"Contract Feudalism"

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That's not my term, but Elizabeth Anderson's at Left2Right. It covers a wide range of events that have been in the news lately. One is described by Anderson in her blog post. According to the New York Times, Howard Weyers, president of Michigan-based Weyco, has forbidden his workers to smoke–"not just at work but anywhere else." The policy, taken in response to rising cost of health coverage, requires workers to submit to nicotine tests.

As Anderson reminds us, one of the benefits that the worker traditionally received in return for his submission to the bosses' authority on the job was sovereignty over the rest of his life in the "real world" outside of work. Under the terms of this Taylorist bargain, the worker surrendered his sense of craftsmanship and control over his own work in return for the right to express his "real" personality through consumption in the part of his life that still belonged to him. This bargain assumed

the separation of work from the home. However arbitrary and abusive the boss may have been on the factory floor, when work was over the workers could at least escape his tyranny (unless they lived in a factory town, where one's boss was also one's landlord and regulator of their lives through their leases). Again, in the early phase of industrialization, this was small comfort, given that nearly every waking hour was spent at work. But as workers gained the right to a shortened workday– due to legislation as well as economic growth–the separation of work from home made a big difference to workers' liberty from their employers' wills.

At the same time, Anderson points out, this separation of work from home depends entirely on the relative bargaining power of labor ("competition for workers") for its enforcement. I'll elaborate on this theme later in the post.

Another recent example of "contract feudalism" is the saga of Joe Gordon, editor of the Woolamaloo Gazette blog, who was fired from Waterstone's (a UK chain bookstore roughly comparable to B&N) when it came to his bosses' attention that he'd made the occasional venting post (quite mild, from my perspective) after a particularly bad day at work. Gordon, who arranged book promotions and was friendly with a number of prominent science fiction authors (including Ken MacLeod, via whose blog I first heard of this), brought Waterstone's business worth many times his salary; and although he was ostensibly fired for bringing them into "disrepute," those despicable shitheads have themselves done more to that end than a thousand of their employees' blogs could possibly have done.

B.K Marcus, in discussing his experiences with libertarian writers who later attempt to remove their writings from the Web, hints that some of them might be motivated by the fear of what an employer might stumble upon. If that is indeed what he's talking about, then the danger is a very real one. Having been involved in a job search myself not too many months ago, I know firsthand how paranoid a job applicant can become that the Human Resources Thought Police are Googling him, and perhaps deciding on the basis of a high internet profile in radical political circles that he "ain't got his mind right." Although it may not be standard practice everywhere yet, it's likely to become so sooner rather than later in our downsized and overworked future, as increasing levels of employee disgruntlement and corporate authoritarianism interact synergistically to transform the employment relation beyond our worst nightmares.

Naturally, when such incidents become fodder for debate in the blogosphere, many self-styled "free market" advocates rally instinctively around the bosses. One commenter, for example, said this in response to Elizabeth Anderson's Left2Right post: "It's a free market. If you don't like your employer's rules, then work somewhere else." Fairly typical, I'm afraid.

Uh, no-this is not a free market. As Benjamin Tucker wrote over a century ago:

...It is not enough, however true, to say that, "if a man has labor to sell, he must find some one with money to buy it"; it is necessary to add the much more important truth that, if a man has labor to sell, he has a right to a free market in which to sell it, — a market in which no one shall be prevented by restrictive laws from honestly obtaining the money to buy it. If the man with labor to sell has not this free market, then his liberty is violated and his property virtually taken from him. Now, such a market has constantly been denied, not only to the laborers at Homestead, but to the laborers of the entire civilized world. And the men who have denied it are the Andrew Carnegies. Capitalists of whom this Pittsburgh forge-master is a typical representative have placed and kept upon the statute-books all sorts of prohibitions and taxes (of which the customs tariff is among the least harmful) designed to limit and effective in limiting the number of bidders for the labor of those who have labor to sell...

...Let Carnegie, Dana & Co. first see to it that every law in violation of equal liberty is removed from the statute-books. If, after that, any laborers shall interfere with the rights of their employers, or shall use force upon inoffensive "scabs," or shall attack their employers' watchmen, whether these be Pinkerton detectives, sheriff's deputies, or the State militia, I pledge myself that, as an Anarchist and in consequence of my Anarchistic faith, I will be among the first to volunteer as a member of a force to repress these disturbers of order and, if necessary, sweep them from the earth. But while these invasive laws remain, I must view every forcible conflict that arises as the consequence of an original violation of liberty on the part of the employing classes, and, if any sweeping is done, may the laborers hold the broom! Still, while my sympathies thus go with the under dog, I shall never cease to proclaim my conviction that the annihilation of neither party can secure justice, and that the only effective sweeping will be that which clears from the statute-book every restriction of the freedom of the market...

So even in the so-called "laissez-faire" 19th century, as Tucker described the situation, the level of statist intervention on behalf of the owning and employing classes was already warping the wage system in all sorts of authoritarian directions. The phenomenon of wage labor existed to the extent that it did only as a result of the process of primitive accumulation by which the producing classes had, in previous centuries, been robbed of their property in the means of production and forced to sell their labor on the bosses' terms. And thanks to the state's restrictions on self-organized credit and on access to unoccupied land, which enabled the owners of artificially scarce land and capital to charge tribute for access to them, workers faced an ongoing necessity of selling their labor on still more disadvantageous terms. These facts, alone, were enough to force the owners' agents to take on the character of plantation overseers in dealing with their exploited and disgruntled work force.

The problem was exacerbated at the turn of the 20th century by still higher levels of government intervention, and the resulting centralization of the economy. The effect of government subsidies and regulatory cartelization was to conceal or transfer the inefficiency costs of largescale organization, and to promote a model of business organization that was far larger, and far more hierarchical and bureaucratic, than could possibly survive in a free market.

The state's subsidies to the development of capital-intensive production, as the 20th century wore on, promoted deskilling and ever-steeper internal hierarchies, and reduced the bargaining power that came with labor's control of the production process. (There is an excellent body of literature on this theme by authors like David Montgomery, William Lazonick, etc.) Many of the most powerfully deskilling forms of production technology were created as a result of the state's subsidies to research and development. As David Montgomery wrote in *Forces of Production: A Social History of Industrial Automation* (Knopf, 1984),

[I]nvestigation of the actual design and use of capital-intensive, labor-saving, skillreducing technology has begun to indicate that cost reduction was not a prime motivation, nor was it achieved. Rather than any such economic stimulus, the overriding impulse behind the development of the American system of manufacture was military; the principal promoter of the new methods was not the self-adjusting market but the extra-market U.S. Army Ordnance Department... The drive to automate has been from its inception the drive to reduce dependence upon skilled labor, to deskill necessary labor and reduce rather than raise wages.

Finally, the decision of neoliberal elites in the 1970s to freeze real wages and transfer all productivity increases into reinvestment, dividends, or senior management salaries, led to a still more disgruntled work force, and the need for internal systems of surveillance and control far beyond anything that had existed before. David M. Gordon's *Fat and Mean* (Free Press, 1996) refers, in its subtitle, to the "Myth of Managerial Downsizing." Gordon demonstrates that, contrary to public misperception, most companies employ even more middle management than they used to; and a major function of these new overseers is enforcing management control over an increasingly overworked, insecure, and embittered workforce. The professional culture in Human Resources departments is geared, more and more, to detecting and forestalling sabotage and other expressions of employee disgruntlement, through elaborate internal surveillance mechanisms, and to spotting potentially dangerous attitudes toward authority through intensive psychological profiling.

Contrast this monstrous state of affairs with what would exist in a genuine free market: jobs competing for workers instead of the other way around.

Instead of workers living in fear that bosses might discover something "bad" about them (like the fact that they have publicly spoken their minds in the past, like free men and women), bosses would live in fear that workers would think badly enough of them to take their labor elsewhere. Instead of workers being so desperate to hold onto a job as to allow their private lives to be regulated as an extension of work, management would be so desperate to hold onto workers as to change conditions on the job to suit them. Instead of workers taking more and more indignities to avoid bankruptcy and homelessness, bosses would give up more and more control over the workplace to retain a workforce. Gary Elkin described the libertarian socialist consequences of Tucker's free market in this passage from the Anarchist FAQ:

It's important to note that because of Tucker's proposal to increase the bargaining power of workers through access to mutual credit, his individualist anarchism is not only compatible with workers' control but would in fact promote it (as well as logically requiring it). For if access to mutual credit were to increase the bargaining power of workers to the extent that Tucker claimed it would, they would then be able to: (1) demand and get workplace democracy; and (2) pool their credit to buy and own companies collectively. This would eliminate the top-down structure of the firm and the ability of owners to pay themselves unfairly large salaries as well as reducing capitalist profits to zero by ensuring that workers received the full value of their labour. Tucker himself pointed this out when he argued that Proudhon (like himself) "would individualise and associate" workplaces by mutualism, which would "place the means of production within the reach of all." The Anarchist Library (Mirror) Anti-Copyright



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