Missing Links in Labour Geography

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Chapter 11
The Constitutive Inside: Contingency, Hegemony, and Labour's Spatial Fix
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Introduction: Between Labour Geographies

I often find myself doing two labour geographies that are implicitly related but whose relationality, at the theoretical level, remains difficult to articulate. One of these geographies is a more conventional political economy of labour: I try to find out where labour fits into a particular accumulation regime, or instance of capitalist social relations, using more conventional political economy categories of analysis, such as declining rates of profit, wage levels and organic composition of capital. The other geography is a political geography of labour: I examine how labour articulates itself as a political force, and attempt to determine where it fits into a particular hegemonic process or historic bloc. While I feel that these approaches complement each other, they can often conflict in terms of where the agency of labour is located. Is it to be found within the sphere of production? Or is it more likely to be located within that ensemble of relations between state and civil society which Gramsci (1971: 228–70) terms the 'integral state'? There are other locations one could add to these, such as the labour of social reproduction and the cultural habits of labourers. Furthermore, while political economy largely concentrates on class relations as the central antagonism within social space, Gramscian Labour Geography has focused on a wider distribution of power relations, such as the sets of relations organizing a historic bloc and the relations within this bloc and between state and civil society. Yet, to me, these different relations seem recursive and I attempt to hold them in tension with one another. This can be difficult, however, because the methodological distinction made between the relations of production and larger power relations among social identities is often taken for an ontological one. This methodological problem can be grasped by looking at the different ways that contingency, i.e. the unpredictable or indeterminate element of social relations, is understood in different approaches to hegemony and labour's spatial fix. This discussion should reveal some of the ways that Labour Geography, by embracing and expanding upon the understanding of contingency articulated by both approaches, provides some directions towards bridging the gap. Along the way, I will try to demonstrate some of this common ground by commenting on the politics of social cooperation in South Korea, where I have found myself attempting to understand the social cooperation process, and its failure to generate
substantive agreements, in light of recent changes to the South Korean political economy and changes to the ruling hegemonic bloc under the reform governments of Kim Dae Jung (1998–2003) and Roh Moo Hyun (2003–08).

Social Cooperation, Economic Crisis, and the Reform Bloc

Understanding the social cooperation process in South Korea requires a perspective sensitive to changes within the political economy of Korea, particularly the restructuring of its developmental state model (see, for instance, Amsden 1989, Woo 1991, Woo-Cumings ed.) (1999), as well as to changes within the integral state, i.e., political society plus civil society, brought about by democratization.

Thus, there are two levels of influence that need to be addressed here. One involves the political economic model that Korea has followed, and the other involves the historic bloc of reform forces that has attempted to use social cooperation as a form of legitimation.

Similar to the fusion of political parties and labour movements in independence struggles in other developing countries (see, for instance, Jauch and Bergene's discussion of the Namibian trade union movement in this volume), the process of democratization in Korea was influenced by the fusing together of progressive and liberal forces into a united oppositional bloc. This historic bloc of reform forces finally came to power in the governments of Kim Dae Jung and Roh Moo Hyun.

These reform governments attempted to create a new nexus between state and civil society, by expanding the role of reform intellectuals, NGOs, and the labour movement in policy making. I regard the labour movement here as an important part of the reform bloc and thus of civil society. Tripartite agreements were meant to be an important part of the increased participation of civil society within the state; however, they also resulted in a weakening of hegemony for the reform bloc, mainly because of the divisions they created when social partnership became a euphemism for neoliberal restructuring and, within the labour movement, a substitute for militant working-class politics (see, for instance, Gray 2008).

It would be wrong, however, to regard the tripartite process merely as a political project. The restructuring of Korean labour relations also has its roots in the growing profitability crisis among Korean firms that led to mandates of neoliberal restructuring by both the Kim Young Sam government (1993–98) and reform governments after it. Since the June Democratic Uprising and the Great Worker Struggle of 1987, wages had been increasing as a result of labour unrest (Jeong 2007). The restructuring of the industrial policies of the developmental state had also led to uncoordinated investment, speculative borrowing, and overcompetition in similar product lines (Shin and Chang 2003). The state had previously played a strong coordinating role in industrialization by subordinating finance to industrial capital, and when this was restructured it could not maintain the high levels of domestic industrial investment that it undertook as a developmental state. These factors combined and led to a decline in profitability, and, during the 1997 crisis, to a pressure by employers for concessions from labour and the government. Since Kim Dae Jung's government had favoured a shareholder model of corporate governance over industrial policy as its way out of the crisis, it also saw flexible labour markets as a potential solution to the crisis. This came in addition to socializing the debt of larger firms and selling them off to transnational capital and to the larger domestic conglomerates that survived the crisis. Here we see an intersection of two contingent events: a crisis brought about by declining profitability, resulting (partially) from the antagonism between wages and profit, as well as the restructuring of the older model, and a reform bloc supported by both workers and liberal reformers from the democracy movements pursuing neoliberal reform. This intersection led to efforts to create a new spatial fix for capital in the form of a national tripartite agreement facilitating the expansion of temporary and casual work. How, then, might the relation between these two different types of contingent events be better understood at a theoretical level?

Labour and the Spatial Fix

First, the spatial fix. This has been one of the more influential contributions of Marxist geography to the development of historical-geographical materialism. David Harvey (1982: 2006) introduced the concept in his magisterial Limits to Capital, and he developed it to help describe the uneven geographical development of capitalism, and in particular the dynamics of over-accumulation through which capital produces space. According to Harvey, the roots of the spatial fix are found in Marx's thoughts on the 'inner dialectic' of capital as a social relation (Harvey 2001: 300): that is, the antagonism between wages and profit found in the relations of production and the concomitant tendencies of capital to move toward unbalanced accumulation and various crises, including crises brought about by technological development, keen competition, overproduction and speculation. In general, as capital accumulates, capitalists look for new avenues to stave of declining profitability, resulting in investments in technology, new product lines and the built environment. This process is itself a contingent one, and is based on a dialectic of fixity and fluidity. As such, it is never possible to completely predict solutions to accumulation crises. It is never certain where capital will find a new spatial fix for investment. Central to the process of finding a new spatial fix is the role of financial capital and the credit cycle, as capitalists try to offset crises by advancing capital in the form of credit to facilitate new investment. This dialectic speaks to the dynamic power of capital to shape the landscape in unpredictable ways. Conflicts between labour and capital can entail further investment in fixed capital or the geographic relocation of capital. Attempts to find a spatial fix are not merely limited to investments in new machinery, product lines or the built environment, but may include the financialization of capital and the expropriation of other capitalists through mergers, rent and speculation. Furthermore, spatial fixes to over-accumulation
cises are not limited to capital accumulation through expanded reproduction but are also linked to other forms of 'accumulation by dispossession' (Harvey 2003) or extra-economic processes. While accumulation by dispossession, as primitive accumulation, is usually thought of as the creation of new wage workers through the dispossession of direct agricultural producers from the means of production, Harvey leaves the term open enough to include other forms of expropriation including war, imperialism and privatization. The essential point here, however, is that spatial fixes to accumulation crises can either work through an expansion of the dominant value-form of capital, as wage labour and investment, or it can work through the expropriation of resources or areas of social life that previously existed 'outside' of expanded reproduction. In fact, the two forms of accumulation are often inter-related and hard to disentangle.

Highly influential in geography and the social sciences, the concept of spatial fix has been essential in both the study of labour movements and of Labour Geography. In her *Forces of Labour: Worker's Movements and Globalization since 1870*, Beverly Silver (2003, see also Silver 2005) utilizes Harvey's concept of the spatial fix to chart the movement of both capital and worker unrest across the economic landscape. Silver shows how certain industries and product cycles, the automobile industry chiefly among them, tend to be haunted by what she calls 'Marx-type' industrial labour unrest wherever they migrate. This is worker unrest that puts pressure on firm profitability and causes capital to migrate or to pursue investment in innovation, increasing the organic composition of capital, in order to control labour costs. Silver finds that the complex production networks of automobile manufacture are sensitive to disruption because of sunk costs and the agglomeration of workers that such industries require. She shows how capitalists attempt to counter worker unrest by increasing automation (a technological fix) or advancing into newer spatial frontiers (a spatial fix) or new product lines (a product fix). While Silver reserves the term 'spatial fix' for capital migration it occurs to me that 'technological', 'product' and 'political' fixes are all deeply spatialized and should be regarded as spatial fixes in Harvey's sense of the term. Each fix she describes requires a reorganization of the landscape of production and a new spatial organization. Whether it be new machinery, product lines or bargaining procedures, each fix changes both the space and time of production, i.e. who works on what and where, as well as the organization of the workplace on the one hand, and hours of work, speed of production and delegation of tasks on the other.

The attempts made by Korean reform governments to create a tripartite process between labour, capital and the state can be regarded as a political fix to the problems of capital accumulation. As the old model was restructured, and wages increased from collective bargaining, Korean firms ran into a profitability crisis. During the 1997–98 financial crisis, government intervention was required to reform the Korean economy, amidst pressure from international investors and domestic capital to find a solution to the crisis and a return to profitability among Korean firms. By offering the Korean Confederation of Democratic Trade Unions (KCTU) full legal recognition in exchange for agreements on the use of temporary workers in multiple sectors, Korean capital attempted to create a new avenue for accumulation based on lowering wage costs and expanding irregular employment relationships. This agreement would also allow firms to contain union organizing by limiting the number of workers included in collective bargaining agreements and giving firms greater leverage to hire and fire casual workers. Though the 'Social Agreement for Overcoming the Economic Crisis' that the tripartite negotiations produced was later rejected by the KCTU's rank and file (see Table 11.1), the government accepted it as a de facto agreement and used it to legitimize Kim Dae Jung's other neoliberal reforms, such as bailing out the financial institutions that had rushed to lend short-term foreign credit to domestic firms and the selling off of bankrupt firms to both foreign and domestic investors. Using Harvey's terms, the political fix to the 1997 crisis involved accumulation by dispossession, through socialization of debt, fire sale of assets, and privatization, to eke out future profitability through expanded reproduction with lower wages and debt levels. One can see here how the concept of spatial fix is a useful analytic concept for understanding how crisis tendencies within capitalism lead to a reconfiguration of the economic landscape. However, fully grasping the contingency of this process, especially in terms of why a political fix at the national scale was sought instead of a different form of spatial fix, such as a product fix backed by government investment for example, requires a different understanding of spatial fixes that can better account for the political articulation of labour politics.

The conception of spatial fixes embraced by Harvey and Silver has at its centre an internal dialectic of class relations between labour and capital. However, the problem is that in Harvey's conceptualization of spatial fix the interaction between civil society and state involved in capital accumulation remains relatively underdeveloped (see for instance Jessop 2008: 178–96). Harvey's own approach to the state has largely been a derivative one, based on trying to understand which 'structures and functions within the state are “organic” to the capitalist mode of production and therefore basic to the survival of capitalist social formation and which are, in Gramsci's phrase, purely conjunctural?' (Harvey 2001 [1976]: 283). This distinction creates a problem for understanding the contingent relations which structure both the ‘organic’ moments of capital accumulation, i.e. the internal dynamics, and the larger social contexts in which capital accumulation takes place. For example, the Korean developmental state internalized much of the financial system during its developmental period. Viewed from the perspective of *laissez-faire* economies, and even some strands of Marxism, this would be an entirely inorganic role, but it would be wrong to assert that it was also merely conjunctural without positing some essentialist form of the capitalist financial system. While the dominant norm in capitalist social formations may be to valorize financial markets, and thus money as general equivalent, there seems to be a further degree of contingency shaping capitalist social relations that needs to be fleshed out.
Table 11.1  Tripartite negotiations in South Korea

<table>
<thead>
<tr>
<th>Phase</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>1st Phase: Dec 1997-Feb 1998</td>
<td>Social Agreement for Overcoming the Economic Crisis (rejected by union's rank and file, but recognized by government anyway)</td>
</tr>
<tr>
<td>2nd Phase: June 1998-Sept 1999</td>
<td>No agreements reached</td>
</tr>
<tr>
<td>3rd Phase: Sept 1999-Dec 2008</td>
<td>2000: Agreement of Basic Principles on Reduction of Working Hours was reached</td>
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<td></td>
<td>2001: Agreement on additional five-year postponement of the introduction of multiple trade unions at enterprise level and elimination of payment to the full-time union officials by employers was reached</td>
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<tr>
<td></td>
<td>2002: Agreement on Protection of Non-standard Workers, Employment Promotion of Young Generation and Privatization of Four Affiliated-companies of State Companies was reached</td>
</tr>
<tr>
<td></td>
<td>2004: Resolution on the Break-up of Korea Electric Power Corp.'s Distribution Business and Agreement on the Revitalization of Employee Stock Ownership Scheme were reached</td>
</tr>
<tr>
<td></td>
<td>2005: Agreement on Vocational Training for SMEs and Non-regular Workers was reached</td>
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<td></td>
<td>2006: Agreement on promoting middle-aged and aged persons' participation in the labour market was reached</td>
</tr>
<tr>
<td></td>
<td>2006: Agreement related to measures to activate childcare services for low-income workers was reached</td>
</tr>
<tr>
<td></td>
<td>2006: Grand Tripartite Agreement on the Roadmap for Industrial Relations Reforms was reached</td>
</tr>
<tr>
<td>(Other) Tripartite Representative Meetings 2004-2006</td>
<td>Two meetings were held in June and July of 2004 before the KCTU quit the process over the government's position on the Non-regular Workers Protection Bill, but it returned in July 2006 in order to attempt to negotiate the NRWP bill and other items. The bill was eventually passed without KCTU participation in the 'Grand Tripartite Agreement'</td>
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Hegemony and the 'Constitutive Outside'

Gramsci's concepts, such as historic bloc, integral state and passive revolution, are useful for understanding attempts at social cooperation in South Korea and their failure. It was only through mass mobilization and the forging of a historic bloc that the democracy movements were able to defeat the previous developmental dictatorship, which accommodated this movement through a passive revolution, endorsing free elections and improving procedural transparency. In order to accommodate to this transition and the continued power of the old economic and political elite, oppositional groups remained fused together within a liberal-progressive bloc that supported reform-oriented politicians and political parties. They attempted to build a bridge between civil society and political society that could be used to reconfigure state policy. This was a counter-hegemonic project in opposition to the power relations that informed the authoritarian developmental states of Park Chung Hee and Chun Doo Hwan. These power relations cannot be reduced to relations of production, since others revolving around labour suppression, social regimentation, state-led industrialization and unequal gender relations were important. However, once in power, this reform bloc failed to become hegemonic as it became internally divided over the types of economic reforms it wanted to pursue. Some reformers were content to help institute a liberal market economy, while others preferred a redistributive social democracy. The dominant, liberal segment of the reform bloc under Kim Dae Jung won out and sought a compromise with capital. As such, labour groups and social democrats within the bloc found that their concerns were neglected and had failed to be hegemonized by the reform government. Choi Jang Jip (2005), a prominent reform intellectual and Chairman of the Presidential Policy Planning Committee under Kim Dae Jung, complains that though a plan for the parallel reform of the market and state administration was avowed, there was no attempt to use social cooperation mechanisms to effectively create an alternative system to neoliberal reform, and the plan was never centerized:

Thus, everything became ambiguous. The scope and principle of a democratic government's intervention in the market was not defined. Thus, the only way to overcome the IMF crisis was to passively implement the reform package outlined by the International Monetary Fund. In regard to the question of how the market must be organized in a new environment called globalization, a model was not provided where the issues of chaebol restructuring, privatization, labour, employment, social welfare, etc. could be discussed within a single comprehensive framework. In the meantime, following the authoritarian development ideology, market efficiency and market fundamentalism began to gain power as a new hegemony. (Choi 2005: 190-91)

The failure to use the social cooperation process for progressive ends meant that the demands of labour became a significant blind spot among the democratic promises
made by the reform bloc during and after the financial crisis. This had the effect of undermining the reform bloc from within due to factional conflict. However, the attempt at social cooperation did not end with Kim Dae Jung but carried on into the Roh government, who attempted to use tripartite meetings to legitimize neoliberal reforms to the labour market, in particular the Non Regular Workers Protection Bill that was aimed at expanding irregular employment relations. Without the full participation of the trade union movement, especially the KCTU, the flawed nature of the process slowly undercut Roh’s ruling Uri party’s legitimacy within the liberal-aggressive bloc. Only the conservative Federation of Korean Trade Unions, a pro-government union from the dictatorship era, participated in the process while the KCTU sat most of it out. It would be difficult to grasp these tensions within the reform bloc without awareness of the contingency, the democratic struggle, that had brought both liberal and progressive forces together since the power relations involved in this struggle exceed the antagonisms that structure class relations at the point of production. Thus, an analysis such as Gramsci’s is useful for understanding the breakdown of social cooperation and its precise location within a series of power relations not only between labour and capital, but also within the newly reconfigured terrain of the integral state and the liberal progressive bloc.

While Gramsci’s understanding of hegemony and the historic bloc seems to complement Harvey and Silver’s focus on the internal movements of capital, not all theorists of hegemony are so sanguine. For example, Ernesto Laclau (1990: 9) argues that the social antagonisms that structure capitalist social relations do not take place between labour and capital but between the relations of production and the social identities external to them. According to him, an internal dialectic such as the antagonism between wages and profit cannot account for transformations, since such an explanation would reduce social space to an internal movement, ignoring power relations deriving from other social identities. In Laclau’s (1990: 17) phrasing the relations between these identities form a “constitutive outside”, an “outside” which blocks the identity of the “inside” (and is the prerequisite for its constitution at the same time). Laclau’s understanding of hegemony blocks any sense of internal dynamics of capital accumulation and effectively undermines the over-accumulationist reading of spatial fixes as I have presented it thus far. The result is a theory of hegemony that embraces the contingency of social and political identities and is opposed to the necessity of a solution to the problems of profitability theorized by over-accumulation theorists. What, then, happens to the theory of spatial fix, if the “outside” of the labour-capital dialectic is regarded as constitutive? It seems, from what I have discussed so far, that this dialectic is fatally undermined by such a reading. There seems to be little one can do to attempt to grasp a relationship between capital accumulation and other power relations, unless such a relationship is purely one of an exteriority that both constitutes and cancels out all interiority.

This might be a good time to recall that, for Marx, socially necessary labour time, and thus the tension between wages and profit, was a relative category. It results from a conjuncture between “the average amount of skill of the workman, the state of science, and the degree of its practical application, the social organization of production, the extent and capabilities of the means of production, and by physical condition” (Marx cited in Harvey 1982: 2006: 16). Therefore, though the antagonism between surplus value and socially necessary labour is a constitutive tension for capitalist social relations, it is already contingent on external relations. While for Harvey, and other theorists of the spatial fix, it is this internal dialectic that is their main focus – and I have tried to show so far that it is the under-theorization of the political which causes problems – it is important here not to mistake the under-theorization of external forces for the determination of these relations by an internal movement. The problem Laclau raises then seems to be one of methodological focus rather than a clear ontological distinction between internal and external laws of motion. However, Laclau uses the contingent articulation of relations of production and “outside” social relations, i.e. relations between different social identities, as an opportunity to privilege the discursive character of social identities rather than the recursive relations between social identities and relations of production. Instead of trying to introduce a greater reflexivity into political economy, Laclau instead argues that linguistic and rhetorical epistemologies are the necessary methods for grasping the logic of hegemony, as well as the nature of objectivity as such (Laclau 2004: 136–37, 151) since there is no necessary relation between social identity and the relations of production. Rather, it is the discursive relations between social identities, in particular, relations of equivalence, substitution and dislocation, involved in hegemonic articulation that constitutes objectivity. While this perspective reveals much about the discursive construction of power relations, it neglects entirely the materiality of relations of production, which are regarded only in terms of their discursive effects. Boucher (2008) argues that this is a critical error for Laclau, as it collapses a theory of a social formation into a discursive-linguistic theory (see for instance Hart 2002). The relationality between different regions of structures that might determine parts of a social formation, such as the relation between historic blocs and trajectories of capital accumulation that I discussed above, as well as the relation between materiality and discursivity, are obscured:

[The postmodern version of 'complexity' is a horizontal proliferation of hegemonic centres, which amounts to the multiplication of simple political antagonisms and not the complexity of an overdetermined social contradiction [...] While Laclau and Mouffe affirm the existence of the external world and the materiality of discourse, they claim that the being of every object is discursively constructed (Laclau, 1990: 97–134). This blocks the path to the regional distinction between social (discursive) practices and the materiality of the object (the natural properties of objects and extra-discursive conditions of emergence of discourse). (Boucher 2008: 95)]
A Constitutive Inside?

Labour Geographers have previously tried to address tensions similar to those discussed by Boucher. Andrew Herod, for example, has reworked the concept of the spatial fix further to include the agency of labour to greater detail. In order to counter what he perceived to be a trend within geography to regard labour more as a factor of production than as an active historical-geographical agent, Herod borrows from Harvey’s terminology to argue that workers are intrinsically involved in creating their own spatial fix. Recognizing that workers may see their own self-reproduction as integrally tied to ensuring that the economic landscape is made in certain ways and not in others (as a landscape of employment rather than unemployment, for instance), Herod argues, ‘allows them to be incorporated into analyses of the location of economic activities and the production of space in a theoretically much more active manner than heretofore has been the case’ (Herod 2001: 33–4). This perspective opens up the analysis of spatial fixes, affirming the tension between labour and capital but also supplementing it with an analysis of the multiple spatial dimensions that condition labour’s agency in the process. Herod’s case studies show how labour movements produce a politics of scale through collective bargaining, as well as participate in the politics of urban boosterism and foreign policy. These investigations facilitate an approach to the politics of place and scale of production that is sensitive to the role of labour movements and the contingent sets of power relations that they act through. ‘Even when [labour unions] are defeated in their goal,’ Herod argues, ‘the very fact of their social and geographical existence and struggle means they shape the process of producing space in ways not fully controlled by capital (2001: 17).’ Therefore, for many Labour Geographers, the relation between capital accumulation and wider sets of power relations is already regarded as operating internally in theories of labour’s spatial fix.

Another way of describing this relationality is to say that the concept of labour’s spatial fix entails a productive tension between a ‘labour theory of value’, a concept useful for grasping tendencies toward overaccumulation, and a ‘value theory of labour’, a concept useful for grasping multiple sets of power relations conditioning labour. Elson (1979) first used the concept of a value theory of labour to explain that the value of labour in the production process was not simply the result of socially necessary labour time, but also power relations that strategically value and devalue the work of different social subjects. For instance, these power relations produced (often gendered) distinctions between social and private divisions of labour, and thus informed the spaces in which conflict between wages and profit might appear. However, this realization does not necessarily block the insights of the labour theory of value, but rather provides a necessary supplement that shows how the value of labour is determined from more than one source. In other words, it broadens the study of value to include relations between different social identities. In this way, the labour-capital antagonism can still be thought of as a formative and dynamic part of capitalism although it is here rendered relational to other power relations. They key point is that these two, the ‘inside’ and the ‘outside’, condition each other, but in such a way that also subverts any clear distinction, and one-way determination between them such as that embraced by Laclau. The inside of the capital-labour relationship already presupposes a complex work of valuation that does not necessarily block the internal movements of capital, but does reveal their contingency, or ‘contingent necessity,’ to borrow a phrase used by Jessop (2008). This framework of analysis is in contrast to Laclau’s formulation in which any internal dynamic of capital is collapsed into the constitutive outside and made merely an effect of discursive power. Laclau’s formulation eliminates many of the contradictions inherent in capitalist development from the analysis of hegemony because the ‘outside’ always subverts the ‘inside’. The response from Labour Geographers, on the other hand, has been to see the two as mutually constitutive and not necessarily in antagonism. As Wright (2001: 560–61, see also Wright 2006) describes:

I think a reading of Marx that emphasizes his view of materiality as in a constant state of production allows for an intersection with poststructuralist views of subjectivity to expand the concept of subversion to include the subversion of the discursive technologies so necessary to the devaluation of human beings. This reading of Marx utilizes his critique of value without circumscribing a vision of subversive agency to a strict allegiance to class politics, especially when there is little empirical evidence to support this approach.

Wright does this by showing how the value of labour power is not simply the result of its enrolment within the production process, but also of patriarchal social relations that allow labour to be devalued. This expands the spaces of Labour Geography from the point of production to other urban spaces where the subjectivity of labour and other social identities are devalued. Thus, the labour theory of value and the value theory of labour are held in tension here, forming a constitutive inside to capitalist relations, rather than one set of (discursive) power relations cancelling out the other (material set).

Conclusion

By way of conclusion, I would argue that this idea, of a constitutive inside to capitalist social relations, provides a conceptual solution to the methodological impasse between Marxist and post-structural approaches. It does this by holding the constituent parts of labour’s spatial fix in tension, analysing capitalist accumulation without subsuming all power relations into an automatic labour-capital antagonism. Nor does it subsume all contingency into power relations purely ‘outside’ of capital accumulation. In my view, this necessitates a return to Gramsci’s classical analyses of hegemony and historic bloc. As we have seen, Gramsci regarded the historic bloc as constituted by both the economy and politics
as well as state and civil society, without necessarily reducing one to the other. In this way, the relation between the two different labour geographies of social cooperation I discussed in this essay can be analysed more clearly. The problems of accumulation — the declining profitability of Korean firms brought about by the decay of the developmental state model and the ensuing labour upsurges — need to be read in tension with the mutation of the reform bloc. Once in power, reform forces within the state and civil society were not able to maintain their political unity. This was in many ways because their unity was always a contingent one, formed in opposition to authoritarianism and not able to transform itself once in power into a much broader articulation of democratic demands. Meanwhile, the embrace of laissez-faire by members of the reform bloc itself, combined with the pressure from capital to find a solution to the economic crisis, led to a hasty embrace of neoliberal restructuring, and an attempt to use tripartite means to legitimize it. This seriously undermined the ability of the reform bloc to forge a lasting hegemony and raised new tensions within it. Furthermore, the neoliberal orientation of reform governments also led to expanded conflict between the labour movement and the state. Meanwhile, the embrace of neoliberal reforms has only led to a slight recovery in profitability (Jeong 2007) that has since declined due to the current financial crisis. The current crisis undercuts Korea’s export performance and led to more calls for neoliberal reform. Understanding the contingencies that have led to this process, and the reforms and attempts at social cooperation that will be generated by it, will entail an analysis sensitive to both the political economic dynamics of capital accumulation and wider sets of power relations that inform them. I can only hope that the discussion of spatial fixes, hegemony and the constitutive inside that I have advanced in this short chapter might provide Labour Geographers with some useful theoretical suggestions for understanding the current crisis and the role of labour movements within it.

References


