

## Capital accumulation in space, capital-labour relations, and political strategy

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### Introduction

In this chapter, I give an appreciation of two central aspects of Kevin Cox's work, and link them to parallel and contrasting ideas in my own work. Firstly, I discuss his views on method, which he has developed in critiquing other authors, but also exemplified in his own subtle analyses. Cox insists that concrete studies must be based on – and feed into – an elaboration of abstract concepts if they are not to fall into mere description. In particular, he emphasises the importance of the abstractions of Marxist political-economy, and the need to elaborate medium-level concepts such as ‘spaces of dependence’. But Cox's concern with abstraction does not lead him to neglect empirical detail and difference: precisely the opposite. Cox has also shown the importance of necessary relations in social analysis, and how one can relate them to contingencies dialectically, avoiding a simple dualism of the two. His work is always concerned to find the internal relations of social-spatial processes which are often analysed separately.

This method leads to my second focus: Cox's emphasis on the importance of capital accumulation in production, particularly as analysed by Marx in *Capital*, to all aspects of spatial economics and politics. He argues, with Marx, that one needs to go beneath the appearance of capitalism as markets and prices into the realm of *production* and its social relations and technologies. Economic competitiveness, then, appears not only as reduction of input costs but as achievement of increasing productivity and value added. He therefore emphasises the importance of

accumulation through mechanisation, innovation and skill, rather than through wage restraint and intensification of work. On this basis, he criticises much radical geographical and economic literature for focusing on prices, costs and the distribution of income between the classes rather than the materiality of production. He critiques accounts of the contemporary space economy which privilege capital mobility, cost cutting and so-called 'low road' strategies, and which picture local economies and economic actors as simply subordinate to these 'global' pressures. He argues that many local economies use 'high road' strategies which shelter them from price competition, and which also make their economic resources relatively immobile. This produces contradictions for the neoliberal project and gives possibilities for (local) democracy. Cox extends this argument by arguing that labour's share of output is mainly dependent on the strength and type of capital accumulation rather than a political balance of forces between labour and capital.

While I agree with the general thrust of Cox's arguments concerning capital accumulation, I have reservations. While 'high road' strategies are very important in the contemporary world economy, with the effects Cox cites, I argue that he downplays capital's discipline of labour – wage restraint and intensification of work, especially in a long wave of stagnation. This results in accentuated uneven development, and instability even in 'strong competition' local economies. Cox therefore does not sufficiently explore the limits and failures of 'high road' strategies. I argue that this lacuna in Cox's work is associated with a limitation of his methodology: that he does not sufficiently analyse variety and change in terms of *systemic contradictions*. I draw out some ways in which failures of 'high road' local economies arise from fundamental contradictions of capitalism. This has implications for political strategy. Cox's analysis can be read as supporting a left-Keynesian

strategy of strengthening territorially-embedded ‘high road’ accumulation. In contrast, my argument implies that the organisation of working class struggle against capital remains essential everywhere, a specifically socialist strategy.

### **The relations between abstract and concrete in social-spatial analysis**

In various works, most of which were written in the late 1980s and early 1990s (e.g. Cox and Mair 1989a; 1989b; Cox 1991a; 1991b), Cox and his collaborators undertook critiques of the methods of many academic urbanists, centring on criticism of their use – or lack of use – of abstraction and of necessary relations. In doing so he developed a method of analysis which he has since fruitfully applied in his own writing. Cox’s approach has three key elements. First, he argued that the observable forms of urban politics cannot be understood without the deployment of abstract concepts and processes, themselves grounded in long traditions of academic study.

Abstract/concrete is not, however, a dualism: the task of social analysis is to develop a continuous spectrum of abstraction from highly abstract concepts through medium-level ones to concrete analysis, and back again (see also Cox 2001, 748-55).

Secondly, relations between some social entities are necessary ones: for example, industrial capital and wage workers *exist* only in relation to the other, so that their relation is necessary or internal (Ollman 1993). The latter example is of a necessary relation at the highest level of abstraction; but they occur also at lower levels of abstraction. Thus the relation between the state and capital is internal at the highest level of abstraction; the institutional separation between them poses them as external to each other; but at a more concrete level, the state and sections of capital develop forms of dependence on each other which make them necessary to each others’ form of existence (Cox 1991b). Similarly, relations between economic actors

within a locality may historically be contingent and external; but as their interaction deepens they become conditions of each others' way of functioning (Cox and Mair 1989a). Analysis of any social phenomenon thus requires a careful *teasing out* of what is necessary and what is contingent; there are no short cuts to this end.

Thirdly, through this methodology Cox seeks to both develop and disrupt and many of the dualisms common in social science and geography: use value/exchange value, economics/ politics, economics/ social life, fixity/mobility, local/global, and so on. On the one hand he shows the necessary relations between these poles, their mutual construction, as against their empiricist use as separately-given entities; the poles of the dualisms are then no longer pristine, separate entities. On the other hand, he traces their development from abstract to more concrete forms, introducing elements of contingency and well as new necessary relations. Cox does not refer to his overall method as 'dialectics' (possibly as a tactic to avoid scaring Anglo-American academics); but to me his method is splendidly dialectical.

Cox's criticism of much of the New Urban Politics writing of the 1980s accurately portrayed it as positivist and undialectical. This work was not the 'simple empiricism' of pure description; rather, it proceeded through the specification of *medium level abstractions* such as 'urban regime', 'growth coalition', and so on, or Saunders' (1981) division of welfare and accumulation governance respectively between the local and regional-national scales. Following Wight Mills (1959), we may call this method 'abstract empiricism'. The analyst proposes a *model* or ideal type, and then squeezes all empirical examples to fit the model (cf. Gough 1976). But these medium-abstraction models are not constructed from more fundamental social processes (for example the capital-labour relation or local inter-dependence) *developed* in and through particular historical and spatial contingencies (for example

US cities in the 1980s). If this were done, then the underlying *dynamics, tensions and limitations* of the ‘model’ could be understood. Moreover, one could then see the potential contestation of the model, rather than portraying it as in some way structurally determined. And one could see the great variety of possible ways in which the fundamental relations and interests could be expressed in the given historical and geographical circumstances, for example, that a growth coalition may or may not be present in a particular city at a particular time.

Note that Cox is here emphatically not reducing everything to abstractions, as his critics maintained; to the contrary, part of his argument was precisely that the urban theorists he criticised could not account for concrete differences. This, of course, was very different from a postmodern accusation of ‘grand narrative’. Indeed, Cox (2005) has criticised postmodernism’s take on difference and its rejection of abstraction. He argues that there can be common processes underlying different concrete forms, and that these common processes are essential in theorising, rather than merely describing, difference. A corollary is that there may be *limits* to difference. For example, in a certain sense, there are undoubtedly ‘different capitalisms’ – different periods of capitalism (Cox 1991a), national or urban regimes, or forms of capitalist enterprise - and these make a significant difference to employment and other outcomes. But no capitalism can escape the processes which are necessary to capitalism as such: the drive to accumulate, competition, exploitation of workers, uneven development, and so on.

More recently, Cox has made a similar critique of the use of Regulation Theory to analyse contemporary spatial political-economy (Cox 2002; 2009). He argues that Regulation Theory posits structures and processes at medium levels of abstraction, but without showing how these arise from more fundamental potentials of

capital and the state, weakening their explanatory power (cf. Gough 1996). In addition, the internal relations of economics and politics are not acknowledged and developed. Again, Cox argues that Regulation Theory's lack of attention to fundamentals *also* leads to lack of sensitivity to difference, for instance in conflating structures and changes which have taken place in Western Europe with those in the US. Cox has also made this latter criticism of some of my and Eisenschitz's early writing on local economic policy (Gough and Eisenschitz 1996), in which we wrongly claimed that this scale and focus of state action has emerged in all developed countries during the present neoliberal epoch. He pointed out (private communication) that local economic policy was present in the US many decades before. The class tensions we analysed need to be more strongly differentiated by nation, and more strongly related to different scalar-state structures (cf. Cox 2004b).

Cox's methodological approach has been most fruitfully deployed in his concepts of 'local dependence' and 'local coalitions' (Cox and Mair 1991b; Cox 1993), later developed in the ideas of 'spaces of dependence' and 'spaces of engagement' (Cox 1998; 2001). Cox has deployed these concepts with great sensitivity to difference. Thus in examining residents' dependencies in their social lives, he carefully differentiates by people's class, gender and age; in analysing workers' dependencies and their spatiality he emphasises the variety created by, amongst other things, skill, income and age. In discussing firms' dependencies, he does not merely distinguish locally- and non-locally-dependent firms *à la* New Urban Politics, but distinguishes between very different forms of dependence arising from labour processes, customer base, form of the firm, and so on; within *each one* of these basic processes there are, then, major differences which lead to varied spatial dependencies. The important point here is *how* Cox introduces difference. He *melds*

the medium-level abstraction of ‘space of dependence’ (say) with high level abstractions such as class, gender or the labour process, or with medium level abstractions such as sector or form of the firm. The variation of spaces of dependence is then not simply described but theoretically constructed. Once again, it is through dialectic interconnections between apparently separate social entities that Cox produces difference.

Cox’s discussion of spaces of dependence and territorial coalitions is not only sensitive to social and economic difference but, connectedly, to different spatial scales. For instance he stresses that territorially-based dependence through different types of social interaction, and engagement of different social actors, may take place at many different scales, not simply the urban (Cox 2001, 755-60). Again, these scalar distinctions are constructed by internally relating spatial dependence with varied social-spatial relations at different levels of abstraction. One consequence of this approach is that Cox is able to show the *importance* of space (territory, scale, distance) without *reifying* space, that is, without attributing causal powers to space as such.<sup>1</sup> Another consequence is that locality is shown to be constructed by abstract and necessary relations and to *not* be synonymous with the concrete and the contingent.

Cox (2001, 748-53) has used his approach to examine a key debate within meta-geography: at what level of abstraction/concreteness does space enter? He examines Andrew Sayer’s (1985) argument which uses a (particular) critical-realist methodology. Sayer notes that space only exists through the objects within it. But

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<sup>1</sup> Cox has, however, sometimes used short-hand formulations which can too easily be understood to attribute powers to space as such: ‘localities as agents’ (Cox and Mair 1991), ‘the power of the local’ (Cox 1997c).

‘objects’ here are understood as concrete. Space is therefore constituted by the concrete spatial arrangements of objects; space has effects, sometimes major effects, on those objects, but these are contingent. Thus Sayer makes a sharp distinction: some social relations exist at abstract levels, but the effects of space are concrete. Cox counterposes to this a more relational approach (see also Cox 1991a; 1991b). He argues that some abstract processes of capitalist society integrally involve space, use space, and thereby constitute space. For example, the capital-labour relation presupposes both the spatial separation of home and work (the independence of the wage labourer) and certain links between them (the journey to work, reproduction with the wage) (cf. Gough 1991). Harvey’s ‘structured coherence’ of territorial economies integrally involves space, in that relations between economic actors may depend on their proximity and (sometimes) a common culture of the territory. Thus space is involved at high and medium levels of abstraction. Cox attributes Sayer’s failure to see this as due to his treating abstract/concrete and necessary/contingent as dualisms rather than developing out of each other (cf. Roberts 2001). Critical realism in this mode has not travelled a sufficient distance from positivism.

In this context, Cox also clarifies his understanding of ‘abstraction’. Following Gunn’s (1989) exposition of Marx’s method, we can distinguish between ‘empiricist abstraction’ – to leave out *in thought* more or less essential qualities of the objects concerned – and ‘determinate abstraction’ – in which real social processes themselves disregard these qualities. For example, value in the Marxist sense abstracts from the particular use values of commodities, rendering them as a pure quantity (socially-necessary labour time). This is not an arbitrary abstraction by the theorist, but is *effected by* the exchange of commodities, which in turn is a social practice. Similarly, the market in labour power *creates* ‘abstract labour’. Extending



this argument to space, Cox argues that in capitalism there are real processes which give space *characteristic* forms at high and medium levels of abstraction. The wage relation, for example, constitutes the home and the workplace as distinct spaces, and constitutes the distance between them as significant. Such ‘shapes’ of space are therefore not simply empirical regularities (empirical abstractions) but rather are determinate abstractions (cf. Gough 1991). Similarly, the capitalist land market – land as an asset with value – abstracts from the particular qualities of a piece of land by rendering them as a number; this is created by the social practice of monetarised exchange of land, and is thus a determinate abstraction. Though Cox does not refer to his work in this context, this is implicit in Lefebvre’s (1991) category of ‘abstract space’ – the homogenising of space precisely *by* capitalism. Thus Cox criticises Sayer’s view of space as being limited both by a failure to develop abstractions towards the concrete, and by an implicit method of empirical abstraction; this is congruent with Cox’s criticism, already noted, of the New Urban Politics as abstract empiricism.

Notice that Cox’s method of introducing space at abstract levels of analysis is radically different from the abstract treatment of space in the ‘scientific geography’ of the 1950s and 1960s. In propounding a ‘law of distance decay’, for example, scientific geography ignored the *real substance* of social processes and, in particular, their historical specificity. This kind of empiricist abstraction has unfortunately continued in many subsequent urban studies, for example in reified notions of ‘neighbourhood effects’ (for an egregious example, see Partridge and Rickman 2007) or in generic, ahistorical notions of ‘community’ and ‘social capital’ (see the critique of Das 2004). In contrast, Cox insists that space can only be considered in relation to

substantial social processes; the latter therefore often differ, for example, between capitalism and its antecedents (cf. Lefebvre 1991).

Cox's work shows, then, contrary to what empiricists and postmodernists maintain, that a dialectical method which integrally involves abstract processes and necessary relations can address social and spatial difference. Better, it can *theorise* these differences and their limits, and can map out tensions within, and dynamics of, concrete cases. Moreover, Cox shows how social relations are spatial at all levels of abstraction, thus showing the possibility of genuinely social-spatial *theory*. He demonstrates that 'geography matters' *both* because fundamental social processes are geographical *and* because abstract social-spatial processes can be developed to understand people's concrete experiences and consciousness (Cox 1991b, 303-4).

### **High roads, low roads, and class relations within territories**

A major body of work in which Cox has deployed necessary and internal relations considers varied social structures in relation to *the accumulation of capital*. In work in the last 15 years, Cox has emphasised the crucial role of capital accumulation in production, in both its quantitative and qualitative aspects, for our understanding of both class relations and spatial economies. In this field Cox is, again, attempting to show the internal relation between processes which are too often analysed as externally related, or indeed analysed quite separately. Here and in the next two sections I will discuss two connected arguments which Cox has made in this vein.

Since the early 1990s, Cox has constructed a powerful argument concerning trajectories of the capitalist economy within territories and the class-political strategies that they imply (Cox 1993; 1995; 1997a; 1997b; 2001; 2004a). The argument may be summarised in three linked points:

*1. The capitalist labour process: the importance of productivity*

Cox follows Marx in arguing that the most profitable and sustainable form of capital accumulation centres on the use of new technologies to create substantial rises in labour productivity *rather than* lowering wages and intensifying the pace of work. In *Capital*, Volume 1, Marx distinguishes between two different paths by which capital can increase the extraction of surplus value from its workforce. The first is ‘absolute surplus value’ (ASV): the real wage is forced down, particularly by using the availability of unemployed workers; the length of the working day is increased, using fixed capital for longer periods and sometimes lowering the wage per hour; and/or the intensity of work is increased by speed-up and elimination of ‘slack time’. These methods are sometimes facilitated by redesigning the work process and the division of labour in order to deskill jobs; this enables less skilled labour to be employed, and the simpler tasks make speed-up easier to impose and to measure. ASV, then, increases the production of surplus value at the direct expense of the worker, in both the reduced wage and in strain on the workers’ body and mind within the workplace.

Marx’s second, broad method of exploiting workers is ‘relative surplus value’ (RSV). The worker uses machinery rather than tools, and this machinery is subject to constant improvement, enabling large rises in labour productivity (volume of output per worker-hour). The latter lower the value of consumer commodities, and thus allow the value of labour power to be lowered while maintaining a given consumption basket. Thus more surplus value is extracted, but without cutting the living standard of workers and without (necessarily) increasing the intensity of their labour.

Cox uses the ASV/RSV distinction, though without using those terms: he presents ASV as a strategy of cost cutting, and thus in the realm of prices and market exchange, while RSV is a strategy rooted in intensive investment in production. (I

shall continue here to use the ASV/RSV nomenclature for conciseness.) Cox also updates the RSV category, by arguing for the importance within it of workers' skill and of knowledge applied to production. The capitalist application of ever-changing machinery to production is often thought to lead inevitably to deskilling, and indeed to have this as aim. But much deskilling is done without change in technologies; and more complex machinery often requires higher skills from the operator as well as from the setter and repairer (Gough 2004a, 156-8). Moreover, in many production processes where machinery is relatively unimportant, worker skill can greatly increase productivity (Rowthorn 1980). In addition, technical knowledge is applied not only to processes but also to product innovation, which can give an edge over competitors and enable prices above value to be charged, reaping technical or design rents (Gough 2004a). Thus if one accompanies Marx in defining RSV (and its contrast with ASV) as the pursuit of increased productivity and high value added, then we may, with Cox, say that this production often requires high skilled labour power and a dynamic development of products as well as processes.

Marx argued that RSV *rather than* ASV is characteristic of industrial capitalism in its fullest, most complete and internally-sustainable form. RSV constitutes a qualitative step forward in the domination of labour by capital – 'real subsumption' rather than 'formal subsumption'. The use of machinery – and more generally technical knowledge – enables capital to design the labour process, substantially taking it out of the control of the worker. ASV, on the other hand, is limited by the constraints of the physical survival of the worker: the basket of commodities the worker can afford cannot fall so low that workers (and their dependents) starve or die of privation, unless there is a supply of new labour power from *outside* the capitalist system. The intensity and hours of work cannot be

increased beyond what is physiologically and mentally possible, and the level at which the worker becomes incapable of further work. ASV therefore cannot be deepened and widened *indefinitely* in a closed capitalist society (though its barbaric limits have been achieved many times in the history of capitalism). Yet the logic of capital, according to Marx, is precisely to expand its value indefinitely; and this *can* be achieved through RSV.

Marx argued that the ASV/RSV contrast is therefore also an historical trajectory. In Britain, the putting-out system and some early factory production operated through ASV; but the invention of the large factory using partly automated machinery signalled a transition to RSV. ASV was possible while there was a reserve army of labour being created through the eviction of workers from the land and by rises in productivity in agriculture. But as an industrial and urban system, ASV production could not sustain its own population. Thus from the mid-19<sup>th</sup> century, as RSV rose in importance, real living standards for the working class could rise in parallel to increases in productivity, and this could enable the ‘internal’ reproduction of the working class without recourse to immigration from outside (urban) capitalism. This was the basis for a class alliance between the organised working class and ‘progressive’ sections of capital. The urban politics of Britain from the mid-19<sup>th</sup> to mid-20<sup>th</sup> century, in both the workplace and the residential sphere, was thus profoundly bound up with the contrast between ASV and RSV and a tendential shift between these forms, powered in part by working class struggle.

Drawing both of Marx’s treatment and – I would guess – this social-economic history, Cox has argued that RSV is the dominant means of surplus value extraction in the present day. It is dominant in the sense that the highest rates of profit, and the most sustainable profits in the medium and long term, are to be made through this

path. It is also numerically dominant within the MDCs. To be sure, there are also firms and sectors within the MDCs and, *a fortiori*, in the LDCs where ASV predominates. In this sense, within the MDCs at least, there is a choice of path, which is a political choice; Cox emphasises the possibilities for RSV paths. He therefore polemicises against those who see in the contemporary neoliberal world only wage cutting and the degradation of conditions of labour. He criticises those academics who picture wage labour as a simple *market-exchange* relation, the buying and selling of 'labour', while neglecting its essential nature as *production*. This is the theoretical mistake of neo-classical economics, within which 'labour' is a simple cost of production rather than the creator of variable value; neoliberal political ideology rests on precisely this view. It is also the mistake of Ricardians. Ricardo pictured the relation of capital and labour as lying within the labour market rather than production; output per worker is exogenous to this relation; labour and capital therefore compete in a zero-sum game for the distribution of the given product; it is always in capital's interest to drive down the wage. Marx criticised this view for occluding the crucial relation of exploitation within production. Again, Cox follows Marx closely in focusing on production, and emphasising capital's drive to raise productivity.

## *2. Fixity and mobility: the importance of territorial embeddedness*

Cox's view of contemporary economic geography follows, in a large part, from this emphasis on RSV. The most dynamic capital does not make a priority of seeking out cheaper or more malleable supplies of labour power by relocating to lower-wage regions or countries. It is concerned, rather, to use an experienced, often skilled, labour force, which is more productive, cooperative and innovative than green labour, requiring continuity of production in place. The use of skilled labour on a long-term

basis implies good welfare services and housing, reinforcing the logic of remaining in high-income locations. This kind of capital also seeks to benefit from dense exchanges of commodities and knowledge with other firms, and there are often advantages of these being proximate. Spatial agglomeration of production at varied scales thus increases the productivity, quality and innovativeness of production; spatial arrangement is a productive force (cf. with the earlier discussion above) and *intrinsic* to the RSV strategy.

Cox therefore concurs with the theorists of the New Regionalism concerning the possibility and desirability of ‘strong competition’ rather than cost cutting strategies in the MDCs and even in the LDCs, based on spatial agglomeration (Storper and Scott 1992; Storper 1998; Scott 1998). For the most part, the New Regionalist theorists use institutionalist or socio-economics, focusing on ‘untraded dependencies’, social habits and rules; they reject Marxist theory, most sharply the Marxist thesis of antagonism between employers and workers (Storper 1999). Cox nonetheless reaches a similar conclusion based on his reading of Marx.

Accordingly, Cox criticises authors who focus solely on the flight of US production to low wage, low unionisation States or abroad (Bluestone and Harrison 1980; Peet 1987). He similarly criticises the World System approach of Wallerstein and others, much of the (connected) World City literature, and the New International Division of Labour (NIDL) literature for over-emphasising or over-generalising capital’s search for cheaper and more malleable labour power – the ‘race to the bottom’. Cox criticises these views as Ricardian or neo-classical, in that they assume that location of production is governed above all by minimisation of the costs of factors of production. He argues that, especially in the MDCs, a RSV strategy of continuous technological innovation and application is possible; capital to this extent

does not seek mobility but rather to root itself durably in the rich productive interdependences of the MDCs. Moreover, the resultant rises in productivity mean that wages can be raised without cutting profitability, so that capital has no *need* to seek out cheaper sources of labour power. Cox refers back here to the debate in the 1980s, in which a number of Marxists argued that the NIDL School, using Ricardian assumptions, had neglected the attractions for capital of RSV strategies in the MDCs (Jenkin 1984; Gordon 1988). A corollary is that Cox pictures the public discourse of ‘globally-mobile production’ as being essentially ideological, a cover for capital to drive down wages and conditions.

With his usual attention to difference, Cox has nuanced this analysis. First, he acknowledges the actually-existing persistence of low skill, casualised employment within MDCs. But he points out that many of the latter jobs are in consumer service sectors, the majority of which are necessarily located in the same locality as their consumers, and therefore have no possibility of international mobility. The final market ties of these jobs therefore make it possible for unions to press for better wages and conditions without employers being able to use the threat of relocation (one could cite the Los Angeles janitors, the Las Vegas hotel workers, or many targets of the current London living wage campaign). Secondly, he acknowledges ways in which economic fixities can be eroded or destroyed by mobilities. Following Harvey (1982), he argues that developments in communications, aimed at reducing circulation time of capital, can weaken local ties and facilitate more distant ones. Technical change in production methods or products can also change the forms of production interdependency within territory, at the extreme making them obsolete. Fixity and mobility are, then, in tension. But this complicates, rather than invalidates, an RSV spatial strategy.



### 3. Strategies for 'economic development' and class-political relations

On the basis of this spatial-economic analysis, Cox and collaborators (e.g. Cox and Mair 1989b; Cox 1993; 1995) have argued forcibly for a particular approach to local (city, region) economic development (LED): to pursue a 'strong competition' strategy. Cox does not see this as a panacea. The variety of local economies and political traditions in, say, the US, mean that the possibilities for pursuing an RSV strategy are varied. The positive impacts of such a strategy can be undermined by property capital siphoning ground rents from the technical rents being earned (Cox 1995; 1997a). And the employment benefits of a high-road strategy tend to flow to better-off sections of the workforce rather than the disadvantaged (cf. Gough 1986). But the high road strategy is nevertheless possible.

On this theoretical basis, Cox made his famous criticism of the New Urban Politics, both as the practice of US city and State governments and as academic argument (Cox and Mair 1989b; Cox 1991a; 1991b). This politics as based on an assumption that capital is overwhelmingly set on an ASV path: interested above all in lowering costs, and for this reason highly mobile.<sup>2</sup> Moreover, on this basis local states

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<sup>2</sup> This is not to say that the low road strategy is supported only by mobile capital. On the contrary, academic commentators have pointed to the crucial role in US local politics of certain locally-dependent sectors of capital which have propelled the growth coalitions: utility companies, infrastructure providers, medium scale property companies, local media, and sometimes regionally-limited banks (e.g. Logan and Molotch 1987). We thus have the paradox of capital which is relatively *immobile* seeking to attract *mobile* capital. But notice the *type* of local tie of the sectors leading the growth coalition: they are dependent on local *market demand*; and some of them are inhibited from moving because of their large *fixed capital*. These local ties, then, are very different to the productive linkages highlighted in Cox's RSV strategy and by the New Regionalists. One may suppose, then, that capital supporting the growth coalitions is not, from its own experience, *aware* of the RSV strategy.

have focused their economic development policies on attracting inward investment rather than developing indigenous resources, and have done so by offering to cut their costs: the promise of a ‘ready’ workforce, low wages, state subsidies for land and fixed investment, and, in the case of ‘Right to Work’ States, the promise of non-unionised labour. The dominant strategy has thus appealed to the supposed ‘low road’ requirements of potential inward investors. Cox sees this strategy as misleading: it fails actively to provide for and foster high-road development; it wastes state funding on subsidies to cost-cutting firms; and it positions the local state as patron of low wages and poor conditions. In this way, the essentially neoliberal ideas of the New Urban Politics actually undermine better forms of capital accumulation.

Cox is famously reticent about arguing positively for a political strategy. But it is clear that he thinks the ‘strong competition’, territorially-embedded strategy *should* be pursued, whether at local or national scale, and that this would lead to benefits for wage earners. At the local scale this is clear in his conclusions in Cox (1993), and his support for Stone’s (1987) ‘progressive’ local strategy in Cox (1995). At the national scale, in Cox (1997a, 126) he quotes approvingly Hirst and Thompson (1992) when they argue for national industrial policy with a large role for the state; and he clearly prefers national-developmental industrial models such as those of Germany and Japan beside the liberal Anglo-American model. He describes the RSV strategy in general as ‘progressive’ (1997a, 131).<sup>3</sup> Although Cox does not express the matter in these terms, he is in effect proposing a class alliance of labour with productivist capital. In Meszaros’s (1995) terms, this accumulation strategy expresses

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<sup>3</sup>The editors of this volume have suggested to me that Cox does not *urge* an RSV strategy but rather points out the *possibilities* for it. But this interpretation seems at odds with these texts, and with Cox’s argument discussed in subsequent sections below.

the ‘universal’ side of capital – its ability to develop the productive forces and thus raise living standards for the working class, rather than its ‘partial’ side – capital’s discipline over the working class and their opposed interests.

Cox (2004a) links the fatalism of ASV strategies to a belief in the inevitable decline of *democracy* in the present period. He has discussed this link at both local and national scales. The New Urban Politics offers, at best, low wage, insecure jobs to local workers, while to local residents it offers reduced welfare services ‘to pay for’ subsidies to business. This militates against involvement in local politics by the majority of the population, and in some cases business interests directing the growth coalition seek to exclude the general population. At the national level, the argument that ‘globalization’ is a cost-cutting race to the bottom leads directly to the view that austerity within production and the welfare state is the only way for MDCs to maintain employment. ‘Reacting to globalized production’, states try to hold down or reduce wages, and offer subsidies to capital to locate within their territory. Reacting to ‘globalized finance’, governments implement a deflationary policy in order to maintain the value of their currency against attacks by hyper-mobile money capital. This tends to erode democracy: a fatalistic discourse is propagated that impersonal, unstoppable market forces require austerity – ‘there is no alternative’ – so that democratic debate is ruled out; popular pressure to maintain good jobs and welfare services has to be suppressed through blocking channels of popular representation, and *in extremis* through repression of ‘the enemy within’ (Cox 1997b; 2004a). Cox retorts that the RSV strategy can – potentially – allow consensual class relations. Wages and spending on public services can rise over time. The state therefore does not need to be authoritarian its actions and undemocratic in its methods.

### **A critique of Cox's view of the relations between high and low roads**

Cox's arguments are a powerful corrective to those politicians and academics who accept neoliberal work relations and state policies as inevitable, in particular on grounds of 'globalization'. I agree with his argument on the importance of RSV strategies for capital, and the substantial *immobility* and territorial enclosure this implies. I agree also that for workers RSV strategy tends to offer better wages and conditions and more-skilled and autonomous jobs than does ASV.

But Cox's argument suffers from an important theoretical, and thus political, problem. He pictures RSV and ASV strategies as essentially *externally-related alternatives*: some capitals (and workers) in some sectors in certain times and places take one path, others take the other, and yet others proceed through hybrids. They therefore present an economic-political-cultural *choice* for both capital and labour. To be sure, firms, sectors and territorial economies may shift between RSV and ASV; but this is due essentially to changes external to them, such as technological change or (spatial-) political regulation. In my view, however, RSV and ASV should be seen as a *contradictory unity*: they are contrary aspects of *all* capital accumulation. As a political strategy, then, labour (and indeed capital) cannot simply *choose* the RSV path. RSV production, especially in its territorially-agglomerated form, faces ubiquitous and permanent contradictions, which tend to push it in ASV directions; this is particularly, though not only, true in (territorial) economic crises. Workers in RSV therefore have to be prepared to organise themselves to oppose capital, rather than rely on their productiveness. To use Meszaros's (1995) terms, capitalism can never escape its partiality. At the methodological level, then, my criticism is that Cox does not take his dialectical approach quite far enough, to focus not merely on complexity and contingency arising *out of* abstract structures, but on *contradictions*

*within them*. I develop this extension of Cox's work by examining his three fields of theorisation above:-

*1. The capitalist labour process*

Marxist analysis of the capitalist labour process since the 1970s has argued that the relation between capital and labour in production is not merely conflictual but contradictory (Friedman 1977; Edwards 1986; Jonas 1996). This is so in both the labour process and the employment contract. Within the labour process, capital has to elicit some degree of conscious purposive action (initiative, effort) from the worker for to be performed, and especially to be performed rapidly and well; this implies a minimum level of cooperation of the worker with her employer (Manwaring and Wood 1985). On the other hand, the employer must monitor, supervise and discipline the worker to ensure that the quantity and quality of work are sufficient to create surplus value. Control of workers has no point without their cooperation, and their cooperation no point without their control – they are a unity. But they are also opposed: voluntary cooperation is undermined by workers' perception of excessive managerial control, and imposition of discipline is made more difficult the more autonomy the worker has achieved. In every capitalist labour process, then, there is a strictly contradictory (unity of opposites) relation between cooperation and discipline, autonomy and authority (Hyman and Elger 1981). This contradiction is intimately bound up with another lying in the wage contract. The more initiative the worker has, the higher the acquired skill, the scarcer this skill is likely to be, and therefore the better wage and contractual conditions tend to be. Since all capitalist production has to reap surplus value, these cost pressures are never irrelevant.

These tensions mean that capital often seeks to introduce ASV measures. This is most obvious in sectors with combinations of: long production runs of a standardised product; the use of simple, automated machinery which can dictate work pace and quality; jobs which can be designed with fragmented, low skill tasks; slow change and low variety in product and production technologies; and/or labour intensive production. This accounts for the large amount of ASV production in the MDCs, and its dominance in the LDCs. But pressures towards aspects of ASV are present even within RSV-type production (Gough 2004a, 49-63). When RSV sectors introduce new production technologies, the employer has to be able to guarantee a certain pace of work in order to amortise the cost of the production equipment; closer supervision of work and speed-up thus often accompany the introduction of the new production techniques crucial to RSV. In knowledge-intensive labour processes, too much worker autonomy not only gives workers wage-bargaining power but renders them able to work according to their own interests, and potentially move to another firm or set up on their own account. Capital therefore often attempts to deskill tasks, or to split off parts of jobs that can be performed with lower-skilled labour; examples are the software industry in recent decades (Morris-Susuki 1997) or school teaching in Britain (see also Gough 2004a, 156-8).

Such ASV measures in RSV production are particularly common at times when profitability of the (territorial) sector declines: employers often seek to restore profitability by cutting costs, including wages, or by intensifying work through greater discipline. Much of the industrial studies and economic geography literature on high-road production neglects the latter processes: RSV sectors (if not individual firms and workplaces) are seen as operating securely through innovation and technical rents. But erosion of profits in dynamic sectors is inherent in the accumulation of

value. High-profit sectors attract more investment, which is uncoordinated between firms, and therefore eventually results in overcapacity, leading to intensified competition and cost cutting (Gough 2004a, 247-51). It is logically impossible for all or most firms to avoid this overcapacity through further technical innovation within the sector (though radical diversification is sometimes possible). Moreover, dynamic accumulation in the economy as a whole leads to downturns, and these impinge negatively even on RSV sectors through cuts in final demand. Thus profit squeezes in RSV sectors are inevitable, and these often result in ASV-type attacks on the workforce (*ibid.*, 159-78, 251-9). These then tend to undermine the cooperation of workers required by the RSV model. This has been only too evident in RSV production in the last 25 years or so, under impulsion of insufficient sustained rates of profit across the world economy. In the more routine jobs in RSV production, especially in capital-intensive manufacturing, ‘lean production’ has become the norm; while this is often presented by management as job enrichment, it typically involves intensification of work rate and imposed hours of work (Smith 1994). But in higher-skilled RSV jobs, too, the dominant trend has been what Thompson (2010) calls the ‘qualitative intensification of labour’ through management’s better appropriation of workers’ tacit knowledge, initiative and emotional labour, and commitment to working ‘whatever hours are necessary’, requiring much greater effort and with negative impacts on workers’ free time (see also Green 2006; Boltanski and Chiapello 2005). Thus RSV class relations, especially in production with strong worker autonomy, are always vulnerable to employer attacks, especially in times of sectoral, local or national crisis.

## *2. Localities, fixity and mobility*

Cox argues that for labour RSV is a better local strategy than ASV. But RSV localities have necessary relations to others, and these can be damaging (Gough 1996b). Firstly, if the strategy seeks to capture a larger slice of a national or global RSV sector, rather than upgrading a local sector from ASV to RSV, this is at the expense of other localities. Secondly, RSV industrial sectors drain value from ASV ones: the technical and design rents realised by RSV sectors are paid by capital and/or labour in other sectors (Gough 1986); and RSV (sub)sectors which are command functions – headquarters, medium and high level finance and business services, property management companies – directly appropriate surplus value from other sectors of the economy (Harvey 1982, chapters 10 and 11). Thus the prosperity of localities which concentrate on RSV is partly at the expense of ASV sectors and the places where they are located (Forbes and Rimmer 1984). The wages of workers in ASV sectors are reduced by their relation to RSV sectors. The point here is that one cannot pursue a high road strategy without considering its impacts on other areas and their workers.

Cox discusses some ways in which the fixity of production within a territory (including RSV production) can be undermined by mobility (1995, 218-20; 2001, 750-1). But the processes he discusses are rather narrowly drawn: changes in technology within a sector, changes in communications which affect the sector (inputs, outputs), changes in the political regulation of trade, and, in a rather different register, better opportunities elsewhere for the sector's capital. What this omits are the ways in which RSV-dominated territories undermine themselves from within, and do so most strongly precisely when they are at their most successful. One way this can happen is through imbalances between economic/social sectors, broadly defined, transmitted through land and labour markets. Insufficient investment in physical or



social infrastructures lead to congestion and inflation; high wages in RSV bid up the price of housing and consumer services; lower wage workers, including those working in sectors tied to the locality, find it increasingly difficult to afford to live locally; and capital in sectors which are not RSV or which cannot earn high technical rents is squeezed out (Peck and Tickell 1995; Abdallah, Jackson and Marks 2008). Moreover, the very strength of accumulation tends to generate particularly strong cycles, in the RSV sectors themselves, in commercial property (Lizieri 2009) and in housing. Thus periodic layoffs are to be expected by workers in these localities. In short, there is combined and uneven development between different sectors and their workforces, and uneven development over time, which damage overall accumulation and employment. Again, from the point of view of political strategy, RSV production needs to be assessed in its relations to other production.

Another important way in which RSV regions may undermine themselves is that labour becomes too strong from the point of view of capital (Massey and Meegan 1978; Gough 1996b; Eisenschitz and Gough 1996). This takes us back to the points I made above about the contradictory nature of the labour process. Workers in RSV sectors, particularly those that are locally agglomerated, often develop a sense of their own power to bargain against management. This can take the form of strong union organisation, not only in skilled manual work but in business services and creative industries; or it can take the form of aggressive individual bargaining, or of individual slacking. Moreover, the spatial agglomeration of the sector makes it easier for workers to leave for another firm or to set up on their own account. The labour process thus becomes difficult for the employer to manage. The inflationary pressures of these localities just referred to tend to exacerbate wage-cost pressures. Under these conditions, RSV employers may attempt disciplinary measures against

their workforce: job cuts, greater supervision of work, speed-up, partial deskilling, or wage cuts; the offensive against print workers in London in the 1980s is a classic case (for the case of London see also Gough 2004a, 159-64, 197-203, 234-8).

Alternatively, employers will be tempted to consider relocation to places where skilled workers are available but where they are less socially concentrated, or where living costs are lower (*ibid.*, 169-78); the relocation of much software production from Silicon Valley is an example. Workers in locally-agglomerated RSV sectors cannot, therefore, assume that they will be immune from the kind of disciplinary measures experienced by ASV workers.<sup>4</sup>

Two conclusions may be drawn from Cox's overall argument. Firstly, mobility and dispersal of production may take place not only because of changes external to that production such as in communications, trade or technologies, but also because of *internal* disruptions, that is, strictly *contradictory* economic-territorial processes. Pressures towards mobility are thus stronger than Cox allows. Secondly, and consequently, Cox does not sufficiently consider the difficulties for localities in carrying out an RSV strategy; these are problems for both capital and, especially, labour.

### *3. Neoliberalism, austerity and democracy*

Cox rightly argues (1993; 1995) that neoliberalism is not a reaction to prior 'globalisation', rather that increased international mobility of productive, money and commodity capital is to a large degree a product of capital's neoliberal strategy. He

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<sup>4</sup>I have argued (Gough 2004b) that Harvey, like Cox, downplays the role of inter-class struggle in disrupting the structured coherence of local economies.

draws the conclusion that a Keynesian strategy which embeds high road production within a territory is feasible, since it is not contradicted by any 'economic fact' of globalisation; accordingly, democracy, as an aspect of Keynesianism, is possible. This second argument appears to me to be questionable. First, as we saw in (2) above, territorially-concentrated RSV production is subject to erosion not merely from neoliberal politics but from its own internal contradictions, which are deeply rooted in capitalist class relations. Secondly, Cox's argument for a high road strategy implicitly regards neoliberalism as a free political choice, so that we can and should make a different choice. But – as Cox is aware – neoliberalism has a profound *logic* for capital in a long wave of economic crisis, such as we have experienced since the late 1960s. Feeing of markets from social-political impediments, including state regulation, promotion of greater capital mobility, fragmentation of economic decision making and individualisation of social life, cutting of state expenditure and privatisation of state employment have been aimed at raising the average rate of profit, opening up new profitable accumulation paths, weakening working class organisation, and deflating the politicisation at both national and local levels which was such a notable feature of the early years of the crisis. Thirty-five years after its inception, one has to say that, in these aims, neoliberalism has had very substantial success. By 2008 the average rate of profit in the MDCs had risen from its nadir in the mid-1970s to mid-1960s levels. Capital has flowed into production in new, relatively profitable places and sectors. Working class collective organisations everywhere have been weakened numerically and politically. Neoliberalism, then, is not a narrowly-political choice to which one can counterpose Keynesian democracy; rather, it is the major way in which capital has sought to restore accumulation and re-

constitute the class relations which are the essence of the capitalist mode of production.

It may be objected that neoliberalism has been replete with contradictions for capital itself; and that the global credit crunch and recession since 2008 show that it has not succeeded in installing a new, epochal, stable regime of accumulation. I accept these points (on the first see Gough and Eisenschitz 1996; Gough 1996c; 2002). But they do not demonstrate that capital made a *mistake* from the 1970s in going down the neoliberal path. The fundamental contradictions of the capitalist mode of production mean that *any* capitalist strategy has its contradictions and failures; but that strategy may still be the best one available in the circumstances. Neoliberalism appeared to capital as the most promising strategy because it acted *with the grain* of the most fundamental capitalist social relations, namely private property, the law of value, and the discipline of capital over labour.

The logic of neoliberalism can be seen in the effects of economic crisis on RSV production. An average low rate of profit and particularly low rates of profit in specific industries and places have led to attacks on workers' jobs and conditions even in RSV sectors. These have been most dramatic during the deep recessions, including the present one, which have marked the period. These attacks reflect the *value* relations of the long crisis and of the business cycle, that is, basic value relations of capitalism. When profitability is low and competition intense, most capitals will seek to use ASV techniques to increase profitability; and states will attempt to cut spending and reduce taxation, which is ultimately a routing of surplus value away from private appropriation. In this sense, the attacks on (even) RSV workers and the erosion of welfare services have not been a political choice but rather the unfolding logic of

capitalism in crisis. The same is true of the erosion of democratic procedures and state repression of labour.

If neoliberalism is a logical path for capital in the present epoch, then there are implications for labour's politics. Labour cannot rely on the beneficial logics of RSV production to improve its economic and political situation. Much ASV production remains; and even RSV employers turn to ASV strategies at various times and places. Labour therefore has to have the collective organisation and political preparedness to confront capital. This is needed not simply to pursue an ultimate goal of socialism, free from the contradictions of capitalism discussed above; it is also needed for the 'reformist' – or more precisely, shorter term – aims of defending RSV-type conditions of work against capital's attacks, pushing capital towards high roads of accumulation, and achieving a less repressive state. The productive logic of RSV itself is not enough to do this.

I suspect that Cox would agree with most of the individual points I have made in these three arguments. But he seems to put a different theoretical and political interpretation on them, at two levels. First, on the level of methodology, while Cox's writing painstakingly analyses different and contrary processes, and relates these to abstract and necessary relation, he has not carried this through to analysing necessary *contradictions* of the capitalist space-economy, particularly those involving the capital-labour relation. This may owe something to Cox's espousal, at some stages of his work, of a certain reading of critical realism: some critical realists, such as Sayer, have rejected the notion of contradiction as metaphysics. Or it may be that Cox has followed the structuralist tradition inherited from Althusser which deploys 'over-determination' in preference to contradiction.

A second conclusion concerns working class political strategy. The deep contradictions of high road strategies, and their necessary patchy nature within capitalism, mean that labour needs to develop its own power through collective organisation, and needs to have a long term target of socialism. It is certainly feasible and desirable for labour to make local and temporary alliances with sections of capital in order to pursue RSV production and progressive state policies (Eisenschitz 2008). But the working class movement needs to be aware of the limits of such tactics, and in particular that even the most ‘progressive’ capital may turn against labour (*ibid.*; Gough and Eisenschitz 2010).

In the final section of this chapter, I will briefly take up an argument of Cox’s which is congruent with, and reinforces, his argument on high/low roads.

### **Labour’s share of output: how autonomous is wage bargaining from accumulation?**

In his 2004 paper ‘Globalization, the class relation and democracy’, Cox argues that ‘the balance of class forces’ – the relative power of capital and labour – is strongly dependent on accumulation within production. Quantitatively, Cox argues that the share out of value created in production between capital and labour respectively (in Marxist terminology  $S/V$ , the ‘rate of exploitation’) is principally dependent on quantity and quality of capital investment. In particular, Cox argues that militancy of (collective) workers cannot reduce  $S/V$  substantially except ‘in the very, very short term’ (*ibid.*, 31). This is because capitalist investment is capable of raising  $S/V$  and the rate of profit on capital, through various mediations:-

(i) RSV investment which involves new production or product technologies, can increase productivity and thus –

- reduce the value of consumer commodities, lowering the value of labour power; and
- lay off labour, replenishing the reserve army of labour, thus exerting downward pressure on wages.

(ii) A decrease in the quantity of new investment and scrapping of capacity –

- can increase unemployment, and thus again exert downward pressure on wages; and
- the scrapping of capacity reduces the quantity of capital with a claim on profit, thus tending to raise the *rate* of profit on capital.

These arguments are derived from Marx's *Capital*: (i) is a part of Marx's discussion of the 'real subsumption of labour' by capital, while (ii) includes two processes which Marx discussed as countering the tendency of the rate of profit to fall in the long term. The processes in (i) are high road accumulation, those in (ii) low road or neoliberal paths; Cox again puts a particular emphasis on the former. Capital is thus able to raise the rate of exploitation not only through using the discipline of unemployment but also through productive investment to lower commodity values and thus reproduce labour power at lower cost. Moreover, through this productive investment and/or through devalorisation of capital assets, the rate of profit can be raised, encouraging stronger capital accumulation.

The implication for labour's politics appears to be that militancy is not the best way to raise the real wage, at least in the MDCs where RSV is central. Rather, the real wage is most effectively raised by labour supporting and promoting RSV strategies for capital accumulation (cf. section 3 above, (1) and (2)). There are important antecedents for this political perspective in the history of Marxist politics: in the Second International before the First World War, Bernstein argued that labour would be economically and politically strengthened by supporting strong capitalist accumulation; and the official Communist Parties from the Popular Front in the 1930s

through to the 1970s argued that the workers' movement should ally itself with nationally-rooted capital, particularly industrial capital.

Cox uses this value analysis to criticise what he sees as dominant arguments in economic geography since the 1980s:-

(a) A Ricardian view of the conflict between capital and labour. In this view, class struggle is about the distribution of value created; the latter is taken as given, exogenous to the class struggle. But Marx showed that, through RSV, *both* the value created *and* its distribution between the classes can be changed. The Marxist approach thus emphasises the process of *production*, whereas the Ricardian approach sees only the process of *exchange*, in this case the sale of labour power. Marx's critique of Ricardo centred on this distinction, arguing that the essence and specificity of industrial capitalism does not lie in market exchange but rather in the relations within production.

(b) A focus on trade union organisation and militancy, and a belief that this can substantially raise labour's share of value created. The leftwing of economic geography in the last twenty years has given much attention to workers' organisation. This 'labour geography' has argued that workers are not passive within capitalism, as some left economic geography had implicitly portrayed them (Herod 1997). In particular, workers are sometimes able to make gains at the expense of capital (Castree *et al.* 2004).

Cox argues against this view: labour's gains, at least in terms of the share-out of value, are undermined by capital's patterns of investment. The mistake of labour geographers is to have ignored the fundamental value processes. This error is implicitly based either on treating industrial relations as a 'factor' which can be studied in itself, separate from capital accumulation; or on a Ricardian view that the



distribution of the product is determined within the labour market, studied separately from production. Cox might here have referred back to a major debate among radical economists in the 1970s concerning the role of militant workers' organisation in lowering the rate of profit. Glynn and Sutcliffe (1972) argued that the declining rate of profit in the major countries during the 1960s had been mainly due to the balance of class forces shifting to the benefit of labour, leading to a falling rate of exploitation. This view was extensively criticised by other Marxists as Ricardian, in particular in downplaying the role of rising capital intensity (Mandel 1978).

Cox's arguments here are important, analytically and politically. They caution against reducing left economic geography to a sociology or 'pure politics' of labour organisation. Value relations have effects 'behind the back' of economic agents, particularly workers. But some caveats are needed. Firstly, there is a tension between Cox's arguments (i) and (ii). These are not just different ways of raising  $S/V$ , they are *contrary* ways. The low road of deflation is not compatible, *as a strategy*, with the high road of RSV investment and consensual class relations. In particular, while scrapping of capacity, at the level of value, tendentially raises the rate of profit, it also, at the level of the use values of production, disrupts productive interdependencies within the economy, thus decreasing efficiency and productivity and inhibiting the recovery of profits.

Secondly, rising, or even high, unemployment does not *automatically* lead to workers reining in their wage demands. For example, in Britain between the late 1960s and 1985, trade union militancy continued despite high unemployment. The reaction of workers to rising unemployment depends on their long-embedded expectations; under some circumstances it may be a provocation to organise. Moreover, in a parliamentary democracy, workers may put effective pressure on the

state to counter unemployment by reflationary measures, and indeed these may be supported by sections of capital. For this reason and the previous one, scrapping and unemployment are not necessarily effective in increasing S/V in the medium term.

Thirdly, an RSV strategy to increase S/V may not occur if the workers' offensive has reduced the rate of profit so low that capital's expectations of future profitability are depressed, and if capital perceives workers as too obstructive within the labour process. For instance, the rate of intensive investment was very low in Britain in the 1970s and first half of the 1980s (Glyn 1989).

Taking these points together, we may conclude that the processes cited by Cox which tend to raise the share of output appropriated by capital are real and important processes. But their unfolding needs to be considered in its historical and geographical specificity, including the consciousness and expectations of both workers and capitals. In their bald form, the logic of Cox's arguments is, as in section 3, towards collaboration of labour with capital pursuing an RSV strategy. As a strategy rather than a local and temporary tactic, this, again, diverts attention from building labour's collective strength *against* capital. The labour geographers are, then, right to see strong workers' organisation as always and everywhere important.

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