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DEMOCRATIC PLURALISM IN THE ERA OF DOWNSIZING

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I am interested in considering how Chantal Mouffe might respond to the plight of workers struggling to survive the current wave of “restructurings,” “downsizings,” and “reduction-in-force” displacements occurring in what is, for lack of a better term, the “downsizing era.” “Downsizing era” refers to the wave of corporate restructurings which have left millions of unemployed and displaced working people in its wake.¹ It is hardly sensational to claim that working people in America and abroad are finding they are the victims of a widespread global corporate restructuring movement fueled by technological change, free trade, and a new form of competition stimulated by cost containment strategies.²

There was a time when mass-production industries created lots of good jobs with good job security for most working people. Today, a worker with a good job is likely to be downsized (a corporate euphemism for being “fired,” “dismissed” or permanently “laid-off”) at sometime during his or her career. The President’s Council of Economic Advisors reported in 1993, for example, that in “each year between 1981 and 1990, an average of almost 2 million workers lost full-time jobs and were not recalled by their former employers [as a result of corporate restructurings and downsizings].”³

Of course, many of these workers do find jobs, but once downsized, workers are likely to find jobs only at lower levels of pay. As the *New York Times* reported last year in a Special Report, *The Downsizing of America*, sixty-five percent of all workers who have been downsized have become employed, but only after accepting lower levels of pay.⁴ Studies on displacement rates of U.S. workers show that the relationship between employer and employee is less important today in determining the employee’s long-term job security.⁵ Factors outside the relationship with an individual employer—factors associated with the outside market—are more important.

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1. See CONGRESS OF THE UNITED STATES, CONGRESSIONAL BUDGET OFFICE STUDY: DISPLACED WORKER TRENDS IN THE 1980S AND IMPLICATIONS FOR THE FUTURE (1993) [hereinafter Congressional Budget]. See also *Downsizing of America*, N.Y. TIMES, Mar. 3-9, 1996; Dec 29, 1996.

2. See Simon Head, *The New Ruthless Economy*, 43 N.Y. REV. BOOKS, Feb. 29, 1996; Peter Cappelli, *Rethinking Employment*, 33 BRIT. J. OF INDUS. REL. 563 (1995).

3. Congressional Budget Office Study, *supra* note 1.

4. See *Downsizing of America*, *supra* note 1, at 5, 34.

5. See Cappelli, *supra* note 2, at 583.

The word "downsize" first appeared during the oil crisis of the early 1970s when it was used by automobile executives to describe the move toward the design of smaller, gas-efficient automobiles.⁶ By the 1990s, the word has come to describe the shrinkage of vast categories of well-paid, highly-skilled jobs as large corporations cut their costs and improve their efficiency by reducing the number of workers employed.

In the corporate-speak of the 1990s, employees are downsized, displaced, severed and unassigned. They are told that their jobs "are not moving forward." The word "downsize" has thus come to signify the diminished expectations of workers who find themselves moving from relatively high-paid, skilled jobs to relatively low-paid, unskilled jobs; the proverbial hamburger-flipping jobs in the service sector are where most jobs are found these days.

Unquestionably, forty or fifty years ago when labor unions were strong and labor law was interpreted to support collective bargaining, there was an internal restraint on what employers could do in dealing with workers.⁷ Unions and collective bargaining agreements restrained the ability of employers to compete on the basis of labor costs. Today, however, only ten percent of private sector American workers are unionized—down from thirty-three percent fifty years ago. To counter downsizing and restructuring decisions today, unions must make concessions and give back benefits won in the past. In many, many cases, unions have been forced to accept downsizing and restructuring as an inevitable fate of global and technological competition. Workers, both union and non-union, are having a difficult time accepting their fate in an ever decreasing non-union environment in the downsizing era.

Consider, for example, the plight of Steven Holthausen, a fifty-something bank loan officer turned tourist guide, whose story was reported last year in the *New York Times* series *The Downsizing of America*.⁸ Mr. Holthausen (a middle-class, non-union, white collar worker) was "severed" (i.e., fired, or as corporate labor relations officers might say, "downsized") from the bank in August 1990 and has since been unable to obtain a job as a loan officer. For nearly a year, he barely scraped by on severance pay, unemployment insurance, and meager commissions earned as a freelance mortgage broker. He only recently obtained a job as a tourist guide for the New Jersey Interstate. Meanwhile, a 22-year-old performs Mr. Holthausen's former duties as a loan officer at a fraction of his former salary.⁹

Mr. Holthausen, recently divorced and living alone in his brother's humble apartment, seeks support from a self-help group of people forty and over who have been recently fired and have been unable to find comparable

6. See *Downsizing of America*, *supra* note 1, at 17.

7. See PAUL C. WEILER, *GOVERNING THE WORKPLACE* 7-13 (1990).

8. See *Downsizing of America*, *supra* note 1, at 21-7.

9. *Id.* at 21.

employment.¹⁰ He is reported to have said, “[t]he anger that I feel right now is that I lost both my family and my job. [This] is not where I wanted to be at this point in my life.”¹¹ Like that of other downsized workers, Mr. Holthausen’s story is a depressing account of the vulnerable position of late-career aging workers in America. In fact, Holthausen’s plight is but one of many stories from the deep trenches of downsized America, where aging career workers have been dumped.

Many on the Political Left might have some initial difficulty in identifying with the plight of Mr. Holthausen and other once well-to-do White middle-class workers like him. After all, Mr. Holthausen probably represents the political base that brought Reagan and Bush to the White House and in turn solidified the popular consciousness articulated by the Political Right in this country. For that matter, I wonder whether Mr. Holthausen and other downsized workers like him now have antagonism toward the Reagan-Bush policies that established the economic policies and conditions responsible for their unemployment.

And yet I am reasonably certain that Mr. Holthausen sees himself as a victim of the very policies that Reagan-Bush and the Republican Right pursued for much of the 1980s and early 1990s. Presumably Mr. Holthausen understands his social position in relation to the production factors that have become obsolete in the high-tech world of global competition. In other words, Mr. Holthausen probably constructs his own subjectivity on the basis of the social reality created by the post-industrial market economy glorified by the conservative Right. To put it in Chantal Mouffe’s terms, Mr. Holthausen’s particular subject position has become infused with a free market ideology constructed by the Political Right and made popular by successful politicians like Reagan and Bush.

However, Mouffe reminds us that “every social agent is a locus of many subject positions and [no individual] can be reduced to only one.”¹² Thus, there are other social positions which could describe Mr. Holthausen’s position that do not relate to the subject position defined by the Political Right. And yet, in today’s political environment, Mr. Holthausen and other workers like him seem to have internalized the subject position inscribed by the Political Right. Stuart Hall’s analysis of Thatcherism, as discussed in Chantal Mouffe’s essay, comes to mind here.¹³

According to Mouffe, Hall enables us to understand “the way popular consciousness can be articulated by the Right.” As Mouffe put it:

10. *Id.* at 22.

11. *Id.*

12. Chantal Mouffe, *Hegemony and New Political Subjects: Toward a New Concept in Democracy*, in *MARXISM AND THE INTERPRETATION OF CULTURE* 89, 89-90 (Cary Nelson & Lawrence Grossberg eds., 1988).

13. *Id.* at 96.

A worker who loses his or her job is in a situation . . . in which, having been defined on the basis of the right to have a job, he or she now finds that right denied. This can be the locus of an antagonism, although there are ways of reacting to unemployment that do not lead to any kind of struggle. The worker can commit suicide, drink enormously, or batter his or her spouse; there are many ways people react against that negation of their subjectivity. But consider now the more political forms that reaction can take. There is no reason to believe the unemployed person is going to construct an antagonism in which Thatcherism or capitalism is the enemy. In England, for example, the discourse of Thatcherism says, "You have lost your job because women are taking men's jobs." It constructs an antagonism in which feminism is the enemy. Or it can say, "You have lost our job because all those immigrants are taking the jobs of good English workers." Or it can say, "You have lost your job because the trade unions maintain such high wages that there are not enough jobs for the working class." In all these cases, democratic antagonism is articulated to the right rather than giving birth to democratic struggle.¹⁴

I imagine that Mr. Holthausen has probably considered that he lost his job because younger workers are taking away late-career jobs; that technological innovation in the banking industry is to blame; or maybe that forces of global competition are what ultimately did him in. Downsized workers like him are probably encouraged to blame themselves for their own fate. They are told that they are too old, too expensive, or not trained in the right skills to be kept on the job. They are encouraged to internalize their antagonism and turn it on themselves. In other words, they are encouraged to view their fate as the inevitable and natural consequence of good-old American free market capitalism.

Mouffe encourages us, however, to understand how this form of antagonism in the political discourse has denied the potential for true democratic struggle and real democratic pluralism. For those of us on the Left who are interested in developing a real democratic pluralism with real equality and full participation, the distinction between antagonism and struggle is *crucial*. As Mouffe explained: "Only if the struggle of the unemployed is articulated with the struggle of blacks, of women, of all the oppressed, can we speak of the creation of a democratic struggle."¹⁵ To do this we must give up the idea of a "privileged revolutionary subject" whose identity has heretofore defined the Left's position in social relations and aligned the Left with certain working people, but not others. In other words, we must push identity politics and enlarge its scope so that we might see how a political struggle involves the whole of social relations. As Mouffe put it: "This opens the possibility of a war for position at all levels of society, which may, therefore, open up the way for a radical transformation."¹⁶

In the downsizing era, we need to better understand how the relation of workers and capitalists has been articulated by the Right to justify and

14. *Id.*

15. *Id.*

16. Mouffe, *supra* note 12, at 98.

perpetuate an ever increasing level of unemployment and underemployment. We need to struggle against this discourse and learn how downsizing might be transformed so that new forms of antagonism can be redeployed to bring the norm of economic equality and job security back into the political realm. We need to see how the Mr. Holthausens of the world are very much in the same economic position as the grape and fruit pickers in the fields of California or Florida. In other words, we should open the possibility of a war for the subject position at all levels in which we work and live.

It does no good to simply look upon corporate power and public opinion as something we can not change. Instead, we should learn from Reagan and Bush. We should study how the Right was successful in articulating antagonism against the modern welfare state during much of the 1980s. It was the effective use of political power that transformed the way people think today about social relations and economic changes. We need to learn from that experience and then put that learning to use in transforming the current political discourse by actively moving it back towards the Left.

The political power of the Right has heretofore gone largely unmatched by the Left. To survive, the labor movement must match the effectiveness of corporate interests in delivering its message to the public and the political process. To be effective, the labor movement must learn how to wage a new struggle for the subject position of democratic pluralism and economic equality. Labor's best hope is that a new democratic struggle based on the cruel fate of downsizing and unemployment may work to transform the current conservative political regime. We can make an important contribution by waging our own war for the position of new democratic and economic equality.

