

# Globalization, the State, and the Labor Process

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After defining key terms, state and labor processes in pre-globalization capitalism are examined and the nation-state is found to be the key constraining element in state imperatives of accumulation, legitimation, and mediation of class conflict. In the globalization period, the labor processes in four commodity systems—automobiles, petroleum, sugar, and bananas—are compared. The main changes in labor processes in agriculture during globalization involve the elaboration of the division of labor and combined and uneven development. Both are examined in the context of several agricultural commodities. It is concluded that globalization creates greater degrees of freedom from the constraint of nation-states for capital to install new labor processes.

## Introduction

Since various authors in this symposium are defining critical concepts, let me begin with my own definitions of globalization, the state, and the labor process. *Globalization* is a the process which, while primarily economic in character, has obvious socio-political implications as to how production and distribution take place on a global scale. This includes the movement of capital and commodities and, more restrictedly, of human beings who provide labor. Globalization implies the development of production/distribution systems beyond local, regional, or national levels. Further, it represents a stage beyond *internationalization* in which forms of capital extend beyond the nation-state but where the nation-state remains the significant unit of analysis. When corporations such as Nestle, General Motors, or Fiat develop beyond national production/markets and begin production/distribution in other nations, they *internationalize* but production/distribution continues to be geared to specific national markets (other than the original home national market) while profits tend to be repatriated to the original home country. When, however, a firm such as Ford builds a "world car," the term *globalize* or *transnationalize* should be used to describe the changing character of that company; it is no longer an *international* corporation but has become *transnational*. Ford's "world car" required the organization of production in different countries and built redundancies into

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production and marketing. This globalization made Ford less vulnerable to production stoppages in any particular factory, whether because of transportation, supply, labor, or other local problems. In addition, when Ford distributes and markets its "world car" in a host of countries, no longer making distinctive models for a national market or a cluster of national markets, Ford has truly become a globalized *transnational corporation* (TNC). Defining the state poses more difficult problems, mostly because of the way in which the term "the state" has been mystified by Marxists and non-Marxists alike.<sup>1</sup> Marx and Engels (1976 [1848], Vol. 6: 486) stated: "The executive of the modern State is but a committee for managing the common affairs of the whole bourgeoisie." This definition gave rise eventually to an enormous conceptual literature in the 1970s.<sup>2</sup> Most of that literature, I believe, represents a mystification in that the meaning of "the state" is, in effect, the "nation-state" or, even more specifically, "the government." The major test for this definition can be found by substituting the words "the government" anytime one reads the term "the state" in a text.

In this paper, I will use the state in two ways. First, the *nation-state*, refers to a political entity that has formally congealed with territory and formal government.

In my second meaning, the state connotes neither the "executive committee of the bourgeoisie" nor some metaphysical Hegelian entity. Rather, the state consists of a *set of processes* necessary to maintain the political-economic organization of complex societies; the state is *superorganic* in the anthropological sense of being above the level of concrete social realities, or *metasocial* in the sense of being beyond or transcending society, as having a distinct life of its own.

The state in this sense is defined by four processes or imperatives<sup>3</sup> necessary for mod-

ern political economy to be sustained; **accumulation**, necessary for capitalist societies in particular (O'Connor, 1984); **legitimation**, whereby the political-economy is justified and accepted by a population (Habermas, 1975); **the mediation of class conflict**, since classes and strata, economic and non-economic struggle for position; and **reproduction**, biological and social, including the physical reproduction of the population and its social reproduction. When referring to the state in this meaning, I will use the convention "the state." The state takes on social reality in specific manifestations such as national and local governments, laws, police and prisons, schools and universities, marketing orders, and many other forms such as the National Labor Relations Act, and Ordinance No. 223 of the City of Santa Cruz, etc. These processes are the consequence of different groups/strata/classes in society seeking to maximize their economic, political, and social relationships and, in the process, give rise to formal instrumentalities such as government, regulations, taxes and tariffs, schools and universities, etc.

Finally, the *labor process* not only refers to those processes regarded as "production" but, in my meaning of the term, have to do with any kind of remunerated labor.<sup>4</sup>

This definition of the labor process departs from the implicit definition imposed on the labor process since its resuscitation by Braverman (1974). Because of Braverman, the labor process has been given more modest and restricted definition, focusing strictly upon direct production. Thus, in automobile manufacturing, it is only the physical production of the car that is usually dignified with the term "labor process." This formulation leaves out entire sequences of labor activity critical to manufacturing, let alone distribution and marketing. Auto manufacturing requires many different processes of control, usually con-

ducted by people wearing white collars and not directly involved in production but without whose labor the intricacies of car production would be impossible. Similarly, a car has to be transported from the factory to a place where it can be sold. While most who conceptualize of the labor process would probably "allow" that transportation constitutes a segment of the labor process, it is not one which has preoccupied students of the labor process nor would they necessarily include "control" workers as part of the labor process.

Complexes of processes necessary to direct production -- inventory control, inspection, design engineering, specific parts engineering, time study, maintenance of tool cribs, etc. -- should be included under the rubric "labor process." All of these processes -- many of which manual workers, directly and immediately involved in production, refer to as "overhead," (i.e., activities that are "not really necessary" but are "carried" by the efforts of direct production) and to which labor process analysts have paid little or no attention -- must be included as part of the labor process. This definition of labor process includes the distribution, marketing, and sale of the automobile. While the tendency is to reject the salesperson of an automobile as engaging in a labor process, how shall we handle the store clerks who prepare fruits and vegetables for the produce section of a supermarket? Or the clerk who rings up the purchases in the supermarket? Their activities should also be dignified as being within the "labor process" but the tendency is to ignore or overlook them.<sup>5</sup>

### ***The Pre-Globalization State and Labor Processes***

Let us begin by considering how state imperatives operate with respect to labor processes prior to globalization, i.e., the period in which production and markets are focused

primarily within the context of the nation-state.<sup>6</sup>

There is considerable variability in the pre-globalization period in the ways in which nation-states facilitate accumulation. As the earliest of the nation-states entering into capitalist production, Great Britain fostered "free trade", i.e., the elimination of barriers to trade, because it could produce a host of industrial goods -- beginning with textiles -- cheaper than other nation-states. Other nation-states, seeking to develop their own capitalist industries, set trade barriers. Each nation-state's position affected its capacity to accumulate.

In terms of labor processes, variability in time and technological development affected the rate of industrial development. In early capitalist industries in nation-states such as Great Britain, the rate of development was gradual. Later arrivals could skip the earliest stages of primitive accumulation to more advanced stages.

Trotsky (1969), noting the enormous size of Russian factories, formulated his theory of *uneven and combined development*. This theory held that, precisely because Russia's capitalists arrived on the scene of industrialization when technology permitted large-scale factories, Russia skipped over the various stages through which earlier nations such as Great Britain had passed. Russia's working class was gathered, as a result, in much greater concentration in individual factories and spatially. This accounted, according to Trotsky, for the proclivity of the Russian working class to be revolutionary.

Almost all nation-states developed ideological systems legitimating capitalist socio-economic relations. From Adam Smith's wonder over the power of the industrial division of labor to Horatio Alger's popular tales of social mobility, capitalism's superiority over pre-capitalist social formations became well-established. Embodied in school curric-

ula, touted through the media, capitalism justified the new forms of social relationships, promising a better life to all through ever-increasing wealth.

Legitimation of the new forms of class formation could be found in doctrines such as Weber's Protestant Ethic and Sumner's Social Darwinism. Rather than legitimizing principles such as "the mandate of heaven" in China or its European formulation, the "divine right of kings," the political justification for most capitalist nation-states originated in "the people" and was validated by elections. Over time, the franchise was extended to the lower classes in each nation-state thereby legitimating the growing nation-state bureaucracies.

But privileges for one set of classes meant a lack of privilege for others. The organization of the working class led, in most nation-states, to the formulation of legislation by the nation-state of various protections. Germany, with its powerfully organized social democratic party and trade unions, provided economic security protection. Other nation-states, particularly the United States, had capitalist classes that resisted these tendencies until the Great Depression of the 1930s. The introduction of a battery of labor protective legislation created the situation in which a major segment of the working class became attached to the next stage of capitalist development in the US.

If labor protective legislation provided legitimacy to the capitalist state within the context of the nation-state, it also involved the imperative of mediation of class conflict. Nation-states intervened at different levels at different times in the development of each state system and economy. In Great Britain, for example, the growth of trade unionism led to attempts to integrate labor in production processes through "joint consultation." Unsuccessfully pursued for decades by the British nation-state, joint consultation sought

to draw workers organized through their trade unions into the accumulation activities of individual firms (Clegg, 1976). At the same time, in periods of economic crisis such as the 1920s, the British nation-state intervened directly in specific events such as the General Strike of 1926 to undermine working class action (Arnot, 1967).

The intervention of the nation-state in the US remained crudely on the side of capitalists until the 1930s and, to a less vulgar extent, after 1947 when the Taft-Hartley Act was passed by Congress. Working class actions were frequently met by the direct repressive power of the state through the courts and/or the application of violence. During Franklin D. Roosevelt's administration in the 1930s, repressive courts and police forces became somewhat mediated by the New Deal, collective bargaining was legitimated, and the level of violence was reduced, making the nation-state more of a class arbiter.

An interesting aspect of class formation and trade union development occurred in Italy where the agricultural working class was among the earliest of social classes to organize itself. The Italian case stands in sharp contrast to that of the United States where agricultural worker organization was delayed until the 1970s and, even then, was essentially limited to California. As for legislation protecting agricultural workers and mediating class conflict, only two states -- Hawaii and California -- established protective legislation. In a number of other western states, fear of organization of farm workers led to grower-employers initiating legislation that effectively precluded farm worker organizing.

In Germany in the post-Nazi period, the working class was built directly into the accumulation process through *mitbestimmungsrecht*, co-determination or the principle of union representation on company supervisory boards (King and van de Vall, 1978: Chap. 4).

The mediation of class conflict occurred in myriad ways in different states at different time periods. These developments facilitated the establishment of regularized and standardized relations at the point of production and had the consequence of permitting the evolution and development of labor processes under the basic control of capitalists.

In Europe, major wars which decimated whole populations led to the establishment of economic actions to encourage population growth. Allowances encouraged the working class to produce more children to re-staff the working class. In the United States, immigration became a primary mechanism for the production of the working class.

Policies which increased the size of the working class also conflicted with legitimation imperatives. While capitalists in a nation-state might want to increase the working class to create labor surpluses with the concomitant reduction in the cost of labor, working classes organized politically to limit labor importation. Thus the physical reproduction of the working class was effected in most nation-states through incentives to bear children, a palatable cultural process. It was mainly in "new world" nation-states that immigration was acceptable as the means to increase population.

In all capitalist states, there developed the recognition that basic skills such as reading and calculating were critical to employment. The elaboration of publicly-funded school systems as primary state mechanisms of social reproduction therefore became universally established.

### ***State and Labor Process***

In fulfilling the logic of capitalist development, nation-states grew in size and influence. In the meantime, state processes with respect to specific labor processes was essen-

tially one of facilitating the growth of capitalist economy with minimal interference in the elaboration of labor processes.

There was some involvement, however. It became clear that left to themselves, capitalists would largely exploit workers unrestrainedly. The nation-state, therefore, to legitimate its existence to the working class and to mediate the violence of class warfare, introduced *protective labor legislation* which affected labor processes.

This legislation took many different forms. In the US, for example, protection was provided in the 1930s on the number of hours that could be worked and in preventing (with many limitations) the employment of children. Rules were set on the operations of machinery to protect the safety of workers on the job. At a later stage, more complex regulations and a more effective (but still inadequate) enforcement system was established to protect the health and safety of workers.

Such developments affected labor processes. Employers had to live with rules that somewhat slowed the pace of labor and impeded access to dangerous machinery; few labor processes were actually shut down.

Throughout the pre-globalization period, all such actions occurred with the context of the nation-state. Although an inter-nation-state organization, the International Labor Organization, occasionally adopted "conventions", these depended entirely on their acceptance by individual nation-states.

Agricultural labor processes in the pre-globalization period were marked, on the whole, by the relative retrograde status of agricultural workers. In most countries organization lagged behind that of other workers. In the US, as has been noted, no significant organization took place until the 1970s and even that was limited. In Great Britain, despite early organization, the condition of farm workers remained backward because of the

way in which farm labor and housing were integrated (Newby, 1979).

As for agricultural labor processes, all were marked by the incredible variability of agriculture itself. From day-labor in southern Italy, to the peasant-like producers of Germany and France until just after the Second World War, to the hired hands and cowboys and the many-splendored ethnic/racial workers of California in the US, agricultural labor processes were highly differentiated.

State activity with respect to agricultural labor and the labor process in the US was two-fold: maintaining control over labor and a steady oversupply (Fisher, 1953). Control was effected by eliminating farmworkers from the protections accorded industrial workers during the 1930s and by the application of legal and informal sanctions when workers organized. Thus, injunctions, the police, the courts, and the legal system were invoked when workers organized time after time. The formal system was buttressed by vigilantism, mob action, night riding, and other forms of informal and illegal control processes. All of these control forms kept workers "in their place" and permitted employers to specify the character of the labor process.

An oversupply of labor was institutionalized in the 19th century through the encouragement of successive waves of immigration. In the western US, after exhausting the Native American population as a labor source, sequentially Chinese, Japanese, and Filipino workers were brought from Asia. During the 1930s, they were replaced by Americans from the Dust Bowl midwest. During World War II, the flow of labor from Mexico was institutionalized in a government-to-government agreement intended to alleviate the labor shortage caused by the war. Despite the war's end in 1945, agricultural capitalists were able to maintain the flow of labor through the wartime program until 1964. This *bracero* pro-

gram provided unlimited supplies of Mexican workers to southwestern (predominantly California) agriculture and helped to perpetuate grower control over labor processes (Galarza, 1964). Thus, the state facilitated agricultural accumulation.

### ***Labor Process and the State Under Globalization***

Two major conditions describe labor processes in agriculture under conditions of globalization: the elaboration of the *international division of labor* while local divisions of labor remain relatively unchanged; and *uneven and combined development*.

### **The Comparative Analysis of the Political Economy of Globalized Commodities**

Before explicating these developments in the labor process, it would be useful, for heuristic purposes, to examine four globalized commodities, agricultural and industrial, to consider some ramifications of globalization, the state, and the labor process. These examples come from different stages in the development of capitalism and exemplify the variations that occurs in labor processes and state imperatives under conditions of globalization. The examples are petroleum and automobiles as non-agricultural commodities, and sugar and bananas from agriculture.

Petroleum and automobiles are globalized commodities that lost their national base after the second world war. Until World War II, both commodity systems were built around national markets with nationally-based firms dominating or significant in each national market. Politically, neither involved direct colonial systems and were therefore unlike either sugar or bananas. Sugar appeared on the scene much earlier than either petroleum (which did not become significant as a commodity until approximately a century ago) or

bananas. Banana production appeared somewhat after petroleum but had a much slower growth. Once automobiles began to be produced on a mass production basis by Henry Ford, petroleum production expanded enormously, but still retained much of its national base.

Sugar represents one of the earliest commodities in mass production and trade over long distances. Sugar, once produced, is a relatively stable commodity: it can be stored, transported, handled in a variety of different ways and, as long as it is kept clear of contamination of foreign elements (especially water), it will remain stable for long periods of time. Sugar represents a *processed* commodity whose processing gives it long shelf-life and stability.

The banana, in contrast, is a fresh commodity which, except for some minuscule other purposes, is consumed relatively unprocessed. Harvested at the right moment and kept under temperature control, bananas can be transported long distances. Near the point of sale, bananas have to be "ripened" by exposure to gas and heat. Before "ripening," bananas have a relatively short (especially when compared to sugar) life but that life is long enough not only to bear long-distance transportation but additional storage before ripening and moving into consumption. Once ripened, bananas have a very short shelf-life as a *fresh* commodity.

Sugar, as a commodity in mass production and distribution is relatively ancient, tracing back to the origins of capitalism in the 17th century (Mintz, 1986). Bananas are a more recent commodity in mass production, originating in the last part of the 19th century and entering into mass consumption later, when refrigerated shipping became feasible.

While these two commodities represent two major strands in agricultural commodity systems (ignoring agriculture intended for fi-

ber production), neither represents very well the forms of production-distribution under conditions of modern capitalism. Both systems still are substantially dependent on production under tropical conditions and in colonial or semi-colonial social relationships. Sugar has undergone significant change in social relationships as a result of the cultivation of sugar beets which are a more modern, truly capitalistic, form of agriculture. In contrast, bananas have not made such a transition and remain largely characterized by the kinds of social relationships found in colonies (economic and/or political).

The contrast with the two industrial commodities, petroleum and automobiles, is substantial. While a great many products are made nowadays from petroleum, until automobile production began on a mass production basis, petroleum was used primarily to make kerosene (or some similar form) for cooking and lighting. Once automobiles became commonplace rather than an exotic substitute for horses, petroleum began a long and complex process of industrial differentiation.

Although petroleum as a commodity source globalized significantly after the First World War (Yergin, 1991), petroleum firms retained their national bases until much later. And even to the present time, most petroleum firms, despite their size and influence, retain much of their national origins, with firms like Exxon being associated with the US, Shell with Britain and the Netherlands, etc.

Automobile production followed a somewhat similar pattern with car-making firms retaining much of their national bases up to the present. Auto manufacturing varies substantially in production from petroleum. Petroleum represents a single original resource, although with variation based on its chemical composition when extracted from the ground. It must then be moved, usually over great distances, to locations where it can be

processed into a great variety of products. Autos draw their materials from enormously dispersed locations, process them in many different locations, and then assemble thousands of components into a small number of commodities, differentiated according to markets such as automobiles, trucks, tractors, etc. (Womack et al., 1990; Chap. 2).

While petroleum and autos are both capital intensive systems, petroleum is refined into different products at very large installations requiring huge amounts of capital and relatively few workers. Auto production is also very capital intensive but requires large numbers of workers, especially when compared to petroleum. With petroleum, the raw commodity is transported over great distances and the refined products are moved over lesser distances. Auto production requires equally great movement of some components (rubber, jute, etc.) but lesser movement of the majority of components which are made of metal.

As agricultural commodities, sugar and bananas are less capital-intensive than the two industrial commodities. Because of their tropical locations (until well into the 20th century when sugar beet technology began to be understood better), both sugar and bananas developed under colonial and semi-colonial conditions. Sugar production began shortly after the new world was "discovered" with the establishment of colonies. As sugar moved into mass production, the labor process depended upon the importation of slaves from Africa. When slavery ended legally, sugar production maintained the subordinated social relations of production through colonial systems; these relationships remained substantially unchanged after the colonies became politically independent.

Probably the most significant change in sugar as a commodity system developed as a result of the capability of making sugar from sugar beets, a plant appropriate to the temper-

ate climates of the industrial world. After passing through a period of the use of large volumes of labor, sugar beet production was mechanized and is now more capital intensive, using very low volumes of labor (Mamer, 1958).

Bananas, with tropical production sites and northern metro-industrial markets, involve careful logistical planning (Wilson, 1947). Bananas have to be scheduled in production so that an appropriate flow of the raw commodity fits the arrival of refrigerated ships. In the early stages of the commodity system, banana production occurred under colonial conditions imposed by the northern European countries (especially Britain and France), as well as in the US semi-colonies (of Central America and more recently South America). The latter were countries that were politically independent but under the domination of the US which intervened directly with military force or subversion from time to time.

While sugar and bananas are simple systems compared to petroleum and automobiles, sugar requires an integrated production system to grow and harvest sugar cane and deliver it rapidly to processing before the cane loses its sugar content. Sugar plantations are complex up to the point of processing; once processed, sugar is (relatively) stabilized and can be moved great distances for additional processing and use. In contrast, banana production involves logistical planning of production, transportation, storage, ripening, and delivery on tight schedules to consumers before the fruit becomes unsaleable.

State imperatives with respect to these four commodities are highly variable. Automobiles represent *national* development in which the nation-state plays a significant role in facilitating accumulation through systems of taxation and import and export controls. Petroleum is variant by virtue of the different resource endowments of nations. In the case of the US,



because of substantial indigenous resources, petroleum development occurred as an internal process. In the case of other nation-states, petroleum development occurred beyond the spatial confines of the nation. Thus, British and French petroleum capabilities were initially based on investments outside the nation. This meant the development and cultivation of client states, particularly around the Persian Gulf, but also elsewhere.

The differences between these two commodity systems meant that something like the auto industry tended to be treated like any manufacturing sector. State formation and development involved "standardized" processes of accumulation, legitimation, conflict mediation, and reproduction applicable to all industrial products. In the case of petroleum, because the resources were found beyond the spatial bounds of the nation-state, state involvement took the form of direct or economic colonialism. Until the petroleum crisis of 1973, the colonial character of relationships between capitalist metropole and "developing country" was profound; after 1973, the formation of the OPEC monopoly required amelioration of inter-state relations but the fundamental imbalances in power relations between metropole and periphery remained largely intact.

State imperatives with respect to sugar and bananas were very different by virtue of the tropical origins of both commodities. While the development of beet sugar capability gave temperate core nations such as Britain, France, and the US access to sugar within national borders, the historic development of sugar came with the growth of tropical colonies of the metropolises, except for the US where there were semi-colonies, ostensibly independent "nations" in the Caribbean and Central America dominated economically by the US. State relations in sugar, therefore, were characterized primarily by the exploitation of

colonies and semi-colonies with the nation-state dominating the political system either directly (in the case of imperial Britain and France) or indirectly (in the case of the US).

The banana system operated similarly to sugar; the hegemonic metropole supported the firms which produced and exported the fruit from the periphery to the metropole. Accumulation remained national in character. The US situation was slightly different because of the formal political independence of the banana producing countries. In the case of Cuba and Central America, until the 1960s the main loci of banana production, political domination was masked by the formal independence of the countries although there was universal recognition of their economic domination by the US nation-state. When the "natives got restless" on occasion, the US nation-state became habituated to direct interventions.

The main agency of the US in this accumulation process was the United Fruit Company (now known as Chiquita), a firm which exercised political dominion in much of Central America and Cuba until the Castro revolution. After that period, the forms of accumulation shifted as different firms entered banana production and became significant players in the US market.

### **Changes in Globalized Labor Processes**

The two major changes in labor processes under conditions of globalization, the elaboration of the international division of labor and uneven and combined development, reflect the ways in which production and distribution organization change as production and markets become globalized.

The changes in the division of labor reflect the introduction of new production processes, in particular, in non-traditional locations. This involves the development of electronic

industries in places like Malaysia, on the industrial side, and the introduction of *non-traditional export agriculture*, in the agricultural realm. I will not deal with industrial divisions of labor other than to note that the agricultural division of labor takes on industrial characteristics, just as it has long experienced in the Sunbelt USA. Essentially there is a transfer to Third World locations of agricultural production technologies replicating to a considerable degree advanced capitalistic agriculture.

Technology transfer does not mean, however, that the social relations of production are also transferred. All too frequently, the tendency is for traditional social relations to be modestly changed to accompany the transferred technologies. Thus, at the level of wages and remuneration, the tendency is to utilize an already-existing wage structure in which wages are inordinately low compared to advanced capitalist settings. The local nation-state usually facilitates capital accumulation by setting low wage standards and often not enforcing them.

Working conditions show similar primitive characteristics. The hours of labor, the treatment of workers at labor, and, in particular, exposure to agricultural chemicals are even less rigorous (Wright, 1990) than in the sloppy and loose enforcement found in advanced capitalist nation-states.

Most Third World nation-states, anxious to create employment for their populations, facilitate the accumulation process by encouraging the development of the labor supply. In places such as Mexico, new sources of labor are encouraged, recruiting populations previously isolated from modern economic sectors, drawing workers into an expansive export-oriented vegetable production system (Kearney and Nagengast, 1989). Countries such as France draw on labor supplied by migrants, initially from Portugal and when that labor supply dries up, from North Africa

(Martin, 1984). In North Africa, export agriculture for the European Community (EC) draws thousands of former peasants into the agricultural proletariat.

And, all too frequently, as agricultural (and industrial) workers begin fitful attempts at dealing with low wages and miserable conditions, the repressive state comes into effect, responding to the demands of a bourgeoisie, comprador and foreign, to maintain poor existing conditions and low wages. The later stages of nation-state development involving legitimation and mediation activities have not yet, on the whole, begun to be noticeable in most Third World situations.

The division of labor itself, however, is not fundamentally changed -- other than with respect to the kinds of divisions of labor that existed prior to the introduction of globalized production. A "California pattern" of division of labor is introduced involving external capital, local bourgeois owner-operators, the introduction of technical agronomic expertise (to produce non-traditional commodities or traditional commodities new to markets in advanced capitalist societies), small numbers of permanent employees, and large numbers of seasonal workers for periods where labor demand is high, such as the harvest. This division of labor is not new; rather its "newness" consists of the introduction of a division of labor previously unknown in the local setting.

In the processing of agricultural products, from the point of view of uneven and combined development, globalization makes little difference since most large-scale capitalist firms -- such as Nestle and Del Monte, among other -- introduced production facilities many years before, often to develop the local market but also at the beginning stages of their globalization as firms.

Uneven and combined development applies more appropriately when considering the introduction of non-traditional export-oriented

agricultural systems for the fresh market, rather than for processing. Fresh market production, whether for locally-grown traditional commodities or for non-traditional new crops, introduces the most modern agronomic practices and technologies. Thus, to feed fresh markets at continental distances from the point of production requires a complex planning process and logistical system to deliver perishable commodities. This entails two major effects in uneven and combined development: first, change and adaptation in social relations of production; second, the imposition of the complex logistical system to move produce.

In the first instance, production can no longer be left simply to the vagaries of nature. While nature in the form of weather conditions, insects and plant diseases, etc., always is an "actor" and introduces uncertainty, modern production requires greater control. This is effected by the introduction of complex irrigation systems where rainfall is uncertain or low, the establishment of agronomic practices that maximize predictability in production, and a host of other practices. Third World agricultural practices are transformed as the most advanced technologies are introduced.

In places like Chile, the most advanced California techniques, directly from the agricultural scientists at the University of California, Davis, are introduced (Goldfrank, 1989, 1990). While grape growers in the Coachella and San Joaquin valleys in California already have long-standing investments in vines and trees, the Chileans can adopt the latest technologies, leaping over (at least in part) Californians who must first recapture their investments before they can replant vines and trees.

When the Brazilian nation-state initiates a massive development in the Sao Francisco Valley, the Brazilian and foreign investors that move in to take advantage of the infrastructural development can introduce the most

modern techniques on the largest scale conceivable (Ferreira-Irmao, 1992; Collins, 1992).

In a similar fashion, French and Norwegian investors have moved into southern Portugal to take advantage of extensive hydroelectric and irrigation potential created by the Portuguese nation-state. Large-scale industrial agricultural organization is put in place on thousands of hectares, complete with the most modern division of labor. In one case personally observed, French capital began production of vegetables for the EC winter market using French and Italian managers, Portuguese agronomists, and local women agricultural and packing workers by the hundreds. The equipment, machinery, division of labor, agronomic techniques are as technologically advanced as can be found anywhere in the world and co-exist side-by-side with remnants of peasant agriculture.

The second element in combined and uneven development flows from the need to establish the complex logistical system to deliver fresh fruits and vegetables to advanced capitalist markets. This is no trivial matter as producers and distributors in places such as Africa and Asia have discovered. In such cases, the commodities can be produced and delivered to airports or shipping centers but the non-availability of refrigerated containers or space on aircraft or the non-arrival on schedule of refrigerated ships produces a total loss for investors.

It is necessary, therefore, to establish a logistical network, the *cool chain*, from the point of production to the point of consumption whether by road transport, sea, or air (Carter and Turner, 1988). Where there is spatial contiguity or propinquity, this problem may be overcome by infrastructural development of roads, bridges, and ferries. But even this task is non-trivial. Anyone who has driven Portugal's congested roads to its pocked and pitted tertiary local roads leading to its modern

latifundia can understand the problems of road transport. This is even more complex when the distance between continents dictates the need for air or sea transport. Air transport is very expensive, costing far more to transport commodities than to produce, harvest, and pack them. Sea transport is cheaper but requires a critical mass of volume of production; unless such volume can be obtained, sea transport is economically and logistically unfeasible.

The requirements of logistical control and careful planning have produced another aspect of combined and uneven development: the economic concentration of distribution (Friedland, 1994). Whereas, in the pre-globalization period, there were large production organizations of bananas (such as Chiquita and Standard as US firms, Geest in Britain, and Fyffes in Ireland), these firms, and a handful of others, have moved into the distribution of other fresh fruits and vegetables and begun to dominate this segment of the labor process. Unlike their banana enterprises, where they are often actual producers of the fruit, as they move into other tropical exports and non-traditional export commodities, these firms are less likely to grow the crop than to contract with local compradores to grow on their behalf. They must, however, maintain logistical control over the total labor process so that production-transportation-distribution can be effectively scheduled to reach distant markets.

Globalization, in other words, takes one segment of the FFV production system and produces economic concentration where the system was hitherto deconcentrated and diffuse.

And what are the roles of the nation-state and state in the globalization process? The nation-state, whether advanced or relatively underdeveloped, experiences some ambivalence about globalization.

The capacity of capital to move means that local societies and economies are disrupted, either when capital moves in to initiate production or moves out to produce elsewhere. When moving in, the nation-state is called upon to make investments in infrastructure, install appropriate socialization processes, provide abatements of taxation, relax or ignore restrictions on the use of chemicals, etc., as stimuli to attract capital flow. When capital moves out, the nation-state is left to pick up the debris: unemployed workers, workers who have been maimed and injured by industrial processes, and contaminated local environments, among other problems. On the whole, however, nation-states and their various local jurisdictions usually stand themselves on their heads to attract new capital and its concomitant employment.

The exquisite ambivalence of nation-states on these matters is manifest in the debates over the North American Free Trade Agreement (NAFTA) and the development of the EC after Maastricht. But Third World nation-states are usually less finicky -- not that advanced capitalist nation-states reject the advance of new capital. The generalization can be made that, except in unusual cases, most nation-states welcome or accept the capital flow that accompanies globalization. The example of the maquiladora belt that runs on the Mexican side of the US-Mexico border is exemplary (Fernandez-Kelly, 1983).

State imperatives -- accumulation, legitimation, conflict mediation, and reproduction -- continue within the context of globalization. These can be found within the confines of the nation-state but, again, there are manifestations of ambivalence. This occurs because the bourgeoisie in any nation-state is unhomogeneous. Some segments of the bourgeoisie, usually but not always the large ones, are the globalizing segments. Powerful not only economically but also politically, they argue

for the importance of globalization along the lines of "progress," the need for "free trade" and its benefits, etc. Other segments of the bourgeoisie remain national in character, with national production intended for national markets. The low wage characteristics and low levels and lack of enforcement of environmental regulation of global capital place national capitals at a disadvantage. National capital becomes trapped between wanting to get larger and the need for self-protection. The nation-state becomes involved in such battles and its politicians and bureaucrats can exercise various degrees of freedom that lead scholars that study such matters to the analysis of the state as structural rather than instrumental.

In the meantime, the nation-state itself becomes problematic since state imperatives are no longer limited to and regulated at the level of the nation-state. Even though superstatal organizations -- such as the UN, the Food and Agricultural Organization (FAO), the International Labor Organization -- exist, these are relatively weak in character because their representation derives from nation-states usually representing national interests.

The imperative for state processes at the global level continues. These needs are satisfied through superstatal organizations, on the one hand, and commercial and private agreements by global capitals, on the other. In the case of agricultural products, for example, the Organization for European Cooperation and Development (OECD) convenes groups of technical experts coming from nation-state agricultural ministries to write specifications for fresh produce (OECD, 1983). In other cases, an agreement is reached to specify the degrees brix (percentage of sugar) in frozen concentrated orange juice which is universally used but which has no relationship to the ostensible international standard set in the *Codex Alimentarius* of the FAO (Friedland, 1991).

But most problematic of state imperatives in globalization is that no formal transnational state bodies exist. While the United Nations and its agencies might have become such an entity, continuing control by nation-states and preoccupation with national interests within the context of the superstatal organization have precluded the UN and its agencies from significantly carrying these imperatives although they sometimes, idiosyncratically, carry some in truncated form. Most important, however, is that these agencies have little to do with labor processes, leaving these in the domain of the nation-state.

This creates a "clear field" for the mobility of capital which can move into new areas of production and establish technologically advanced labor processes that conform to the geophysical limitations of particular environments. In a word, globalization creates greater degrees of freedom for capital to install labor processes.

### **Conclusion**

The world is currently experiencing a fundamental restructuring in the globalization of production and distribution which poses many problems for scholars seeking to understand where the world is going. A major debate has been unleashed as to the significance of new transnational forms of organization, the significance of transnational corporations, and whether nation-states are losing power and the comparative importance (or lack thereof) of international organization. While some scholars argue that a new phase in the development of capitalism has reduced the nation-state to impotence in confrontations with transnational capital, others contend that, while transnational capital is of growing importance, it must ultimately come "to rest" in some physical location and therefore the nation-state remains the fundamental unit of analysis.

These arguments will undoubtedly continue for some time; the forms of transition that we experience in any historical period are best understood sometime after the fact. Those experiencing such transitions often cannot "see the forest for the trees" of immediate experience. In the meantime, the concrete analyses of specific social phenomena such as the labor process provide some indications as to relative distribution of power and importance of different units in the globalization process.

The analysis offered here is that globalization provides new opportunities for capital to escape to some degree the forms of control exercised by any particular nation-state. In many respects, what globalization accomplishes is the development of new "degrees of freedom" for capital. But such movement is not always completely "free"; Malaysia may become a new major center for electronics manufacturing but it is notable that this is not the case with either Chad or Nepal. This is because each labor process requires certain geophysical and social structures and these are not always present in any given location.

Agricultural labor processes also experience these limitations. It may be possible to overcome some aspects of these limitations but this does not mean that each case will be successful. The attempt, for example, to introduce fresh vegetable production into Senegal for the European market proved unsuccessful (Mackintosh, 1989) but the process has been successful in other African loci. Transnational capital, in other words, has developed considerable skill in movement and, as a consequence, has weakened the power of many nation-states. Other nation-states, e.g., the US and those of the EC, remain so important as markets that most TNCs must remain proximate to them and, therefore, fall under the control of the nation-state.

In this dynamic situation, the main role of those of us who study such developments is to

continue to monitor them to understand what is taking place, their effects on different strata of the population, and to seek to mitigate some of the less salubrious effects of the transition.

## Notes

1. For some of the definitional problems on the state, see for example Boudon and Bourricaud, 1989:374; Fried, 1968; Hall, 1993; Kolb, 1964; Miliband, 1983; Minogue, 1985; Sabine, 1962; and Watkins, 1968.

2. See, for example, Evans et al. 1985.

3. In the original paper presented at the Wageningen meeting, I used the term "functions" instead of "imperatives." This usage drew a number of objections since it linked my conceptualization to functionalist theory, something which was unintended. I have, therefore, shifted the terminology. It was also suggested, at that meeting, that I broaden the imperatives to include at least two more: protection of the nation-state and taxation. For the moment, I am not prepared to expand the imperatives beyond the original four.

4. I am aware of the problems involved with spouses (overwhelmingly women) not engaged in remunerated labor. Such people contribute to daily reproduction without which society and economy would grind to a halt. This issue will not be dealt with in this paper.

5. I suspect this blue-collar Marxist snobism derives from Marx's arguments which emphasized the direct process of production in earlier stages of capitalist development. By the 1930s and 1940s in the Old Left, this snobism continued to focus on the blue-collar manual proletariat as "the proletariat" and ignored the shifting structure of the labor force and labor market. While C. Wright Mills (1951) (and others) recognized that a fundamental shift had created a massive new proletariat, the "white collar" or "pink collar" proletariat -- Marxists have remained focused more on blue-rather than white- or pink-collars and have approached the enormous growth of the skilled professional classes tentatively and with hesitation.

6. Included in this period are the labor processes associated with colonialism and imperialism. Despite extending spatially beyond the geographical confines of the nation-state, colonial labor processes are integrally linked with metropolises.

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