

THE MAKING OF CHEAP LABOUR POWER: NOKIA'S CASE IN CLUJ

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Abstract. This paper describes the procedures that minimized labour costs in a typical offshore factory of a large corporation from the global market: the Nokia factory in Cluj, Romania. Two interrelated factors contributed to this. Firstly, the arrival of neoliberal economic rationality created favourable conditions for transnational capital's free passage through the country. Secondly, under the imperative of flexibilization, the 2011 Labour Code modifications diminished employee rights and increased employers' privileges, allowing companies such as Nokia to freely assemble the region's labour force – engaging it in a complex production process – and disassemble it without any major consequences. Flexibilization permitted the use of outsourced labour power in the form of external employees, partly from rural areas, with short-term contracts and minimum wages.

Keywords: labour power, flexibilization, neoliberal rationality, global capital

Introduction

Nokia is present in Romania with its Market Operations division that coordinates sales and marketing activities from Bucharest since 1997. In 2007, Nokia relocated its production facilities from Bochum, Germany to Jucu, Cluj County. Shortly after, the factory reached its peak production capacity employing approximately 4,000 workers. However, after only four years of activity, the factory closed. According to media information, roughly 2,200 employees were discharged in December 2011. Certainly, this type of processes are not new for the workings of global capital, and Central and Eastern European countries' peripheral position made them vulnerable to such developments. Relocating to different parts of the globe with little or no repercussions, in search for cheap, subordinated labour power represents a fundamental feature of transnational capital (Harvey, 1975, 2006; Henderson, 2004; Holloway, 2003). This was also

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the case with Nokia. The need for continuous accumulation determined the company to move its facilities to Asia where an even cheaper workforce was (and still is) available. Another case that illustrates these processes and also bears significant resemblance to Nokia's in Cluj is Flextronics' departure from Brno, the Czech Republic, in 2003, after approximately two years of stay (Drahokoupil, 2004).

I address the issue of capital relocation by revealing the specific ways in which a particular transnational company built, engaged and dismantled newly available labour power situated at the periphery of global capital's network. Romania's integration into the European Union, a process that started in 2000, was associated with inclusion into the global economy at its outskirts. As compared to other Romanian regions, Cluj County was a belated exception in this regard, mainly due to a conservative-nationalist administration that opposed transnational investments and generated thus a four-years delay in Cluj's "opening" towards global capital. This initial resistance intensified the "thirst for capital", therefore when the old administration finally succumbed to political pressures, it also further legitimized the newly assumed liberal ideology. As such, Nokia's workforce assembly was facilitated at the local level by the delegitimization of any opposition to global capital as narrow-mindedly conservative and nationalist. At the national level, the increasing economic liberalization materialized in the New Labour Code of 2011 (under the democratic-liberal government led by Emil Boc), which visibly favoured transnational capital.

In order to trace down how these processes played out at the level of the company, I made use of Burawoy's extended case method which was well suited for carrying out "workplace ethnography". This method requires the researcher to closely observe the activities on the shop floor, preferably from the posture of an employee actively participating in the production process. Practicing "workplace sociology", the researcher performs a focused research phase gaining a detailed overview of the site he studies (Burawoy, 2009). By laying emphasis on reflexivity, this method overcomes ethnography's shortcomings by concentrating on engagement. In opposition to positivist methodologies which seek to distance the researcher from his research subject, reflexive science "embraces not detachment but engagement as the road to knowledge" (Burawoy, 1998: 5). Objectivity is not achieved by determining universal laws applicable to every social reality. In this case, research is considered objective if it contributes to the growth of knowledge, conditioned by the fact that fieldwork is done with a theory in mind. Using the extended case method we "extract the general from the unique, move from the micro to the macro, connect the present to the past in anticipation of the future, all by building on preexisting theory" (Burawoy, 2009: 21).

The empirical data presented here was collected using ethnographic methods: participant observation on the factory floor as an employee and in-depth interviews with former colleagues who held different ranks during the factory's functioning. Additionally, I used local and national online news providers such as *Gazeta de Cluj*, *Mediafax* and *Monitorul de Cluj* to supplement my data with public knowledge regarding this subject.

My entrance to the field coincided with applying for a job at the recently opened factory, which proudly advertised that "Nokia is always hiring". I reported to the indicated human resources office at the firm's headquarters. After a long wait, a short interview and one signature, I was hired and told to be present on the next morning at the bus stop that ensured commuting between the city of Cluj-Napoca and the location of the factory, the Tetarom III industrial park at the nearby village Jucu (see map on Figure 1). For approximately six months I was employed as an "operator" (routine manual worker) at the Nokia factory. Initially, I started working as an assembly operator, piecing together mobile phone parts on the assembly lines, the main and largest department of the factory. After two weeks a Shift Manager reassigned me to the shipping department, located at the west end of the facility. My task was to move pallets containing sealed boxes containing products through the large yellow warehouse gate. Although tenuous at start, due to long working hours, hectic work intervals and night shifts, my research period at the factory was fruitful, permitting me to describe work relations and corporate practices. Day-to-day activities varied from pleasant lunch breaks to stressful, often frightening control procedures enacted by the factory's security personnel. Also, acts of imposing discipline, spontaneous layoffs for minor misconduct and work related accidents were common occurrences during my time at the factory. I resigned invoking the academic year's start, but actually handing in my key-card was the only requirement set by the management. At that time, Nokia was still "always hiring" and operators like myself were easy to replace.

My ethnography reveals how employees were encased in an intricately segmented production process geared towards satisfying the company's accumulation strategies, all the while being controlled by superiors and security agents often through punitive procedures. In addition, Nokia successfully made use of two procedures in order to maintain labour costs as low as legally possible: primarily through outsourcing, and secondarily through employing rural workers. Outsourcing meant that Nokia delegated worker management responsibilities to human resource companies. Attributions included hiring, managing on the factory floor and remunerating employees. External employees formed the majority of the factory's workforce, "benefitting" from short term contracts ranging from two weeks to three months, while also being remunerated

with minimum wages. Rural labour force employment was advantageous due to the fact that workers' means of subsistence were partially satisfied by their agrarian households, thus allowing them to survive on low wages, which were nonetheless crucial sources of cash in the context of income-poor rural areas..

Cluj's Economic Metamorphoses – From Ethno-Nationalism to Neoliberalism

Prior to 2004, the city of Cluj-Napoca had a conservative-nationalist administration that strongly opposed foreign direct investments. Gheroghe Funar was the mayor of Cluj-Napoca between 1992 and 2004 and the leading political actor behind the city's nationalistic policies. His success was attributed to factors from the socialist period as well as the post-socialist one. During the socialist era, Funar's former popularity was linked to Ceaușescu's foreign policies and to local tensions derived from forced urbanization procedures. The first factor was justified by Ceaușescu's anti-Soviet neo-Stalinist nationalism which was already embedded in the general population's identity. Locally, a more complex set of circumstances were in play. Similarly to most state planned economies, rigid bureaucratic factory organization was overcome by informal bargaining for supplies and factory specific worker coalitions (Burawoy, 1979, 1985; Pittaway, 1999, 2007). In this equation, ethnicity, as well as local origin (i.e. residence in a particular neighbourhood) were used as negotiation resources, generating local competition and rivalry. More specifically, the emerging ethnic and spatial tensions between Hungarians occupying the city centre and Romanians from peripheral neighbourhoods were later incorporated in Funar's nationalist discourse.

After the collapse of state socialism, economic restructuring meant that workers were no longer considered the country's main driving force for accumulation. Numerous factories, unable to compete at a transnational level, still relied on state support and many were on the verge of bankruptcy. This meant mass dismissals, rising unemployment rates and a general feeling of discontent among workers. The new liberal state, and with its political and economic elite were blamed for diminishing production rates and implicitly for working people's troubled existence.

Therefore, by coupling worker anxieties with historical ethnic tensions, Funar was able to construct a nationalist discourse, insisting that Cluj was a Romanian city, and promising that he would re-appropriate the city centre, thus uniting former working class neighbourhood inhabitants and obscuring the general state of anxiety present amongst workers. Drawing upon these aspects, Funar rose to power due to his fervent opposition to other ethnic groups, mainly Hungarians. The latter comprised 19.75% of the population of Cluj-Napoca

(146.186 residents) according to 1992 census data², constituting the second largest ethnic group after Romanians. Emphasizing economic protectionism, he also opposed any foreign investment, arguing that he is not a “sell-out” and that we need to keep our dignity and resist “foreign thievery”. Most of Funar’s electorate was formed by post-socialist working class people stemming from the city’s major socialist working class neighbourhoods: Mărăști and Mănăștur. After 12 years of stalling the region’s economic reconfiguration, Funar lost the 2004 mayoral elections, mainly due to pressure coming from the country’s integration into the European Union in 2000. As a result, after the 2004 mayoral elections the political context and economic orientation of the city changed dramatically. The newly appointed liberal mayor, Emil Boc, actively encouraged transnational companies to invest in Cluj, thus the area was included in the global economic network. In this context, Cluj County became a regional centre, receiving significant transnational capital flows which included Nokia’s investment (Petrovici, 2011, 2012).

De-Territorialization and Regional Competitiveness

Globalization is understood as the politics which organizes the contemporary economic system, where the national economy becomes dependent on the global one. It is a qualitative transformation of capitalism which led to a new relation of economic interdependence, transcending the nation-states (Bonefeld, 2003). A similar point is made by Brenner (1999) when he emphasizes the “post-territorial geographies” generated by globalization, which precedes the decline of the “territorial state”. In a more metaphorical manner, Negri and Hardt (2001) describe the global economy and the global production circuits as integrated elements of a new global order, a new political subject or a “sovereign power that governs the world”. However, it does not represent an expansion of nation-states sovereignty but a decentralized and de-territorialized system of governance, encompassing biopower and forming a “society of control”, containing a technology of power internalized by individuals thus encompassing “every element of social life” (Negri and Hardt, 2001:26).

Economic de-territorialization presupposes a “reconfiguration of the economic functions of the state” (Jessop, 1994:262). Supply and demand regulation at a national level is replaced by the need to ensure international competitiveness. According to Jessop (1993, 1994, 2003) state intervention consists of increasing the competitiveness of a certain area in order to entice transnational companies’ investments, the main agents of the global economy. This model is viewed as

² <http://www.insse.ro/cms/files/RPL2002INS/vol4/tabele/t1.pdf> [Last accessed: 01.05.2015].

one which ensures stable development and prosperity at the local level. The purpose of the “competitive state” is to “secure economic growth within its borders and/or to secure competitive advantages for capitals based in its borders” (Jessop, 2003:96). From a similar perspective, Brenner (1999) characterizes de-territorialization as an accumulation strategy used by capital in order to bypass “constraints imposed by national territorial boundaries” (1999:64). This implies that the functions of the nation-state are crumbling and that we are witnessing a re-territorialization or re-scaling of the state in order to better suit the emerging globalization process. However, the notion of re-territorialization does not postulate the “disappearance of the state”, it merely refers to permeability between states illustrated by transnational capital flows.

Increasing a territory’s competitiveness is achieved through subsidies given to transnational companies by local authorities, alongside investments in infrastructure and education. The latter is based on the idea that education is important for preparing the future labour force. In the case of Nokia, all these three requirements were fulfilled. Firstly, the company received significant tax exemptions at its arrival. In fact, the company did not have to pay any taxes for thirty years. Normal obligations would have included a 1.75 euro concession rate per square meter, plus a 1.85 euro maintenance tax. Zincă (2011) provides an extensive account of how Cluj’s administration negotiated with Nokia and how the result of this interaction clearly benefitted the latter. At the same time, it offers an outside view on the subject, in contrast with my inside perspective. Secondly, Cluj was and still is an important academic centre, home to a number of well-known universities that register more than 100,000 students. Thirdly, the infrastructure, Tetarom III industrial park, had been already built by the time of Nokia’s arrival, with funds allocated by the County Council, thus the table had been already laid for hosting global capital.

Press articles show this in detail: “the Romanian Government assigned 120 billion lei towards infrastructure construction of the Tetarom III industrial park in Cluj County. Romania’s prime-minister Călin Popescu-Tăriceanu stated that this investment paves the way for the establishment of this technological park. Tetarom III will include a Nokia factory set to produce electronic equipment. The total sum allocated will be approximately 200 million euros. About 15000 jobs will be created here” (Monitorul de Cluj, July 25th 2007). Tetarom III is one of three industrial parks³ built around Cluj, it is also the largest, stretching over 120 hectares. All three industrial parks belong to a state owned company, the City Council being its main shareholder. Local press defines the industrial park as:

³ A fourth Tetarom industrial park is currently under construction near Feleacu, south of Cluj-Napoca.



Figure 1. Map of Tetarom Industrial Parks in Cluj County

... a delimited zone in which economic activities, scientific research or technological development, industrial and service production takes place. This park is established as a joint venture between local public administration, economic agents, research-development institutions or other interested partners, who therefore conclude an association agreement (Gazeta de Cluj, October 19th 2008).

Furthermore, Nokia's departure was explained as a rational decision that the county could have expected:

Nokia left Jucu and Romania in a similar way it did Bochum...the invoked reasons were also identical: the company intends to reduce costs and streamline production by moving to Asia (Gazeta de Cluj, September 30th 2011).

Nokia's press release offers more details:

[The company] wants to adjust its mobile phone production by moving closer to main distribution centres and key markets. Therefore, Nokia intends to close the Cluj factory before the end of 2011. The reason behind this decision was that Asian production facilities are capable of larger scale operations (Mediafax, September 29th 2011).

The industrial park occupied by Nokia after its relocation in 2007 from Germany is a visible example of the ways in which global competitiveness and a low-wage race-to-the-bottom, induced by the global economy, manifested itself in Cluj.

The Path to Flexibilization: Labour Code Changes and Work Relations Restructuring

In addition to the regional competitiveness narrative, Romania's government proposed a so called "deregulation of work relations" necessary for foreign investments. In other words, a "flexibilization" of labour power was deemed appropriate for solving the "rigidity problem" present within the country's post-socialist workforce. The New Labour Code⁴ adopted in May 2011 achieved this by allowing unlimited short-term work contracts⁵, equivalent to testing periods. Therefore, employers were granted the right for individual or collective dismissals without any legal burdens (Stoiciu, 2010). Also, companies were permitted to impose so called "internal performance standards" as they saw fit. Unions or any other type of worker coalitions were discouraged with a clause stating that during collective strikes the work contract is suspended. Initially, collective contracts were to be discarded entirely, but union negotiations stopped this from happening. To justify Labour Code changes, the government invoked a need to increase the competitiveness of Romania on the international level. The plan to achieve this task was by generating cheap labour power with the hope of attracting foreign investments. These measures of flexibilization decreased the legal protection workers had, raising their level of subordination in front of employers even further. In sum, these reforms were negotiated in 2010 and implemented in 2011 by modifying the Labour Code thus leading to the "defeat of worker unions" (Guga, 2014).

In the case of Nokia, union negotiations took place after the announcement regarding the factory's relocation was made public. Collective contracts did not include any type of compensation in case of dismissal. A large amount of press articles documented this issue (see list of online articles analysed at the end of the text), emphasizing carelessness and blaming the unions for not taking contract negotiations seriously. The leader of one of the largest worker unions from the factory, "Nokia Metal" (one out of two worker unions tied to Nokia, the second was "Sindicatul Liber Nokia"), argued that nobody could have anticipated that the factory would close this soon.

⁴ <http://www.codulmuncii.ro/> [Last accessed: 01.05.2015].

⁵ Previously, the Labour Code stipulated that only three employees can occupy a given position for probation periods.

Asked about this affair, Romania's Minister of Labour at the time declared that: "they [unions or workers] have to answer for this. I am sure that Cluj County Council will take steps towards declassifying those contracts" (Mediafax, October 6th 2011). Recognizing the gravity of this situation, the Labour Minister made efforts to address Nokia directly, overruling the worker unions. After deliberations, the Minister guaranteed that "negotiations with the unions will be fair, the employees will have their rights protected, but those who refuse to work will support the consequences" (Mediafax, October 7th 2011), thus ensuring that some negotiations take place. It was evident that everyone stood at Nokia's mercy, the lack of any legal obligation meant that the company could have departed without offering any compensation. Despite this fact, compensations were given to every employee still present at the factory in December 2011. Every union representative was pleased with this outcome: [...] "it is the most we can get given the present socio-economic conditions. [...] It is the most advantageous package we could acquire" (Mediafax, November 4th 2011).

Legislation reforms aimed to change not only the directly visible work relations but also to build or welcome a new type of worker who is in tune with the legal considerations mentioned above. Therefore, in opposition with the post-communist workers model that formed Romania's labour power in the past, the new desirable employee had to be educated, obedient, responsible and autonomous – simply put, flexible, thus mirroring global market flexibility oriented accumulation imperatives. The "lazy" post-communist worker model or "clerk" – portrayed as lacking job dedication due to his self-centred conception – was used as a negative point of reference by neoliberal discourses in order to legitimize the desirable autonomous and flexible employee or "entrepreneur" (Simionca, 2012). "What is important is the forging of a new image of work, based upon a new image of the worker" as Rose (1999:116) rightly noted. The image refers to an ideal working subject who places his own interests after those of the company's he is working for, a person who is passionate about his work and finds personal fulfilment within it. As Petrovici (2013) argues, East European neoliberalism is a "political-ethical project that aims not only to design markets, but also to enact moral transformation: to get rid of the old communist habits and practices" (2013:24).

Despite this utopian imaginary, the discourses surrounding this "autonomous subjectivity" obscures the precarious context in which employees find themselves in due to current work relation reconfigurations. Shortly phrased, flexibilization leads to precarity (Bourdieu, 1999; Standing, 2003). This is achieved by promoting an imagined construction in which the figure of the "free agent" is actively involved in decision making at the workplace (Deetz, 2003). In other words, using this illusion of liberty, combined with the rational choice argument concerning the work contract, the identity of the new ideal worker is defined and justified.

Rallying the Outsourced, Commuter Workforce

Nokia's shop floor was comprised of two types of employees, those belonging to Nokia and external workers who had contracts with HR firms. These firms collaborated with Nokia during the later years of the factory's activity in Cluj. Their main role was to supply outsourced labour power, mainly used as unskilled labour on the shop floor. The primary difference between these two types of workers was that those pertaining to Nokia have been hired directly by the factory's management in the first years of activity. External employees, as mentioned, had contracts with a number of HR companies, they were hired and managed directly by the representatives of these firms in the factory.

The recruitment process took place at the HR firm's headquarters, completely separate from Nokia. From my experience as a former external employee, this process was a simple one, consisting of a basic interview and filling out a form. The only unpleasant aspect was that enthusiastic future employees overcrowded the place. The next morning, most of those people were on the bus to the factory awaiting their first day of work.

The factory's work schedule was organized in 12 hour day and night shifts. Employees were divided into four work groups: A, B, C and D, thus ensuring that production was continuous, 24 hours per day and 7 days a week. These four groups succeeded each other on the shop floor: after day shifts a specific group had a 24 hour break, automatically entering a night shift the next day. After night shifts the break was 48 hours. The work cycle was renewed by re-entering a day shift the second day after. A work day had four breaks: two short 10 minute coffee and smoke breaks, one 20 minute "snack" brake and a 30 minute lunch or supper break, depending on the shift. Employees also benefited from 30 free coffees per month, accessible via the vending machines situated near the recreation areas.

Internal hierarchies were symbolized by emblems bearing the initials of every rank on a different background colour. For example, the lowest rank, operators, had green badges inscribed with the letters OP. Also, key operators (KO) and forklift drivers (FD) were also "greens". Intermediate ranks such as material handlers (MH) or coordinators (MC) had yellow backgrounds and superior ones, predominantly supervisors (SU) or shift managers (SM), were represented by red badges. Department managers had black emblems inscribed with their entire rank, not just initials: "Shipping Manager" or "Production Manager".

Higher ranks were held predominantly by internal employees, while Operators were mostly external. Promotions in the case of external workers were largely limited due to the fact that when superior positions opened up, Nokia employees were the first in line to occupy them: "higher ranks were always hunted by Nokia employees" (M, 21 years old, Material Coordinator).

This did not mean that advancement was impossible for external workers. One interviewee stated that he was promoted from Operator to Material Handler, then Material Coordinator in a matter of two years. Although, the same respondent later said that in four years he only saw a handful of such cases among external employees.

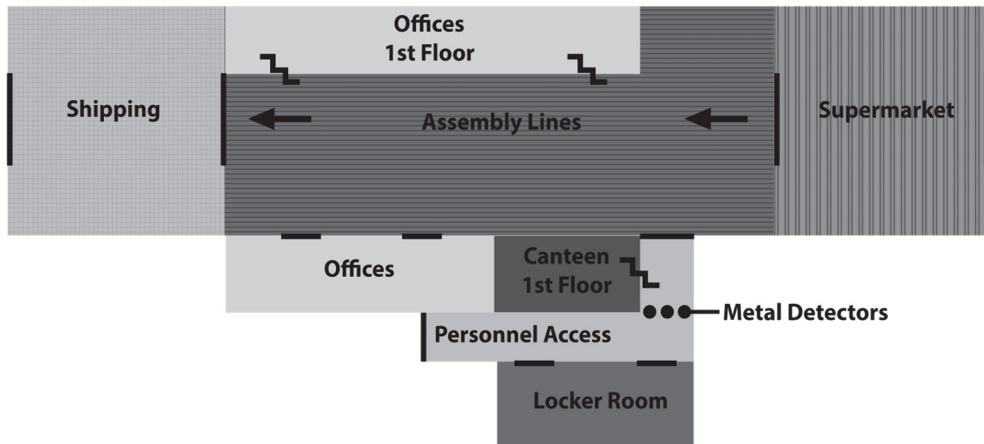


Figure 2. The Nokia Factory's Layout

The chain of production (see Figure 2) started from the “supermarket”, went through the assembly lines and ended in the shipping department. Located at the west end of factory, the “supermarket” housed raw materials needed for product assembly: unfolded cardboards, mobile phone batteries, headsets, cases, instruction manuals among others. This section was managed by material coordinators on order list, or “object list” basis. Supervisors or key operators compiled a list of materials needed for a given order and the “supermarket” employees would prepare and deliver the components via a pallet lifter. The assembly lines formed the largest section of the factory. It included a sizeable number of production units, each numbered accordingly: 1A, 2A, ... 9A, 1B and so on. Each unit contained three to six assembly operators, depending on product complexity. Every operator had two tasks: folding the small box and placing the instruction manual, mounting the case and testing the phone or sealing and registering the finished product. A finished order could contain up to 1,024 products, one product meant a box including one mobile phone. Assembly lines were managed by KO's. Depending on experience, each KO had two to four lines in his care. Their task was to initiate the work order, verify materials and ensure that production is fluid. Every production unit was connected to the factory's internal monitoring program. A display screen mounted at one end of the unit

revealed order status, work rate and other production efficiency indicators. Supervisors used this information to maintain internal performance standards. Usually they spoke only to KO's, but in some cases, supervisors would warn assembly operators to increase their work pace. Ignoring these warnings often determined the spontaneous dismissal of an entire assembly unit on account of unsatisfactory work efficiency and lack of dedication. The shipping department represented the factory's main storage area. Pallets containing finished products were inserted via the warehouse gate, verified thoroughly by a gatekeeper and deposited on shelves with the help of forklifts. The main task of shipping employees was to gather pallets belonging to the same order. Often, due to large orders, products were placed on a random empty shelf. By using a "pick list", operators would search scattered boxes and arrange them for transportation. Preparation for transport initiated the final packaging procedure: depending on the destination and type of product, operators needed to place boxes in large wooden or cardboard crates which were then deposited onto trucks.

Men and women were equally present on the shop floor, except for forklift drivers, who were exclusively men. In contrast, women distinctively occupied the offices, human resources specialists were all women. Apart from these two cases of "gendered jobs", women and men collaborated at every level of factory. Assembly lines were mostly mixed, and also the shipping department included both genders regardless of activity. I knew a small number of ethnic Hungarians during my time as an operator, but ethnicity was an undistinguishable aspect in general. Romanian was the only spoken language on the shop floor, and except for rank emblems, no other visible credentials were worn by employees. Wage differences among internal and external employees were also notable. Despite the fact that wages were confidential, interviewees willingly described the financial aspect in casual conversations. As such, Nokia employees had gross wages ranging from 1,500 to 2,000 lei, roughly 350-400 Euro/month, external employees had an initial salary of 700 lei in the first month, which increased to 800 lei in the third month. Of course this comparison is made only between workers holding similar ranks, in this case the lowest possible one: operators. Also, the gross minimum wage from 2012 in Romania was 700 lei, identical with the external employees starting salary.

The internal rules of the factory stipulated that salaries can increase up to 7%, meaning that, in the case of external employees, the approximately 800 lei was the most they could have possibly received in case that they started from the minimum national wage. In addition, this increase was achieved through the so called "evaluations", likewise these were made only in the case of external employees. But this has not been the only purpose of these evaluation practices. External employees had short-term contracts: from two weeks to three months. The length of this period was also determined by evaluations.

According to the statements of a few former employees, evaluations were guided by meritocratic standards, meant to reward dedication and performance at the workplace. Evaluation practices were conducted by employees with superior rank compared to the ones being evaluated. For example, an operator was evaluated by a key operator who has been responsible for the former's activities, his direct superior. Furthermore, the HR firms' representatives had an important role to play in these practices. They used three categories to assess external employee's performance: "improvement", "on target" and "excellent". "Improvement" meant that the worker was underperforming and was in danger of being fired. On target indicated that the contract was going to be extended and excellent suggested that in addition to the extension of the contract a certain bonus was to be expected.

In practice, the evaluations resembled a routine control, a verification process meant to ensure the employee's compliance with the factory's requirements. Furthermore, its aim was to motivate individuals, to guarantee future dedication using mechanisms of power, which depict workers as objects, instruments used by managerial actions. This reveals the fact that conventional managerial practices limit individual autonomy and assert domination through instrumental rationality (Alvesson, Levy and Willmott, 2003). In this conceptual framework, HR experts select, develop and reward employees. Organization's HR departments form a functionalist maintenance system, "an organizational black box" that manages a given resource, represented by labour power. Also, cataloguing every employee's status is a basic form of exercising disciplinary power over individuals. Management along with HR specialists impose discipline and organize the shop floor as a space in which individual activities can be observed, mapped and governed.

Considered as "organic intellectuals" or "symbolic elites", HR specialists define the representational system within an organization, controlling the dominant discourse, dictating how things should be done using a disciplinary technology which produces an "invisible type of power" internalized by employees. Inducing normalization, the values and beliefs promoted by dominant discourse – beneficial for the organization – are treated as normal occurrences, thus suppressing resistance along with alternative ways of thinking (Clegg, 1989; Deetz, 2003). Organizational culture encompasses discourses which advocate the desired values, beliefs and goals. Described as a system of meanings, this culture is used as an instrument to achieve organizational goals. Additionally, it is also an ideological instrument of control influenced by the political context in which it is present, thus legitimating certain activities and condemning others (Alvesson, 2002; Mateescu, 2009). The opposition presented above, between the post-socialist worker's model and the "new" autonomous employee exemplifies this aspect.

Investing in a vast transportation system also contributed to the reduction of labour costs. By employing a transportation firm, Nokia's logistics experts built a transportation network encompassing urban and rural areas surrounding Jucu. This meant that hundreds, if not thousands of workers would commute daily, generating significant workflows in the area. Labour costs were kept low by employing rural unskilled workers as operators. The logic behind this idea was that rural workers already owned a household which produced several food items, thus partly ensuring their means of subsistence. Therefore, work in the factory was only a way to supplement income, justifying minimum wages.

Emphasizing various degrees of proletarianization, Petrovici (2013) analyzes labour production strategies in Cluj County. He depicts that partial proletarianization resulting from the "combined income-strategy" (combining rural household resources with minimum wage) is used by multinationals to maintain labour costs at a minimum. In this framework, Cluj and implicitly Nokia were also actors of "jumping scale" strategies which interconnected resources originating from rural households and factory employment remunerated with minimum wage. Although in this case an indirect, or intermediary level of jumping scale is observable. The aforementioned outsourcing via HR companies represents a third party in Nokia's instance.

Role of the Security Firm

The security firm has been appointed due to the alleged thefts and losses registered by the factory in its early years of activity. Security agents wore grey uniforms and were equipped with radios for communication between different security outposts. A number of outposts were placed at key points on the shop floor to ensure the most efficient monitoring possible. Security personnel's assignments consisted of imposing the factory's internal regulations, penalizing certain misconducts and verifying the products – making sure that the bar codes or models correspond with the inscription on the boxes and ensuring that nothing is missing from an order.

By all intents and purposes, security agents formed a separate group compared to the rest of the employees. Whereas all types of workers – belonging to Nokia or external – had the same transportation system – common buses and personnel vans – security agents travelled with one distinct bus designated only for them. They spent their breaks in the dressing room, an area off limits for employees during shift hours. These practices visibly fragmented solidarity between security personnel and workers. Security's interactions with the other employees were confined to short conversations avoiding friendly discussions about anything else except work. A certain level a co-operation was of course necessary for an efficient production process.

Security agents' power was visible from their mode of conduct and their attitude towards other workers. The measures which they could have implemented were well known: the mildest one was a report depicting certain disciplinary violations, performing an alcohol test and, in the worst case, suspension which most likely meant dismissal. In addition to this, a demonstration of power occurred at the exit, when the shift ended. Employees had to pass through metal detectors similar to those found at the airports, located in the personnel access corridor. These were situated next to main entrance, opposite the dressing rooms. If someone triggered the detectors three times in a row he was asked to step into a separate compartment where he was undressed and each piece of clothing was scanned manually by a security agent.

Depicting from my own experience, security's display of force was often impressive. Additional guards wearing black riot gear, equipped with police batons and tear gas were brought in, most likely to keep the factory's disorganized mob of workers in order. The surrounding environment during these controls was permeated by general chaos. Shipping employees needed to wear boots with metal insertions, thus they were asked to remove their footwear every time during these control procedures. Also, the risk of losing the bus ride home increased the stress factor. An interviewee accurately described this control routine:

You were checked when you entered, at the gate, to make sure that you don't possess any forbidden items like a phone, weapons, tools, alcohol and at the exit with metal detectors to ensure that you don't take anything. People suspected of stealing goods were taken in a room, stripped and verified (M, 21 years old, Material Coordinator).

A compelling example of the measures used by security agents has been the suspension of an important, high ranking employee for misconduct. Among other attributions, this particular worker was also a forklift driver. One day, while taking a corner too fast he provoked an accident: the boxes he was transporting fell off, hitting a bystander and injuring him. He was immediately sent home, and penalized: demoted to an inferior rank in addition to a two week suspension. He did not accept this decision and resigned. The following day, security's manager came down and showed the workers the video recording of the incident, stressing, if not threatening, the importance of dedication and attentiveness at the workplace.

Assuming the role of peacekeepers, security agents created asymmetric power relations on the shop floor. Power, as Foucault (2005) defined it, is a specific type of relation between individuals, where some people can determine

other people's behaviour, but not in a directly coercive manner. Emphasis is placed on disciplinary mechanisms, not the use of force. Maintaining respect for the factory's internal rules and standards, security agents acted as direct organizers of labour power when all other, "softer" ways of disciplining failed. Often through punitive practices, security created a reality in which domination was visibly manifested and power exerted on a day-to-day basis. Their presence as agents of power who oversee the entire production process generated self-surveillance. By directly observing activities, security agents pressured workers to assume their designated positions, performing their assigned tasks, thus constituting docile bodies (Foucault, 2004, 2009) suited for the extraction of surplus value.

Employees reacted to this treatment after the factory was closed. For most interviewees, Nokia's departure was good news:

I was happy, the slavery was over. Others were upset because they couldn't find any jobs, especially people from rural areas" (M, 30 years old, Material Handler).

Employees were revolted, but I personally was joyful. I wanted to leave this firm for a long time. I wanted a normal workplace, where even if I wasn't better paid, I'd have a stable work schedule, a permanent contract, free weekends, no night shifts and less responsibility per shift (M, 32 years old, Production Planner).

Conclusion

Labour is made cheap through a number of processes, a succession of practices which have as a result the most inexpensive workforce legally possible within a given country, the one remunerated with the minimum wage. These processes are interrelated, one derives from the other: being part of the global economic network legitimized the Labour Code changes which in turn led to the so called "measures of workforce flexibilization", significantly weakening workers' rights and granting even more power to employers.

The present study aimed to reveal the particular ways in which Nokia attempted to reduce labour costs in its offshore company from Cluj county during the two years of its stay on Tetarom III industrial platform constructed by the County Council. The company collaborated with a number of human resources firms in order to benefit from outsourced labour power paid at the minimum legal wage. External employees, who were managed exclusively by the HR companies representatives on the shop floor, constituted the majority

of the factory's workforce. Flexibilization was put in practice by short term contracts and constant evaluations which contributed to the uncertainty surrounding external employees. Additionally, power imbued security agents increased the pressure to perform on the shop floor, maximizing the factory's output as much as possible. At the end, however, none of these practices "produced" enough surplus value for the company's expectations.

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