

## Relations industrielles Industrial Relations



David GORDON, Richard EDWARDS, Michael REICH :  
*Segmented Work Divided Workers : The Historical Transformation of Labour in the United States*. Cambridge, Cambridge University Press, 1982, 288 pp.

Jerry P. White

Volume 40, Number 2, 1985

URI: <https://id.erudit.org/iderudit/050148ar>

DOI: <https://doi.org/10.7202/050148ar>

[See table of contents](#)

### Publisher(s)

Département des relations industrielles de l'Université Laval

### ISSN

0034-379X (print)

1703-8138 (digital)

[Explore this journal](#)

### Cite this review

White, J. P. (1985). Review of [David GORDON, Richard EDWARDS, Michael REICH : *Segmented Work Divided Workers : The Historical Transformation of Labour in the United States*. Cambridge, Cambridge University Press, 1982, 288 pp.] *Relations industrielles / Industrial Relations*, 40(2), 410–411.  
<https://doi.org/10.7202/050148ar>

Tous droits réservés © Département des relations industrielles de l'Université Laval, 1985

This document is protected by copyright law. Use of the services of Érudit (including reproduction) is subject to its terms and conditions, which can be viewed online.

<https://apropos.erudit.org/en/users/policy-on-use/>

Érudit

This article is disseminated and preserved by Érudit.

Érudit is a non-profit inter-university consortium of the Université de Montréal, Université Laval, and the Université du Québec à Montréal. Its mission is to promote and disseminate research.

<https://www.erudit.org/en/>

**Segmented Work Divided Workers: The Historical Transformation of Labour in the United States**, by David Gordon, Richard Edwards and Michael Reich, Cambridge, Cambridge University Press, 1982, xii + 288 pages and Index,

This is a most ambitious and impressive attempt to synthesize the history of the labour process and labour markets in the United States. The authors try and give the reader a new and wide ranging framework with which to understand labour relations today. The strength of the analysis lies in its rooting of explanation in an historical and structural setting.

**Segmented Work** begins with a theoretical schema outlining what they call «long swings» in the historical development of the American economy. These long swings are similar to Kondratieff cycles but replace the single factor theory of fluctuation with a multidimensional approach to the causes of instability in capital accumulation. The authors assume that «without a stable and favourable environment capital investment will not proceed.» (p. 23).

Gordon *et al* examine three distinct stages they perceive in U.S. economic development. These stages include Proletarianization (1820-1890); Homogenization (1870-WW 11) and Segmentation (1920 to present). The changes in these stages of accumulation are produced by the necessity of transcending a crisis in the previous stage to create stability.

The three stage model represents a rejection of both the traditional approach of John R. Commons and the standard two-stage Marxist typology of competitive monopoly capitalism. A chapter is devoted to each of these three stages.

The first stage in the process was «proletarianization and it stretched from the 1820's to the 1890's. It was distinguished by the growth of a wage labour force recruited from the rural population, independent craftsmen and women. This structure fell into

decay and crisis (1870-1890) due to severe competition and the continuing craft control over many aspects of production.

Capital's response to this crisis was the realignment of institutions and methods of management. The resulting new social structure of accumulation was typified by the widespread mechanization of production, introduction of the drive system of supervision and the concentration of capital. During this «homogenization» stage there were massive mergers. Gordon *et al* notes that these mergers permitted the introduction of new job designs which diminished the skill differences between workers.

Decay during the inter-war years was prompted by a bottoming out of demand due to inadequate wage levels, restriction of output by workers (soldiering) and a high turnover of labour due to the drive foremen system.

The final stage, segmentation, takes us through the prosperity of the fifties to the crisis of the 1980's. The segmentation of labour involved the creation of distinct labour markets. Large «core firms» built their internal systems with job ladders, seniority based promotion, and bureaucratic control methods. The other segment of the economy, the periphery, is characterized as being less unionized, with lower wages, shorter promotion ladders, and reduced skill demands.

The strength of the book lies in its attempt to put such a grand sweep of history into some framework. With this, they have a reasonable degree of success. Their model is dynamic, flexible and explanatory. However, as with any project of this scale, there are many problems. They set out to give «... a systematic account of the connections between capitalist development and working-class life in the United States» (p. xi). The questions they pose for themselves are, «Where did labour segmentation come from in the U.S. and why did it develop» (p. ix).

What is intriguing is the promise that they are going to look at a wide range of in-

stitutional and structural determinants of labour market development. Unfortunately, they leave aside many of these factors such as the role of the state, the legal system, the credit markets, etc. and retreat to the more standard concerns of labour economics such as labour supply, technological change and wage rates.

The discussion of «homogenization» is the weakest in the book. They underplay the craft union rebellion against homogenization; preferring to cast the rise of industrial unions as the response to the process. This raises the real problem, as well, of the implied homogenization of skilled and unskilled. There is ample evidence to show that Gompers and the craft dominated AFL had little interest in organizing the immigrant and unskilled worker. The continued division along real or perceived skill differences is something we have seen continue well into their «segmentation» phase.

There are problems at times with the authors trying to push their data into the model. This is evident in their claim that there was labour peace during the consolidation of the proletarianization stage. This flies in the face of studies such as P.K. Edwards, **Strikes in the United States, 1881-1974** where the opposite is demonstrated.

The book leaves one with a view that the whole process they described was a simple conspiracy that was designed by capital and acquiesced to by labour. This hardly captures the complexity of the historical interaction of individuals, classes and structures which produced the situation.

Despite its weaknesses, **Segmented Works Divided Workers** is a rich and thoughtful contribution that is of importance for many fields of study.

**Jerry P. WHITE**

McMaster University

**The Change Masters. Innovation and Entrepreneurship in the American Corporation.** by Rosabeth Moss Kanter, New York, Simon and Schuster, 1984, 432 pp. ISBN 0-671-42802-0.

As change masters Kanter treats those people and organizations adept at the art of anticipating the need for, and of leading, productive change. The basic thesis is that the difference between those companies which stagnate and those which innovate depends on the degree to which the opportunity to use power effectively is granted to or withheld from individuals. The difference above mentioned begins with a company's approach to solving problems and extends throughout its culture and structure. The companies with reputations for progressive human-resource practices are significantly higher in long-term profitability and financial growth than their counterparts (p. 19). The willingness of a company to take lead in innovation makes it open to internal and external self-improvement.

The author examined 115 innovations in ten core companies but she also depended on other data. Her main conclusions are focused on the difference between the 'segmentalist' and the 'integrative' approaches. In the first one the existing divisions prevent to open to innovation. In the second people aggregate subproblems into larger problems, so as to recreate a unity that provides more insight into required action (p. 29). The segmentalist approach actually prevents innovations. There is a quiet suffocation of the entrepreneurial spirit in segmentalist companies. Insiders do not have enough power to bring something new but anyway they are blamed for any failure. Outsiders reinforce a culture of inferiority and meet much resistance.

It is quite common in organizations that power to innovate is restricted to a limited number of people and circumstances which eliminates a considerable number of potential contributors. The innovatory rhetoric is not enough to keep innovations going. Many superiors regard any new idea with suspicion,