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Why the precariat is not a "bogus concept"

Guy Standing [1] 4 March 2014

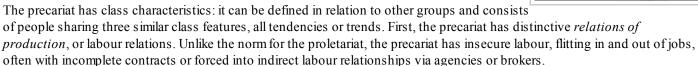
The precariat, a class-in-the-making, is the first mass class in history that has systematically been losing rights built up for citizens. So, why is it the new dangerous class and how is it differentiated from other class groups in the evolving global labour process?

Ways of looking at the world are rarely wholly right or wrong; they are more or less useful, depending on the images they convey and the questions they prompt. Much recent debate around the precariat has been overly dominated by claims from the far-left that it is not a class. Jan Breman, writing in the *New Left Review*, [1] has argued this [11] in strident terms in attacking the ideas in my book *The Precariat: The New Dangerous Class* [12]. [2] The editor of the *Review* refused me a right to reply: *openDemocracy* has offered me this space to clarify why it seems useful to use class images.

[12] [12] Judging by reactions to *The Precariat* around the world, many people do grasp the concept and identify themselves as being in the precariat. This was epitomised for me by two incidents, one in the USA, one in Sweden.

In the USA, while addressing a large Occupy group a man pushed his way through the audience, plonked his chair in the middle of the circle and sat facing me, arms folded. After about five minutes, he stood up, arms still folded, dramatically looked around and then pointed at himself, saying, "It's me he is talking about!" He then sat down, to applause. Late last year, at the end of addressing a big meeting in Stockholm, a young man stood up, thanked me for the speech, and then said, "I hated it. It was all about me."

As more people come to understand their situation in the precariat, recognition will translate into a common consciousness and become a force for change. Instead of despair, inadequacy or bewilderment, feelings could soon move through the gears, from passivity to resistance to active movement.

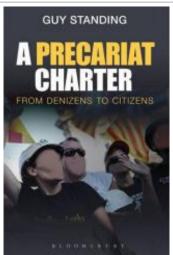


Of course, there has always been casual labour. This in itself does not distinguish the precariat. The key point is that the precariat is subjected to what I call precariatisation – habituation to *expecting* a life of unstable labour and unstable living. Breman claims I say men are experiencing precariatisation (although he misquotes the word) as loss of status. But precariatisation refers not to loss of status, but to the opposite of proletarianisation – an habituation to stable wage labour – a much-used concept deployed by historians in analysing what happened in the late nineteenth and early twentieth centuries. Precariatisation is about loss of control over time and the development and use of one's capabilities.

In addition, the modal member of the precariat is unlike the old proletarian in having a level of formal schooling that is well above the level of the job he or she is expected to do. This is historically unique. Unlike the classic proletarian, who at best learned a craft or skill at an early age and if successful could rise from journeyman to artisan to master craftsman or supervisor, the precariat is expected to learn and relearn myriad tricks and develop social, emotional and communication skills that exceed anything demanded of the proletarian.

This is precariat skilling, fleeting, costly to acquire, easy to lose. It goes with lack of any occupational narrative members of the precariat can give to their working lives. Some do not have any occupational identity. Possibly even worse is the situation of those initially set on a course to acquire an occupational identity only to have it snatched away, again and again.

In Marxian terms, one can say that whereas the old proletariat tended to perform labour that was consistent with its labour power, the labour performed by members of the new precariat is well below their labour power, their capacities.



There is another aspect of the precariat's distinctive relations of production, emphasised in the book and largely ignored by critics such as Breman. The precariat typically must do much more unpaid "work-for-labour" relative to paid labour than the proletariat ever did. The latter was exploited in the workplace, in paid working time. Today's precariat must usually work off the job and outside remunerated hours or days as well as on them. They must also do a great deal of work outside their labour, in seeking jobs and in appearing the state, by queuing, form filling, retraining, and so on.

These factors give the precariat its distinctive relations of production. For Breman and other critics such as Ronaldo Munck[3] to say the precariat is simply the same as the proletariat is to miss all those differences and more.

A second defining feature is that the precariat has distinctive *relations of distribution*. This means its sources of income differ from those of other groups. As elaborated in *The Precariat*, it receives almost all income in the form of money wages; it does not receive the array of enterprise non-wage benefits that the salariat and proletariat have normally received and does not receive rights-based state benefits. Its reliance on money wages means the precariat cannot be equated with the "vast informal sectors" referred to by Breman, outside wage labour markets.

Third, the precariat has distinctive *relations to the state*. This means that those in the precariat have fewer and weaker civil, cultural, social, political and economic rights than others in the pecking order of average income. The precariat is the first mass class in history that has systematically been losing rights built up for citizens.

Beyond ignoring the threefold conceptualisation of the precariat, Breman says I use the term 'orthodox labourism', to mean a Fordist model of stable jobs with long-term employment security. I do not use the term, and this is not what I say or mean. He then says I argue that "the centre-left must abandon the interests of 'labour' and a dying way of life." Again this is not what I say or believe.

The actual argument, in brief, is that it was a political mistake to hinge benefit entitlements to the performance of labour, or demonstrated willingness to perform labour, and to ignore all forms of work that are not labour. Among the consequences is that the reproductive work most women do much more of than men was overlooked and still does not gain entitlement to benefits or "rights".

Other forms of what the book calls "work-for-labour" are extensive, growing, unremunerated and unmeasured. To argue that people should have rights linked to *all* forms of work is not to call for abandoning the interests of those doing labour *per se*. To claim that I said the latter is an obvious attempt to make me out as unsympathetic to wage workers, which is ridiculous.

Breman says I am "scathing" about the working class, the proletariat. I have not been. The proletariat was the backbone of the Industrial Revolution and produced much of our collective wealth. But it is analytically useful to differentiate between those in stable labour in manual jobs, with a working-class identity and status, as with miners, dockers, steelworkers and even clerical workers in long-term office jobs, and the precariat with its distinctive relations of production, relations of distribution and relations to the state, which in combination tends to induce a distinctive consciousness of loss and relative deprivation. Of course, as stated in *The Precariat*, one is dealing in Weberian ideal types, in which groups are defined by their modal characteristics.

Breman, not an expert on labour markets, makes a familiar social democratic assertion in saying that the pursuit of labour "flexibilisation" has created "jobless growth". Globally, this is wrong. There are more jobs than at any time in history, defined as the number of people doing wage labour, both in OECD countries and in emerging market economies. Which country has lower employment today than at the beginning of the globalisation era?

The predicament is not jobless growth but almost the opposite, "growth-less jobs" – the spread of low productivity jobs with low wages and almost no non-wage benefits. As argued in *The Precariat* and elsewhere, the liberalisation of economies in the dis-embedded phase of the Global Transformation trebled the world's labour supply to the open market economy. This is the single most important factor shaping the emerging class structure, for it fundamentally weakened the bargaining position of workers everywhere.

Anybody who has worked in countries such as China, India, Indonesia and Malaysia, as I have, will know that the proliferation of labour market flexibility measures coincided with the largest expansion of jobs in the history of humanity. Breman's perspective avoids coming to grips with the emergence of what is a *global* labour process, rather than, as he characterises it, a set of national "labour regimes".

A pigeon-holing dead-end

Having worked for three decades in the International Labour Organisation (ILO), I feel confident in identifying a global convergence in labour regulations and policies. For instance, in the 1980s, I authored, co-authored or supervised assessments of trends in labour flexibility in nine European countries, including those supposedly as different as Sweden and Spain. Contrary to Breman's claim that there was no push for flexibility in continental Europe at that time, the books show a continent in the throes of structural change.[4]

Of course there were institutional differences, but similar trends occurred in every country. Breman's intellectual preference for "national labour regimes" is reminiscent of the "welfare state regimes" proposed by Gøsta Esping-Andersen in a famous book of 1990, [5] which cascaded into hybrids, confusing generations of students given the task of pigeonholing countries, and producing thousands of articles that led nowhere. No sooner had a country been identified as a particular regime than structural reforms changed it. Thus the Sweden of today, with nearly one quarter of its youth unemployed and with inequality rising faster than in any other OECD country, is profoundly different from the one it was in 1980.

As for the global trend towards flexible labour markets and practices, having conducted enterprise surveys in over 20 countries, I would suggest that the labour practices of firms around the world today have more in common with each other than with the labour practices of their national firms of 30 years ago. Be that as it may, I can say that in a survey of 3,000 industrial firms in Malaysia in the late 1980s it was evident they were changing to operate with flexible labour relations even then.

Indeed, it was that work and similar surveys in the Philippines, Thailand and Indonesia that first convinced me that the trend was a global one and that it had implications for the class fragmentation that was later presented in a series of books, notably *Global Labour Flexibility* (1999), [6] *Work after Globalization* (2009)[7] and *The Precariat*. For Breman and Munck to claim the conceptualisation derives solely from developments in the UK or "the North Atlantic" is quite wrong.

Conflicting interests and identity confusion

Breman's perspective also fails to differentiate between distinctive groups as the global labour process takes shape, some of whom have been doing extremely well, some less well, some disastrously. Compressing everybody into one gigantic "working class" masks what is going on. Breman accuses me of "entrenching artificial distinctions between different fractions of the working class". This is pretending there is material unity and common interest when there patently is not.

Where does a manager or executive of a multinational fit? Is it artificially divisive to suggest that he/she does not belong to the same "class" as the worker doing a 9-to-5 job on an assembly line or a cleaner on sub-contract? They are all working! And in a real sense, they all "sell their labour", as Breman puts it. The sensible question for any social scientist is: What type of differentiation makes analytical sense for studying what is happening? Trying to understand the distinctive class position of different groups is not to "pit them against each other", as Breman claims. It is about trying to understand the distinctive circumstances they confront and the consciousness that their circumstances tend to encourage.

For instance, the old proletariat that still retains employment security, and enterprise and state benefits, can be expected to push their unions to look after their interests relative to those of the precariat. Breman and those who think like him fail to understand why the precariat does not relate to labour unions. Breman also misrepresents my position in claiming I say that many people "define themselves as working class, in part precisely because they are in precarious jobs" and that I "dismiss this as identity confusion".

What the book actually says is that those in the precariat with a university degree are unlikely to feel comfortable defining themselves as working class but, as they do not own property or have a salary, they are equally unlikely to feel comfortable calling themselves middle class. The point about identity confusion related to inconsistent self-definitions by parents and their offspring as revealed in opinion polls.

Murky waters

Then we come to Breman's main tirade. He notes the vast number of people in developing countries who live in bad conditions in the "informal economy", and claims: "In principle, Standing would like to consider these down-and-out masses as part of the precariat." No, he would not.

As it happens, I have spent much of the past decade working in villages in Gujarat and Madhya Pradesh in India, notably working with SEWA (Self-Employed Women's Association of India) in implementing a basic income pilot scheme covering thousands of villagers. The fact that they are extremely "poor", lacking income and access to the most basic means of living, does not mean they are part of the precariat. But I do believe there is a growing precariat in India, notably in the 53 cities that already have over a million inhabitants, where there is a growing number of young people with university education scrambling for careers.

I have long argued that it makes no analytical sense to compress peasants, petty producers, street traders and casual labourers into a single notion of an informal sector. This is what Breman does in saying that "more than 90%" of the Indian workforce is in "the informal economy". Having claimed the precariat is insufficiently defined, he offers no definitions of the concepts he uses, such as "informal sectors", "labour regimes", "working class". Indeed, he even refers contradictorily to "working classes", having said one should not divide the working class.

This writer worked with the International Conference of Labour Statisticians, the body responsible for setting statistical standards. The conceptualisation and measurement of the "informal sector" defied several generations of the world's best

labour statisticians. In the end the attempt was abandoned over a decade ago. This has not stopped non-statisticians like Breman continuing to use a concept that has proved incompatible with measurement for over 40 years.

In his tirade, Breman says that demographically the precariat is "remarkably heterogeneous". Yet the "informal sector" must win a prize for the most heterogeneous concept in social science. He wanders into even murkier conceptual water in describing his informal sector as all in "vulnerable employment". Most of those he is putting in that pigeonhole are not "employed" at all, which has always meant working for wages. It does not help analytical clarity to use one word to mean several different things.

Coming together

Breman asserts that I talk about a "bad precariat" and a "good precariat", terms I have never used. However, the precariat is still a class-in-the-making because it is internally divided into three groups, which for brevity might be called Atavists, Nostalgics and Progressives. The first consists of those falling out of old proletarian communities, whose parents had traditional manual jobs and lives. This group is alienated, anomic, anxious and angry because it cannot reproduce a past, and is inclined to listen to populist politicians blaming migrants or "skivers" for their situation.

The Nostalgics are classic denizens, being migrants or ethnic minorities, unable to relate to a lost home, without a present. They too are alienated, anomic, anxious and angry, but tend to keep their heads down politically, with occasional days of rage when they feel their space or freedoms are being excessively encroached.

The third and potentially most progressive group consists largely of educated people who feel denied a future, a sense that they can build their lives and careers, after being promised their qualifications would lead to that. They experience a sense of relative deprivation or status frustration. This is becoming a source of immense stress. For instance, according to the Economic Policy Institute, in the USA in 2012, 46% of those in low-wage jobs had university education, up from 17% in 1968, while the average wage in such jobs had fallen in real terms. Over three-quarters of all those in low-wage jobs had at least high-school diplomas.

Breman says that my belief that the various parts of the precariat could come together is "patently untenable". He does not say why, and I cannot see why not. One need not claim that everyone will come to hold identical views. Rather, the argument is that as more people recognise that their situation is due not to personal failings but to structural factors and policies, they will gain the strength to oppose those social and economic forces, and seek structural change.

Class consciousness and voice

The way this is put in a new book[8] is that the precariat must become enough of a class-for-itself in order to abolish itself. In other words, only when enough people in the precariat see themselves as part of a group facing similar challenges will they gain the social strength to demand a common set of changes. Roughly speaking, this was what happened to the proletariat in the early decades of the twentieth century.

In the development of national industrial capitalism, a wide range of types of people were subject to proletarianisation – that is, subject to the disciplines and dictates of stable wage labour, accepting the commands of industrial managers. Of course, not every worker was in stable jobs. But as industrial capitalism and the system of industrial citizenship took shape, the modal proletarian was an employee in a subordinated full-time job promised dependent security in return for the acceptance of the right of management to manage.

My contention since the 1980s has been that rather than rely on elaborate regulations to strengthen the seven forms of labour-related security, which was the agenda of labour unions and labour parties in the twentieth century, and which defined the social democratic tradition, now in the Global Transformation two meta needs or securities should be pursued – basic income security and strong representation security.

In other words, it is essential to strengthen the bargaining capacities of everyone vis-à-vis capital and the state. I do not downplay this aspect, as Bremen claims. Strong unions are needed to represent employees but, in addition, new forms of collective association are required to give the precariat Voice in all relevant forums, inside and outside workplaces, and above all in confronting the state.

The precariat is a new dangerous class partly because it rejects all the old mainstream political ideologies and because it is intuitively transformative. One of the most subversive pieces of graffiti that captures that point was daubed on a Madrid wall: "The worst thing would be to return to the old normal."

Another way of putting it is that whereas the modal proletarian, and his representatives, aspired to stable full-time wage labour stretching into his future, the modal member of the precariat aspires to achieve an enriching array of work activities in building occupational freedom. There is a difference.

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- [1] Jan Breman, "A bogus concept", New Left Review, No.84, November-December 2013
- [2] Guy Standing, The Precariat: The New Dangerous Class, London: Bloomsbury Academic, 2011.
- [3] Ronaldo Munck, "The precariat: A view from the South", Third World Quarterly, 34(5): 747-762.
- [4] It was clear by the late 1980s that the Swedish model, so beloved of social democrats, was unravelling, producing widening inequalities and class fragmentation, and drifting further towards workfare as the core of its famed "active labour market policies". Guy Standing, *Unemployment and Labour Market Flexibility: Sweden*, Geneva: ILO, 1988.
- [5] Gøsta Esping-Andersen, The Three Worlds of Welfare Capitalism, Cambridge, UK: Polity Press, 1990.
- [6] Guy Standing, Global Labour Flexibility: Seeking Distributive Justice, Basingstoke: Macmillan, 1999.
- [7] Guy Standing, Work after Globalization: Building Occupational Citizenship, Cheltenham, UK: Edward Elgar, 2009.
- [8] Guy Standing, A Precariat Charter: From Denizens to Citizens, London: Bloomsbury Academic, 2014.



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