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Rethinking the international division of labour in the context of globalisation

JAMES H MITTELMAN

Of all the great changes involved in restructuring the world today, the single most important force may prove to be globalisation. A market-driven and multidimensional process, globalisation renders obsolete invented divisions of the world into developed and developing countries, industrialised and industrialising nations, and core and periphery. The familiar imagery of a core, semiperiphery, and periphery no longer applies to a new structure that envelopes both vertically integrated regional divisions of labour based on the distinctive comparative advantages of different locations, and horizontally diversified networks which extend their activities into neighbouring countries as part of corporate strategies of diversification and globalisation. The old categories do not capture the intricacy of the integration of the world economy as well as the ways it constrains all regions and states to adjust to transnational capital. The global transformation now underway not only slices across former divisions of labour and geographically reorganises economic activities, but also limits state autonomy and infringes sovereignty.

In a notable attempt to explain vast changes in the global political economy, Karl Polanyi held that the socially disruptive and polarising tendencies in the world economy were generated by what he called a self-regulating market, not a spontaneous phenomenon but the result of coercive power in the service of a utopian idea.[1] He traced the tendencies in the world economy that caused the conjuncture of the 1930s and produced—out of a breakdown in liberal–economic structures—the onset of depression, fascism, unemployment and resurgent nationalism, collectively a partial negation of economic globalisation, leading to world war.

Like the global economy of the 1930s, the contemporary globalisation process represents unprecedented market expansion accompanied by widespread structural disruptions. While escalating at a world level, globalisation must be regarded as problematic, incomplete and contradictory—issues to be taken up below. By globalisation, I mean the compression of the time and space aspects of social relations, a phenomenon that allows the economy, politics and culture of one country to penetrate another.[2] A hybrid system, globalisation intensifies interactions among, and simultaneously undermines, nation states. Although globalisation is frequently characterised as a homogenising force, it fuses with local conditions in diverse ways, thereby generating, not eroding, striking differences among social formations. Fundamentally an outgrowth of the bedrock of capital accumulation, this structure embraces and yet differs in

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important respects from trends posited by theorists of the international division of labour (IDL) and the new international division of labour (NIDL), two theses which provide both a point of entry for analysing global restructuring and an opportunity for developing an alternative formulation.

To examine major facets of global restructuring, inquiry must revisit, even if only sketchily, previous attempts to come to grips with novel systems of production, the distribution of rewards, and their political and social consequences. Briefly reviewing classical theories of the IDL, though not allowing us to explore the far more complex features of contemporary capitalism, offers a fruitful way of posing relevant theoretical questions for later discussion. Plainly, it will be important to understand why and how classical authors understood and defined the IDL. Even from a short synopsis, it should be apparent that there are serious disagreements not only about what engenders the division of labour, but even about what constitutes its essential characteristics. The IDL interpretation must be supplemented by the idea of a NIDL, which seeks to explain the shift of manufacturing from advanced capitalist to developing countries—a spatial reorganisation of production in the second half of the twentieth century. After subjecting the NIDL thesis to critical scrutiny, I will propose another perspective, which might be called the global division of labour (GDL).

My main argument is that the GDL involves a restructuring among world regions including their constituent units, notably states and export networks. This approach focuses on the interpenetration of global processes, regional dynamics and local conditions. One element of reordering this hierarchical system is massive transfers of population from the Third World, Eastern Europe, and the former Soviet Union to the advanced capitalist countries, though there are also significant migratory flows within the South. Acting as magnets attracting imports of labour, global commodity chains form networks that interlink multiple production processes as well as buyers and sellers. Mediating among these macro-political and economic structures are micro-patterns rooted in culture—family, communal, and ethnic ties.[3] Culture becomes a switch on the tracks of regulation and segmentation of the labour market.

Since prior meanings assigned to the term division of labour underpin my argument about the GDL, the first section of this paper examines the concept of IDL in classical political economy, while the second turns to the NIDL hypothesis. Next, by focusing on the interactions among levels of analysis—regionalism, migration, commodity chains and cultural forces—in a globalising division of labour, I will attempt to offer an alternative explanation of restructuring. On the basis of a juxtaposition of these three formulations—IDL, NIDL and GDL—the conclusion identifies trends and notes major aspects of an integrating and yet disintegrating world order, today marked both by the persistence of the nation-state system and a challenge from different types of non-state actors. Whereas states are increasingly subject to internal pressure for accountability to the governed, the agencies and forces of economic globalisation are largely unaccountable to any group of citizens. The contradiction between the emergence of a clear preference for democracy in national political units and the lack of means to ensure accountability in world markets is a central feature of global restructuring.

The old division of labour

Classical political economy

As first studied by Adam Smith, David Ricardo and Karl Marx, the division of labour refers to novel forms of specialisation separating the production process into compartments, each one performing different tasks, with varying rates of profit and implications for comparative advantages in trade. Smith's 1776 treatise on the division of labour concerned the wealth of all nations and became the seedbed of modern theories. Positing a 'propensity to truck and barter' innate in humankind, Smith provided the first major attempt to examine the potential for the emergence of a complex division of labour that later developed during the industrial revolution and on the Continent.

The emerging industrial form of production, Smith argued, entailed the erosion of artisan skills and their replacement not by collaboration among several craftsmen but by coordination among a large number of people carrying out specific, assigned activities, enabling any one person to do the work of many. The combined labour of a work force in a single establishment outstripped the total effort of individual workers in the old system. Productivity gains were attributable to increases in dexterity because of the reduction of tasks to discrete operations, savings in time lost passing from one activity to another, and inventiveness stemming from intimate familiarity with and attentiveness to a single function. This specialisation was paralleled by differentiation in other spheres as well—politics and society—as outlined in Smith's first book, *The Theory of Moral Sentiments*, published in 1759.[4] Although classical political economists are frequently portrayed as positing that society is in large part driven by self-interest, Smith in fact also emphasised that in civil society, social propensities constrain egoism and help to avert discord. *The Theory* contains ample discussion of 'fellow feeling', personal conduct, rules of justice and morality.

Smith remained optimistic that the evolving division of labour would be a propellant for higher standards of living and thus offer enormous benefits, but was not unaware of the disruptive and deleterious consequences of repetition and overspecialisation. Notwithstanding the dehumanisation of work in factories, he was sanguine about economic society insofar as the state provides public goods (notably in the realm of culture and education) to facilitate commerce, sufficient justice to protect from oppression and to secure property rights, and security from invasion. While market society necessitates a relatively autonomous state to sustain laissez faire and the division of labour, the scope of the domestic market is an inherent limitation. Whereas in inland, scattered or scarcely populated areas, individuals retain the need to be able to do many kinds of work, it is trade that increases the reach of the market.

Entering the debate at this juncture, Ricardo argued that commodities are valued according to the quantity of labour required for their production and can be enhanced through foreign trade, for the rules which govern the relative value of commodities in one country do not regulate the relative value of commodities exchanged among countries. Through the efficacious use of 'the peculiar powers bestowed by nature', each country 'distributes labour most effectively and most economically: while by increasing the general mass of productions, it diffuses general benefit, and binds together by one common tie of interest and intercourse, the universal society of nations throughout the civilised world'.[5] Hence Ricardo's basic law of comparative advantage, which undergirds a good deal of contemporary theory, may be summarised as follows: the pattern of international trade is dependent on the principle of comparative labour costs, which holds that if two countries engage in trade relations, each one producing the same commodities, one country would sell the commodity in which its relative (rather than absolute) cost was lower and, similarly, the other country would sell the commodity in which its own cost was low. Like Smith's concept of the division of labour, Ricardo's theory of comparative advantage presupposes the notion of civil society and the separation of politics and economics.

Viewing the division of labour as the 'prevalent characteristic of capitalism', Marx did not share Smith's and Ricardo's faith in the beneficial consequences of the division of labour in manufacturing, where tasks are partitioned and repartitioned, and of the division of labour in society as a whole. Marx maintained that the division of labour in manufacturing brings the labourer face to face with the material power of the production process, cutting down the worker to a detail labourer. Knowledge, judgement and will are formally exercised only for the factory as a whole, often crippling the worker's body and mind as well. The detailed division of labour—subdivisions of tasks within industries—is thus distinguished from the social division of labour, which sets off whole groups from one another in society. Both criticising and building on the theoretical foundations laid by Smith and Ricardo, Marx thus sought to recast their arguments and to make explicit a political dimension of division of labour theory.

Sociological theory

Notwithstanding the attempt by classical political economists to interweave economic theory and what is now regarded as industrial sociology, there were only minor advances in the theory of division of labour between the 19th century and the second half of the twentieth century, save the interventions of Max Weber and Emile Durkheim. Raising quite different questions from the debate over the costs and benefits of increases in productivity surrounding the IDL, sociologists have given specific meaning to the notion of division of labour. Emphasising 'specialisation of function' as a motor force in history, Weber held that 'functions may be differentiated according to the type of work, so that the product is brought to completion only by combining, simultaneously or successively, the work of a large number of persons'.[6] To develop this basic proposition, he focused on aspects of the social relations engendered by the division of labour, and established a sociological typology applying to historical cases though not to the division of labour or the economy in general. Weber nonetheless envisaged the advance of the division of labour alongside the centralisation of the means of administration—an overall trend towards bureaucratic specialisation in all spheres of social life.

For Durkheim, the major issue is the structurally disruptive and cohesive tendencies in the division of labour, which ultimately furthers social integration or what he calls organic solidarity. Unlike mechanical social orders held together by common beliefs and values, modern organic societies rest on the complementarity of different specialised functions. In transitions where the division of labour replaces mechanical solidarity without yet developing the morality (ie solidarity) to mitigate social tensions, an increased volume and density of interactions entail a prevalence of crime, economic crises, conflicts between labour and capital, and emigration. However, these forms of *anomie* would lessen, while flexibility and individual freedom would accompany, an increasing specialisation in the division of labour, which in turn promotes an integration of society.

Old theories. new realities

From this brief overview of the classical writers, it is clear that IDL theory provides a springboard for understanding modern capital accumulation, the expansion of the market presently manifest in economic globalisation and the social consequences of these processes. What is lacking in the theory, however, reflects the general limits of the classical tradition and has important implications for the contemporary period. Although the classical school allowed for the state to be the guarantor of the division of labour in a laissez-faire economy, democratic or liberal forms of state were not deemed necessary. (Utilitarians like Jeremy Bentham and, later, liberals such as John Stuart Mill were concerned with forms of state. Conservative reformers like Bismarck and mercantilists, most notably Friedrich List, regarded the state as central to capital accumulation.)

The risk in highlighting the logic of capital and labour costs while underrating the role of the state lies in invoking economism linked to the rising power of capitalism, a tendency somewhat corrected by the followers of Weber, who emphasise divisions of labour by age, race, ethnicity and gender.[7] Though not silent about the role of culture, classical authors said relatively little about the attitudes, beliefs and habits of different strata in the international division of labour. Nowhere did they analyse, say, the constraints that some cultures place on the mobility of labour (eg as do contemporary Islamic communities in rural Malaysia). In fact, classical political economy is not explicit about the spatial dimensions of the division of labour—a curious deficiency addressed in the NIDL thesis.

The new international division of labour

Apart from contributions by Weber and Durkheim, the concept of division of labour remained largely dormant until the beginning of a spatial reorganisation of production involving the formation and expansion of a world market for labour and production sites in the 1960s. Varying in emphasis from a neo-Smithian focus on changes in the world market to a neo-Ricardian one on capital exports, NIDL theorists sought to explain the shift of manufacturing from advanced capitalist to developing countries, with the fragmentation of production and the transfer of low skill jobs, while the bulk of R&D activities was retained in the heartlands of world capitalism. Fröbel *et al.* hold that the traditional international division of labour in which the Third World was relegated to a producer of raw materials has markedly changed.[8] Transnational corporations have established a global manufacturing system based on labour-intensive export platforms in low wage areas. This move toward industrialisation in the Third World and a decline in manufacturing relative to gross domestic product (GDP) in the West and Japan are driven by the structural capitalist imperative to maximise profits under conditions of heightened global competition.

With new technologies, especially space-shrinking systems of transport and communications, the manufacturing sites are increasingly independent of geographical distance. Capital now searches not only for fresh markets but also to incorporate new groups into the labour force. Initially through the 'global assembly line' of textiles, many Third World women have become part of the international working class. It was the electronics industry which developed the first truly integrated world assembly line.

Contributing powerfully to understanding dramatic changes in the division of labour, Fröbelians clearly identified the growing power and sophistication of transnational capital and its ability to optimise differing opportunities for profit by decentralising production across the globe.[9] This approach also provides an important angle for studying North–South relations, especially large-scale migrations of capital to the Third World and specific linkages that increasingly differentiate countries at various levels of development.

The NIDL thesis, however, overstates the significance of cheap labour as the propellant of capital around the globe. Low wages do not explain decisions of transnational corporations to touch down where labour is relatively costly.[10] Locational decisions represent a mix of considerations and often favour countries such as Singapore where labour costs exceed those in neighbouring countries. A 1993 study of 47 countries by Business Environment Risk Intelligence (a private association with headquarters in Geneva, and operations in the USA) shows that on the basis of a weighted composite index, which measures the number of skilled and technically trained people against market requirements, the Singaporean labour force ranks best in the world in productivity—ahead of its counterparts in runners-up Switzerland, Japan and Belgium.[11] Table I is a labour force evaluation which reflects four indices: legal framework (a weighted average of 30%), relative productivity (ie output per worker day against wages—30%), worker attitude (25%), and technical skills (25%).

Another difficulty with the NIDL thesis is that the old international division of labour (for example, in agriculture) has not disappeared but coexists with the new division, forming what might be regarded as an articulation of the old and the new, or a redivision of labour. If indeed the issue is to identify continuities and discontinuities, it is appropriate to ask, exactly what is new about the new international division of labour? The claim that industrialisation in the Third World is new neglects the establishment of import-substituting industries in Argentina, Brazil and Mexico in the 1930s and 1940s. Actually, industrial growth in some parts of Latin America dates to the interwar period.[12] The structuralist logic embraced in the NIDL perspective leads analysts to glide over

TABLE I
Business environment risk intelligence labour force evaluation measure (points scored in brackets)

Country	*1993 position*	*1992 position*
Singapore	1(78)	1(79)
Switzerland	2(74)	2(75)
Japan	3(72)	3(73)
Belgium	4(71)	4(71)
Taiwan	5(68)	5(69)
Germany	6(65)	6(66)
Netherlands	6(65)	7(65)
United States	6(65)	8(64)
France	9(63)	10(61)
Norway	10(62)	9(62)

Source: Singapore Economic Development Board, *Singapore Investment News*, May 1993, p 8.

historically specific conditions prevailing in individual countries, regions, industries, and sectors that form a pattern of incorporation into a global mosaic.

Moving beyond economism, the key questions are, what conditions in respective zones of the world economy are propitious for entry into this division of labour, and *on what and whose terms*? In other words, what are the political dynamics that both join and separate global linkages in production, exchange and consumption?

The global division of labour

Regionalism and globalism

What is new about the contemporary period is the manner of and extent to which domestic political economies are penetrated by global phenomena. There is no single wave of globalisation washing over or flattening diverse divisions of labour both in regions and industrial branches.[13] Varied regional divisions of labour are emerging, tethered in different ways to global structures, each one engaged in unequal transactions with world centres of production and finance and presented with distinctive development possibilities. Within each region, sub-global hierarchies have formed, with poles of economic growth, managerial and technological centres, and security systems.

It would be fruitless to seek to define a single pattern of regional integration, especially a Eurocentric model emphasising legal principles, formal declarations, routinised bureaucracies, and institutionalised exchange. This would be an inadequate guide for infrastructural and production-based orientations—to some extent a reality, and certainly a goal among the members of the Association of

South East Asian Nations (ASEAN) and the Southern African Development Community. Regional divisions of labour are of course not static but change rapidly, reflecting expansion and contraction in production in different locales, the instantaneous movement of finance, the coalescence of production and trade networks, as well as the consolidation of production and distribution systems.

Though a diminished actor relative to global forces, the state facilitates the reorganisation of production, and the interstate system remains an important point of reference in an integrated world society. With proper timing during a period when the world economy was robust, state interventions promoted remarkable economic growth in East Asia's newly industrialising economies (NIES)—Hong Kong, Korea, Singapore and Taiwan—marked to varying degrees by fragmented and weak indigenous classes which have allowed the military and bureaucracy to control state apparatuses.[14] By such activities as coaxing foreign investors, ensuring ample quantities of scientific and engineering labour power, and offering a generous tax policy, the state in Singapore has played a key role in the country's 'free market' economy. To industrialise and attain upward mobility beginning with the IDL and during the NIDL, as well as to manage the GDL, the state in East Asia has deliberately gotten the prices 'wrong' through incentives and subsidies to local business.[15]

To adjust to globalisation, some states have adopted an export-processing zone (EPZ) or a *maquiladora* (assembly plants as subsidiaries or subcontracting firms for the manufacture of exports) strategy for gaining access to external capital and creating jobs. An important aspect of neoliberal regionalism, this globalising trend is on the rise. Data collected by Jeffrey Hart indicate that by 1984, 79 EPZS were functioning in 35 countries;[16] by 1989, the number of zones reached 200, employing more than 1.5 million workers, with another 100 EPZS being built. In 1990, Mexico alone operated 1938 *maquiladora* factories; 68% of the labour force were women—a reversal of the male:female ratio in nationwide manufacturing. As a consequence of the rapid and unregulated growth of these industries, environmental problems include congestion in border towns, unmet demand for such services as the supply of clean water, and the pollution of rivers. Nonetheless, zone-based strategies of managing globalisation are expanding, albeit differently in various regions.

The state has also taken a hand in reconfiguring labour processes, sometimes through repression, partly to keep down the cost of labour, and also, as in Japan, by encouragement of experimentation with the 'just-in-time' manufacturing system. Calling for synchronised and continual supplies to reduce storage and overhead costs, this method can reduce the size of the labour force otherwise required to maintain production levels. The leading economic power in the Asia–Pacific region, Japan has exported its 'just-in-time' system to neighbouring countries, demonstrating that regional hierarchies can contour patterns of labour supply within various zones of the global economy and exercise transnational influence over the bargaining power of workers.

Regional hierarchies form patterns of inner globalisation and outer globalisation. Whereas globalisation constrains choice, narrowing the state's policy options and circumscribing responses from labour, the inner variant is inward looking and places greater emphasis on the regional market; the other configuration's outward focus seeks to reap maximum benefit from the world market. Inner globalisation enhances interactions within a region and may divert transactions from without, but an open globalising policy may in fact limit regionalism. In Asia, there are attempts to employ both strategies and also to combine them.

Within the Asian regional division of labour (ARDL), a highly stratified hierarchy—Japan, China together with the other areas comprising 'Greater China' (Taiwan and Hong Kong–Macao), Korea, ASEAN and Indochina—varies by industry and sector. The economic growth generated by the Japanese-led 'flying geese' mode of regional integration, involving countries at quite different levels of development, suggests important distinctions among generations of countries which have penetrated global markets in diverse branches of industry.[17]

While the ARDL developed partly in response to different labour costs, today sub-regions play an important role as intermediaries between transnational corporations and the supply of cheap labour. Two 'global cities' in the ARDL, Singapore and Hong Kong, are regional hubs for concentrations of direct foreign investment. In an attempt to overcome limitations stemming from economies of scale, these regional centres have adopted a strategy of 'twinning', a type of coordination which is but one form of linkage.

Another blend of state initiative and private entrepreneurship is the concept of a 'growth triangle' comprised of three nodes: Johor in peninsular Malaysia, the Riau Islands of Indonesia and the city-state of Singapore. While Johor offers land and semi-skilled labour, Riau also has land and low-cost labour, and Singapore is distinguished by high quality human capital and a developed economic infrastructure. A propellant for economic growth, the growth triangle creates a wide manufacturing base with different factor endowments in each node and, thus, an incentive for transnational corporations to consider the region as a whole for investment. Introduced in 1990, there are signs that the triangle is attracting foreign investment and causing the migration of industries in search of specific factors of production. Problems associated with integration, however, include the potential widening of disparities in income and the emergence of a shanty economy on the fringes of industrial townships, especially with an inflow of workers of diverse ethnic backgrounds in Indonesia, and of young female workers to staff assembly operations. Moreover, the growth triangle seems to rest on two legs, Singapore–Johor and Singapore–Riau, without a viable third link between Johor and Riau, both providers of cheap labour and land. To the extent that Singapore suffers an industrial hollowing out, with an exodus of industrial investment exceeding the rate of entry, there will be an increasing need to replace an aging population with foreign workers.[18]

Given integrated, cross-border industrialisation, both labour markets and capital markets reflect regional momentum within the ambit of economic globalisation. In fact, the growth triangle shows signs of enlargement. The more ambitious concept of outer globalisation, known as a 'crescent of prosperity', is a sub-regional scheme for joint utilisation of resources. A bigger version of the growth triangle, the crescent would encompass Korea, Japan, China, Taiwan, Vietnam, Laos, Cambodia, Myanamar and the six ASEAN countries.[19]

With the emergence of integrated regional production and trade networks, a triangular pattern entails industrial relocation from Japan and the NIES to ASEAN. The ASEAN countries import machinery, equipment, parts and supplies from the Asian home countries of foreign investors, using them to manufacture goods which are then exported to Western markets. Added to this triangular form of trade, other types of growth triangles are developing. Launched in 1992, a second sub-regional growth triangle within ASEAN links the Malaysian port-city and industrial centre of Penang (known as Silicon Island in light of its sizeable semiconductor manufacturing base) along with its peninsular hinterland in Malaysia, the city of Medan and north Sumatra in Indonesia, and southern Thailand up to the city of Phuket. Another triangle under consideration would comprise the southern Philippines, Sabah in Malaysia, and northeastern Kalimantan, Sulawesi and Maluku in Indonesia. Outside ASEAN, a triangle will join Yunnan, China, in a cross-border zone with parts of Laos and Vietnam. The formula in establishing these zones of inner globalisation is to utilise small-scale, decentralised negotiations among fewer parties committed to locally based and relatively informal arrangements, rather than to involve the cumbersome and time-consuming bureaucracies of full regional groupings.[20]

In contrast to autarkic forms of regionalism in the 1930s, today there is considerable hostility to the formation of exclusionary trading blocs. Out of a commitment to liberal multilateralism, Japan is reluctant to support measures which bolster regional economic alliances and favours a policy of *de facto* economic integration with limited formalisation (as for example, with the East Asia Economic Caucus.) From a liberal perspective, multilateralism may be defined as an 'institutionalized form which coordinates relations among three or more states on the basis of "generalized" principles of conduct'.[21] Even including scholars like Ruggie who reject an orthodox realist interpretation and give credence to an 'extranational realm',[22] the prevailing paradigm in academic journals on international relations acknowledges yet fails to theorise the role of civil societies and new social movements in multilateralism. It is therefore of limited use in explaining the extent to which economic globalisation reinforces or undermines the neoliberal order. Quite clearly, globalisation suggests the need for global economic management, but existing international institutions were designed to coordinate a system of nation-states in which each state was supposed to be sovereign over its own domestic economy.[23] There is thus an inherent disjuncture between economic globalisation and international institutions, establishing the potential for a transformation of global governance.

An alternative concept of multilateralism stems both from the notion that, as the process of globalisation is now unfolding, no one can be held accountable for the direction of events in the world economy, and a normative preference for inclusiveness, or empowerment, of less privileged groups in the restructuring of global institutions. Transformative multilateralism therefore implies the articulation of non-state forces in the process of international organisation. In this sense, Robert Cox views multilateralism as 'a commitment to maximum participation in a dialogue among political, social, economic, and cultural forces as a means of resolving conflicts and designing institutional processes'.[24] An emancipatory project, this approach calls for a significant opening to popular movements during a period of global restructuring. As yet, however, there is insufficient evidence to suggest that participatory channels are becoming both accessible to and genuinely representative of different elements in the global division of labour.

What appears to be emerging in the near term is truncated multilateralism: not a world of competitive trading blocs but of states locked into global regions in different ways, trying to optimise their positions, and encountering resistance from social groups and movements adversely affected by globalisation. Three regions—North America, the European Union (EU) and East and Southeast Asia—form 'megamarkets' as well as dominate global production and trade. They generate 77% of world exports and produce 62% of world manufacturing output.[25] One of the principal challenges to this and other concepts of multilateralism in recent years is massive displacement of labour, an aspect of global restructuring that accentuates differences between sending and receiving countries.

Inter-regional and intra-regional migration

With the simultaneous restructuring of global production and global power relations, the growth poles of competitive participation in the GDL are drawing large-scale and increasingly diverse imports of labour from their points of origin. Seeking to escape a marginalised existence and repression, population transfers within a stratified division of labour reflect a hierarchy among regions, countries and different rates of industrialisation.[26]

While migratory flows are as old as history itself, the dimensions of the contemporary upsurge are staggering. The United Nations Population Fund estimates that there are at least 100 million international migrants living outside the countries in which they were born.[27] Their annual remittances to families at home amount to $66 billion, more than all foreign development assistance from governments. By 1987 New York City alone had 2.6 million foreign-born residents, representing 35% of the city's total population. The projection for the year 2000 is that immigrants (foreign born and second generation) will account for over 50% of the city's population.[28] Europe is also one of the areas particularly vexed by numerous new 'birds of passage', including environmental refugees propelled by natural disasters, elements of North Africa's middle strata fearing Islamic resurgence, and countless asylum seekers. According to the United Nations Economic Commission for Africa, 30% of Africa's skilled workforce was living in Europe in 1987. It is also estimated that today, one out of 18 Africans resides outside his (her) country of origin.[29] Among European countries, Germany is host to the largest number of foreigners—5.2 million. Next is France with 3.6 million, followed by Britain with 1.8 million and Switzerland with 1.1 million, or 16.3 percent of that country's population.[30]

What is new about this influx of migrants is the direction of flows from sending to receiving countries as well as the spatial dispersion of growth poles, forming a distinctive territorial division of labour. The more dynamic economies act as magnets attracting mobile resources primarily from the South and the East to the West. The redistribution of labour within and across regions also includes migratory flows within the South, although a large portion of these transfers becomes South to North movements. Many locales in the South or on the fringes of the North (eg southern Europe) are merely stopovers or way stations as the newly arrived leapfrog to their countries of destination.

Although market dynamics are the galvanising force in the extensive movement of peoples from their homelands to other areas of work and settlement, this propellant is not merely a by-product of a structural tension between capital and labour. To be sure, capital is forming large unregulated markets, and labour is less capable of transnational reorganisation. Capital is increasingly globalised, but trade unions still conceive their identities primarily in national terms. With calls for 'borderless solidarity' and for the eventual establishment of regional trade union structures,[31] international solidarity is an ever-important motif, but the nation-state remains the key point of reference.

The salience of class thus lies in its integration with non-class categories. At issue are the interactions of production and the formation of multiple identities. Insofar as employers exercise vast control over the conditions of labour, identities are very largely constructed in the realm of leisure—ie in the community or household—where work experiences are given meaning. Often, activities such as sports, neighbourhood associations, or festivals provide the milieu for the formation of identities. In this sense, a changing global division of labour is situated at the crossroads of class and cultural differences.

At this juncture, the regulation of migrant labour is performed less by the state or formal multilateral processes than by informal monocultural and multicultural mechanisms. Liberal multilateralism may constrain immigration, yet the capacity for and record of inter-governmental coordination are quite limited. In Europe, for example, pressure is mounting for a common policy on immigration, but the EU lacks judicial authority in this area. Although the EU subscribes to the principle of free movement of persons, permanent immigration and the right to grant asylum are reserved for national governments.

The presence of distinct immigrant cultures has posed problems for the identity of a number of host countries. In France, the immigration issue became highly politicised in the 1960s and 1970s when it became evident that waves of labourers were of decidedly different origins from those of their predecessors. Not only did the duration of stay increase, but workers brought their families, settled and produced second-generation immigrants, many of whom do not conform to a national identity imagined as a unitary French culture impervious to race and ethnicity. In fact, new elements of the French population who maintain their own languages, religious traditions, dress codes and dietary practices encounter employment opportunities restricted to persons of indigenous culture or to those who have assimilated local culture.[32] The case of immigration in France suggests that, as multiracial and multiethnic societies evolve, culture becomes an instrument in the regulation of labour.

So too, after 1945, Germans invented a myth of 'cultural cohesiveness' to replace 'racial cohesiveness' as a defining identity. This imagery was not problematic as long as the original guestworker system brought in a modest number of foreigners from southern Europe to provide cheap manual labour for the German economic miracle. The idea of 'Germanness'—ethnic and cultural homogeneity—is a myth that is widely embraced and one that cannot measure up to the test of history. In fact, German culture is an accretion of polyglot European influences. For instance, many residents of the Ruhr area are directly descended from Poles who came to work in the mines in the 19th century.[33]

Setting aside the question of genuineness of identity, a series of wildcat strikes among foreign workers in 1973 made it clear that Germany would have to invest substantially in housing and education for migrant workers and their families. A supposedly disposable labour reserve emerged as long-term residents. As the Swiss author and playwright Max Frisch said of the receiving countries, 'We asked for workers, but human beings came'.[34]

A naturalisation programme would require a redefinition of German citizenship, which is inherited from one's parents (*ius sanguinis*) and is not based on a person's place of birth (*ius soli*). Hence, only children of at least one German parent are legally entitled to German citizenship. The sole exclusion from this rule are the descendants of ethnic Germans who settled in Eastern Europe in the 18th century, a group persecuted during and after World War II. Many new arrivals from the east have few or no ties to Germany, but are thus able to circumvent the stringent regulations applied to other immigrants, including guestworkers' children born in Germany. The maxim that 'Germany is not a country of immigration' means that some Germans even consider naturalised immigrants still to be Italians, Greeks or Turks. They may have resided in Germany for all their lives, may speak only German, but are nonetheless viewed as outsiders.[35]

Notwithstanding a multicultural work force, monoculturalism remains the dominant identity among Germans. Thoroughgoing assimilation does not guarantee equal access to a job, but is a possible route to employment, for multiculturalism would require a reinvention of German identity.

What directly impinges on the lives of migrants is informalisation of the labour supply and the emergence of new linkages between North and South: smuggling networks and international gangs have become important conduits largely outside the reach of multilateral regimes. In the chains connecting the USA and Mexico, a 'coyote' escorts clandestine entrants across the border. Highly sophisticated, illegal systems of labour supply actively recruit potential migrants, some of whom slip into the USA while others remain in servitude in Mexico, often in brothels, where Central American women are forced to pay off the coyotes. Transnational criminal organisations also set up voyages from Fujian Province in southern China and Taiwan, with numerous stopovers, and deliver undocumented immigrants to New York and other US ports, where new arrivals are frequently greeted by hostility and hardship.

Working underground, especially if they do not speak the language of the receiving country or lack specialised skills illegal immigrants typically subsist in the informal economy—eg sweatshops, peddling, gypsy taxicabs and industrial homework. A burgeoning illegal market for low-cost labour provides entry-level jobs through family and communal networks. Meanwhile, in the smaller towns and villages of the sending countries, migration has had a profound impact. In a Polanyian sense, the extension of the labour market tears the social fabric and inserts new polarities between those who receive remittances and can now purchase a variety of consumer goods and those who do not have such largesse. In countries with a large portion of the male population holding jobs overseas, a nationwide shortage of workers boosts salaries but also makes the lives of countless people more desperate and deprived. The separation of families, a generation of orphans, and the introduction of AIDS into rural areas by returning emigrants are but some of the tangible consequences of a changing division of labour. Enmeshed in a complex structure of dependence, migrant workers and their families are commodities like other commodities bought and sold on a global market, and are thus one part of a chain of commodification in modern capitalism.

Global commodity chains

Labour flows are integral links in global commodity chains,[36] serving as rough locators of position in geo-economic structures. As originally defined by Hopkins and Wallerstein,[37] a commodity chain is 'a network of labour and production processes whose end result is a finished commodity'. By tracing these chains, one can delimit the division of labour and the transformation of production systems. For each commodity, one focuses on different nodes from distribution to marketing, production and the supply of raw material. These chains not only join multiple production processes but also reflect the totality of production relations in an extended social division of labour.

Inasmuch as other authors have provided detailed case studies of the organisation and geography of commodity chains in a variety of industries (shipbuilding, garments, footwear, automobiles, etc), I will not rehearse their work here.[38] Empirical research shows the diverse ways in which the evolution of networks of complex industrial, commercial, and financial ties has created distinctive nodes that link raw material supply, manufacturing operations and trade flows into commodity chains in an increasingly integrated global economy. These chains cut across the geographic and political boundaries of nation-states, and are explained in part by social and cultural patterns.

Cultural formation

Transnational linkages are essentially stateless and held together not only by flows of commodities but also by marriage, clans and dialects—in short, a common culture. Indeed, the impact of culture is perhaps the most neglected factor in division of labour theory.[39] What is often overlooked is that class ties are formed by both impersonal economic forces and shared beliefs and values; lives are shaped and meanings are formed in distinctive cultural contexts. Hence, class is overlaid by ethnic, racial and gender divisions of labour. With the impetus towards globalisation, cultural responses to the expansion of the market provide intersubjective meanings and intermediate inequalities arising from a changing division of labour.

There are varied manifestations of regional and global networks in which culture and the division of labour are intertwined. A notable illustration is the Chinese transnational division of labour, a vitalising force in the remarkable rates of growth experienced by East Asian and Southeast Asian economies in

TABLE II

GDP comparisons for four economies: market price and standard international price estimates (trillions of US$)

	At market prices		*At standard international prices*		
Country	1991	2002	1990[a]	2002[b]	Per capita income (US$)
Chinese Economic Area	0.6	2.5	2.5	9.8	7 300
USA	5.5	9.9	5.4	9.7	36 000
Japan	3.4	7.0	2.1	4.9	37 900
Germany	1.7	3.4	1.3	3.1	39 100

[a]The source of these estimates is World Bank, *World Development Report 1992* (except Taiwan, China). Estimates vary widely, however. The International Comparison Program's (ICP's) estimate for China in 1990 may be conservative. For instance, the Summers and Heston ICP estimate for 1985 was US $2.6 trillion for China alone (Summers and Heston 1988).
[b] Per capita figures are in parentheses, expressed in thousands of US dollars. In making the ICP projections, it is simply assumed that GDP at ICP will increase at a similar percentage rate as GDP at market prices. This growth rate is an upper bound for the CEA because ICPs tend to rise more slowly than market prices at official exchange rates as relative income per capita rises (reflecting the higher relative price of services in high-income economies)
Source: World Bank, *Global Economic Prospects and the Developing World*, 1993, p 67.

recent years. A powerful regional network—an informal though pervasive grouping—comprises the combined wealth of 40 million overseas Chinese in Southeast Asia, estimated at $200 billion, the wealth of Hong Kong's seven million residents (another $50 billion), Taiwan and the People's Republic of China.[40] Taiwan is now the world's 14th largest economy and commands the biggest accumulation of cash reserves-over $80 billion—of any country in the world. What the World Bank refers to as the Chinese Economic Area (CEA or China, Hong Kong and Taiwan), also known as Greater China, has had an average growth rate of over 7% a year since 1962; by the year 2002 it will have a GDP ranking ahead of that of France, Italy and the UK and approaching the USA's output.[41]

Table II compares the CEA's economic size—the 'fourth growth pole' of the global economy—with that of other leading economies. With Chinese growth in GNP exceeding 15% in the first half of 1993, there are even fears that market reforms have generated a runaway train—an overheated economy that the state cannot cool without considerable political ferment.[42]

The Chinese transnational division of labour originated with various waves of migration from the mainland to neighbouring territories and Southeast Asia. One of the important functions that Hong Kong served was to assemble Chinese emigrants for shipment to other areas as contract labourers. Singapore provided a trans-shipment point for most workers destined for Southeast Asia's plantations and tin mines. When the Chinese settlers had established themselves in receiving countries, they filled a vacuum in trade, marketing, commerce and service occupations. The indigenous populations had access to land but not to capital and growing international markets. Despite perceptions identifying ethnicity with particular types of economic activity (namely stereotypes of middlemen), the Chinese minority has established superior access to capital and credit through family associations, dialect groups, clans and places of origin in China. Throughout Southeast Asia, Chinese big businesses have dominated the national economies, notwithstanding state assistance for indigenous entrepreneurs, and have constituted family firms traditionally controlled by one man or one family. Their formation and economic role reflect Chinese immigrant and minority status in receiving countries, for these groups and associations in China exist mainly for rural–urban migrants in commercial centres.[43]

Once settled, ethnic Chinese in Southeast Asia sent funds home through remittance brokers. Typically, brokers aggregated these monies and transferred them through Singapore and Hong Kong, which had the sole free-exchange market for remittances after World War II. Those in the remittance business diversified their holdings, using the funds they had collected to purchase goods for export to China and channelling the proceeds from sales to pay off the remittances.[44] Clan and especially linguistic ties provided the channels for funnelling the funds, with capital moving through the network in circuitous ways.

Major changes in the circuits of capital reflect structural shifts in the economies of Asia related to the relative decline of entrepôt trade and the rise of domestic manufacturing. The drop in entrepôt trade led to a reduction in the activities of import–export agents acting as middlemen between the mainland and Southeast Asia. There followed the development of international financial centres in Hong Kong and Singapore, which have become conduits of funds for foreign investment as well as sources of capital for other Third World countries. In Southeast Asia and Hong Kong, ethnic Chinese own and manage many banks as well as their foreign subsidiaries in Japan, the USA and elsewhere. Flush with refugee capital and short-term funds parked for placement, these banks are able to perform vital services for their Chinese customers and have made them attractive partners for financial and trading institutions in the USA, Japan and Europe.[45]

Faced with the political challenge of economic nationalism by local ruling classes, large-scale Chinese traders dispersed control of their firms among relatives, trusts and shelf companies in such locales as Panama, Vanuatu and Liberia. There emerged a labyrinthine complexity of family interests and numerous cross-shareholdings.[46] Chinese tycoons, as they are known, have also established myriad joint ventures with foreign interests, many of them ethnic Chinese in other countries. The business ties of the Kuok family, for example, emanate from the group's offices incorporated in Singapore and Hong Kong, to all of Southeast Asia, Fiji, China and Australia.[47] Another strategy for repelling the challenge of economic nationalism is to form alliances with non-Chinese capital in ways acceptable to local power brokers. Thus, a new generation of Chinese business leaders has sought political patronage in countries such as Malaysia, while maintaining communal business ties at home. The new breed identifies closely with the interests and needs of the Malay capitalist class and the imperatives of a Malay-dominated state. The two-pronged strategy of building ties to Malaysian and non-Malaysian capital is based on a realisation that political alliances are crucial to capital accumulation but also that the patrons of Chinese clients can be submerged by changing political currents.[48]

Similarly, in Indonesia, following a number of anti-Sinitic riots, Chinese businessmen have sought protection from the authorities and have aligned their economic fortunes with those of the local ruling class.[49] To reduce their risks as a politically vulnerable minority at home, many overseas Chinese families are also remitting investment capital to their provinces of origin in the 'motherland' not only for sentimental reasons but also because of economic performance there.

As noted, evidence suggests that the Chinese transnational division of labour is emerging as an epicentre for economic growth in Asia. Greater China is a sub-regional triangle whose axes are the economic links that informally join the southern Chinese provinces of Guangdong and Fujian with Hong Kong and Taiwan. Asia's newest and most dynamic economic force, this triangle of 120 million people has a combined GDP of almost $400 billion.

The Greater China triangle emerged during the 1980s when Hong Kong and Taiwan, bolstered by investment from ethnic Chinese around the Pacific Rim, moved their manufacturing bases to the People's Republic in order take advantage of cheap labour, low rent and an enormous potential market. Opening to external capital, Guangdong Province has integrated its economy with Hong Kong, many of whose residents or forbears emigrated from there and speak the regional dialect, Cantonese. In the provincial capital of Guangzhou, efforts are underway to establish contacts among the 20 million overseas Cantonese all over the world (almost 40% of an estimated 55 million Chinese outside the mainland). With 63 million people, Guangdong itself is more populous than any European country except Germany, and increasingly operates as a single entity with the six million people of Hong Kong, even before the latter officially becomes part of China in 1997. Guangdong also draws on the neighbouring provinces of Guangxi, Hunan and Sichuan for much of its labour supply, raw materials and markets. Urban areas in Guangdong attract large numbers of Chinese labourers looking for work and wages, which are low in comparison to the pay in Hong Kong and Taiwan but exceed those on state farms and state-run factories.[50]

In one of Guangdong's consumer electronics factories, for example, the average take-home pay of its 4000 workers is 4000 yuan per month, about $72 or twice the average pay of a worker in a state-run factory. Producing remote-control toy cars for Hasboro, telephones for Radio Shack and hair dryers for Conair, this factory is one of the 30 000 enterprises in Guangdong managed by Hong Kong businessmen; together, these firms employ nearly four million workers. The factory noted above is part of the Grande Group—a microcosm of the Greater China triangle. Most of the production is on the mainland; R&D is carried out in Taiwan; and its managers and corporate headquarters are based in Hong Kong.[51]

In a classic Polanyian pattern, the expansion of the market is a disruptive and polarising force in China—a country of 1.15 billion people, with the world's largest surplus labour pool and without an effective framework for regulating mass migration to booming micro-regions along the coast. With direct foreign investment concentrated in the coastal region, socioeconomic differences with the vast interior are widening. From 1981 to 1988, the gap between gross industrial output in the coastal provinces and the nine western provinces grew

2.7 times. Young women from all over China flock to the south to work in female-intensive industries such as prostitution; some become mistresses to foreign entrepreneurs or local millionaires, easily identified by their fancy luxury cars and associations with thugs crossing the border into Hong Kong. Income inequality, criminal activities, environmental degradation, the incidence of venereal disease and fear of AIDS are on the rise. In southern China there is nonetheless a long tradition of redressing grievances, peasant unrest and rebellion when disparities grow too far out of line with what is politically tolerable. Approaching the second phase of a Polanyian double movement, an evolving and countervailing source of power represents a potential challenge to Beijing.

While Guangdong attracts migrants, Taiwan faces serious labour shortages and greater worker militancy, which prompts national capital to invest more rapidly in the People's Republic, and following Singapore, to import foreign workers. Transcending the micro-region and sub-region, further extension of Chinese-owned or controlled multinationals includes syndication and cooperation in joint ventures with Western and Japanese capital. While clan and especially linguistic ties continue to reinforce business interests among ethnic Chinese, traditional family linkages are increasingly integrated with professional management practices. Generational divergence within the Chinese networks has challenged the customary, intuitive style of the aging patriarchs. Modern English-speaking, MBA-toting managers, many of them financial technocrats, reflect the tenets of liberal–economic globalisation transmitted by business and law schools not in their ancestral villages but in Western countries where they now invest, trade and borrow.

Clearly, Chinese culture mediates the institutional arrangements in the regional and global divisions of labour. Broadly speaking, it is an adaptive, flexible and dynamic culture. It is responsive to market forces, the requirements for business success, necessary interactions with the local population and transnational opportunities. It is also employed selectively as a business strategy where it is advantageous to demonstrate minority characteristics to mobilise an investable surplus and engage in trade. But the use of cultural identity is not limited to the minority community. For the general population, intersubjective meanings attached to the interactions between culture and economic activities supersede or mask their objective significance, promoting conflicts within the ethnic and racial divisions of labour—to a large extent, a transnational phenomenon in East and Southeast Asia—and leading to state policies which only contradict stated government goals and accentuate societal tensions.[52]

Conclusion

Division of labour theories are a valuable tool for examining global restructuring, especially because they identify major trends that constitute the changing social geography of capitalism. However, classical theory and its neo-variant are economistic, underrate the role of culture, and fail to allow for the possible reversal or interruption of contemporary restructuring; these interpretations do not offer a theory of transformation. The future is not best understood as more of the present—straight-line projections—for change in a post-Cold War and post-hegemonic world is a spasmodic process.

Neither the economism of division of labour theory nor the political primacy argument engrained in realist and neo-realist approaches to liberal multilateralism are an accurate guide to an emerging world order. The problem with primacy arguments is that they presuppose a separation between an interstate system grounded in a territorial division among sovereign powers and an economic arena in which divisions are mediated by the market. By delimiting politics and economics as separate spheres, the dominant conceptualisation of globalisation rooted in liberal economic theory serves the interests of the beneficiaries of an expanded market. The challenge is to provide an alternative to the terms of reference employed by the enthusiasts of economic globalisation.

From another perspective, globalisation does not sideline the state but, rather, forces it to accommodate domestic policies to the pressures generated by transnational capital. State initiatives represent attempts to manoeuvre and achieve national mobility within the GDL, often by seeking to build productive capacity and to gain a technological edge. In the fastest growing regional economy—Southeast Asia, which overtook the East Asian NIEs in the late 1980s—state policies are adopted to establish centres of innovative R&D so as to move towards higher value-added activities.

Nevertheless, the state is outflanked by transnational forces, for it aggregates the energies and synergies of human activity at a political and territorial level that does not correspond to evolving flows of labour, capital and technology. Links are increasingly developing between region-states and the global economy. Formed by parts of states, as in 'the third Italy' and Baden-Württemberg, or by economic patterns that overlap state boundaries, such as in the cross-border zone radiating across the Straits of Malacca and joining parts of Laos, Vietnam and Thailand, region-states hook into and seek to derive advantage from market expansion in a global division of labour.[53] In this configuration, the seeds of conflict are planted by leaders who contest the reality of globalisation and either try to fan the flames of economic nationalism or build competitive trading blocs.[54] Another response is to accept the brute fact that no country can escape the effects of globalisation. If so, it is necessary to define interests in terms other than the imagined "nation" and avoid merely defensive strategies. Global regions may then seek to navigate the currents and ride the tide of market expansion in a global division of labour.[55]

These patterns suggest that the GDL reinforces and transforms the NIDL; the emerging structure is an articulation of the GDL, distinctive regional divisions of labour, and the texture of local conditions. The key elements in this structure are embedded in the globalisation process, understood here as a shrinking of the time–space aspects of social relations. Beyond an appreciation of a realignment in the role of the state and technological innovation, explaining the GDL requires attention to (1) evolving regional formations in their institutional and informal aspects; (2) intra-regional and inter-regional migratory flows; (3) the complex web of interlinkages among global producers, their outputs and specified markets; and (4) the ways in which cultures are historically constructed, emerge from and help to shape the economy of a region.

The region provides the starting point for analysing a changing GDL, for it is the site of distinctive divisions of labour and a major arena for large-scale transfers of population. Competition and the fear of extinction drove firms and enterprises to expand and produce on a scale wider than a national market. With technological innovations, the transnational mobility of capital, and space-shrinking advances in transport and communications, a new and more intensive phase of accumulation has integrated production processes, linking the nodes in commodity chains. Manufacturing activities forming classic production sequences—with the outputs of one being the inputs for another, while also interrelated to other components of the global economy (finance, trade and marketing)—have deepened the accumulation process. Lubricating commodity chains so as to facilitate flows of capital and labour, culture eases the tensions generated by the GDL.

As the global economy changes, the role of each region varies. Quite clearly, globalisation is an uneven process forming what Durkheim might have termed supra-organic solidarity. At the world level, there are multiple structures of specialisation binding and yet acting as spacers among zones of the global economy. Given the disparities between global regions and marginalised regions, there are different globalisation narratives. While the former are riding the waves of globalisation, the latter are driven by its currents and have lost control. No longer socially embedded in a national political economy, market forces are increasingly unaccountable and disembedded, less dependent on the social structures that gave rise to them. To the extent that modern society is dominated by economic relationships, the challenge is to identify and enlist the agents of social change for re-embedding the unprecedented productive capacities of economic globalisation in the interstices of world society.

Although Polanyi conceived market expansion as a global phenomenon, he also believed that regionalism offers an alternative to the universalist attempt 'to make the world safe for the gold standard'.[56] Contrary to a universalist conception of capitalism, based on the principles of liberal economy, the regional characteristics of globalisation suggest another strategy for market-ridden societies. Not a panacea, regionalism may be a remedy for the byproducts of the utopian conception of the market. Within the mega-structure of globalisation, the adoption of new regional instruments for managing large-scale flows of labour, economic non-cooperation, and intolerant nationalism may be a way towards achieving social justice. Moving beyond market-determined, private-sector-led forms of integration, regionalisation programmes can be developed to curb the anti-social tendencies of transnational capital. Corporate and statist regionalisation strategies should not go uncontested. While the enthusiasts of economic globalisation-cum-regionalization will defend social privilege, regionalism also provides space for fresh forces to spring up, align, and look more to a future of post-globalisation.

At the end of the day, does this emancipatory possibility constitute anything other than a utopian vision? Unlike the embedded world economy of the 1930s—the raw material of Polanyi's analysis—the contemporary form of disembedded globalisation defies his attempt to subsume economics under sociology. Economic globalisation congeals the material power of capitalism on a world scale. The asymmetry between capital and labour will not be resolved by the imminent unity of a global working class. Not only is the bourgeoisie of the world uniting more rapidly and more effectively than is the proletariat, labour is also predominantly particularistic and local. Working class identity is not primordial, but one of several mobile identities deriving from the economic, racial, ethnic and sexual divisions of labour. Forging a political culture of resistance—a counterhegemony—draws on the salience of class and requires a reinvention of the interactions between production and identity.

Notes

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3 For provocative ideas on the nexus between production and identity, I am indebted to the collective discussion at the Symposium on 'Work, class and culture' hosted by the University of the Witwatersrand's History Workshop and the Sociology of Work Unit, Johannesburg, 28–30 June 1993. Particularly valuable from the standpoint of the text that follows is the examination of the dilemmas of a 'shift from the political culture of resistance to one of reconstruction, from social movement unionism to strategic unionism' in a paper on 'South Africa's industrialisation: the challenge facing labor' by A Joffe, J Maller & E C Webster.

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