

*Industrial Decline and the Rise of the Service Sector? How did Western Europe and North America cope with the multifaceted structural transformations since the 1970s?* Sebastian Voigt, Institut für Zeitgeschichte, München – Berlin; Stefan Hördler, KZ-Gedenkstätte Mittelbau-Dora; Howard Brick, University of Michigan; German Historical Institute, Washington D.C., 16.09.2016–17.09.2016.

**Reviewed by** Jörn Eiben

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At least in German historiography, the 1970s have been (and still are) a booming field of research. cf. among many others: Archiv für Sozialgeschichte 44 (2004), Rahmenthema: Die Siebzigerjahre. Gesellschaftliche Entwicklungen in Deutschland; Werner Faulstich (ed.), Die Kultur der 70er Jahre, Munich 2004; Konrad H. Jarausch (ed.), Das Ende der Zuversicht. Die siebziger Jahre als Geschichte, Göttingen 2008. This is certainly due to the various characterisations of this decade as – to name just a few – a phase of structural change cf. recently: Werner Plumpe / André Steiner (eds.), Der Mythos von der postindustriellen Welt. Wirtschaftlicher Strukturwandel in Deutschland 1960–1980, Göttingen 2016. , marking the turning point from boom to “after the boom” Anselm Doering-Manteuffel / Lutz Raphael, Nach dem Boom. Perspektiven auf die Zeitgeschichte seit 1970, Göttingen 2008. , towards a “post-industrial society” Daniel Bell, The Coming of Post-Industrial Society. A Venture in Social Forecasting, New York 1973. or post-modernity. Jean-François Lyotard, The Postmodern Condition, Minneapolis 1984 [Paris 1979]. Regardless of the accuracy of these or other diagnoses: the 1970s were an intense and dynamic phase; at least in Western European and North America, on which the international conference “Industrial Decline and the Rise of the Service Sector? How did Western Europe

and North America cope with the multifaceted structural transformations since the 1970s?” at the Institute for Contemporary History in Munich concentrated.

In his welcome address, ANDREAS WIRSCHING (Munich) underlined the importance of the topic. From a historiographic as well as from a contemporary perspective, dealing with the significant transformations of economy and society, at which the conference's topic aimed, is crucial. Analytically, Wirsching suggested sensitivity towards a necessary interplay of more encompassing diagnoses on the macrolevel as well as the oftentimes stubborn or downright contradictory cases on the microlevel.

After underlining general trends of and assumptions about the 1970s, such as an increasing pressure on the Middle Classes, increasing income inequalities, or the shrinking share of the ‘old industries’, SEBASTIAN VOIGT (Munich) took up Wirsching's considerations for his introduction. Following Wolfgang Streeck, he suggested to take the 1970s as a starting point for an analysis of current crises. In a more historiographic sense, he accentuated the importance of the „after the boom“ hypothesis, around which a fair share of current research circulates. Adding yet another prominent diagnosis of more general trends, that is Daniel Bell's notions about the rise of a post-in-

dustrial society dominated by a strong service sector, he finally argued for more faceted historiographic analyses. There are, Voigt reasoned, several very good and very fitting examples of transformations from industrial to service based economies both in Germany and the USA. Yet, one has to wonder, whether such examples suffice to make some of the rather broad and general assumptions brought forward by some of the grand diagnoses of industrial decline, post-industrial societies or a phase after the boom.

The first section, moderated by STEFAN HÖRDLER (Nordhausen), dealt with transnational similarities and differences in the economic development. Accordingly, MARIJN MOLEMA (Leeuwarden) took up Wirsching's suggestion to investigate the regional level more closely, following the example of planning processes in North-east-Frisia. Even though it had its heydays in the 1960s and 1970s, planning never left the political realm, but was transformed from spatial to economic planning. Due to these planning processes a new economic geography emerged in the region, with just a few industrial centres. Here, he argued, the majority of the region's people found employment up until the early noughties. Hence, Molema concluded, the narrative of an industrial decline is not adequate at all for this particular region. In her contribution about the ship building crisis' effects on the workforce, JOHANNA WOLF (Leipzig) investigated the discussions within the various international, national, regional, and local union networks. Even though she pointed out the many reasonable and well-conceived suggestions, Wolf drew a fairly disillusioning picture about the unions' impact on solving the problems of the industry. In a nutshell: Next to none of their suggestions were adopted by the respective governments. Among other things, Stefan Hördler pointed out that neither paper addressed the important conceptual question about what it is, when one speaks about industrial decline or crisis – a con-

ceptual challenge that would resurface frequently in the following panels.

Chaired by FRANK BÖSCH (Potsdam), the second section dealt with the ways in which collective and individual actors coped with changes. KARSTEN UHL (Darmstadt / Hamburg) presented the findings of his new research project on the printing industry — an industry with a workforce deeply devoted to and interested in technological progress. In combination with their firm belief in being part of an irreplaceable aristocracy of workers, the technological process eventually overtook the workers and endangered their jobs. As this process as well as the cooperation amongst the unions became increasingly global phenomena, Uhl called for a research design focused on the interconnections of computerization and globalization. In his paper, FRANCESCO PETRINI (Padova) took a closer look at deindustrialisation processes. Against those who favour exogenous factors, for example rising costs for oil, he argued that it was a breach of post-World War II's social contract as the main cause for industrial decline and the ensuing phenomena of crises. Following this contractual hypothesis, Petrini investigated the ensuing attempts and failures at re-establishing a similar binding framework. MICHAEL KOZAKOWSKI (Denver) then took a closer look at the role of migrants, imagined as an effect of industrialization in Western Europe. Focusing on France, he showed how they faced a twofold problem: their politically and legally unclear status as well as the lack of jobs brought about by industrial decline. To the migrant workers, Kozakowski concluded, the rise of the service sector created alternative job opportunities — opportunities, however, with significantly lower wages than the industrial sector had provided before.

HOWARD BRICK (Ann Arbor) chaired the third section, which focused on state responses to the challenges. Interestingly, this section was entirely composed of speakers outside the narrow margins of historiography, that is from political

sciences and sociology. The first speaker, TIMUR ERGEN (Cologne), provided some profound insights into the American debates about industrial policy and future economy. The debate, which had its heyday in the 1970s and 1980s, revolved around the question about whether or not the United States needed a concerted industrial policy in order to cope with the contemporary problems. While the debate did not lead to any concrete results and dissolved by the mid-1980s, it was an interesting moment for the study of the epistemic realms of American economic policy. Following the example of the August Thyssen Hütte, DANIEL WYLEGALA (Düsseldorf) investigated the changes in research and development (R&D) policies in the West German steel industry. Though his paper was not quite a perfect match to the section's topic of state responses, he connected well to Ergen's paper, as both stressed the optimistic outlook to the future. While Ergen reconstructed his findings following the debates among economic experts, Wylegala based his argument on the continuous rise in expenditure for research and development. As the proponents of a strong R&D policy construed the recession of 1974 as an economic crisis (as opposed to a structural crisis), they had fairly solid arguments for suggesting a positive stance towards the future, if the company made the necessary technological innovations. JOHN ALIC (North Carolina), finally provided a perspective on the US industrial policy of the 1970s and beyond. Of course, Alic's topic matched very well with Ergen's paper — but it complemented Wylegala's findings, too. Unlike the case of the German steel company, Alic indicated, overall spending on R&D in the US declined since 1969 and rose to a comparative level no earlier than 1977 and then began to decline as the economy began to gain momentum again.

The second day began with a section about transformations of the labour market and consumer behaviour, which was chaired by ANDREAS WIRSCHING. In her paper, EILEEN BORIS (Santa Barbara) investigated household workers.

She identified the 1970s as a turning point in the participation of women on the labour market. One of the consequences was an enormous increase of “outsourcing” reproductive labour: that is activities central to the production and maintenance of people. Especially (comparatively) well-earning women turned their houses into the workplace for other women. While Boris's focus was on the transformations of the labour market, SINA FABIAN (Hannover / Berlin) emphasised the importance of investigating consumption. Following the examples of car purchases and holidays, she demonstrated that widespread diagnoses of crisis did not have severe effects on consumption – at least in the UK and Germany. Even though the 1970s were hence in keeping with general trends since the end of World War II, economic recessions and mass dismissals did have an effect: following the British example, Fabian showed how consumption patterns differed, depending on the respective social strata. The final paper of the section somehow combined the foci of the previous papers. JESSICA BURCH (Harvard) presented her findings about the direct sales business in 1970's USA. In stark contrast to diagnoses of economic crises, this mode of selling and consuming (predominantly) household goods was booming. Accordingly, Amway one of the market's most successful companies made “opportunity in crisis” their slogan. Convincingly, Burch argued that the story of direct selling allows us to look at coping strategies of Americans in economic turmoil and provides a glance at the much larger picture of flexible employment and jobs.

HARTMUT BERGHOFF (Göttingen) chaired the conference's last section, which dealt with business strategies in the 1970s. In their paper, CHRISTIAN MARX and MORTEN REITMAYER (Trier) took the chemical industries of France, Germany, and the UK to analyse whether and how the respective national economies dealt with the economic challenges of the 1970s and the following decades. By investigating business strategies, industrial relations, and corporate governance and

inter-company relations, they elaborated on the national similarities and differences. NELSON LICHTENSTEIN (Santa Barbara) then took a closer look at a particular and very important business strategy: vertical integration, a model which dissolved in the 1970s. Elaborating on this model and its dissolution, Lichtenstein showed how transformations of the corporate form complicate or even impede state regulations as well as the organisation of the workforces. The conference's final paper was presented by FRANZISKA REHLINGHAUS (Potsdam), who analysed another business strategy, vocational training. Although vocational training programs were not a new phenomenon in the 1970s, Rehlinghaus demonstrated how the (factual or alleged) crises of the 1970s contributed to changing the programme's rationale from an individual surplus towards a necessity for everybody's biography.

The conference's organisers succeeded in creating an atmosphere for intense discussion. On a more material level, it was the array of tables, arranged in an oval and, thus, allowing for a discussion on eye level, which contributed to turning the conference into a format more akin to a workshop – a characteristic appreciated by all participants. On a more analytical level, both questionmarks in the conference's title fostered debate, too. Both the suggestion of general trends coined “industrial decline” or “rise of the service sector” and the coping strategies with such changes created sufficient reason for discussion. Yet, most papers concentrated on the problems the changes caused and the coping strategies with these very changes. The first challenge, that is questioning the very diagnoses of a declining industrial and a rising service sector, was not confronted directly. Even though some papers, notably Molema's or Fabian's dealt with these diagnoses in a critical manner, Hördler's question about the categorical or analytical status of characterisations such as “decline”, “rise” or “crisis” was not answered, but meandered through the discussions. This seems to

be a promising outlook to a potential (and strongly encouraged) follow-up meeting.

### **Conference Overview:**

Andreas Wirsching (Munich): Welcome

Sebastian Voigt (Munich) / Stefan Hördler (Nordhausen): Introduction

### **Panel I: Industrial decline? Transnational Similarities and Differences in Economic Development**

Chair: Stefan Hördler

Marjin Molema (Leeuwarden): Look to the Future, Embrace your Past. Regional Industrialization Policies and its Aftermath

Johanna Wolf (Leipzig): Between Glocal Tensions: The West German Metalworkers in the Shipbuilding Crisis of the Long 1970s

### **Panel 2: Coping with the Changes: Collective and individual Responses**

Chair: Frank Bösch (Potsdam)

Karsten Uhl (Darmstadt / Hamburg): Challenges of Computerization: the Example of the Printing Unions

Francesco Petrini (Padova): The Disarticulation of Fordism. Deindustrialisation and the 1970s Crisis in the advanced capitalist World

Michael Kozakowski (Denver): The Clandestine Crisis: Migrant Labor in an Age of Deindustrialization

### **Panel 3: State Responses to the Challenges**

Chair: Howard Brick (Ann Arbor)

Timur Ergen (Cologne): The American Industrial Policy Debate and the Politics of the Future Economy

Daniel Wylegala (Düsseldorf): Changes in R&D Strategies in the German Iron and Steel Industry as Response to the Economic Transformation in the 1970s?

John Alic (North Carolina): US Industrial Policy in the 1970s and After

**Panel 4: Transformations of the Labor Market and the Consumer Behavior during the 1970s**

Chair: Andreas Wirsching (Munich)

Eileen Boris (Santa Barbara): Decent Work in the Home? Household Workers and the Crisis of Social Reproduction 1970–2016

Sina Fabian (Hannover): Crisis? What Crisis? Mass Consumption in West Germany and Great Britain in the 1970s and 1980s

Jessica Burch (Harvard): Good Times: Direct Selling and an Unfamiliar Story of Success in the 1970s

**Panel 5: Business Strategies in the 1970s**

Chair: Hartmut Berghoff (Göttingen)

Morten Reitmayer / Christian Marx (Trier): Convergence and Divergence in the Economic Development of Western Europe. The Case of the West European Chemical Industry since the 1970s

Nelson Lichtenstein (Santa Barbara): Fissuring the Workplace: the Demise of the Vertically Integrated Corporation

Franziska Rehlinghaus (Potsdam): Soft Skills in the Age of Crises. Vocational Trainings in German Companies as an Adaption Strategy to Economic and Social Changes

If there is additional discussion of this review, you may access it through the network, at <http://hsozkult.geschichte.hu-berlin.de/>

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