy of increasing capital’s control over the
production process in order to simultaneously obscure the
relations in production and secure the surplus value. As the case
is, in Australia the state (whether wittingly or unwittingly)
allowed itself to be used to advance the conservative interests.
Secondly, a close analysis of the key policy statements
(Carmichael, 1992; Mayer 1992 a and b; Finn, 1991, OECD, 198916)
reveals that the Australian educational and training systems
being steered in the direction of correspondence between the
oppressive conditions of the post-Fordist labour market and the
post-Fordist relations of/in production. In the competency area
of “teamwork” (see Mayer, 1992a:30-31), for example, what is
being encouraged is a formation of fragmented basic skills.
Nowhere in the document, however, is there a provision for
developing holistic conceptual skills which might enable students
to comprehend the production process as a whole. This is,
perhaps, the most damaging aspect of the push to economise public
education and training in Australia--ie, the problem is not in
the recognition that our education needs to be more responsive to
the needs in the industry, but rather that these changes leave
out the crucial areas of conceptual thinking and the development
of intellectual autonomy17.
Finally, I would like to argue that the health of any economic
system depends not only on a continuous improvement in production
efficiency, but also on a productive re-investment of achieved
savings and on allowing the consumer demand to support the
existing production and to stimulate further investment. The
evidence of the last decade shows that the increases in
productivity by themselves have a negative impact on job
creation. Clearly something else needs to happen along with the
implementation of the structural productivity principle. As a
globally applied strategy, the focus on export earnings does not
seem to be beneficial in the final analysis either, as the income
received from exports tends to be offset by increased imports.
This happens precisely because every other national economy
depends on the same “magic” of export-generated national income.
In this respect, the best Australia can hope for is to come out
even. Given the enormous efforts that went into the restructuring
of our working and non-working lives, not to mention the regressive redistribution of the national wealth, increasing dilapidation of our inner cities, further marginalisation of women, migrants, and other minority groups, this is really not a very good result.

There is a direct contradiction between productivity-driven downsizing and the decreasing consumer capacity to support firms' utilisation of their productive capacity. The large army of the unemployed is, therefore, a direct consequence of the neoliberal strategy of wanting more power over workers and securing larger profits.

Yet with all the massive restructuring and cuts to our public spending (with the exception of Japan and the USA, Australia's public spending has always been the lowest among the OECD countries), the company profits fell sharply in the 1990-92 period. However, whereas in the 1982-3 a similar fall in profits was consequential to a redistribution in favour of wages, this time there was a fall across the board, even though the fall in wages lagged one year behind the fall in profits. There was a slight increase in welfare transfers in the 1990-1 period, and probably in 1992-3 as well. The rise in welfare, together with the underutilisation of productive capacity, would have a negative impact on the rates of profits. One could thus be excused for seeing a certain dramatic irony in the neo-liberal push to increase profits by creating unemployment. Yet, as Bowles, Gordon, and Weisskopf (1989 :130) observe, the question we might, perhaps, be asking is "whether the means of conservative economics were not, after all, the ends?"

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Asset values of the super-rich in Australia, 1983-92 ($ Mil.)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOP 10</th>
<th>TOP 100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983</td>
<td>870</td>
<td>3,472</td>
</tr>
<tr>
<td>1984</td>
<td>1,732</td>
<td>5,060</td>
</tr>
<tr>
<td>1985</td>
<td>2,315</td>
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</tr>
<tr>
<td>1986</td>
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<td>8,966</td>
</tr>
<tr>
<td>1987</td>
<td>5,548</td>
<td>14,788</td>
</tr>
<tr>
<td>1988</td>
<td>5,095</td>
<td>14,773</td>
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<tr>
<td>1989</td>
<td>7,500</td>
<td>21,188</td>
</tr>
<tr>
<td>1990</td>
<td>6,410</td>
<td>16,701</td>
</tr>
<tr>
<td>1991</td>
<td>7,835</td>
<td>17,853</td>
</tr>
<tr>
<td>1992</td>
<td>10,135</td>
<td>21,075</td>
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</table>

Table 2: Asset values of the super-rich in Australia, 1983-92. ($ Million).

<table>
<thead>
<tr>
<th>YEAR</th>
<th>Share of top ten in the top 100 (%)</th>
<th>Share of top 50 in the top 100 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983</td>
<td>25</td>
<td>68</td>
</tr>
<tr>
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<td>1992</td>
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<td>84</td>
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I am using Carchedi’s (1975) distinction between the collective worker, who produces use values in order to produce surplus
value, on the one hand, and the work of supervision and management, which does not directly produce use value, but performs the global function of capital by securing the surplus value. However, it needs to be pointed out that as a consequence of downsizing and outplacement increasingly even the work of supervision and management are under threat (see G. Korporaal, “Inside outplacement,” The Australian Financial Review, Weekend, 1993, Friday Oct. 29, p. 3). Kern & Schumann (1984), and Dohse et al. (1985) also argue that with the integration of the supervision and quality control into the function of the collective worker tends to result in the loss of supervisory functions.

I am here making a distinction between the qualitative outcomes related to practical and emancipatory knowledge and quantitative outcomes related to technical or instrumental knowledge (Habermas, 1979). See also Marshall, 1988.

The present Labor government in Australia has so far maintained its commitment to the provision of unemployment benefits. However, under a Liberal government, which is much more attuned to the New Right demands, the availability of unemployment benefits is likely to be significantly reduced (see, for example, Financial Review, Friday Oct. 29, p. 23, Letters to editor, Des Moore, “Give deregulated labour market a go.” In the same letter, Des Moore also argues that “all awards should be abolished and all employed on a contractual basis.”

In the USA, for example, one third of the ten million new jobs created in the first half of the 1980s were temporary jobs (Harvey, 1989: 152).

This interpretation links the OECD (1989) proposal, which suggests that publicly funded training should be provided only if the labour market shows clear demand for such skills. Should these proposal be introduced, one million Australians might be left with no social security and no re-training either.

See Dabscheck (1993) on the role of industrial tribunals in the area of industrial relations in Australia.

Dabscheck (1993) argues that both employers and unions believed that the tribunals virtually acted on behalf of the opposing party.

Workers’ share of national income in 1975 was 68.9% and profit share was 13.1%. By 1988 this has changed to 58.4% and 15.3% respectively (Pusey, 1991: 258).

According to the OECD Economic Survey 1984/5, Oct. 1985, US $2.000 billion represents about 2/3 of the USA 1982 GDP. Given that the USA share of the combined OECD GDP is about 41%, it follows that about 27% of the combined OECD GDP is being currently invested in global enterprises with a minimum or no tax liability. See also Crough & Wheelwright, 1982: 130.

For a more detailed outline of this argument see Soucek, 1993, and 1994.
NB. I do not want to give an impression that more training opportunities might in some way resolve the present global economic crisis. Skills-formation or training is important to individual workers because it enhances their chances of retaining or securing a job. However, considered in the global context, the impact of training on job creation is only minimal if any at all.

The evidence in the core industrial countries, in fact, suggests that the combination of re-skilling and work intensification tends to reduce the number of jobs available. In other words, within a nation-state, the consequence of increased training is that a better qualified person gets the job, and the less qualified one does not. The job, however, has not been created by the trained person. Even if every single person in the country had top qualifications, I would suggest that the unemployment situation would not dramatically alter.

All enterprised-based training is overly concerned with behavioural rather than technical skills.

Cf. Germany where vocational training is a joint responsibility of the chambers of industry, chambers of craft, and employers. The government, through a provision of secondary vocational education, is responsible only for one third of the costs (Mahnkopf, 1991: 67).

For a detailed discussion of the relationship between vocational and general education see Soucek (1993 and 1994).

For details see Soucek (1994).

For a further discussion of intellectual autonomy see Soucek (1994).