

But this in Brazil, but there are many others in different parts of Latin America. In Indonesia there's a very active land movement emerging. The Landless People's Movement that's taking shape in South Africa is a reflection of the ongoing significance of agrarian questions. But what is needed is an understanding that does not see these agrarian movements simply as rural or peasant movements, but sees them in their relationship to what is going on in urban areas and tries to make connections with worker's movements, with struggles around electricity, water, urban services, and so forth, which in many parts of the world are in the process of being privatized. This is one of the examples where struggles around land, struggles around livelihood, and struggles around broader living conditions might be linked and connected with one another in ways that are both attentive to historically, geographically specific conditions but are also able to see linkages and connections with what is going on in other places.

CHAPTER NINE

Ursula Huws: Labor and Capital, Gender and Commodification

You contend that what has powered the economy in the twentieth century has been the transformation of previously unpaid domestic and hence female labor. How so?

UH: I think probably the word that sums up the process I'm talking about is *commodification*. The way capitalism has developed over the centuries has been by transforming activities that used to be carried out, if you like, for their use-values in the home—were outside the money economy—transforming those activities into the basis of commodities that can be mass-produced and sold for profit.

Now, it's often a two-stage process. You don't go kind of straight from grandmother scrubbing clothes on a washboard in the kitchen to the washing machine. There's also an intermediate phase where it's a service industry, like for instance the mass laundry industries that grew up at the beginning of the twentieth century. But the inexorable process is towards creating more and more commodities that can be mass-produced.

What are some other examples of things that previously had been the domain of female labor that were then commodified?

UH: Almost all the things that used to be done by women in the home—either in the nineteenth century or in the second industrial revolution around electricity in the 1920s and '30s—became the basis of new commodities. In the nineteenth century we saw products like soap, mass-produced goods, and prepared food. Up to the eighteenth century in Britain, things like beer were made in the home—people wouldn't go out and buy them—and things like candles and clothes for the household and so on were all made in the home. As the eighteenth and nineteenth centuries wore on, they became the basis of factory-made goods. And then in the twentieth century, with the spread of electricity, a whole new wave of commodification came in, creating things like vacuum cleaners, washing machines, and a whole range of appliances in the home that we use supposedly to take the labor out of housework.

You also write about activities that aren't turned into tangible commodities, but turned into services instead.

UH: I think the way that the process tends to go is it starts off being an activ-

ity which is carried out for nothing in the home—for rich people by servants in the home, and for poor people, for themselves in the home. And that could be almost any activity. It could be like making music, like telling people what happened during the day, like making the news and so on; or, as I said earlier, washing clothes, preparing food, and cleaning.

And then in the next stage, you get the development of what you might call mass service industries. From things like just people making music in the home, you got things like orchestras or bands or various forms of performance music that was performed by people who are providing a service. You might have had to send the clothes out to a laundry or have a washerwoman come in or have food that was prepared in a restaurant or something like that, which is the service industry.

The thing about service industries is that it's kind of hard to make a profit from them above a certain point, because the workers have to be reasonably skilled. Each restaurant meal has to be cooked more or less the same way, for instance, or each shirt has to be washed more or less the same way. And so as they become the basis of large industries and then they have to compete with each other. The way to improve productivity, when technology comes in, is to find a way of commodifying it; in other words, making it so it can be a mass-produced product. And slowly the service industries give way to manufacturing industries. So the live performance by the orchestra gives way to making records or CDs or DVDs or making radio sets or television on which people can experience the music.

And capitalism makes a lot more profit out of commodified music, like selling CDs, than it does out of live music. Running the Milan Opera House or something like that requires huge public subsidies. But selling CDs of Pavarotti's greatest hits, you can make an awful lot of money on it.

You point out that pleasure, too, has come to be regarded as something that can be bought, leading to the growth of the entertainment industry, amusement arcades, package holidays, the cosmetics and fashion industries, and pornography. How is this commodification of pleasure linked to traditionally female work?

UH: It's not exclusively female work, but the tendency is that the bulk of activities that go on unpaid in the home are done by women. Housework activities historically are linked with the role of the mother or the wife as somebody, if you like, who services the family, who pleases, who gives pleasure, who entertains the kids, who gives sexual pleasure to the husband. It's a role of actually giving pleasure. If you can say that there's a service relationship in the home, it tends to be one in which more power is held by the man and the woman is doing the servicing, rather than the other way around.

We can't generalize too hard around these things and there are class dimensions to these differences, and there are ethnic dimensions to these differences as well. But generally speaking, it's been the areas of life which have been historically most protected from the market that have been the areas of women's unpaid labor and of social relations in the home. In the twentieth century particularly these became very much opened up to the market and have become the basis of new industries.

How would you say this change has affected the status of women?

UH: I think it's the constant process of renegotiation of relationships between men and women, between parents and children, between disabled people and their carers, between people who work in other people's homes and the people they work for. The home is a site of, or the sphere of, consumption, if you like. It's a site of constantly changing relationships.

One of the really interesting and scary things that commodification is doing right now is that what it takes with one hand, it gives with the other. For example, we all go out and buy supposedly labor-saving appliances to make our lives easier in the home—we buy washing machines, we buy fridges, to try to minimize the amount of housework we do, but the amount of time people spend on housework doesn't go down. In fact there's a lot of evidence it's actually going up. Part of the reason for that is that the kind of work that used to go on in the home, like the physical work of scrubbing floors or peeling potatoes or whatever it was has been replaced by new kinds of consumption work, whether waiting in line in checkouts at an ATM machines or in supermarkets or in gas stations or waiting in virtual lines in a queue for a call center. Because increasingly the purchasing of these commodities and the distribution of these products has become quite a complex process with more and more self-service involved and as the market becomes more complicated, choosing the right product also becomes much more complicated.

But also these things become harder to work and harder to learn how to work. So there is effort involved in choosing the product you want to buy, learning how to use it, getting it fixed when it goes wrong, and increasingly all these processes involve consumption work. And so the time spent on unpaid labor is just as much as it always was—it's just a different kind of unpaid labor from what it was in the past.

Who benefits from consumption work like self-service?

UH: It's to the benefit of the employers of service workers. What's happened is that the service industries have become more and more Taylorized, in order to maximize the productivity of service workers. The time they spend on each

task has to be minimized. The tasks become more and more routinized, more and more speeded up. You can talk to anybody who works in a call center and they'll tell you what the pressure is to keep the length of the calls down, to deal with as many calls as possible, to meet performance targets, et cetera. Now the way that that is done, the time that is saved hasn't just disappeared into nowhere. It's been transferred onto the consumer, so paid time has been turned into unpaid time.

The same thing has happened in supermarkets. In the early years of the twentieth century lots and lots of people worked in retailing and they stood behind counters and literally waited on people. They stood there with their aprons on doing nothing until a customer came along and when a customer came along, they said, "What do you want, Madam?" and then bagged up the vegetables, weighed them, did all the labor and handed them out and it was actually physically delivered by a kid on a bike. In my childhood in Britain in the 1950s you'd be sent down to the greengrocers with an order, and then later that afternoon a boy would come along on a bike and deliver it all.

Now all that labor of delivering and all that waiting time and all that time spent bagging up the vegetables and so on have been transferred to the consumer. And also a lot of the cost of transport and storage that used to be born by the industry is transferred to the customer. And this they call increasing productivity—it's pressurizing and Taylorizing the work of the paid workers, squeezing as much labor out of them as possible. But it's also transferring all the squeezed-out labor onto all of us as consumers.

And it's not just that it's the amount of work has been increased, but it's also the quality of that work has changed as well. So the kind of autonomy that people used to have in terms of how they structure their consumer experiences has increasingly been ironed out because of the Taylorization of service workers.

When you say "Taylorization" you mean assembly line-like pressure and standardization.

UH: Absolutely, yes. For instance, if a call center worker is working with a standard script, as they very often are, that doesn't just mean he or she has to always ask the same questions in the same sequence. It's also means that the consumer has to effectively fill in the form as well. It removes your right as a consumer to actually say what you want to say.

You know, you've been waiting in line, listening to this recorded message, saying, "Your call is important to us, please hold," and you hold and then you key one for marketing and two for this and three for that and whatever other number for customer service, and you finally get through to the right call center

operator, who could be anywhere in the world, incidentally, and she says "Hi, my name is Tracy, how can I help you?" And you, at that point, are exploding with rage and you want to say, "Well, Tracy, I ordered this dishwasher and you delivered me a fridge." But you can't do that because you have to follow their script. Because first of all they say, "Can I confirm your zip code and can we confirm the registration number?" And all of this is all being done in the name of choice and consumer rights and so on.

The act of being a consumer has increasingly been reduced to effectively filling in forms. If you buy things on the Internet, it's literally filling in forms. If you're doing it over the phone, it's virtually filling in forms. Sometimes I think just this business of being a consumer—you have to remember passwords and pin numbers—it's a kind of bureaucratic nightmare. It's just as Taylorized as if you were an employee but you aren't even paid for it.

In *The Making of a Cybertariat* you point to an increased individualization and privatization of daily life, so that for example people now, instead of going to the movies, watch television or DVDs at home; they buy their own TV sets, for which they have to lay out the money. What sort of effect has this had on the culture and political activism—or the potential for political activism?

UH: Well, I think it's contradictory. At the simplest level, it's heavily eroded what used to be public spaces, where people came together, cinemas, sports grounds, and so on. I'm not saying these things have died out, they haven't, but people have all kinds of collective experiences in the past, which are now gone—even kind of isolated collective experiences. In the 1960s in the UK there were two television channels, so you'd go into work the next morning and everybody had watched the same TV program and so you had something you could all talk about. And now you have six hundred channels and so all these individual experiences have been separated. So there's a level on which it has eroded the collective and fragmented people and kept people at a distance from each other. That instead of dealing with somebody that you have eye contact with over a counter in a store or a post office or wherever, you're increasingly dealing with disembodied people over the phone or by email. And it's very easy to dehumanize someone that you're not making eye contact with and sharing pheromones with.

But having said that, just as the telephone was a completely contradictory technology—that both distanced people and also put people in touch with each other in new ways—so I think the Internet is also both distancing and at the same time quite empowering for a lot of people. It's created new ways of organizing, new ways of communicating around the world. And so for some

kinds of people who are disadvantaged in the old face-to-face world, because they had physical disabilities or they didn't conform to standards of beauty or they were the wrong color or whatever, the experience of having a telemediated relationship can actually be very, very liberating. I've interviewed people who say, "It's great—on the Internet I have no gender, I have no race, I have no disability. I can be anyone I like." But just as it's empowering for some people, it's also terribly threatening to people who are used to wielding power in traditional face-to-face ways. So it's extremely complicated what it has done to human relationships, I think.

Let's return to what you were speaking about earlier, about the commodification of domestic work and what has been termed the "socialization" of labor. Socialist feminists used to argue that this socialization of housework—that is, the transformation of women's unpaid labor in the household through labor-saving appliances and services—would lead women to gender emancipation. But you argue that this labor saving has not happened.

UH: I don't want to posit some golden past where we all want to go back to emptying pails and scrubbing floors and breaking our backs. I'm not saying that. I wouldn't want to give up a dishwasher. But what I am saying is that in and of itself it's not liberating. It's possible to completely socialize domestic labor to bring it out into the market without emancipating women. There isn't a technical fix to gender power.

You see it more clearly in developing countries, but it's probably to different degrees the case everywhere, that what it's actually done is to lock people more and more tightly into the market in order to be able to buy these things, to buy a decent home or rent a decent home, and fill it with all these things that increasingly we all feel we can't live without. And life is such that we really can't live without a lot of them now. I mean, you can live without a fridge in a period when you could get food delivered from the end of the road daily or two or three times a day with no problem. Now with the need for the weekly trip to the supermarket, you can't do that. So, you need a fridge. It's become a necessity.

What that's done is it has locked people more and more into the market, which of course, also locks them into the workforce. And so women now need to work for economic survival to a greater extent than they certainly did in the 1950s and '60s, and possibly than they did for an even longer period before that, because the market hasn't actually liberated women completely. I mean, it's theoretically gotten rid of the heavy labor of cooking and housework and so on, but it hasn't solved the real problems like the childcare problem and things like that.

So it means that women have been forced into the workforce, but on very unequal terms. And so they've ended up in the ghettos of part-time work or of various kinds of contingent labor where they're earning a lot less than a lot of the average male wage or certainly less than any kind of notional family wage that people used to talk about in the 1950s and '60s. So relatively speaking, they're actually economically worse off than they were before they had all these wonderful things in their homes. They might feel better off. They might think, oh, well, my grandmother didn't have such a beautiful home as this and she didn't have all these things. But in reality, in terms of how hard they have to work to reach the subsistence level, they are probably actually as badly off, if not worse off, than their grandmothers were.

Yet socialists have traditionally argued that the socialization of labor is a progressive thing, since it breaks down oppressive traditional social arrangements and brings workers together in a way that they can exercise their social collective power. It raises the level of production to a point where socialism could be feasible. If we were to picture a postcapitalist world, would it be based on the commodification that capitalism has created? Would prepared food and consumption be socialized or should it all rest at the feet of the individual? Or is there another way?

UH: Well, I think there are different ways of socializing. I think that's the first point. And a lot of the socialist visions of the early part of the twentieth century actually were visions of service industries. They were visions of people collectively delivering use-values, not commodities. So there were public laundries, there were good free health services, good universal education systems, good social services of various kinds, food cooperatives, and so on. The idea was that these were service industries; they weren't commodities to produce a profit. They didn't have to operate by the rules of the market.

The conventional traditional socialist view on commodities was that it was the force that not only propelled capitalism forward but was also going to destroy it. The idea was that capitalism would kind of implode from its own contradictions because basically it would run out of markets. That on the one hand, as technology developed you'd produce goods more and more productively, so more workers would be laid off, and because manufacturing industry was so productive, there wouldn't be any jobs for them to do, and the unemployed people wouldn't be able to buy the products of these new highly automated factories, so there would be this crisis of overproduction and capitalism would come to its knees. That's one half of the story. The other half of the story is that it would physically run out of markets globally. Because you can only keep extending markets at the time when there were still tribes of

plus black
unemployment for
decades

people living in New Guinea who had never seen a car and when there were still lots of people in the world in subsistence agriculture in all these places that capitalism hadn't reached. It could go on expanding geographically and deal with its overproduction problems by bringing more and more people into the money economy. But the idea was that sooner or later capitalism would run out of markets.

Yet it seems to me that those ideas that all we had to do was sit back and watch capitalism self-destruct were actually very, very naïve because what this model of commodification seems to me to show us is that you never run out of new things to commodify. Each stage in the process generates new commodities. Each new service industry becomes a basis for new manufacturing industries, but then each manufacturing industry, as it becomes more developed in turn generates new service industries and so the wheel goes round.

Take the automobile. You had people who looked after horses until there was the automobile. There was this mass service industry of looking after horses and stagecoaches and whatever. And then all of those people got put out of work and the auto industry came along which was very much regionally concentrated in certain parts of the world and factories were created building automobiles. On a simple level, that was manufacturing jobs replacing service jobs. But then to make the automobiles and to service automobiles, you need new service industries. You need garages to repair them, you need people to make roads, you need people to clean them, et cetera. And then these processes in turn get automated, so you get the self-service gas station. And somebody has to make a machine for that, and then those making those machines in turn generate more service industries and so on.

It's an endless, endless process, and I don't believe that capitalism, while human beings are doing anything with their lives outside the money economy, will ever run out of the possibilities of new commodities, if you see what I mean. And the conclusion to be drawn from that is that we need political solutions.

You touched on one of the conventional ideas on the left, which is the argument that "robots don't buy cars"—that our society has become so mechanized that there will no longer be any people who could be able to afford to buy anything because they'll all be unemployed, and that as societies become more and more industrialized, you're going to have mass unemployment. You believe that's a misguided view.

UH: It's completely a misguided view in my opinion. Every time a major new wave of technical change comes along, that argument is put. Every time it's proved wrong. Of course, there is incredible destruction of jobs and of peo-

ple's lives with each of these changes. You may get very high unemployment. Whole communities may be decimated by technological change. We have in England, and I know you have it in the United States as well, we have these rustbelt regions where whole production industries basically have been wiped out. The people, for instance, coal miners in northern England; they didn't get re-employed as call center workers in the southeast. They got left on the dump. But if you're talking total number of jobs, more new jobs are constantly being created than are being destroyed, although they may be being created in different places and they may be being created on much worse conditions for labor than the older jobs in which workers may have developed quite good forms of organization and collective bargaining and so on. And usually capital seeks out greenfield sites for low-skilled new jobs.

Right, which we've seen in the United States, and it's certainly hurt the labor movement. Ursula, conventional economic wisdom posits the mark of advanced capitalism in the late twentieth and early twenty-first century has been the shrinkage first of agriculture and then industry and the dominance of services in our economies. This is the argument that we're in a "postindustrial society." Why don't you agree with that narrative?

UH: Well, I think a lot of that is really kind of a statistical construct. I would think a much more accurate way of describing what's happened has been that there's been a massive commodification of agriculture and a major reconstruction of industry—both of service and manufacturing industry—which has been characterized by what you might call an elaboration of value chains. Sorry, that's a bit of a pretentious phrase! I'll come back to that in a minute, if I may. But it seems to me that if you include in your definition of agriculture all the people who process food, the people who distribute food, and the people who pack it, the people who make tractors, the people who make fertilizers, the people who work in the kind of genetic bioengineering—if you include all those people in the agriculture sector, if you define the agriculture sector as the process of producing and distributing food to people, then you'll find that probably just as many if not more people are employed in it as ever there were.

The service sector is a more complicated story because this is a weird category that lumps together all kind of different things. I did some detailed research in the UK and went back through all the national censuses back to 1901 through to the end of the twentieth century, looking specifically at women's employment. And you always see these graphs showing service industries going up and agriculture going down and I realized that this only works if you leave out the domestic servants. At the beginning of the twentieth century, huge numbers of women and quite a lot of men as well were working in

domestic service. What can be more a service industry than being a servant? I mean, it's the same word. But if you put them all back into the picture, it stops being a line that goes up; it's a line that stays more or less constant. But I think more importantly, this category of service industry lumps together a lot of totally different things, things which are to do with delivering services to consumers like public services, health, and education, or things like hairdressing.

Personal services are one thing, but there are also business services. A big part of this so-called rise in services that people keep commenting on is a rise in business services. And what business services are really is an expression of the more elaborate division of labor that is developing in manufacturing industry. As products get more complex, but also as companies try to maximize their profit and externalize as many costs as possible, increasingly what they do is a breakup the companies into separate cost centers or profit centers. When you have a process that's automated, you can manage it by results. You don't need to stand over people and make sure that they're doing what they're supposed to be doing. You just say, I want you to make x number of these things, and then you count the number that they've produced and you pay them. So as soon as it is possible to standardize a service function it becomes possible to outsource it.

So what happened from the 1980s onwards, really, was this massive growth of outsourcing of business services. And, of course, when things get outsourced, they get reclassified in the statistics. So if you clean the floor in a car factory and you're employed by the car factory, you get counted as a car worker, but if you are working for an outsourced cleaning company, then you get miraculously transmogrified into a service worker, although you're doing exactly the same job in exactly the same factory. The first wave of outsourcing was those kind of things. But now we've got outsourcing of actual core business functions—things like outsourcing of human resources management, you've got outsourcing of back office services, you've got outsourcing of customer services, of design, of software development. You name it.

I did a big international survey in eighteen countries a couple of years ago where we found that over 50 percent of companies are outsourcing at least one business service. Most are outsourcing a lot more. And furthermore, 6 percent of them in Europe, and I would say probably more in the United States, are outsourcing to another country. So it's exactly the same activity being done for the same capitalist employer in relation to producing the same product.

This is what I meant when I said earlier that there is an elaboration of value chains. What you're getting in the division of labor isn't just one worker doing one thing and another one doing another thing on the same production line; it's that these production lines are spread across different companies

and across different countries around the world. And they involve services as well as manufacturing.

In both your analytical and trade union work, you've written a great deal about workers, many of them female, who are employed in information technology—and in fact, you're one such worker yourself. In *The Making of a Cybertariat* you write about the difficulty in conceptualizing such employees who have ultimately been called office workers, white-collar workers, telecommuters, nonmanual workers, e-workers. What are the issues involved in classifying them?

UH: I think the traditional kind of socialist view, if you like, was that real workers were men. Or I'll modify that: real workers were people who worked in factories. In the class system, you have your capitalist class, and then you have your sort of intermediate class of professionals and managers, who were generally seen as men, and then you have your workers. And you might subdivide that, you might say, oh, you've got peasants and you've got workers and you've got a labor aristocracy, you've got a lumpenproletariat. But basically, the archetypal image of a worker is what you might call "spanner man." To the extent that there are female workers, they're "apron lady"—they're cleaners, they're low-level manual service workers, they're not seen as real workers.

Middle class workers were seen as masculine, but people were kind of uncomfortable trying to define them. If you read the early literature like famous studies of office workers, they're actually defined by their clothes and defined more specifically by male clothes. They're called the black-suited worker or the white-collar worker. And they're seen as this kind of army of clerks. Marxists used to argue about what their class position was: were they just kind of appendages of managers, or could the lower layers be seen as part of the proletariat? But in fact, while they were arguing something was happening which they were missing, which was that not only was the group of office workers massively increasing, but it was being feminized. So by the 1950s and '60s the huge majority of office workers weren't wearing black suits or white collars, they were wearing light pastel color twin sets, I guess. They were women and a lot of them were women working part-time.

Because the division of labor was changing so dramatically during the postwar period, you had the circulation of capital and the circulation of goods becoming much more complex, so lots of jobs were being created in industries like banking. And you had government becoming much more complex and routinized, so lots of jobs were being created in the public sector. You then had the introduction of early computers and keypunch machines and things like that and huge swathes of new jobs being created in the offices of

manufacturing companies. And it was women doing these jobs. People in the trade union movement on the whole didn't seem to want to think about them, but by the 1970s when there was the women's movement, organizations like 9 to 5 in the United States started to try to organize women office workers. But basically they were seen as a kind of embarrassment and if anything they were even the subject of hate by working class men because they were kind of caricatured in the popular media as the secretary. You know, "Take a letter, Miss Jones." You see hundreds and hundreds of these cartoons in the 1960s of the sexy dolly bird, as they were called in England, sitting on her boss's lap taking dictation while he gropes her. They were seen as a symbol of the power and the privilege of the manager as compared to the workers. But they were also the gatekeepers to the manager. So the guy from the factory floor who wanted an interview with the manager was humiliated by this secretary who kept him at bay.

This stereotype of the office worker as a secretary meant that they weren't actually seen as real workers and in the population statistics because sociologists tended to want to look at class. Class is the thing sociologists were most interested in and their idea of the unit of class analysis was the household. Women were put into the same class as their husband, so it was their husband's occupation that was supposed to determine the class status of the woman. Which meant that it was kind of invisible, this terribly embarrassing fact, which people are still very uncomfortable with, which is that if you look at the class position of women office workers they're very often married to men or the daughters of men who are of a different social class than they are in terms of the statistics. The models say office workers are above factory workers in the statistics in class terms. But their wages are often a lot lower. The point is that nobody has really dealt with these women as real workers in a serious way until very recently.

You've studied those who work at home or away from the traditional workplace. How does it benefit employers to hire people working at home and why has it become so common?

UH: Well, it's quite difficult to generalize about because there are home workers working at every level. There are people doing incredibly poorly paid manual assembly work. Probably the most exploited workers in the world, in developed and undeveloped countries, are home workers doing assembly work or stuffing envelopes or doing routine kinds of things like that. And then at the other extreme you have people to whom being able to work from home is a kind of privilege of power. It seems to me that the best way to differentiate home workers is on the basis of their labor market bargaining position.

If you've got scarce skills and the employers really need what it is that you do, then you can negotiate a situation where working from home may be to your benefit. It may enable you to dispose your hours more flexibly, make better child-care arrangements, avoid rush hour travel, et cetera.

But more usually, the boot is on the other foot. It's a way for employers to minimize their risks. They minimize the costs of actually having somebody working in an office. They minimize workers getting together and organizing and because the workforce is so fragmented, it's much, much easier to lay off and easier to underpay.

What's the potential for cybertarians of the world to unite, given these employees' isolation from their fellow workers?

UH: Well, it seems to me that this has got to be the way forward. I've been doing a lot of research particularly in India but in other Asian countries too on, if you like, the new cybertarians who are growing up working in an offshore call centers and software development and so on. And it's clear that now, for the first time in history, we have people with a common labor process, with a common relation to capital, speaking common languages and with access to a technology that allows them to communicate around the world. Theoretically, we have the best chance ever of work that's actually organized internationally. But the reality is that there is so much division, that the local situation is so different. Somebody working in a call center in India occupies a completely different social position from somebody working in a call center in Britain, for instance. They will be much more educated, they will be much more part of the local elite, if you like, they might be from the class that has servants in India, which in England, they certainly wouldn't be. But also and even more importantly than that, there are enormous racist divisions right now, both within the trade union movement as well as within general populations.

One of the most disturbing things that comes out when you talk to call center workers in India is how much racist abuse they get on the phone from their customers in the United States and in Europe—really horrible things that nobody should have to listen to as part of their job. I think that's gotten a lot worse with the kind of Islamophobia that's around right now because a lot of people can't actually tell the difference—one Asian is like another Asian, as far as they're concerned. It goes so far that some call center workers are practically being accused of being terrorists—and they're just trying to do their job. I think those kinds of divisions are incredibly worrying. When workers are pitted against consumers and one race against another, it is going to be an unbelievably difficult challenge to develop international understanding and solidarity.

call centers, racism int'l work class

Capitalism is in crisis of a magnitude not seen for decades. How do you understand that crisis? Has capitalism run up against newfound limits?

JH: It has always been a contradiction of capitalism that it needs to expand in order to survive. As Rosa Luxemburg recognized, the sum total of the value of all the workers' wages will never be enough to buy all the stuff they produce because of the share that is taken as profit by the capitalists, so capitalism always needs a market outside of itself where people will buy the surplus products. But that isn't the only thing that drives the expansion of capitalism.

As I have mentioned, it is also looking for new spheres of life that are outside the money economy to exploit for the development of new commodities. These include natural resources, like the plants in the rainforest that can be used to create new drugs, as well as human resources like traditional music, art, creativity, sex, and tacit knowledge. Capitalism has always scoured the world looking for new sources of raw materials like minerals, energy sources, natural products, and so on. And it has also always looked outside its traditional territories for new sources of cheap and compliant and unorganized labor. These days, because of the huge quantity of goods that are produced worldwide and the wastefulness of the production processes, it is also looking desperately for new sites to dump the detritus that results from all this commodity production and to get the hazardous waste processed. In the commodification process we have seen use-values transformed into exchange-values, for instance when public services like health become commodified, producing profits for pharmaceuticals companies.

But now we are seeing a development whereby even negative use-values can become commodities that are exchanged on the market. You can see this in the Kyoto agreement that has created an international market out of pollution rights. There is one other important driver of capitalist expansion, which David Harvey has drawn attention to. This follows on from the capitalist imperative to constantly accumulate profit. This means that capitalism is always looking for new places to invest this accumulated surplus. We saw it in the nineteenth century in huge investments by Western companies in things like building railways across India or Africa or laying cables under the oceans to carry telegraph traffic that became the ancestors of today's optical fiber Internet backbones. Which, incidentally, usually follow exactly the same geographical routes. It is probably no accident that Nokia used to be a rubber company that made the rubber coatings for the old telegraph cables. Of course all these different reasons interact with each other in quite complex ways. As new groups of people are brought into the global workforce, they also become new consumer markets for global products. As surpluses from one part of the world are invested in providing infrastructure for other less

developed regions of the globe, this stimulates new developments in these areas and so on.

So there are several interconnected reasons why capitalism constantly needs to expand into new territory. In the latter part of the twentieth century, the world pretty much ran out of virgin space for this kind of expansion. There are very few spots left on the planet that are not already being exploited for their minerals or their timber or their fish or the DNA of their plants or the labor of their people or the purchasing power of these people or being used as gigantic garbage dumps. Meanwhile the huge investments in infrastructure and other things that were made in South and East Asia, parts of Latin America, and parts of the former Soviet Bloc in Eastern Europe caused very rapid development in some of those regions in the last two or three decades, perhaps most dramatically in China and India but also in places like Brazil. With very low-paid workers in these countries there was no way that the huge surpluses that were generated could be reinvested locally.

So what happened? To the extent that there were still underdeveloped regions of the world left, a lot of that new investment went there. Chinese companies have bought up huge tracts of mineral-rich parts of Africa, Peru, and other spots in the poor world, but also undeveloped land in less expected developed countries like Finland and Sweden. More dramatically, much of the surplus has come back to the developed West. All the major European steel companies are now owned by Indian companies, who have also bought up several iconic European automobile brands like Jaguar and Land Rover. The IBM personal computer, perhaps one of the most symbolically important products of the information revolution of the 1980s, is now owned by a Chinese company. A Brazilian company now owns a huge chunk of the global brewing industry, including many famous so-called "national" brands of beer like Stella Artois, Beck's, Leffe, Coors, Skol, et cetera (all made on the same production lines).

The world economy is now completely interconnected, not just through patterns of ownership but also through the international division of labor, with workers in one country directly linked to those in others through complicated value chains. A shock to one part of the system will go rippling across the network and affect people in very different places. This is not intrinsically new, of course. Capitalism has always ignored national frontiers. But for many years it was possible for capitalists in the West to convince their workers that there were parts of the world that were outside capitalism, because of the existence of the Soviet Union and China with systems that claimed to be, and to some extent really were noncapitalist. So the depression of the 1930s and the crisis that came in the aftermath of the oil shock in the 1970s were not blamed so directly on the financial system itself but could be partly blamed on other factors—

including other nations. And most people still thought in terms of national economies that were to some extent under the control of national policies.

Since the fall of the Berlin Wall in 1989 there has been an enormous amount of economic instability globally. We can think of the crisis of the Asian currencies in 1997, the bursting of the dot com bubble in 2001 and so on, but the current crisis is far and away the biggest one that has taken place in a world that is now acknowledged to be capitalist all over.

I do not think that it is going to implode because of this crisis. The system is inherently instable and has always been characterized by booms and busts, and in the busts there is always a huge cost to be paid as weaker firms go to the wall and workers are laid off in the thousands. There is enormous waste and destruction involved in closing down factories, of course, but this helps to get rid of surplus supply. It creates a kind of winner takes all logic in many old industries and the winners can do very well indeed. There is also scope for new industries to emerge. There are still plenty of new things to commodify. One of the new goldmines for capital is the uncommodified parts of the public sector. In the last few years we have seen a tremendous wave of expansion of aggressive new multinational companies that make their profits from the outsourcing of commodified public services—anything from care services to IT support. These companies are growing exponentially, partly through transfers of employees from the public sector and there is no sign of them being negatively hit. In fact only recently I read in a specialist IT newsletter that the UK government wants to make savings of £5 billion and one of its plans to achieve this is by outsourcing more of its back office processing and IT support to low-cost destinations like India. It's business as usual for companies in this field, and there are also rich pickings to be found in areas like armaments manufacture and space exploration where there is a continuing demand for developing ever more sophisticated new products that don't depend on consumer markets.

So I really don't think this crisis is going to end the capitalist system, although it will undoubtedly generate a lot of human suffering. But there is one big "if." If enough workers around the world react to this situation with a realization of what's going on and understand that it really is a global system and that it can only be tamed if they all get together and do something about it then there could be scope for real changes. A more pessimistic view is that in crises like these workers are so grateful for the chance to have a job at all that they get their heads down and put up with worse working conditions and harsher management. Instead of holding hands across the ocean—which is something that requires enormous courage and optimism, especially for people who have dependents to think about—they are much more likely to fall

for protectionist rhetoric. We are seeing a very worrying rise in Europe right now in support for far-right xenophobic political parties. In the U.S. I expect you have the slogan "American jobs for American workers." Here in Europe we have "British jobs for British workers," "French jobs for French workers," "Danish jobs for Danish workers," and so on, right across the twenty-seven member states and no doubt elsewhere too.