

Sustainable Human Development

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BRIEFS ON TRUE DEMOCRACY AND CAPITALISM

# The New Service Proletariat

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n recent decades, the spread of information technology, industrial automation, and other innovations has inspired

visions of a coming "postindustrial society of services," in which the proletariat as it existed in earlier eras would effectively disappear. However, even a cursory survey of the reality of contemporary global labour markets belies this myth. The emergence of a new class of educated, salaried workers in high-tech fields is predicated on the increasing invisibility of workers employed in sectors and settings ranging from call centres and telemarketing to hotels and cleaning companies to retail, fast food, and care services. The great majority of these jobs are precarious in one way or another: seasonal, part-time, temporary, informal, or freelance, with little or no security or benefits.

An emblematic example is the zero-hour contract, a perverse form of employment that thrives in the United Kingdom and elsewhere. Instead of working a fixed number of hours or shifts, zero-hour employees must remain perpetually at their bosses' disposal, waiting for a call. Once they receive this call, they are paid only for the time they actually work, and not for the time—days, weeks, even months—spent waiting. Information technology firms in particular have embraced this method of complete flexibilisation of labour, which serves at once to make workers continually available for exploitation and to further normalise the regime of precariousness, leaving workers with ever fewer protections.

Uber is another example. The company's drivers, who are treated as independent contractors rather than formal employees, must provide their own cars and pay for all expenses, including vehicle repairs, maintenance, insurance, and

fuel. The Uber "app" is in fact a global private enterprise that uses wage labour masked as "independent" and "entrepreneurial" work to appropriate a larger share of the surplus value generated by the services of its drivers.

Still another example of these disguised forms of labour exploitation can be found in Italy, where a novel form of occasional and intermittent work was recently introduced: voucher-based work. Workers were paid with vouchers whose value corresponded to the exact number of hours they worked. But precariousness was not the only problem with this form of labour, which relied on an even more



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underhanded trick: the vouchers had to be paid at the legal minimum hourly wage, but contractors also offered to pay overtime hours at a rate below the legal minimum. The system enabled a degree of precariousness and exploitation greater even than that of occasional and intermittent work. For this reason, Italian trade unions denounced the practice, and the government was compelled to suspend it.

The spread of these new forms of informal, part-time, temporary, independent, occasional, and intermittent work has given rise to a new category of labour, the "precariat." A movement of self-identified members of the precariat is quickly expanding in Europe, especially Italy, Spain, England, France, and Portugal. As this movement has struggled to find space in the structures of traditional trade unions, it is developing independently alongside them. Pioneering examples can be found in Italy, with the cases of San Precario in Milan, a movement fighting in defence of the precarious workers (including immigrants), and the Clash City Workers movement, a group with a strong presence in Naples made up of precarious and rebel youths.<sup>1</sup>

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what might be called the "uberisation" of labour—a ruthless entrepreneurial modus operandi aimed at generating more profit and increasing the value of capital through the forms of precarious labour outlined above has expanded to a global scale more profit and increasing the value of capital through the forms of precarious labour outlined above—has expanded to a global scale. In addition, the fact that more and more work is done online has made it almost impossible to separate labour from leisure, and employees are increasingly expected to be available for work at any and all times.

The future of work for the world's labouring masses appears to be one of flexible employment, with no pre-established working days, no clearly defined working spaces, no fixed wages, no pre-determined activities, no rights, and no protection or representation by trade unions. The system of "goals" itself is flexible: tomorrow's goals are always changing, and must always be superior to those of the previous day.

The most important social and political consequence is the growth of what Ursula Huws has called the "cybertariat" and which Ruy Braga and I call the "infoproletariat."<sup>2</sup> However it is named, the rise of this new labour regime poses difficult questions: should workers in the service sector be considered an emerging middle class? Or should they be considered part of a new proletariat of services? Or should they be treated as part of a new class altogether, the precariat?

### Middle Class, precariat, or proletariat?

In call centres, hotels, supermarkets, fast-food chains, large-scale retailers, and elsewhere, workers in the service sector have grown increasingly separated from the forms of intellectual work typical of the middle class, and are coming more and more to resemble what can be called a new "proletariat of services." If the more traditional segments of the middle class are defined by the modes of their participation in production (doctors, lawyers and the other liberal professions), today, the salaried middle class is undergoing a steadily more evident process of proletarianisation, whose scope by now exceeds that of Harry Braverman's pioneering formulation in his 1974 book Labor and Monopoly Capital.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Clash City Workers, Dove Sono i Nostri: Lavoro, classe e movimenti nell'Itáliadella crisi (Lucca: La Casa Usher, 2014).

<sup>&</sup>lt;sup>2</sup> Urusula Huws.The Making of a Cybertariat: <u>Virtual Work in a Real World (New York: Monthly Review Press</u>, 2003); Ruy Braga and Ricardo Antunes, Infoproletários: Degradação Real do Trabalho Virtual (São Paulo: Boitempo, 2009).

<sup>&</sup>lt;sup>3</sup> Harry Braverman. Labor and Work, xviii.Monopoly Capital (New York: Monthly Review Press, 1974).



Because of their typical structural fluctuations, the middle classes are also defined by their ideology, cultural and symbolical values, and consumption choices.<sup>4</sup>Thus, the higher segments of the middle classes distinguish themselves from the lower segments by means of the values they express, implicitly aligning themselves with the owning classes. By the same token, the lower segments of the middle classes tend to identify more with the working classes, given their similar levels of material life.

It is for this reason that the consciousness of the middle classes appears often to be the that of a non-class. In some cases they are nearer to the owning classes, as with middle and upper-level managers, administrators, engineers, doctors, and lawyers; but others, particularly the poorer segments of the middle class, live and work in conditions quite similar to those of the working class. Consequently, these more proletarianised contingents of the middle class, especially those employed in the service sector, are increasingly involved, directly or indirectly, in the process of valorisation of capital. Salaried workers in marketing, retail, food service, and so on find themselves rapidly approaching the condition of a new proletariat that is expanding globally.

These observations cannot support either the arguments of analysts who categorise these workers as part of the middle class, or those who identify them with an alleged "new class," the precariat.<sup>5</sup> The new service proletariat works longer hours, with intensified rhythms, high turnover, and reduced wages, in conditions of growing insecurity, poor health, and

minimal regulatory protections. Today members of the new service proletariat are the protagonists of many social struggles, rallies, and strikes around the world.

Previous studies have clearly shown that since the emergence of the present structural crisis of capital, the precarisation of labour has accelerated significantly.<sup>6</sup> The increase in labour exploitation, which is by now a super-exploitation, has driven an enormous rise in informality, outsourcing, and uncertainty across the international labour force, not only in the global South but also extending to the advanced capitalist countries of the North.<sup>7</sup> In addition to upending existing labour structures, this



process has torn at the social fabric of countries and communities. An emblematic case can be found in Portugal, where in March 2011, the discontent of the *geração* à *rasca* (struggling generation) exploded into public protest. Thousands of demonstrators, among them youths and immigrants, precarious workers and the unemployed, women and men, took to the streets as part of the *Precários Inflexíveis* movement. According to its manifesto:

<sup>4</sup> See Pierre Bourdieu, Distinction: A Social Critique of the Judgment of Taste (Cambridge, MA: Harvard University Press, 1987).

<sup>&</sup>lt;sup>5</sup> Guy Standing. The Precariat: The New Dangerous Class (London: Bloomsbury, 2011).

<sup>&</sup>lt;sup>6</sup> István Mészáros. <u>Beyond Capital. (New York: Monthly Review Press</u>, 1995).

<sup>&</sup>lt;sup>7</sup> Ricardo Antunes. The Meanings of Work (Chicago: Haymarket, 2013); "The New Morphology of the Working Class in Contemporary Brazil," in Leo Panitch and Greg Albo, eds., <u>Socialist</u> <u>Register 2015: Transforming Classes</u> (New York: Monthly Review Press, 2014).





We are precarious in work and in life. We work without contracts or with short-term contracts.... We are callcentre workers, interns, unemployed, ...immigrants, casual workers, student-workers.... We are not represented in statistics.... We can't take leave, we can't have children or be unwell. Not to mention the right to strike. Flexicurity? The "flexi" is for us. The "security" is for the bosses.... We are in the shadows but we are not silent.... And using the same force with which the bosses attack us, we respond and reinvent the struggle. In the end, there are many more of us than them. Precarious, yes, but inflexible.<sup>8</sup>

In Spain, the movement of indignados broke out in 2011, when youths started protesting high levels of unemployment and the complete lack of life prospects. Whether they earned a university degree was irrelevant: the younger generation understood that they were doomed to be unemployed or, in the best scenario, to toil in precarious jobs.

In England that same year, riots exploded after Mark Duggan, a black man, was killed by the police. Poor, black, immigrant, and unemployed youths in London began a revolt, which in a few days spread to many towns across the country. This was the first significant social uprising in England (and in parts of the United Kingdom) since the Poll Tax protests that hastened the end of the government of Margaret Thatcher.

Also in 2011, in the United States, Occupy Wall Street protestors rose to denounce the hegemonic interests of financial

capital and its nefarious consequences: soaring inequality, unemployment, and the epidemic of precarious labour, all of which hit women, immigrants, and black and Latino workers hardest.

In Italy, the 2001 May Day outbreak in Milan gave birth to San Precario, a movement that represents the heterogeneous mass of workers, youths, and immigrants that otherwise would be deprived of a voice.<sup>9</sup> Other Italian groups of precarious workers include the Clash City Workers collective mentioned above.<sup>10</sup> Apart from these, new trade union organisations have been founded to represent the weaker and more precarious segment of proletariat,



including the Confederazione Unitaria di Base and, more recently, the NIdiL (an acronym for New Working Identity), which is part of Confederazione Generale Italiana del Lavoro (Italian Confederation of Labour), one of the country's main trade union organisations.

These and other developments spurred a debate about the rise of this new contingent of the working class, led by the British economist Guy Standing. Standing maintains that the precariat should be considered a separate class, distinct from the proletariat that formed during the Industrial Revolution and solidified in the Taylorist-Fordist Era. The precariat,

<sup>&</sup>lt;sup>8</sup> Quoted in Antunes, The Meanings of Work, xviii.

<sup>&</sup>lt;sup>9</sup> San Precario, <u>http://precaria.org</u>.

<sup>&</sup>lt;sup>10</sup> Clash City Workers is a collective of female and male unemployed workers, who define themselves as "precarious youths." In the words of the organisers of the movement: "our name means 'fighting workers of the metropolis'. Our movement was founded in mid-2009. We are particularly active in Naples, Florence, Milan and Bergamo, but we try to support all ongoing social fights throughout Italy.". See also the study about this collective group in Clash City Workers, 2014.

#### True Democracy and Capitalism

In the advanced capitalist countries, the more precarious members of society—including youths, immigrants, people of colour, and others—recognise their place in this new segment of the proletariat, and that they are thus born under a kind of ill omen of diminished rights. Consequently, they must fight in every way to win those rights back. At the same time, the more traditional sectors of the working class, who have inherited the vestiges of trade unions and the welfare state, know they must fight to preserve their own rights, and to protect their labour conditions from the kind of degradation common among precarious workers. The fates of these two poles of the "class-that-lives-on-its-labour" are inextricably linked. according to Standing, is a new, disorganised class, ideologically dispersed and easily lured by "populist" policies, including those of neofascist movements. This description captures some salient features of the new proletariat of services, but nonetheless classifies this new segment of the proletariat as a "dangerous class," distinct in essence from the working class.<sup>11</sup>

My formulation goes in the opposite direction. Contrary to the "new class" thesis, I believe that the new morphology of the "class-that-lives-on-itslabour" should include distinct segments, even if these at first appear incongruous. In fact, the working class has always been divided by internal differentiations of gender, generation, ethnicity,

nationality, migration, skills, and more.

The service proletariat is thus a distinct segment of the working class, in all its heterogeneity, differentiation, and fragmentation. In the advanced capitalist countries, the more precarious members of society—including youths, immigrants, people of colour, and others—recognise their place in this new segment of the proletariat, and that they are thus born under a kind of ill omen of diminished rights. Consequently, they must fight in every way to win those rights back. At the same time, the more traditional sectors of the working class, who have inherited the vestiges of trade unions and the welfare state, know they must fight to preserve their own rights, and to protect their labour conditions from the kind of degradation common among precarious workers. The fates of these two poles of the "class-that-lives-on-its-labour" are inextricably linked.<sup>12</sup>

The logic of capital manifests itself in many ways, but it retains a basic unity. For this reason, the two vital poles of the world of labour must form a mutually supportive and organic connection to each other, or else suffer an even bigger defeat.

As Marx showed in Capital, precarisation arose with the very creation of wage labour in capitalism. As the working class sells its labour power and is paid for only a part of its productive value, the resulting surplus appropriated by capital tends to expand through various mechanisms intrinsic to capitalism, including the intensification of labour, extension of the workday, restriction of workers' rights, and more. Thus, the



<sup>&</sup>lt;sup>11</sup> Standing. The Precariat, 1–25.

<sup>&</sup>lt;sup>12</sup> See Ricardo Antunes, O Privilégio da Servidão: O novo proletariado de serviços da era digital (São Paulo: Boitempo Editorial, that will be published in May 2018.

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precariousness of the proletariat results from the struggle between the classes, which can in turn be expanded or reduced, depending on the relative strength of capitalist exploitation and of the working-class capacity for struggle and revolt.

As Marx and Engels demonstrated, the forms of exploitation of labour change constantly, accentuated by the expansion of the relative surplus population, which allows capital to use surplus labour to intensify and increase the levels of exploitation and consequent precariousness of the working class. In contemporary capitalism, the relative surplus population, which Marx in Capital designated as floating, latent, or stagnant, acquires new dimensions.<sup>13</sup> This occurs through the enormous expansion and circulation of immigrant labour power on a global scale, multiplying the mechanisms of exploitation, intensification, and precariousness of labour.

All this serves to further fragment the working class itself, which is already differentiated by branches, sectors, and the

the role of the new proletariat of services is emblematic. Its integration into an enlarged working class—of which it forms the fastest-growing part—and participation in labour struggles will be decisive for the fate of the working class as a whole in the twenty-first century. international division of labour, especially between the global North and South. The kind of internal divisions that Engels discerned in the British proletariat of the mid-nineteenth century are further amplified when one perceives the differential rate of exploitation between centre and periphery.<sup>14</sup>

The ultimate outcome of this process depends on the ability of the working class to resist, organise, and fight back. If the two polar segments of the working class manage to establish links of solidarity and a shared class consciousness, and if they are united in their everyday fights, they will be able to form a stronger and better-organised opposition to the logic of capital.<sup>15</sup> In this respect, the role of the new proletariat of services is emblematic. Its integration into an enlarged

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## On the peripheries of Capitalism

Given the irregular and composite nature of the international division of labour, it is necessary to conclude by noting some mediations in defining the service proletariat. One important point of mediation concerns the cleavage between the global North and the South. On the peripheries of the capitalist system, the proletariat has been burdened with precariousness from the beginning. Because of their colonial past, in



Brazil and in many other countries of Latin America, the modern proletariat emerged fully only after the abolition of slavery. Consequently, precariousness has always been the rule, not the exception.

<sup>&</sup>lt;sup>13</sup> Karl Marx. Capital, vol. 1 (London: Penguin, 1990), chapter 23.

<sup>&</sup>lt;sup>14</sup> Frederick Engels, The Condition of the Working Class in England (Oxford: Oxford University Press, 1993).

<sup>&</sup>lt;sup>15</sup> See Alain Bihr, Du "Grand Soir" a "l'alternative": Le mouvement ouvrier européen en crise (Paris: Editions Ouvrieres, 1991).

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#### True Democracy and Capitalism

In addition, the countries of the global South never developed an "aristocracy of labour"—a segment of relatively skilled, highly paid, and largely unionised workers—and the proletariat has always been associated with a pervasive condition of precariousness, with the result that internal differences among the working classes were never as evident as in the North. There, on the contrary, such an aristocracy did develop, and today its descendants are the inheritors of the welfare state. Hence, the recent development of a precariat has generated a differentiation in the proletariat of the North that has no parallel in the South. For this reason, the debate about the emergence of a "new class" has caused some confusion when applied to the global South.

It is thus credible, in the case of the core capitalist countries, to empirically identify the service proletariat as one pole of the working class as a whole; but in the peripheral countries, it is something different, because precariousness has been a defining feature of the proletariat since its origins, even it may be finding new articulations. Whether described as a precariat or part of the new proletariat of services, it involves workers of diverse identities (gender, ethnicity, nationality), but united in their condition of precariousness and lack of rights.

The intensification of work; the erosion of rights; the superexploitation of labour; the expansion of informal employment; the pressure of ever-increasing productivity goals; the despotism of bosses, coordinators, and supervisors; the degraded salaries; the inconsistent working hours; the prevalence of harassment, illness, and death—all point to the presence of a violent process of proletarisation



and to the rise of a new proletariat of services, one that is expanding globally and diversifying and enlarging the working class. And if all this suggests a new morphology of labour, we should at the same time acknowledge the emergence of a new morphology of working-class organisation, representation, and struggle.



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  - About the authors: Ricardo Antunes is a professor of sociology at the University of Campinas, Brazil, and the author of The Meanings of Work (Haymarket, 2013).
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