From Post-Industrial Society to New Capitalism: The Evolution of a Narrative of Social Change

At the start of the film *Annie Hall* Woody Allen tells the joke about two women in a restaurant who complain about their meal.

One woman says to her friend, ‘The food in here is absolutely poisonous.’

‘Yes,’ says her dinner companion, ‘and they give you such small helpings.’

The joke turns on the conjoining of two incompatible observations. Each perspective is reasonable in its own right but not in relation to the other. This apparently perverse logic presents an ironic complaint about quality and quantity which could be retold today and applied to the different perspectives that relate to the nature of the contemporary transformation of work. Thus while one person might lament the fact that ‘there are no jobs for life anymore’, another might well agree and add ‘yes, and they want you to work until you are 70.’

Seemingly paradoxical observations abound. In America, Jeremy Rifkind, President of the Foundation for Economic Trends in Washington DC, writes about ‘The End of Work’ (Rifkind 1995), while Juliet Schor writes about ‘The Overworked American: The Unexpected Decline of Leisure in America’ (Schor 1992). The term ‘downsizing’ has captured the public mood in Europe and North America in the views of a variety of different commentators, from Michael Moore to Pat Buchanan. However, if the trends towards mergers and acquisitions in the private sector, and indeed in employment growth in many parts of the public sector, are to be discerned, many organizations would appear to be getting larger. In writing about the flexible labour market in the United States, commentators such as Will Hutton (2002) make much of the fact that ‘Manpower’, the temporary employment agency, is the largest private sector employer in the United States, conveying a huge expansion of temporary or contingent employment in recent times. Yet temporary employment accounts for less than 5% of the American workforce and is fairly modest compared to most countries in North America and Europe. More widely, across most of the advanced economies there is a pervasive sense that work has become more precarious and jobs more insecure. A study conducted by the OECD (1997) showed significant anxiety about the fear of job losses and redundancies among all advanced industrial economies. Yet, consistent with the paradoxes alluded to above, the statistical evidence points to stable job tenures for the most part and increasing long-term employment.

Indeed with certain issues there is not only a gap between public perceptions and empirical or material reality, they almost appear to have a wholly independent existence. In looking at job insecurity and demographic change public sensibilities and empirical realities seem to be moving in opposite directions. In relation to the former, Francis Green makes the point well that the concept of job insecurity attained broad public currency when economic conditions improved in the 1990s. In the early 1980s, when mass unemployment returned to levels not experienced since the great depression of the 1930s, there was no expressed concern with job insecurity as it is understood today. Mass unemployment, redundancies and poverty dominated public concerns, but not job insecurity or precarious employment as such. In short it became a topic of international concern in the following decade when labour market circumstances in many countries became more benign (Green 2005).

Demography will be considered in greater detail in Chapter 4, but for the present discussion of public perceptions it is worth noting the widespread belief that demographic pressures are said to be reaching some kind of tipping point. Across the advanced industrial world a ‘demographic crisis’ has been discovered due to increased longevity and falling birth rates. A story of ‘ageing populations’ has become so commonplace as to be unremarkable, but it has almost come out of the blue. Until recently discussions of the demographic crisis were concerned with unsustainable population growth and yet, within a few short years, the crisis has almost moved into reverse with population ageing and declining birth rates. This is a significant turnaround in perception, yet, in the absence of war, famine, disease and migration, populations are not subject to sudden change in structure. Birth and death rates are observed over decades and demographers have not
radically changed their population projections well into the 21st century. The question therefore arises with both demographic ageing and job insecurity as to how and why these ideas have come into prominence, seemingly independent of population and employment trends.

The initial impetus for the present work arose from a desire to explain the prevalence of perceptions of job insecurity alongside the statistical evidence of continuing job stability. However, as later discussion shows, the gap between evidence and perception extends beyond the question of job tenure into other areas such as capital mobility, technological innovation, welfare retrenchment and demographic change. At times it appears as if the scale of the transformations that underpins the new capitalism is inversely proportional to the evidence to support such accounts. It is therefore necessary, in the first instance, to recognize that the case for societal change relies on transformative factors whose presence and impact are the subject of debate. However, the present discussion also acknowledges that the absence of supporting evidence does not seem to diminish a general sensibility that ‘we live in a fast changing world’ or that today’s jobs are no longer associated with the sense of security and advancement that they previously conferred.

Accordingly there are basically three ways of addressing the gap between perception and reality. One position is to say that statistical measurement provides the only purchase on the real world and, if public opinions lack empirical evidence, they are simply false. In the face of paradoxical or groundless perceptions it is perhaps tempting for the more enlightened amongst us to retreat into the cloistered world of the academy, take comfort in the companionship of superior intellects and find solace in statistical evidence and rigorous scientific inquiry. This would be an easy, if perhaps arrogant response, except for the fact that these days the academic community seems less than impressed with statistical evidence as empirical inquiry has lost some of the kudos it once enjoyed. Moreover, academics not only share many of these perceptions with the public, universities often provide the expert commentators who articulate these ideas and help establish them as common sense.

In contrast, a second response is to assume that those accounts of societal transformation, based on technological advancement, global market forces and institutional restructuring, speak to a change in contemporary experience that is so profound that contemporary measurements cannot divine their existence nor calculate their impact. Any gap between evidence and societal transformation is thus understood as a limitation of the statistical methods employed and the obsolescence of data sets that they generate. This is essentially the line of explanation offered by Diana Coyle in her account of new capitalism. To her credit, Coyle is one of the few commentators who acknowledges the lack of evidence for the ground breaking claims she offers, and she is also prepared to consider the merits of the sceptics’ critique. Her most detailed account of new capitalism acknowledges ‘the measurement problem’ and accepts that productivity growth is hard to connect with the implementation of new technologies (Coyle 2001). She acknowledges, ‘that an important weapon in the armor of the New Capitalism advocates is therefore the likelihood that radical new technologies are implemented slowly, so that their effects can take many decades to emerge’. In this way the gap between evidence and the ‘reality’ of change is either irrelevant or statistically unavoidable. Whilst many reject ‘crude empiricism’ and recognize the challenges of classification, measurement and interpretation in statistical analysis, acceptance of the statistical mismatch that Coyle suggests is, to a large extent, an act of faith.

A third attempt to square the circle is offered by those who suggest that statistical evidence represents material reality, but public perceptions are also real in that they have real consequences. In relation to the globalization debate for instance, Colin Hay and Ben Rosamond (2002) have noted that sceptical counterclaims, supported by hard facts, have not dented the support for the globalization orthodoxy. Accordingly they suggest the existence of a material reality and a ‘discursive reality’, rooted in a mode of representation of social change and a public acceptance of its credibility. The present discussion takes this as a way of progressing, but also suggests that it is important to attempt to explain the emergence of the space between material and discursive realities. In some ways what is really new about new capitalism is this distance between rhetoric and reality which has no equivalence in previous decades. Therefore an important challenge for any analysis of new capitalism is to identify the well springs of a mode of representation that constitutes a discursive reality at variance with empirical or material reality. This may seem off-putting to many readers, raising the prospect of impenetrable textual deconstruction, but the reader should be assured that this author has no such inclination. However new capitalism is not just based on a description of actual developments, but increasingly on normative accounts of current trends and future possibilities, depicting a world, not as it is, but as some would wish it to be. Therefore the task is not confined to the analysis of change, but to understanding the ideology that
underpins an increasingly powerful mode of representation of societal transformation.

It is suggested here that public perceptions of labour market change are part of a larger mosaic of contradiction and confusion, of seemingly opposing perspectives that serve to express and convey a broader representation of the world of work and wider society. These perspectives are rooted in narratives of societal change that imbue technological development and corporate restructuring, and institutional adaptation with a transformative capacity. These forces are expressed through labour market change in new forms of engagement between capital and labour, based on tenuous connection and transient engagement, which are said to engender insecurity and individualization. The term narrative is used here because of analytical significance of the representation of societal development and the meanings, understandings and assumptions that people have acquired of it. It is also useful to consider narratives in that they draw attention to form and content in public discussion, in media commentaries and in academic debate. To speak of narrative form and content also invites consideration of style and substance, of narrators and audiences, of the medium and the message. These narratives have emerged from the discussions of structural changes in advanced economies that preoccupied much of the earlier ‘post-industrial society’ debate initiated by Daniel Bell. Over some four decades post-industrial narratives have evolved from a concern with structural change within industries and macroeconomic outcomes, to accounts that stress technological innovation and organizational processes within firms, and latterly to suggest cultural and relational change. There is a contextual shift from considering changes within national economies to a new emphasis on global processes. The pace of change is said to increase exponentially and the unprecedented discontinuous nature of transformation is emphasized. It is argued here that the rise of a new managerial literature, signalled in the publication of a number of key business texts in the 1980s and 1990s, defined a new trajectory that came to embrace the idea of the ‘new economy’ and a ‘knowledge economy’, eventually consolidated the narratives of new capitalism. More recently there is a greater appreciation of ideational change in a ‘new spirit of capitalism’ that provides the ideological platform on which societal transformation is represented and understood.

Ideology is not a term that many people feel comfortable in using today as it invokes a variety of notions from false consciousness to state sponsored propaganda. The latter redolent of conspiracy and the former evoking intellectual hubris. However to ignore the ideological dimension in the representation of societal change is to impose severe limitations on the discussion of new capitalism and to deprive analysis of key developments since the beginning of the post-industrial debate. In the 1960s commentators sought to capture the nature of capitalism after ‘les trente glorieuses’ – the post-war boom in advanced capitalist societies. They looked at the industrial structure of economies that had reduced unemployment, produced high levels of growth, low inflation and especially in comparison with the depression of the interwar years asked “Has Capitalism Changed?” (Tsuru 1961). In contrast the last quarter of the twentieth century has been of a radically different experience punctuated by periods of high inflation, low growth, and the return of mass unemployment and periodic crises of profitability. There have been intense debates about the policy responses, which have featured on the role of the state, the virtues of corporate freedom and flexible labour markets, and the deleterious impact of punitive tax regimes and overly generous welfare systems. Discussants have been fully aware of ideological camps and the politics surrounding policy remedies. As will be seen later in this chapter enormous financial resources have been invested in naturalizing the workings of the market, in constructing a vision of a deregulated economy and in promoting the merits of flexibility. The debates are more concerned with change as a means than as an end, highlighting processes and possibilities rather than outcomes. Increasingly accounts of change are those people wish to happen rather than have, or necessarily will occur, and for that reason alone it seems extraordinarily self-limiting to deny the ideological construction of social transformation.

A Brief History of New Times

It is understandable that most readers of the new capitalist texts take at face value the claim that we are living in new times. If learned academics, government officials, consultants, journalists and business leaders say that society is witnessing the new dawn of technological change, a period of unprecedented social and economic transformation, then this idea will have widespread acceptance. If some are sceptical of such claims there is a tendency to portray the non-believers as lacking insight and imagination, locked in the past, unaware of current developments and unappreciative of the speed of change. When such scepticism is informed by historical comparisons the non-believers are deemed to be ‘old fashioned’.
The tendency to render the contemporary as ‘unprecedented’, however, involves analytical distortion and ideological risks. In the first instance such accounts deny the audience the vantage of historical comparison against which their assessment of social change can be made. In order to stress the significance of their perspectives on the pace and consequence of social transformation it is very tempting to say that the processes observed and the technological possibilities predicted are of greater scale and import than anything that came before. Their claims are given a newsworthiness they might not have otherwise obtained which affords some degree of protection against charges of exaggeration and reckless imbalance. Yet it is a protection that only lasts for as long as the audience is willing to accept the unprecedented nature of the changes observed. If there has been some dextrum in social development, the preoccupations of contemporary discussion should offer no retrospective connection with earlier perspectives of social change. If we live in a period of ‘discontinuous change’, as Charles Handy claimed in the 1990s, it follows that current themes should be entirely novel, a set of ideas without precedent, a debate without a past. Once these connections are established the credibility of new capitalist narratives are undermined in significant ways. Thus Charles Handy might have hoped that his readership had no knowledge of Peter Drucker (1969) who had previously written about the 1960s as ‘the age of discontinuity’.

It is therefore suggested here that a genealogy of the new times is attempted that might identify any precedents for contemporary accounts. This is not only to provide some historical context but also to capture the contemporary character of today’s version of new times and to identify the mode of representation specific to the narratives of new capitalism. The evolution of the post-industrial narrative into an account of societal transformation based on new employment relations has taken place over more than four decades. For present purposes it is possible to date the narratives of new capitalism from the late 1960s. The work of Daniel Bell, Peter Drucker and Alvin Toffler in America defined the contours of the post-industrial landscape, which continue to provide the reference points of contemporary transformation scenarios. In Europe, Alain Touraine and Andre Gorz tied the transformation of post-industrial society to questions of new and old social classes and movements. In Farewell to the Working Class (Gorz 1982) the focus was on the decline of the industrial proletariat, while Touraine (1971) considered the significance of the student movement. Thus the early American discussion seemed concerned with changing social and economic outcomes while the European debate seemed concerned with changing agency. In setting the scene for his own version of change in industrial society Daniel Bell cites the prevailing accounts of that time, with Dahrendorf (1959) writing about ‘post-capitalist society’, Lichtheim (1963) considering a new Europe as ‘post-bourgeois’, Etzioni (1968) writing about the ‘postmodern’, Boulding (1964) describing the ‘post-civilized era’, Eisenstadt (1972) the ‘post-traditional’ society, Kahn and Wiener (1967) ‘post-economic’ society, and Sjoberg and Hancock (1972) discussing ‘the new individualism’ in the ‘post-welfare state’. A very strong impression of sailing in ‘charted water’ thus emerges from the themes discussed in the 1960s by American and European social scientists.

Daniel Bell’s Post-Industrial Society

It is worth considering in some detail Daniel Bell’s account of the coming of ‘post-industrial society’ and Alvin Toffler’s Future Shock. The former was arguably the most influential account of its type, a precursor to Castells’ analysis of the informational age and the rise of network society. The latter is chosen for its resonance with the experiential accounts of contemporary work transformation offered by Ulrich Beck and Zygmunt Bauman. It is not that Bell’s account is the first of its kind, indeed he recognized that the term ‘post-industrial society’ was first coined by Arthur Penty in 1917. The power of Bell’s account of the coming of post-industrial society is based on his analysis of changes in the industrial structure of the economy and occupational composition of the American labour market. The methodological superiority of Bell’s case is also reinforced by historical comparison with pre-industrial and industrial society. He provides statistical evidence of occupational and sectoral change in America and offers international comparisons with Europe, Japan and the less developed world. Bell discusses ‘the axial structures’ of the American society in the 1960s. These include: the shift from a goods-producing economy to one based on the provision of services; occupational change with the pre-eminence of the professional and technical class; the centrality of theoretical knowledge; the planning and control of technology and decision making based on intellectual technology.

He adopts the tripartite division of the economy, devised almost 30 years earlier by Colin Clark (1957), and considers the shifting significance of the primary, secondary and tertiary sectors. Bell does not suggest that America is the template for other countries to follow, but
the fact that this is the largest and most advanced economy in the
world underpins the growing importance of ‘services’ as a proportion
of Gross National Product and increasing percentage of the labour
market. Thus the changes in social structure in post-industrial
America rest in significant measure on the share of service sector
employment at 61% compared to 34% in industry. This contrasts
with less developed regions of the world economy, which were pre-
dominantly based in agriculture that employed more than industry
and services combined. It contrasted much less sharply with the
advanced European economies, where industry and service shares of
employment were approximately equivalent at 45%. Occupational
recomposition in Bell’s account is based on the shift from blue to
white collar employment. The declining significance of manual
employment in lower socio-economic groups is matched by the
growing importance of non-manual occupations particularly sug-
gested by a projected increase between 1960 and 1975 in the profes-
sional and technical grades. During this period he forecast an increase
of 4.6 million professional and technical jobs, which represented an
increase from 12.2% of the workforce in 1960 to 14.9% in 1975.

Related to the shifts from blue-collar employment in industry to
white collar employment in the services sector is the role of know-
ledge. The term ‘knowledge industries’ was first coined by the
Princeton economist Fritz Machlup (1962) and later developed as
‘the knowledge economy’ by Peter Drucker (1969). In Bell’s account
of post-industrial society knowledge is organized for the purpose
of social control and the directing of innovation and change. This is the-
etorical or scientific knowledge rather than experience and empiri-
cism. In relation to the economy for example, he noted that, in the
1960s, there were more scientists practising their craft than had lived
in the preceding 4,000 years, an argument that has been trotted out
on many occasions since. With the growth of intellectual technology,
rather than mechanical technology, knowledge became the strategic
resource of post-industrial society. In this new technocracy the key
social groups of scientists, engineers, mathematicians and econo-
mists, replace the industrialists and entrepreneurs of the old industrial
society.

Post-industrial society in the hands of Daniel Bell contrasts with
many contemporary accounts in that it is socio-economic, rather than
societal, is historically retrospective rather than prospective and,
despite other weaknesses, is a far more balanced assessment of social
change than the more indulgent claims of epochal transformation cur-
rently on offer. The measured judgments over the nature and extent
of social transformation are best observed in the discussion of tech-
nological change. When today’s ‘new agers’ breathlessly describe a
world in constant flux, an informational society of incomparable tech-
nological capacity, it is salutary to consider the circumspection and
cautions at the heart of Bell’s judgment of historical change. He asks,
for instance, how it is possible to measure the rate of technological
change.

What makes the problem all the more vexing is that we are repeatedly
told that we are living in a time of ‘constantly accelerating rate of tech-
nological change’ which is creating new and ‘explosive’ social problems.
Now, no one can deny that a good deal of technological change has
taken place since World War II: atomic energy, electronic computers, jet
engines are three of the more spectacular introductions of new products
and processes. But the difficulty with the publicistic (and political) argu-
ment is that the word ‘rate’ implies a measurement, that somehow
the changes that are being introduced now can be measured, say, against
the introduction of the steam engine, the railroad, the telephone, the
dynamo, and similar technological devices of the nineteenth century.
How does one distinguish the change wrought by electricity from that
created by atomic energy? We cannot. Both are ‘revolutionary’ innova-
tions. But there is no way of matching their effects in a comparable way.
(Bell 1974, p. 198)

He also seeks to curb the excesses of his contemporaries. Against the
originator of the idea of ‘knowledge industries’ Franz Machlup, who
argued that some 29% of US GNP in 1958 was spent on knowledge,
Bell suggests that the figure should be much smaller and knowledge
industries confined to research (but not development which was
largely devoted to missiles and space), higher education and the pro-
duction of new knowledge as intellectual property. Against this idea of
accelerated social change popularized by Alvin Toffler’s _Future Shock_
he argues that, in terms of the daily lives of individuals, more change
was experienced between 1850 and 1940 when railroads, steamships,
telegaphs, electricity, telephone, automobile, motion picture, radio
and aeroplanes were introduced than in the period since, when change is
supposed to be accelerating (Bell 1974, p. 318).

Bell’s work is more circumspect in tone and consciously more
restricted in scope than Toffler’s _Future Shock_. For Bell the axial struc-
ture of the economy does not provide the basis for a wider sociology.
Political regimes and cultural change cannot be derived from
economic or social structures. Social structures pose ‘management
problems’ for the political order but do not determine their form and
internal processes. A new technocratic society raises cultural questions, given the privileged position of knowledge, but post-industrial society is essentially a socio-economic phenomenon.

**Alvin Toffler's *Future Shock***

Toffler’s ‘super-industrial society’, by contrast, is much closer to those ahistorical perspectives of contemporary social transformation. *Future Shock* represents the stress and disorientation induced in people who are subjected to too much change. It encompasses moral and cultural dilemmas, changes in life style, consumption, work, careers, communities and social commitments. The qualities of street preacher (‘the disease of change’) and life style coach (‘the human side of tomorrow’) run through this work. It echoes with the corrosion of character described in the ‘new capitalism’ of Richard Sennett (1989) and the writings of Zygmunt Bauman (2001) on the ‘individualized society’. Toffler very briefly considers historical change but only to set the tone and context for his more extravagant claims about future society. Thus he admits that the past 300 years have witnessed a ‘firestorm of change’, but in super-industrial society this is now accelerating.

For what is occurring now is in all likelihood, bigger, deeper, and more important than the industrial revolution. Indeed, a growing body of respectable opinion asserts that the present moment represents nothing less than the second great divide in human history, comparable in magnitude only with that first great break in historic continuity, the shift from barbarism to civilisation. (Toffler 1970, p. 14)

It might be suggested that this is hyperbole on such a scale as to be illogical. If society is in the throes of such extraordinary transformation, how can it be envisioned by anyone who had lived in such antediluvian ignorance? How could the nomadic tribes-people of hunter-gatherer society imagine Greek temples, Roman cities, the state, the family or private property? If Toffler is the modern equivalent of ‘prehistoric man witnessing a world totally new’, then is it not unreasonable to assume his observations, similarly, would be less than insightful?

*Future Shock* focuses on several key themes including novelty, diversity and adaptability, but central to Toffler’s vision is the idea that we live in an ‘Age of Transience’. Transience is a state of impermanence that penetrates our consciousness radically altering the way people relate to each other and the wider society around them. There is a new temporariness in everyday life. The disposability of diapers and plastic pens signify a ‘throw away society’. The spread of ‘rentalism’ is a characteristic of societies ‘rocketing towards super-industrialism’. Rentalism was manifest in the growth of apartment building in 1960s America which was taken to mean ‘minimum involvement housing’, in the expansion of car rentals and in the spread of hire services from building equipment and power tools to catering. Rentalism signifies the lack of commitment between people and the products and services they use.

The decline in ‘durational expectancies’ is reflected in the world of work as rentalism spreads into employment. Occupational change and employment turnover had increased to such an extent that job tenure in America declined during the 1960s from 4.6 years to 4.2 years. Toffler cites a Labor Department Survey of the time that seems very familiar to today’s labour market commentators who write about the ‘death of the career’.

In the beginning of the 1960s ‘the average twenty year old man in the workforce could be expected to change jobs six or seven times’. Thus instead of thinking in terms of a ‘career’ the citizen of super industrial society will think in terms of serial careers. (Toffler 1970, p. 99)

Through such changes social relationships in companies and in the community become more transitory. The rise in geographical mobility and occupational mobility makes social contact ever more precarious. Toffler witnesses the rise of ‘modular’, almost nomadic families increasingly unable to settle their children in school and establish long-term relationships in local communities. The key word, characteristic of organized life in super industrial society is ‘temporary’.

The work of Daniel Bell and Alvin Toffler provide the starting points for the contemporary representation of the societal development, not only in the sense that they are significant referents for today’s debates, they also provide the contrasting end points on a spectrum of theoretical or methodological approaches. In short, Bell’s work is scientific in that his evidence is systematically gathered and the conclusions are rooted in historical comparisons. Toffler’s evidence appears anecdotal by comparison and his approach is ahistorical. The social transformation he anticipates is disconnected from previous economic and social developments. Modern technologies arrive out of the blue, like some alien intelligence. It is an act of faith that the pace of technological change and the social and economic consequences it portends have no
parallels in human history. Once cut loose from the anchorage of meaningful historical perspective the author is free to indulge in prediction that lacks any semblance of proportion and balance. Ruled only by the need to impress his audience and to convey the significance of his own pronouncements the tendency towards hyperbole is irresistible.

**New Capitalism – A Confluence of Narratives**

Post-industrialism has developed over four decades but it is perhaps simplistic to imagine one story or manifesto for the new times that we live in. It is perhaps more accurate to refer to a set of overlapping and mutually reinforcing perspectives that operate at different levels, variously addressing expert, technical and policy audiences but also reaching the general public through the different mass media. New capitalism may be viewed as a confluence of narratives that, in combination, speak to new transformative forces, mechanisms of adaptation and the emergence of new social relations in society. There are few books that seek to offer a comprehensive coverage of the forces, mechanisms and outcomes of change. Manuel Castells’ *The Rise of the Network Society* offers the most complete account of societal transformation, charting a new informational mode of development, the transformation of work and the end of salaried employment, but such a coverage is exceptional. Some, such as Antony Giddens, emphasize macro themes such as technological advancement or globalization and derive societal transformation without specifying the mechanisms by which this might occur (Giddens 2002). Others might take employment change as their starting point and extrapolate to broader developments in society, without discussing the determinants of labour market adjustment, as with Hutton (1998) and Harvey (1989). Some prefer to take as read the transformative character of institutional change and concentrate their energies on mapping the cultural expression of the new capitalism in the personal experiences of a more individualized society (Bauman 2005; Sennett 1998 and 2006). In his *Brave New World of Work* Ulrich Beck seeks out a ‘political economy of insecurity’ extrapolated from certain labour market trends and his projections of the future of work. Other additions to the new capitalism literature stress the impact of technological change, as with *The Weightless World* by Diane Coyle (1998, 1999), *Living on Thin Air* by Charles Leadbetter (2000) and *The New Rules for a New Economy* by Kevin Kelly, the ‘technoecstatic’ editor of *Wired*.

Cumulatively the evolution of the post-industrial narrative involves the shift from structural to relational change, the diminishing presence of agency and the increasing sense of exogenous forces. There is an exponential increase in the pace of change such that the current period is imbued with a transformativity that demands discussion of a ‘new economy’ or a ‘knowledge economy’. This development of the new capitalist narratives is also increasingly associated with a restructuring of the world of work in which the labour market is the transmission mechanism between technological innovation or institutional adaptation, and different forms of engagement between capital and labour, which express a more precarious existence in a more individualized society. The discussion of new capitalism presented here attempts a broad coverage critiquing the transformativity of technological and institutional change, with a particular focus on the labour market and prospects for new employment relations that generate precariousness and insecurity.

In relation to ideology there is another feature of this confluence of narratives that reinforces the sense of a qualitative shift in societal development. Indeed one of the most intriguing aspects of the story of the new times that we live in is that it merges left wing and right wing perspectives and sympathies. Thus Michael Hardt and Antonio Negri and Slavoj Žižek, influential figures within the anti-capitalist movement, have accepted that the rise of ‘immaterial labour’, i.e. ‘labour that produces immaterial products, such as information, knowledge, ideas, images relationships and affects’, has become hegemonic in the sense that the contractual and material conditions of immaterial labour that tend to spread to the entire labour market are making the position of labor in general more precarious. (Hardt and Negri 2003, p. 66)

If neo-conservative think tanks, management consultants and libertarian anti-capitalists such as Antony Hardt and Tony Negri describe the decline of traditional forms of employment due to technological advancement and institutional change, the spread of political views represented must add to the credibility of these narratives. From very different standpoints, one perhaps lamenting the decline of labour, the other celebrating the demise of institutional resistance, a picture emerges that employment stability and job security have been left behind and now only recalled in a cloth cap nostalgia for the good (or bad depending on perspective) old days when unions were strong, when people had real jobs in manufacturing and when national
economies were regulated by the state. Thus a left wing contribution, stressing the decline of unionized manufacturing jobs and their replacement by new service industries where people are offered non-unionized ‘McJobs’, can bolster a pro-business view of the advent of the flexible labour market. In similar vein the ‘myth’ of the end of jobs for life offered by Handy (1994) and Bridges (1996) is reinforced by left wing commentators such as Peck and Theodore (2001), who in this author’s view, greatly overstate the significance of temporary employment trends.

In this confluence of narratives, both left and right positions are prone to some repositioning. To some extent what has happened is that the right has settled in the ground that used to be the preserve of the left. As mentioned in the introduction, to a degree the right has appropriated the rhetoric of change previously associated with radical or critical voices, but it is also evident in the rhetorics of ‘crisis’, ‘security’ and ‘sustainability’. In some senses also the left has shifted the ground on which such discussion of societal change has taken place. In many respects the post-industrial literature can be regarded as a post-Marxist phenomenon, indebted to those ex- or post-Marxists who have made key contributions to the genre. This is evident in the early years with the work of Daniel Bell and Andre Gorz, later in the 1980s and 1990s with Martin Jacques and Charles Leadbetter, but arguably the mutation of the post-industrial narrative to New Capitalism owes a very large debt to the post-Marxists such as Manuel Castells, Richard Sennett, Zygmunt Bauman and Ulrich Beck, who have repositioned the debate about changes within capitalism along the political spectrum. They have elevated the discussion from industrial to societal restructuring, and not surprisingly, given their backgrounds, these authors have grounded their accounts of societal changes on increasingly transient forms of engagement between employers and workers.

**The New Spirit of Capitalism**

Insights into the evolution of the post-industrial narrative, from structural change in the economy highlighted by Daniel Bell to relational change in society, described by the likes of Sennett and Castells, are offered in the work of Luc Boltanski and Eve Chiapello. The former, a French sociologist and erstwhile colleague of Pierre Bourdieu, the latter a French management theorist, have attempted to describe ‘the ideological changes that have accompanied recent transformations in capitalism’. These have been captured in the magnum opus *The New Spirit of Capitalism* which highlights the emergence of new representations of economic life. The spirit of capitalism is the set of beliefs associated with the capitalist order that helps to justify this order and, by legitimating them, to sustain the forms of action and predispositions compatible with it (Boltanski and Chiapello 2007, p. 10). Building on Max Weber’s work on the new ethos that attended the rise of capitalism, the authors describe a spirit of capitalism that conforms to three distinct phases of development.

The first spirit was associated with the end of the nineteenth century and arose with a familial form of capitalism. It is symbolized in the bourgeois entrepreneur, in bourgeois morality and values, familial or patriarchal relations with employees in relatively small firms, a strong belief in progress, the future, science, technology and the benefits of industry. The second spirit of capitalism held sway between the 1930s and the 1960s. The focus was less on the entrepreneur than on the organization, represented by the large bureaucratic firm whose heroic figure is the manager. The third spirit of capitalism is ‘isomorph’ with a globalized capitalism which evokes a flexible world of multiple projects performed by autonomous people. Boltanski and Chiapello stress the importance of management literature to an understanding of the representation of social transformation, arguing that it allows the most direct access to the ideologies associated with the spirits of capitalism in the last century. The birth of this literature at the beginning of the 20th century coincides with the rise of a new social formation, of professional managers and administrators that rose to prominence with the growth of large firms. This occurred in tandem with the sideling of the owners’ position in the firm as they were consigned to a more passive role as shareholder.

The management literature of each successive embodiment of the spirit of capitalism targets the principal characteristics of the preceding phase of development. Thus the second spirit of capitalism legitimates the manager or ‘cadre’ whilst simultaneously critiquing or deligitimating the traditional employers of familial capitalism. Specifically targeted are the small employers who abuse their property rights, place family interests above that of the firm and wider society, and who shun modern organizational and marketing techniques. The management literature of the 1990s, that expresses the third spirit of capitalism, similarly challenges key features of the preceding phase of development. ‘The struggle conducted in the 1990s thus has its objective largely eliminating the models of firms constructed in the
previous period ... by deligitmatizing hierarchy, planning, formal authority, Taylorism, the grade of cadre and lifetime careers in the same firm' (p. 85).

A significant element of their analysis of the new ideological configuration of contemporary capitalism is the comparison of French and American management literature written in the 1960s and 1990s. Key targets for recent management authors are large bureaucratic organizations and the planning systems they sought to maintain. ‘Anti-authoritarian’ processes of control are celebrated as democratic and liberating as the non-bureaucratic virtues of flexibility and adaptability are championed. Significantly, Boltanski and Chiapello’s analysis of the new modalities of control in modern industries emphasizes two dimensions, namely externalization and decentralization. The externalization of control is evident in a new model of the firm as a network. The network metaphor applies internally with the prominent role attributed to autonomous teams of workers, and in the greater sense of trust within the company that has replaced top-down executive control and close monitoring of staff. Internal adaptation also includes the autonomization of units or sectors within large firms, which are treated as profit centres in which bureaucratic control is replaced by market control. Externally, networks of firms arise as a result of increased outsourcing and/or subcontracting of operations, networks of firms in industrial parks are cited, as is the model of the third Italy, although these are more commonly discussed by economic geographers and sociologists rather than management authors.

The externalization of control is manifest in the emphasis placed on customer satisfaction as the touchstone to guide corporate operations. Customer care dogma has two effects - in directing self-control towards profit making and secondly in transferring the control exercised by superiors in the 1960s to control by the customer. In other words, unplanned markets determine the success and profitability of firms as long as there is sufficient internal adaptability and flexibility. Internal or executive control is transferred to the market and the management role is to lead the company to ride the waves of change in order to guarantee survival. Moreover internal decentralization amplifies the externalization of control in that the introduction of just-in-time stock control systems pass risk on to the supplier and on to the workers within the firm.

The New Spirit of Capitalism goes on to consider the dismantling of the world of work, and new forms of capitalist critique. The former will be considered in Chapter 5 alongside other accounts of labour market transformation. At this point it is worth suggesting the strengths and some of the weaknesses of Boltanski and Chiapello’s work. The strength of Boltanski and Chiapello’s account is that it examines the ‘ideological platform’ on which contemporary transformation of work is based. They highlight management literature as the most direct means of accessing this set of ideas and their comparison of management literatures in different periods assists the analysis of the evolution of post-industrialism to new capitalism. They usefully capture the emergence of new modes of control in contemporary capitalism, which is represented in the externalization of market dynamics.

The key weakness is that Boltanski and Chiapello have no practical concern to explain why one spirit came to replace another. The second and especially the third spirit appear almost out of the blue. The spread of these ideas is particularly associated with production industries, because Boltanski and Chiapello argue that the changes described by the literature are more obvious in those firms with the greatest use of Taylorist methods of production. There is thus a vague sense of causality, in that the third spirit is loosely connected with the restructuring of Fordist industries but this is not integrated into their discussion. The lack of attention to causality occurs perhaps because, at times, they appear ambivalent about whether they are dealing with the rhetoric of the management literature or the practical reality of change. Thus they stress the importance of the model of the firm emerging as network, with the rise of subcontracting and outsourcing, while at the same time acknowledging that the large firms have got larger.

The third spirit arises unannounced and unrelated to broader institutional changes in society with the changing role of the state conspicuously absent, and the wider consideration of neoliberalism missing. The discussion of the new management literature presented here suggests that this is not some spontaneous shift in managerial thinking and has to be understood as neoliberal managerial discourse. The third spirit appears after Reaganism and Thatcherism and is a consequence of a government policy change directed at the greater exposure of economies to market forces. Reagan is the political expression of a concerted corporate intervention in the political and policy fields intended to bring about a sea change in public expectations of the state’s role in the economy, and the virtues of market freedoms. Although this is a French account, the absence of neoliberalism in the rise of new managerial discourse is a critical weakness. In order to gain an understanding of the ideological forces at work it is necessary to turn to Thomas Frank, David Harvey and Doug Henwood to situate the new managerial discourse within a neoliberal framework.
The Ideological Context of New Capitalism

To explore the specific form and the development of 'the new work order' it is necessary to consider the rise of neoliberalism since the late 1970s, and with particular reference to the United States and the United Kingdom specifically. In recent decades the ideological shifts within western capitalist societies emanate from the triumph of monetarism and the perceived change in role of the state in delivering social and economic policy objectives, and the reassertion of the superiority of markets as allocative mechanisms. This process later became labelled as 'neoliberalism' by its critics, but only with hindsight does the scale and significance of its ascendancy gain due recognition. Several key works on neoliberalism serve to highlight the changes that have unfolded in the corporate world since 1979 namely Capital Resurgent by Gérard Duménil and Dominique Lévy, and David Harvey's 'A Brief History of Neoliberalism'. In both works the authors have demonstrated that neoliberalism represented more than a policy shift aimed at deregulation and liberalization, but constituted a reassertion of the interests of economic elites and a restoration of a more direct expression of class power.

Like other accounts of the rise of neoliberalism in the United States Harvey notes the importance of a memo written in 1971 by Lawrence Powell, Richard Nixon's nominee for the Supreme Court. His was a call to arms to corporate America to answer the ideological attack on the free enterprise system in the United States. It invited the National Chamber of Commerce to take up the leadership of this challenge and answer the chorus of criticism from the college campus, the pulpit, the media, intellectual journals, arts and sciences and politicians. Universities were seen as the key battle ground and Powell recommended the creation of an intellectual infrastructure capable of rolling back the liberal tide, taking on anti-business opponents ranging from Ralf Nader to Herbert Marcuse, but also seeking to address wider audiences through a major intervention in public relations and government affairs. Powell's memorandum is credited with inspiring the creation of The Heritage Foundation, the Manhattan Institute, Cato Institute, Citizens for a Sound Economy, Accuracy in Academe and other powerful institutions. Jerry Landay describes the origins of such foundations and think tanks and the corporate interests they serve.

A highly integrated front of activist organizations has been generously funded by the banking and oil money of the Mellon-Scaife of Pittsburgh, the manufacturing fortunes of Lynd and Harry Bradley of Milwaukee, the energy revenues of the Koch Family of Kansas, the chemical profits of John M. Olin of New York, the Vicks patent-medicine empire of Smith Richardson of Greensboro, and the brewing assets of the Coors dynasty of Colorado. Their grants have paid for a veritable constellation of think tanks, pressure groups, special interest foundations, litigation centres, scholarly research and funding endowments, publishing and TV production houses, media attack operations, political consultancies, polling mills and public relations operations. (Landay 2002)

Since the 1970s the United States has seen a prolonged period of corporate mobilization. The Business Roundtable, an organization of CEOs, 'committed to the aggressive pursuit of political power for the corporation' was founded in 1972, together with the US Chamber of Commerce, whose membership expanded from 60,000 firms in 1974 to a quarter of a million by 1984, were central to this mobilization (Brenner 2007; Harvey 2005). Brenner notes also that in 1974 labour was raising more in political funding than the corporate and trade association Political Action Committees, but by 1984 the PACs were raising two and a half to three times labour's contribution to political funding.

This mobilization of corporate interests was given heightened urgency in the changing economic climate of the 1970s and 1980s. In many parts of the advanced economies the 1970s saw a crisis of corporate profitability, of low growth and high levels of inflation. In October 1979 Paul Volker of the Federal Reserve hiked interest rates to squeeze inflation out of the economy and to restore profitability. This was more than an anti-inflation remedy. Duménil and Lévy argue that the 'Volker shock' represented the assertion of a particular fraction of the dominant class in which financial interests were predominant. 'Finance reasserted its power and interests in relation to workers, company managers, those responsible for economic and social policies in government and public and semi public institutions both national and international' (Duménil and Lévy 2004). Thus, for most of the post-war period the share of national income for the top 1% of income earners in the United States was approximately 8% of the total. This was an acceptable slice of the cake during periods of prolonged expansion, but in the 1970s the crisis of corporate profitability and economic stagnation led to a wealth crash that was expressed in the precipitous decline in asset values of stocks, property and savings. By the end of the 1970s the situation became intolerable and called for decisive action. As a result of the monetary policies
introduced by the Federal Reserve, the share of national income of the top 1% income earners was restored and later climbed to 15% of national income by the end of the century. The situation was similar in the United Kingdom where the top 1% of income earners saw their share of national income doubled from 6.5% to 13% over the same period. The reallocation of wealth was part of a rapid increase in wealth inequalities across the OECD countries while globally ‘the income gap between the fifth of the world population living in the richest countries and the fifth in the poorest was 74 to 1 in 1997, up from 60 to 1 in 1990 and 30 to 1 in 1960’ (Harvey 2005; UNDP 1999).

David Harvey suggests a number of elements in the rise of neoliberalism including: Financialization, Deregulation and Changes in Corporate Leadership.

(1) Financialization involves the rebalancing of the wealth between financial and non-financial corporations. During the 1970s the relative net worth of financial corporations to non-financial corporations slipped from 17% to 12% but had climbed to 23% by 1999 (Duménil and Lévy 2004). Production industries began to extend their activities into financial services, including credit and insurance operations, to speculating in currency and futures markets. Mergers began to diversify activities across production and financial services leading to a spectacular growth of investment in financial services. In 1952 the funds held by financial corporations were one tenth of that held by non-financial corporations, but by 1999 they were nearly twice as large (Duménil and Lévy 2004). Harvey’s survey has concluded, not unreasonably, that ‘neoliberalism has meant the financialisation of everything’. Finance’s influence over other sectors of the economy tightened and the financial system gained a privileged position in the policy concerns of the world leading states. In any conflict of concern between Main Street and Wall Street, the latter would be favoured.

(2) Deregulation. The collapse of the Bretton Woods institutions in 1973 and the abandonment of exchange rate control and the acceptance of floating of rates signified the new monetary and financial order. Limits on capital movements were lifted in 1974 in the United States and 1979 in the UK, and then the rest of Europe with the Single European Act of 1986. After the Volker Shock of 1979 the Reagan administration provided the political backup with further deregulation, tax and budget cuts, and attacks on trades union power, most symbolically in the arrest and chaining of the leader of PATCO the air traffic controllers

union. Deregulation of telecommunications, airlines and finance also greatly reduced restrictions on corporate freedoms. Finally corporate taxes were slashed and the top rate of taxation reduced from 70% to 28%.

(3) Corporate Leadership. The vital connection between neoliberalism and changes in management thinking has been made by Thomas Frank, Doug Henwood and David Harvey. Frank (2003) is particularly convincing when he discusses the change in management thinking in America since the early 1980s which brought about two key adjustments in business leadership in terms of corporate structure and the incentive mechanisms for executives. Frank stresses that the new management thinking that emerged in the 1980s marked a decisive break with ‘scientific management’ that had prevailed for several decades until that time. The earlier ‘managerial revolution’ described by James Burnham (1941) rested on the idea of managerial authority and the functional separation of capital ownership and control. Scientific management underpinned the hierarchical control of all aspects of production and the professionalization of management. This idea rested uneasily with free market ideologues, for if company activities could be planned and controlled it did not require a huge leap of imagination to see that economic forces could be planned and controlled for the society as a whole.

With the rise of neoliberalism it was not long before such ideas were subjected to sustained attack. Thus, in 1982 a little-known management consultant from McKinsey, called Tom Peters, co-wrote In Search of Excellence which purported to identify the secrets of success of the most competitive American companies (Peters and Waterman 1982). Since that time Peters has been at the forefront of new management thinking based on the bureaucratic purging of corporations and their compliance with the will of the market. Delaying of management control, downsizing and outsourcing were the recurrent themes of organizational innovation as the winds of change swept through American companies. Corporate restructuring consciously exposed firms to the vagaries of (invisible) market forces. Irrationality was celebrated in the break with scientific management. Successful companies were those that ‘thrived on chaos’ (Peters 1987) provided they were close to the consumer and had the speed of responsiveness to changing demand. The sub-title of Liberation Management (Peters 1992) was ‘necessary disorganisation for the nanosecond nineties’. If the previous managerial revolution separated managerial control from
share ownership, the next managerial revolution involved a further
dissociation of management from ideas of control or planning, which
were then externalized as control by market forces.

Having established a new corporate mindset the second aspect of
neoliberalism produced, in the 1990s, a realignment of interests
between shareholders and corporate executives. Changes in incentive
schemes occurred in which remuneration packages increasingly relied
on share options to recruit and motivate senior executives. Not only did
those account for the meteoric rise in personal fortunes of the top
brass, but it has been suggested by Henwood (2003) and others that
share price also came to dominate the evaluation of a company's
current and future value and critically to influence corporate decision
making. Corporate analysis was less concerned with balance sheet
assessment of performance and earnings than with share values whose
connections with reality grew ever more tenuous (Williams 2000). In
a brilliant analysis of boom and bust in the new economy Robert
Brenner points out that the period was one dominated by the avail-
ability of cheap money which corporations used, not only to over invest
in capital and equipment, but also to buy back stock in their own corpo-
rations thus further separating the share prices from corporate prof-
itability. This was a period of 'irrational exuberance', captured in the
work of Yale economic professor Robert Schiller (2000), in which the
ratio of capitalization to earnings reached astronomic proportions. It
was an exuberance that lacked accountability. Indeed the large firms of
accountants, such as Arthur Andersen, auditors of Enron, were implic-
ated in the process as they in turn developed large investment consul-
tancy wings which preached the Wall Street message. In the frenzy of
speculation that characterized the new economy boom, the leaders of
the large corporations gained enormous personal wealth. Brenner
reports that between 1995 and 1999, the value of stock options granted
to US executives increased from $26.5 billion to $110 billion, represen-
ting one fifth of non-financial corporate profits, net of interest. In
1992 he points out that CEOs held 2% of the equity of US corpora-
tions, today they own 12%, which is 'One of the most spectacular acts
of appropriation in the history of capitalism' (Brenner 2003).

Horizontal and Vertical Transmission of the New Capitalist
Narratives

The growth of management literature in the 20th century also evolves
in terms of its message and its readership. The literature from the
1930s specifically addressed the management cadre of large corpora-
tions, whereas in the third spirit of capitalism management authors
have a much broader audience in mind, which testifies to its ideolog-
ical significance.

As the dominant ideology the spirit of capitalism has the ability to per-
mute the whole set of mental representations specific to a given era,
infuting political and trades union discourse, and furnishing legiti-
mate representations and conceptual schemas to journalists, and
researchers, to the point where it is simultaneously diffuse and general.
(Boltanski and Chiapello 2006)

The narrativity of concepts thus depends on their take up, relevance
and appeal to a broad constituency. These are ideas that can be deployed
in a variety of settings and provide reference points and meanings for different agencies and audiences. The narratives of new
capitalism transcend audiences and have a transferability across
different media format. There are two dimensions to this narrativity
which can be seen as horizontal, a set of ideas articulated across
different milieux and as vertical, stretching from the board room to a
mass audience. Vivien Schmidt similarly distinguishes between a
'coordinative discourse', between policy actors and a 'communicative
discourse', between political actors and the public (Schmidt 2006).
An appreciation of both dimensions reveals the ideational strength of
the new capitalist narratives.

The importance of the vertical or communicative dissemination of
new managerial ideas helps explain their power and appeal. When
Tom Peters co-wrote The Pursuit of Excellence the book sold 5 million
copies and the author purchased a 1,300 acre farm in Vermont on the
proceeds. Francis Wheen makes the point well when he looked at this
curious phenomenon of business writing for the mass market.

After that [Peters' success] the deluge: The Seven Habits of the Highly
Effective People, by Stephen R. Covey, The Fifth Discipline by Peter
Senge, The One Minute Manager by Kenneth Blanchard and Spencer
Johnson, Ataken the Giant Within by Anthony Robbins . . . The New
York Times list of non-fiction bestsellers soon became so clogged with
inspirational tracts that the paper established a separate category for
'Advice, How-to and Miscellaneous'. Even men who had already made
fortunes hastened to cash in: the Chrysler Boss, Lee Iacocca, the glori-
ously vulgar property developer Donald Trump and the rebarbative
media mogul Al Neurrall all dashed off inspirational, ghost written
blockbusters that sold by the ton. (Wheen 2004, p. 42)
Nigel Thrift also describes 'a cultural circuit of capital' as a discursive apparatus that connects business schools, management consultants, management gurus, and the media.

the cultural circuit represents ... the dissemination of what had hitherto been high flying management theories on a mass scale in the guise of all manner of small-scale 'how to' practices through a new conglomeration of social networks, in a mass sharing of management expertise. (Thrift 2005, p. 6)

While Landay describes an integration of agencies involved in promoting the corporate visions of societal transformation this can refer to different forms of linkage across sectors connecting government think tanks, broadcast media, management consultancies, fund mangers, business schools and other academic experts. Print journalists echo the messages put out by television broadcasters and vice versa. Self-styled 'management gurus' become media friendly commentators on matters of technological change, economic trends or government policy. Other kinds of experts are also pressed into service in the contemporary representation of social transformation. Educationalists, psychologists, sociologists and economists, whether they are based in a university or in the head offices of financial institutions, lend credibility to the prevailing accounts of economic transformation. Overall there is an increasing sense that the boundaries between milieus, whether academic, corporate, government, think tank or the various mass media are being undermined.

The transferability of these concepts across different sectors and milieus adds to their pervasiveness and their legitimacy. If the same story is told by journalists, academics and management consultants its acceptance is greatly enhanced. The narrative format that can transcend media will prioritize particular rhetorical styles. This narrativity is expressed in the use of stylized facts, sound bites, attention grabbing headlines, memorable story lines, the stress on novelty and newsworthiness and anecdotal evidence that captures changes in life style, and generational shifts in attitudes. Large concepts are expressed in small settings. The impact of global processes are emphasized in their ability to penetrate the minutiae of daily experiences influencing what we eat, read, wear or watch. The growing significance of the narratives of new capitalism has been sustained by shifts within social science, most obvious in the rise of postmodernism, which have licensed a lay understanding of contemporary social transformation and privileged ahistorical perspectives of social change. As Mike Savage (2000) points out, commentators such as Beck and Giddens do not seek empirical support for their position, but seek to convince rhetorically by setting themselves up as more plausible and 'common sense' than other discredited accounts.

This transmission of ideas across different sectors has been particularly noticeable in the United States. Stories of labour market change have been headlined in the news media and then reproduced by other types of narrators. The Downsizing of America, The Outsourcing of America and the The Temping of America are particularly powerful stories that have shaped public discussion of employment change in the United States. The case of temporary employment in America is especially illustrative of this narrativity. 'The Temping of America' first emerged as a six page article in Time in March 1993 and was echoed less than a year later by Fortune's cover story on 'The Contingency Workforce'. Both features reported that Manpower Inc., the temporary employment agency, was the largest employer in the United States, with 600,000 on its payroll (two key ingredients – the headline and the key fact are the wheels on which this story runs). None other than Tom Peters also wrote in the Chicago Times at this time, 'It is spooky to realize, as Time reports, that Manpower is now America's largest employer.' The story's recycling continued year upon year and almost a decade later Will Hutton trotted out the Manpower fact to his British readers (Hutton 2002). Hutton is former editor of the Observer, the chief executive of the Work Foundation, and has academic appointments in the Universities of Manchester, Bristol and Oxford, and so he powerfully exemplifies this articulation of ideas across different milieus. Another new economy story of life in today's America is told and retold by journalists, management gurus, and academics as this single fact speaks volumes of job instability in this fast changing world we live in. Later discussion in Chapter 6 demonstrates that the story is bogus, but for the present it is worth noting the discursive devices that travel across milieux and enhance a particular form of representation that is peculiarly unaccountable and, while it does not sustain any empirical generalization, it enjoys a rhetorical credibility.

This chapter has emphasized the development of a specific mode of representation central to those accounts of societal transformation, based on new forms of engagement between employers and workers. This is to be understood, not as some spontaneous shift in public sensibilities that gives rise to a new spirit of capitalism, but as a confluence of narratives that emerges with the rise of neoliberalism.
Neoliberalism serves to externalize social transformation and to confine policy response to market compliance. Chapters 3 and 4 will explore the principal determinants of societal transformation and examine the role of technological change and globalization in generating new relations of employment.

2

Technological Change: Autonomization and Dematerialization

The previous chapter advanced the concept of the narratives of new capitalism as a mode of representation of the forces, mechanisms and outcomes of societal transformation. The importance of the ideological platform of new capitalism was highlighted in the rise of neoliberal managerial discourse and the transmission of these ideas across different milieux. This chapter progresses the discussion by considering the substantive or thematic content of these narratives, such as weightlessness, flows, connectivity and ubiquity, and suggests that the representation of new capitalism systematically exaggerates the transformity of the social processes under discussion. Thus the overstatement of the mobility of capital, the impact of new technology and the retreat of the state, are products of the way that change has been (mis)represented and understood. It is suggested here that the transformity of technological change and globalization, specifically, is tied to their perception as autonomous and disembodied processes that run on their own momentum and according to their own logic. Additionally the representation of new capitalism relies on ways of conceptualizing the world that are both abstract and ethereal, particularly in relation to the 'weightlessness' of technological change and social transformation.

Towards the end of the last chapter the discussion of new capitalism mentioned that postmodernism had licensed the rhetorics of the new economy and the common sense perceptions of social change. However postmodernism has given rise to other methodological shifts within social science that have occurred over more than twenty years. The unease surrounding discussion of ideology generated by the influence of postmodernism has already been mentioned, but more importantly the desire to understand the world in its totality has also been