

University of Wollongong - Research Online

Thesis Collection

Title: Post-Fordism and the politics of industry development in Australia

Author: Ian Hampson

Year: 1994

Repository DOI:

Copyright Warning

You may print or download ONE copy of this document for the purpose of your own research or study. The University does not authorise you to copy, communicate or otherwise make available electronically to any other person any copyright material contained on this site.

You are reminded of the following: This work is copyright. Apart from any use permitted under the Copyright Act 1968, no part of this work may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of the author. Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material.

Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.

Unless otherwise indicated, the views expressed in this thesis are those of the author and do not necessarily represent the views of the University of Wollongong.

Research Online is the open access repository for the University of Wollongong. For further information contact the UOW Library: research-pubs@uow.edu.au

1994

Post-Fordism and the politics of industry development in Australia

Ian Hampson
University of Wollongong

Follow this and additional works at: <https://ro.uow.edu.au/theses>

University of Wollongong

Copyright Warning

You may print or download ONE copy of this document for the purpose of your own research or study. The University does not authorise you to copy, communicate or otherwise make available electronically to any other person any copyright material contained on this site.

You are reminded of the following: This work is copyright. Apart from any use permitted under the Copyright Act 1968, no part of this work may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of the author. Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material.

Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.

Unless otherwise indicated, the views expressed in this thesis are those of the author and do not necessarily represent the views of the University of Wollongong.

Recommended Citation

Hampson, Ian, Post-Fordism and the politics of industry development in Australia, Doctor of Philosophy thesis, Department of Science and Technology Studies, University of Wollongong, 1994.
<https://ro.uow.edu.au/theses/1713>

NOTE

This online version of the thesis may have different page formatting and pagination from the paper copy held in the University of Wollongong Library.

UNIVERSITY OF WOLLONGONG

COPYRIGHT WARNING

You may print or download ONE copy of this document for the purpose of your own research or study. The University does not authorise you to copy, communicate or otherwise make available electronically to any other person any copyright material contained on this site. You are reminded of the following:

Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material. Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.



POST-FORDISM AND THE POLITICS OF INDUSTRY DEVELOPMENT IN AUSTRALIA

A thesis submitted in fulfilment of the requirements for the award
of the degree of

DOCTOR OF PHILOSOPHY

from

THE UNIVERSITY OF WOLLONGONG

by

IAN HAMPSON, BA (Victoria, NZ), MA (Macquarie)

Department of Science and Technology Studies,

and

Department of History and Politics,

1994

CONTENTS

	<u>Page</u>
Declaration	
Author's Publications Relating to this Research Topic	vi
Acknowledgements	vii
Abstract	viii
List of Abbreviations and Acronyms	ix

INTRODUCTION	1
1) THE INDUSTRY DEVELOPMENT DEBATE IN AUSTRALIA	2
2) POST-FORDISM	5
2) THE THESIS: AIMS AND ARGUMENT	8

PART ONE: POST-FORDISM

Chapter One: POST-FORDISM: THE THEORETICAL FIELD	14
INTRODUCTION	14
1) INTRODUCING POST-FORDISM	16
2) THE POST-FORDIST FIELD: ORIGINS	17
3) THE POST-FORDIST FIELD: DERIVATIVES	43
CONCLUSION	54
Chapter Two: THE CRITIQUE OF POST-FORDISM: A CRISIS OF FORDISM, OR THE GLOBALISATION OF CAPITALISM?	56
INTRODUCTION	56
1) PROBLEMS IN THE POST-FORDIST THEORETICAL MODEL	57
2) AN EVALUATION OF THE POST-FORDIST CONCEPTION OF CHANGES IN MARKETS AND THE GLOBAL ORGANISATION OF PRODUCTION	69

3)	A CRISIS OF FORDISM, OR THE GLOBALISATION OF CAPITALISM?	82
----	--	----

	CONCLUSION	97
--	------------	----

	Chapter Three: POST-FORDISM, FLEXIBLE SPECIALISATION AND INDUSTRY DEVELOPMENT	100
--	--	-----

	INTRODUCTION	100
--	--------------	-----

1)	POST-FORDISM AND INDUSTRY DEVELOPMENT	102
----	---------------------------------------	-----

2)	THE POLITICAL ECONOMY OF FLEXIBILITY	106
----	--------------------------------------	-----

3)	FLEXIBLE SPECIALISATION AND INDUSTRY DEVELOPMENT	124
----	--	-----

	CONCLUSION	137
--	------------	-----

PART TWO: THE POLITICS OF INDUSTRY DEVELOPMENT

	Chapter Four: THE POLITICS OF INDUSTRY DEVELOPMENT: 'POLICY NETWORKS', THE STATE AND ORGANISED LABOUR	141
--	--	-----

	INTRODUCTION	141
--	--------------	-----

1)	POLICY NETWORKS, MARKETS AND THE STATE	142
----	--	-----

2)	ORGANISED LABOUR, INDUSTRIAL RELATIONS AND POLICY NETWORKS	162
----	--	-----

3)	CLASSIFYING CAPITALISM: POLICY NETWORKS AND INDUSTRIAL SUCCESS	187
----	--	-----

	CONCLUSION	211
--	------------	-----

	Chapter Five: POST-FORDISM, TRADE UNIONS AND WORK REORGANISATION	214
--	---	-----

	INTRODUCTION	214
--	--------------	-----

1)	POST-FORDISM AND THE FUTURE OF LABOUR	217
----	---------------------------------------	-----

2)	INDUSTRIAL DEMOCRACY: CONCEPT AND IMPLICATIONS	228
----	--	-----

3)	LEAN PRODUCTION, INDUSTRIAL DEMOCRACY AND UNIONISM	232
----	--	-----

4)	WORK ORGANISATION IN EUROPE	255
----	-----------------------------	-----

CONCLUSION	261
<i>PART THREE: UNIONISM AND THE POLITICS OF INDUSTRY DEVELOPMENT IN AUSTRALIA</i>	
Chapter Six: UNIONISM IN TRANSITION? POLITICAL TRADE UNIONISM AND THE POLITICS OF INDUSTRY POLICY	265
INTRODUCTION	265
1) POLITICAL UNIONISM IN AUSTRALIA?	268
2) INDUSTRY POLICY AND THE ACCORD: LABOUR REFORMISM OR ECONOMIC RATIONALISM?	275
3) FROM STRATEGIC UNIONISM TO POST-FORDISM	302
4) FROM INDUSTRY POLICY TO INTERNATIONAL BEST PRACTICE	311
CONCLUSION	317
Chapter Seven: UNIONISM IN CRISIS: TOWARDS ENTERPRISE BARGAINING	320
INTRODUCTION	320
1) THE CRISIS IN UNIONISM AND THE UNION RESPONSE: AMALGAMATION, RATIONALISATION AND AWARD RESTRUCTURING	323
2) THE BUSINESS COUNCIL'S REFORM AGENDA	333
3) EVOLUTION OF INDUSTRIAL RELATIONS FROM 1987 TO 1992: FROM AWARD RESTRUCTURING TO ENTERPRISE BARGAINING	340
4) THE POLITICS OF ENTERPRISE BARGAINING	352
CONCLUSION	366
CONCLUSION	369
BIBLIOGRAPHY	375
APPENDIX	408

DECLARATION

This work has not been submitted for a degree to any other university or institution

IAN HAMPSON

AUTHOR'S PUBLICATIONS RELATED TO THIS RESEARCH PROJECT

Hampson, I (1987) *The 'New Unionism' and the Politics of Industry Regeneration*, Paper presented to the STS post graduate conference, Wollongong University, August.

Hampson, I and J. Schuster (1990) *From the Paradigms of '62 to the Policy Pundits of the '90s: Or, From Debased Coinage to Shiny, New, Symbolic Capital*, Paper Presented to the Conference of the Australian Association for the History, Philosophy and Social Studies of Science, Lorne, Victoria, 25 September.

Hampson, I (1991) *Information Technology at Work: Industrial Democracy and Technological Determinism*, ch. 4 in Aungles, S. (ed) Information Technology in Australia, Sydney: University of New South Wales Press

Hampson, I (1991) *Post-Fordism, The French Regulation School, and the Work of John Mathews*, Journal of Australian Political Economy, No. 28

Ewer, P., I. Hampson, C. Lloyd, J. Rainford, S. Rix, and M. Smith (1991) Politics and the Accord, Sydney: Pluto

Hampson, I and J. Schuster (1991) *The Commodification of Technology Policy: Kuhnian Paradigms and Gresham's Law of Symbolic Capital*, Paper presented to the Science and Technology Analysis Seminar Series, June

Hampson, I (1992) *Retrospect on the Accord: From Political Unionism to Post-Fordism*, Paper Presented to the History and Politics Seminar Series, September

Ewer, P., I. Hampson, C. Lloyd, J. Rainford, S. Rix, and M. Smith (1992) *Discussion: Ferocious*, Australian Left Review, May

Hampson, I (1993) Review of A. Smith, Training and Development in Australia, Sydney: Butterworths, 1992 in Journal of Industrial Relations, Vol. 25, No. 3, September

Ewer, P., I. Hampson, C. Lloyd, J. Rainford, S. Rix, and M. Smith (1993) Best Practice: A Critical Guide, Worklife Reform Series, Sydney: Pluto Press

Hampson, I (1993) *Japanese Work Organisation*, Invited Address to Work Organisation Seminar, A.M.E.U. Vehicle Division, December

Hampson, I (1993) *Japanese Work Organisation*, News, A.M.E.U. Vehicle Division, December, pp. 17-54

Hampson, I; Ewer, P and Smith, M (1994) *Post-Fordism: Towards a Critical Research Agenda*, Journal of Industrial Relations, June

ACKNOWLEDGEMENTS

This project spans more years than I care to remember, and bears the results of work in three disciplines -- Politics, Science and Technology Studies, and Industrial Relations. To my colleagues and ex-colleagues who have helped with the project incidentally and more purposively, my thanks are due.

The initial stages of the project benefitted from discussions with Winton Higgins, at Macquarie University. At the Department of Science and Technology Studies of Wollongong University, I had many lively and interesting discussions with (among others) Simon Wilson, David Mercer, Gustavo Guzman, Phil Luford, and David Selden. I was fortunate enough to engage in collaborative work with John Schuster. June Aspley's wise administrative guidance and personal cheerfulness lifted many a dull mood. I appreciate the efforts of a turnover of supervisors and co-supervisors, including Jim Falk, Stewart Russell, Stan Aungles and Richard Badham. To the latter I am indebted for generously sharing the results of his research. Stewart Russell laboured through the final draft, and I thank him for that. At the University of New South Wales' School of Industrial Relations and Organizational Behaviour, I am indebted to Lucy Taksa for sharing her knowledge of Taylorism and Human Resource Management, and to Braham Dabscheck, Don Dinsdag, Bradon Ellem, Di Fieldes, Chris Legget, John Shields and Chris Wright, for help with particular fields of literature, and other forms of assistance.

Special tribute must be paid to the generosity and supervisory skills of Andrew Wells. Andrew began supervising this thesis when it was at a low ebb, and always found the right mix of encouragement and persuasion to bring it to its next stage. His insights as to how the project could be moved forward were always unerringly accurate. He helped above and beyond the call of duty. Thanks Andrew.

I am also very grateful for the help of my non-academic colleagues, in or on the margins of the union movement. Being involved in the production of Politics and the Accord and related projects with Peter Ewer, Chris Lloyd, John Rainford, Stephen Rix, and Meg Smith, helped crystallise some of the perspectives towards which I was struggling. Many fruitful discussions and more formal interviews helped correct my misunderstandings of Australian industrial relations. Special thanks to Peter Ewer, for general inspiration, and for reading and commenting on several trying drafts. I am also indebted to Gayle Tierney for fruitful conversations, and other forms of assistance. The thesis is a good deal better for the efforts of these people, and probably others I have forgotten. To the latter go my apologies -- both are naturally absolved of the imperfections of this thesis.

On a more personal note, to my partner, Leonie Parker, special thanks are due for forbearance through the obsessions that thesis writing induces.

ABSTRACT

Post-Fordism suggests the world's economic travails are the birth-pangs of a new, post-Fordist industrial system, with implications for national industrial adjustment. The thesis is a study of post-Fordism and the course of the recent industrial policy debate in Australia. It is also a critique of post-Fordism (and its sister doctrine 'flexible specialisation'), as an analysis of events in the world economy, and as a model of industrial development. The thesis focuses on the role and fate of the labour movement, in the recent industrial policy debate, for two reasons. First, the labour movement drove the debate over industry policy in the early 1980s, and second, post-Fordism offers misleading prescriptions for the role the labour movement should play in industrial adjustment.

Part one is devoted to exposition and critique of post-Fordism; part two surveys some of the literature on industry development and work organisation, with the question of the roles of the state and the labour movement in mind; part three is devoted to the debates in Australia around industry policy and post-Fordism. The thesis argues that post-Fordism is a flawed account of recent industrial change, and a poor guide to labour movement strategy. It suggests that the union movement's flirtation with enterprise bargaining and certain hostile forms of work organisation is, in some measure, due to strategic miscalculations deriving from the influence of post-Fordism.

LIST OF ABBREVIATIONS AND ACRONYMS

ACM	Australian Chamber of Manufactures
ACTU	Australian Council of Trade Unions
AFE	Australian Federation of Employers
AIDC	Australian Industries Development Corporation
AIRC	Australian Industrial Relations Commission
ALP	Australian Labor Party
AMEU	Australian Metals and Engineering Union
AMFSU	Australian Metals, Foundaries and Shipbuilders Union
AMWU	Australian Metal Workers Union
BCA	Business Council of Australia
BIE	Bureau of Industry Economics
CAD/CAM	Computer Aided Design/Computer Aided Manufacture
CPI	Consumer Price Index
EBP	Enterprise Bargaining Principle
EPAC	Economic Planning and Advisory Council
ETU	Electrical Trades Union
FIA	Federated Ironworkers Union
FMS	Flexible Manufacturing System
FVIU	Federation of Vehicle Industry Unions
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GNP	Gross National Product
HRM	Human Resource Management
IAC	Industries Assistance Commission
IBP	International Best Practice
LO	<i>Landsorganisation</i> (Swedish Peak Union Body)
MEWU	Metals and Engineering Workers Union
MIT	Massachusetts Institute of Technology
MITI	Ministry of International Trade and Industry
MTIA	Metal Trades Industry Association
NDF	National Development Fund
NFF	National Farmers Federation
NWC	National Wage Case
R&D	Research and Development
REP	Restructuring and Efficiency Principle
SAF	<i>Svenska Arbetsgivareforeningen</i> (Swedish Peak Employer Body)
SEP	Structural Efficiency Principle
SPRU	Science Policy Research Unit
TAFE	Technical and Further Education
TCF	Textiles, Clothing and Footware
TDC	Trade Development Council
TNC	Trans National Corporation
TQC	Total Quality Control
TQM	Total Quality Management
VBU	Vehicle Builders Union

INTRODUCTION	1
1) THE INDUSTRY DEVELOPMENT DEBATE IN AUSTRALIA	2
2) POST-FORDISM	5
2) THE THESIS: AIMS AND ARGUMENT	8