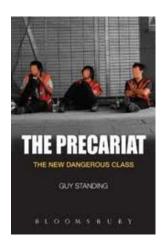
# The Precariat: New Class or Bogus Concept?

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Rather like the clothing industry, the academy has its changing fashions. The enterprising social science academic will invent a concept and market it extensively in books and peer-reviewed publications. The more citations it receives from other academics, the more successful his or her career becomes. The key strategy lies in getting ahead of the curve - hence the premium placed on neologisms, the invention of new words.

'The precariat' is one such fashionable concept. It is a play on the word 'proletariat' but it signifies a much more modern, up to the minute capturing of the latest trends brought about by globalisation. It was developed by Guy Standing, a Professor of Economic Security at Bath University who has since moved to the School of Oriental and African Studies in London. Prior to that he worked as an economist with the International Labour Organisation for two decades and became known as an international expert on 'flexibility'. A sceptic of the dominant neoliberal discourse, Standing's outlook derives from another fashionable figure in academia, Karl Polanyi. This effectively argued that the extreme forces of the market had to be counterbalanced with regulation. In 2002, as an ILO economist, Standing argued that there had to be changes in the welfare state to reflect the rise of the 'flexi worker' who were seen as the core group in modern society. Later the term 'flexi worker' morphed into 'the precariat' and Standing's fame in academic circles shot up.<sup>1</sup>

If it were simply a matter of the academicpublishing complex producing new words, it would barely merit discussion. But words like 'the precariat' are concepts that feed into theoretical understandings. And, despite the ornamentation and jargon that surround much academic theorising, theories are ways in which we understand the world beyond our own direct experience. Such understandings are sometimes linked to actions and strategic choices. Certainly, Guy Standing's concept of the precariat has important implications.



Guy Standings book The Precariat: The New Dangerous Class

The precariat, according to Standing, are people who lack seven main forms of labour security. They do not have adequate income earning opportunities because of the return of mass unemployment; when they do find work, they have no protection against arbitrary dismissals; they do not have defined job descriptions; they have no work security in terms of proper health and safety regulations or limits on working time or unsocial hours; they have no career path or opportunities to up skill; their wage are not protected by minimum wage legislation or indexed against inflation; they have no collective voice. This is a description of the conditions facing millions of people today - particular those who are migrants, young or the elderly who are forced to return to work because of inadequate pen $sions.^2$ 

<sup>&</sup>lt;sup>1</sup>J. Breman, 'A Bogus Concept' New Left Review 84, November-December 2013.

<sup>&</sup>lt;sup>2</sup> G. Standing, The Precariat: The New Dangerous Class, London Bloomsbury Academic, 2011, p 10

#### **Different interests?**

Standing's purpose, however, is not simply to describe - but to theorise. In other words, to offer a way of understanding these developments which serve as a guide to action and policy. Mimicking the language of Marxism, he argues that the precariat is a new 'class in the making'. In other words, it is not organised or conscious of its distinct interests but the objective conditions for its existence as a class have been produced by neoliberal globalisation. The central point - and indeed the key implication of using the term 'precariat'is that this class has distinct interests to those of the 'proletariat'. Here is his argument,

> The precariat was not part of 'the working class' or the 'proletariat'. The latter term suggests a society consisting mostly of workers in long term stable, fixed-hour jobs with established routes of advancement, subject to unionisation and collective agreements, with job titles their fathers and mothers would have understood, facing local employers they were familiar with'<sup>3</sup>

We shall return to this peculiar definition of the working class later but for the moment note its mythical tone and its image of working class as somewhat conservative. Standing has, in fact, a broadly contemptuous attitude to this 'old' working class. He argues that it is simply 'a term embedded in our culture' from centuries past and he agrees with André Gorz's proclamation made, ironically, before the May 68 general strike in France that the 'end of the working class' occurred long ago.<sup>4</sup> By this he means that it ceased to have historic agency -able to unite around common interests and forge a new society. The hopes of those who want change now rest with the 'precariat' - this new class in the making.

But what might this change amount to? Here Standing's critical but continuing support for the ILO's social liberalism shines though. At the root of this approach is a dislike for the 'labourist' politics, which dominated the working class movement. But while his attack on 'labourism' is sometimes reminiscent of the language of the anti-capitalist left, in reality it is an attack from the right. The old workers movement is presented as a conservative force who sought security under the protection of a bureaucratic state. The 'salariat'- a jargon sociological term for whitecollar workers - have apparently, along with the elite, 'most of the financial capital and have gained vastly more income' without evidence of working harder.<sup>5</sup> Standing virtually writes off trade unions as 'necessarily adversarial and economistic' and suggests that the precariat needs new collective bodies, which engage in 'collaborative bargaining' not just with employers but with other groups of workers, 'because its interests are not the same as those of the salariat or core employees, who have labour unions to speak for them'.<sup>6</sup>

Sheltering behind a technological determinist outlook and the siren call of inevitability, Standing argues that a focus on 'big state' reforms has become an historic anachronism. The precariat are presented as 'globalisation's child'. Globalisation, in turn, arose from an 'emboldened group of social and economic thinkers' who disliked the state and 'its planning and regulatory apparatus'. 'The tragedy', Standing argues, 'was that, while their *diagnosis* made partial sense, their *prognosis* was callous' <sup>7</sup>

The less callous solution, Standing suggests, is a further break from the 'big state'. He argues that 'contrary to the labourist declaration that "Labour is not a commod-

<sup>&</sup>lt;sup>3</sup>ibid p.6

<sup>&</sup>lt;sup>4</sup>ibid p.7

<sup>&</sup>lt;sup>5</sup>ibid p.171

<sup>&</sup>lt;sup>6</sup>ibid p.168

<sup>&</sup>lt;sup>7</sup>ibid p.5

<sup>&</sup>lt;sup>8</sup>ibid p.161

ity", there should be full labour commodification'.<sup>8</sup> Thus, while Marx critiqued capitalism for turning living creative energy into a mere commodity, Standing suggests that the process did not go far enough. Full monetary values should be placed on all benefits workers grudgingly receive from employers. The 'fancy' heath insurance benefits that US workers received, for example should be scrapped and converted 'into benefits that can be bought by market choice'.<sup>9</sup> More bizarrely, Standing calls for the ending of maternity leave because this non-market benefit is subsidised by taxpayers, including the precariat, who will never receive it.<sup>10</sup> He extols the virtues of volunteering with NGOs as against bureaucratic welfare services. There is even a nod in the direction of David Cameron's rhetorical suggestion to let public sector workers run their units as co-operatives, which tender for contracts - presumably at somewhat lower wages.

If this is the central thrust of Standing's argument, then why has the term 'precariat' gained such currency on the left? Noam Chomsky, for example, has declared it a 'very important book' and uses the term 'precariat' regularly. The wider Occupy movement adopted the term even as it forged strong links with some of the unions in the US. A smaller element, however, such as 'Advance the Struggle', went further and declared that,

It is hard to tell poor, unemployed, undocumented, immigrants, people of colour, that we too, have a stake in the struggles of union workers, especially relatively privileged workers. This is an unpopular reality that many revolutionaries and leftists do not want to confront<sup>11</sup> Insightful critiques of Standing's arguments have been made by writers like Richard Seymour but, oddly, he argues that 'the appellation precariat works as a populist interpellation' and so it is a concept that can be embraced by the left to help 'found a new, radical majoritarian politics with an anticapitalist core'<sup>12</sup>

There are a number of reasons why the concept of the precariat has permeated some left discourse in the recent past. One lies in the internal construction of Standings' book. Despite arguing for a more commodified version of capitalism, it draws on themes that have appeared in the anti-capitalist movement since the Seattle uprising in 1999. Thus, there are attacks on the corporate take-over of universities and a defence of 'the commons' and urban spaces that are being invaded by commercial interests. There are gestures to the argument about the 'social factory' that originally emerged in the Italian workerist movement of the 1970s as Stranding critiques the 'blurring' of the work/leisure division. There is a wider argument made against neoliberal globalisation and a recognition that it has led to a worsening of life conditions for the majority. Yet despite the often impressionistic tour of these themes, the central point of the book remains an argument that the precariat have different interests from the organised working class and need a more commodified form of capitalism accompanied by global regulation and a Basic Income to allow them to participate more actively in the market.

There are other external reasons why the book received a relatively positive response. One is that many people - and the young in particular- experience a high degree of insecurity because of the re-structuring of Western capitalism. This re-structuring has acceler-

 $<sup>^{9}</sup>$ ibid p.162

<sup>&</sup>lt;sup>10</sup>ibid p.162

<sup>&</sup>lt;sup>11</sup> Longview Occupy and Beyond: Rank and File and the 89% union' *Advance the Struggle* February 2nd 2012 http://advancethestruggle.wordpress.com/2012/02/02/longview-occupy-and-beyond-rank-and-file-and-the-89-unite/

<sup>&</sup>lt;sup>12</sup>R. Seymour 'We are all precarious - on the concept of the precariat and its misuses' New Left Project, http://www.newleftproject.org/index.php/site/article\_comments/we\_are\_ all\_precarious\_on\_the\_concept\_of\_the\_precariat\_and\_its\_misuses

ated further since the crash of 2008. As a result some of the conditions of existence that were once experienced by some of the poorest sections of the working class are spreading to much wider layers. Take, for example, college graduates. We will use data from Ireland to illustrate the scale of the changes.

Currently Ireland has an extremely high number of people with third level qualifications in the 25-34 age bracket. It amounts to 48 percent of this age cohort, compared to 33 percent in the wider EU. Most young people enter college with a traditional aspiration - that a degree offers a chance of a better life and a 'career' that affords some security. Many indeed assume that it is a ticket into the middle class. Yet the reality is very different. Youth unemployment has risen to 30 percent and that is after the return of mass emigration, which particularly affects youth. Before taking up work, many will spend months on unpaid internships. After that they will most probably go through a series of temporary contracts before getting a permanent job. According to the ASTI, the secondary teachers union, the newly qualified teachers will spend an average of eight years on temporary contracts. Moreover as they enter the labour force, they will experience lower pay and lower pension rights because trade union leaders have sold these young workers out. Given these circumstances is it surprising that there is a certain appeal to an argument about a difference of interest between 'the precariat' and 'the proletariat'?

The second reason, however, has to do with the ideological confusion that has engulfed sections of the anti-capitalist left. The crash of 2008 was similar to that of 1929 in being a general 'systemic crisis'. The response of the workers' movement was strong in particular countries such as Greece but, overall, there has not been sustained or successful resistance. This discrepancy between the scale of the crisis and the weakness of working class response has led to a search for 'new' theories to explain this.

Moreover, as Perry Anderson pointed out long ago, Western Marxism has increasingly been located in academia and has focussed on culture and idealist forms of philosophy that are often divorced from an involvement in class struggle. It may be ironic that Anderson was the author of this piece but his point that Western Marxism survived in a different milieu to classic Marxists such as Lenin, Trotsky and Luxemburg still holds. This has important implications because the broad orientation of academic leftism in the social sciences has been to dispute the capacity to the 'old' workers movement to struggle for anything other than economistic sectional demands. Not surprising then two types of new theories have emerged in academia to explain working class passivity and, unfortunately, these have gained some traction among leftists.

One is the notion that neoliberalism has entered the very soul of workers so that they are now incapable of thinking in a real collective sense. A good example of this approach is Jennifer Silva's Coming Up Short: Working class Adulthood in an Age of Uncertainty. This argues that younger workers are no longer able to connect personal traumas to public issues and, therefore, adopt fundamentally individualistic stances. Another approach, however, is to focus on structural changes in the nature of capitalism and in the working class. Epstein and Krippner's work on 'financialisation' which argues that profit is no longer linked to production is a good example of writings which emphasise changes in the structure of capitalism.<sup>13</sup> Standing's The Precariat is an example of the latter. These structural changes, it is suggested, require an orientation away from organised workers towards wider social movements and the 'precariat'. Variations of these arguments have won a hearing in sections of the anti-capitalist left who fear that the over-focus on organised workers might cut them off from 'the movement'.

<sup>&</sup>lt;sup>13</sup> G.Epstein, *Financialisation and the World Economy* New York Edward Elgar, 2005 and Greta R. Krippner 'The financialisation of the American economy' *Socio-Economic Review* 2005 3(2):173-208.

This then is the wider context for the reception that Standing's 'precariat' has received. At the core of the book is a method - derived primarily from the academy- that is at variance with an active Marxist approach to the world. Not only does it discount the fact that the fundamentals of capitalism are rooted in the commodification of human labour, it seeks to 'read off' supposedly 'inevitable' changes from 'globalisation'. In other words, it replaces an analysis of political struggle within the workers' movement with a 'faux nostalgia' that writes off workers either as victims of internalised neoliberal values or redundant because of the structural economic change. The massive gap in all these writings is any examination of the strategies and policies that arise in the workers' movement from the domination of reformism.

## The role of reformism

Reformist influences became deeply rooted in the Western labour movement first in the late 19th and early 20th century with the rise of German Social Democracy and the British Labour Party and then, again, during 'the Golden Age' of capitalist expansion from 1948 to the early seventies. The hegemony of these ideas affected - and still affects - every aspect of working class life: the separation of 'industrial relations' from political struggle; the rise of a professional union bureaucracy whose primary purpose is to bargain rather than lead struggle; the subtle patronage structures that co-opted working class fighters into official structures; and, crucially, the implicit acceptance of divisions between workers created by the market as the price to be paid for conforming to the system. The hegemony of these ideas did not arise from a thin layer of labour aristocrats, as Lenin originally suggested,<sup>14</sup> or even, purely, from the apparatus of union and Labour party bureaucracies. These apparatuses certainly played a vital role in sustaining reformist methods and practices when grassroots anger threatened to move beyond the accepted limits but reformist ideas arose out of the experience of workers in a particular phase of capitalism and if Labour parties were not there to give them expression other -sometimes left nationalist - forces arose to perform the same function.

Today we have entered a new phase of capitalism and the reformist politics which dominated labour movements are in crisis. The leadership layers have embraced social liberalism and only try to tack on a few pathetic 'left' gestures to appease their base. The mass of workers who suffer exploitation and growing insecurity are left in a contradictory position. Many want to fight - as most ballots that are taken for industrial action in Ireland testify. But they often lack confidence and still expect others to represent or fight for them. More broadly, a new revolutionary alternative has not yet emerged that can give voice to the common interest of workers. The systemic crisis of capitalism is, therefore, being reflected in a crisis within labour movements and there is a massive fight underway to resolve it in favour of those who wish to see a challenge to capitalism itself. Part of that fight involves relating, precisely, to some 'labourist' sentiments in order to move them in a revolutionary direction. Standing has no interest in such an outcome and so his new concept of the 'precariat' comes with an attempt to ideologically legitimise divisions between workers.

But even if this is the effect of his arguments, we still need to deal with them in their own terms. This is a somewhat slippery task because of the impressionistic manner in which the book is written. Nevertheless, there are a number of key themes we will focus on to critique his argument.

## A mythical proletariat

Standing's approach to social class is drawn from a variant of Weberian sociology, which sees it merely as a number of *categories* with defined characteristics. The class structure is supposedly composed of an elite, a 'salariat' -

<sup>&</sup>lt;sup>14</sup> T. Cliff, 'The Economic roots of reformism' in *Neither Washington or Moscow*, London: Bookmarks 1982.

white collar workers who have 'pensions, paid holidays and enterprise benefits, often subsidised by the state'; a 'proficians' - professionals or technicians whose skills are in high demands; and manual workers.

Marxists take an entirely different approach to social class and see it as a *relation-ship* that is formed with an opposing class in the process of production. Production here is not understood in the narrow sense of simply manufacturing but rather the way human energy is used to transform our environment. Work that is conventionally categorised as belonging to 'services' -such in education and health- are also sites in which class relations are formed. These 'services' help reproduce new generations of workers and increase their productivity. They are therefore part of transforming the environment to meet expanding and socially determined human needs.

The key point - which Standing misses entirely - is that these relations under capitalism are based on exploitation and are shaped by the underlying logic of capital: namely, a drive for self-expansion, based on an endless search for a high rate of profit. This means that far from the working class being a static category, it is continually being changed by capital and its own struggles against it.

Thus it is absurd to start from a picture of the manual working class from a distant If core sections of organised workers era. were drawn from skilled workers, miners or car workers in the past, it does not follow that it remains the case today. Currently, for example, white-collar employees in Ireland have higher rates of trade union membership than skilled workers. 37 percent of clerical employees are members of a union compared to 30 percent from craft workers.<sup>15</sup> And if manual workers won some security from employers during the Golden Age of capitalism, it does not follow that they continue to have 'stable' jobs with prospects of advancement in 2014.

Quite the contrary. The general picture now is one of declining security for all workers as capital seeks to compensate for declining rates of profit by increasing the rate of exploitation. Manual workers in most advanced economies have been losing out on pension security; employment security with the rise of mass unemployment; job description security with the constant pressure for flexibility. In Ireland, for example, the number of defined benefit pension schemes has declined from 2,500 in 1990 to only 800 today. In the last four years alone, 400 of these schemes have closed, impacting 65,000 workers.<sup>16</sup> One recent study in Europe found that only 32 percent of all workers thought they had good employability prospects - i.e. could get another job at similar pay and conditions if their own one closed - while 23 percent of industrial workers feared for their job security in the next six months<sup>17</sup>

Clearly, therefore, the manual working class cannot be defined by stable, secure patterns of employment. Insecurity - or precariousness - is a condition that does not just characterise one group but is a condition affecting the wider working class in varying degrees.

# The myth of a privileged salariat

The 'salariat' - primarily office and whitecollar workers - have probably undergone the most change in recent decades due to the nature of capitalist re-structuring.

A hundred years ago, office employees had a 'trust' relationship with their employer because they worked in close proximity and were rewarded for loyalty to the firm. In the 1930s, Lewis Corey characterised this group as 'honoured employees' who had close and confidential relations with their employers. Even by the late fifties the sociologist, David Lockwood, was arguing that 'the clerk and the

<sup>&</sup>lt;sup>15</sup>CSO, Quarterly National Household Survey Module on Union Membership 2009 Table 3a

<sup>&</sup>lt;sup>16</sup> Pensioners may face cuts under reform package' *Irish Times*, 20 November 2013

<sup>&</sup>lt;sup>17</sup>Eurofound, Quality of employment conditions and employment relations in Europe, Eurofound, Dublin, 2013

<sup>&</sup>lt;sup>18</sup>D. Lockwood, *The Blackcoated Worker*, London: Allen and Unwin, 1958 p.58

manual worker do not, in most cases, share the same class situation at all'.<sup>18</sup> He pointed to differences in status and work situation as the primary reasons.

However, in 1974 the American Marxist, Harry Braverman, challenged this idea and pointed out the growing 'proletarisation' of white-collar work. He showed how the wages of routine white-collar workers had fallen below skilled manual workers initially and then below those of many unskilled factory workers. His central argument was that 'Taylorist' methods in term of loss of autonomy and a shift to managerial control were spreading from the factory floor to the office.<sup>19</sup>



A Privileged Salariat?

Since then the process of 'proletarianisation' has accelerated dramatically. Instead of a 'trust' relationship between most white collar employees and their managers there is an 'audit' relationship. Their 'outputs' are measured through mechanism such as Key Performance Indicators. They are then 'benchmarked' against each other to increase insecurity and stress. There is a growing trend to 'performance related pay' to link salaries to productivity. With the rise of mass third level education, the salaries of routine white collar workers have often fallen further compared to the wider labour force. However, a small minority of these employees have been pulled into the ranks of management. With the demise of the family firm and the growth of large corporations, the task of organising the systematic exploitation of larger numbers of workers requires a large managerial cadre. This strata, - which have been dubbed the 'new middle class' by Alex Callinicos<sup>20</sup>are often rewarded with higher salaries and bonuses. They are mainly engaged in unproductive activities that serve the specific methods of capitalist exploitation. However, the vast majority of salaried workers have seen an increase in job intensity and declining rates of pay and security.

Standing's claim, therefore, that the 'salariat' have 'most of the financial capital and have gained vastly more income' without working harder is patently absurd. Its purpose however is rhetorical. By presenting a fictitious image of a privileged 'salariat' and a conservative manual working class, he aims to establish a space for a supposed new class, which have different interests to them. The reality, however, is entirely the opposite. The majority of white-collar employees are increasingly being drawn into the conditions of existence of the wider working class. They are being subjected to more intense forms of exploitation and, as part of that, a regime of insecurity is being enforced on many of them.

Once again, far from the formation a 'precariat' we are witnessing a growing proletarianisation and accompanying this is a regime of insecurity - or if you would prefer 'precariousness'.

#### Labour is needed

As Kevin Doogan has pointed out, Standing grossly exaggerates the trends to part time and temporary work in globalised capitalism.<sup>21</sup> Worse, he misrepresents the reason why insecure or 'precarious' employment is increasing.

Capitalism is a system characterised by both vertical and horizontal struggle. Each capitalist seeks to maximise the exploitation

<sup>&</sup>lt;sup>19</sup>H.Braverman, Labour and Monopoly Capital, New York:Monthly Review Press 1974

<sup>&</sup>lt;sup>20</sup>A. Callinicos, 'The new middle class and Socialism' *International Socialism Journal*, Vol. 2.No. 20, 1983.

<sup>&</sup>lt;sup>21</sup>K.Doogan, The New capitalism and the Transformation of Work,London: Polity 2009

of their own workforce but they are also engaged in a horizontal struggle with their fellow capitalists for access to credit, resources and labour. Just as labour is dependent on capital, so capital also needs human labour. Even those sections of capitalism that are furthest removed from direct production in services or manufacturing, still need workers to monitor their computer screens or their investment returns.

Capitalists, therefore, worry about holding onto labour. They worry about high rates of turnover. They worry about the loss of skilled labour to competitors. They dislike having to train and bear the costs of moulding new workers into the particular regime of their firm. Broadly, therefore, in advanced countries they seek to hold onto workers when there is a booming economy or even when rates of capital investment are relatively high. Here are figures from the OECD:

	2000	2011	2012
OECD Countries	11.3	11.9	11.8

Table 1: Temporary employment as a % of dependent employment

These figures reflect a pattern whereby workers are mainly hired as permanent employees - even if that permanency has become increasingly insecure. Munck has made the valid point that Standing's argument is 'eurocentric' because he is pointing to precarious employment in advanced countries while implying this is a global phenomenon.<sup>22</sup> Rates of 'informal' employment in poorer countries tend to traditionally average around 40 percent. For many in the global South, there is nothing new about 'precariousness'.

Ireland presents another interesting variation on the general pattern. Here are the most recent figures from the CSO.

	2000	2011	2012
In employ-	1735.4	1861.3	1841.3
ment	1100.4	1001.0	1041.0
Full time	1455.2	1423.8	1396.0
Part time	280.3	437.5	446.3
Part time -			
Not underem-	Na	300.4	298.6
ployed			
Part time			
- Underem-	Na	137.1	147.6
ployed			

Table 2: Full Time and Part time Employment in Ireland 2000-2012

By underemployment the CSO means involuntary part time work where the employee has no other options. The OECD, using figures mainly derived from the Irish CSO, asserts that part time employment has jumped from 18.1 percent of those in employment in 2000 to 25.0 percent today. It also claims that temporary employment has jumped from 4.7 percent to 10.2 percent.

These variations tell a very different tale to that of Standing. His central argument is that the precariat arose as 'globalisation's child'. But 'globalisation' is one of those class neutral terms invented by sociologists, which enable academics to engage in impressionistic and rather unspecific discussion of what purport to be inevitable trends. The doyen of this style of academic theorising is Anthony Giddens - now Baron Giddens - who claimed that 'third way' social democracy, was an inevitable concomitant to globalisation.<sup>23</sup>

Standing takes a very different approach to Giddens but his argument that the rise of the precariat is an inevitable result of 'globalisation' suffers from a similar problem. It ignores the central dynamic - and the contradictions - inherent in the drive of capital to expand itself. Where

 $<sup>^{22}\</sup>mathrm{R.Munck},$  'The Precariat: A View from the South' Third World Quarterly Vol, 34 No. 5, 2013, pp 747-762

<sup>&</sup>lt;sup>23</sup>A. Giddens, The Third Way and the Renewal of Social Democracy, London: Polity, 1998.

there is a concentration of capital, there is a bigger need for labour. The uneven spread of capital - primarily as a result of imperialism- explains why there is more competition between capitalists in some countries than in others. This also helps to explain why there is a greater need for labour in some countries than in others.

One of the central features of capitalism is that there are different rhythms of investment in different periods. Ultimately, this is dependent on the expected rate of profit. When the rate of profit is low, there is a fall-off in investment and as a result there are higher levels of unemployment. This has been a key trend in the last decade in particular. One indication of this is that in 2000, cash holdings - uninvested profits - represented 9.5 percent of global assets but by 2012 this had risen to 12.4 percent. In absolute terms, the cash holdings of publicly listed enterprises jumped from \$2.3 trillion dollars in 2000 to \$6.5 trillion in 2011, the year of the latest figures.<sup>24</sup>

Declining rates of profits produce contradictory consequences within capitalism. On the one hand there are greater pools of unused labour and, on the other hand, there is an intensification of exploitation of the existing labour force. Capitalists seek to use the threat of insecurity and unemployment to increase the surplus value extracted from each worker and to decrease the necessary costs of employing them. It is this dynamic which produces greater insecurity or precariousness in employment and Ireland, is prime example of this. During the Celtic Tiger there was an insatiable demand for labour and so many were offered 'permanent' contracts. But when investment dries up - declining to about one third of what it was at the height of the Tiger economy - precariousness grows hugely.

 $^{24}\mathrm{ILO},$  World of Work Report 2012 p. 75

Once we locate precariousness within the dynamic of capitalism, it becomes clear that it is not a category that applies to a particular social group but to the working class as a whole. Standing captures one aspect of the change towards greater insecurity but refuses to locate it in the dynamic of capitalism itself. This is why he favours a utopian market based solution that suggests that commodification suits a mythical new class. It is also why his theory is a deeply ideological analysis of the process because it legitimises the creation of more division within the working class by purporting to find a difference in interest between those who are currently precarious and those who are not.

# Atomised and powerless?

In the old days there were miners who lived in tight knit communities and developed a collective voice but the precariat are dispersed, fragmented and denied a space to organise collectively. They can only succeed through social movements of the streets - but not the workplace. While this is not spelled out by Standing, it is certainly an implication that some demoralised sections of the left have embraced. It is, however, a classic case of apoliticism.

Between 1911 and 1913 the Irish labour movement was built amongst the most casualised sections of the workforce. The core of Larkin's ITGWU was drawn from dockers and carters who were effectively day labourers.

During the Celtic Tiger, most workers had permanent jobs and there was little sign of a large casualised workforce. Workers were in a more economically advantageous position because of the shortage of labour but their militancy and social achievements were minimal.

The difference had to do with the pol-

itics that dominated the respective labour movements. The revolutionary syndicalism of Connolly and Larkin gave expression to a form of class struggle unionism that placed a premium on working class solidarity as distinct from any respect for the rules of industrial relations. Mass pickets and blacking were the tactics that welded together a casualised workforce into a fighting force that terrified the employers.

Modern Irish trade unionism, however, is dominated by Labour Party figures who favour social partnership. During the boom years, they actively restrained workers from imposing any significant cost increasing claims on employers. For example, that leadership attacked a proposal at a SIPTU conference for a campaign to force employers to make mandatory pension contributions. Even during the boom years, this type of business unionism exacerbated divisions within the workers' movement.

After the crash, the fostering of divisions between workers as a method of promoting compliance with austerity became a standard practice. It is now routine for union leaders to promote changes which 'red circle' some conditions for existing workers while accepting disgraceful attacks on new entrants. But compliance via division is not confined to new versus The original vote to reolder workers. ject the Haddington Road agreement was overturned by a two-fold strategy. First, the union leaders turned a blind eye as their friends in the Labour Party pushed through emergency legislation in the Dail to change the conditions of public sector workers by legal decree - the infamous Financial Emergency Measures in the Public Interest Act. Second, with that stick firmly placed behind their back they told one group of workers that they were not being hit as hard as others and that 'it could be worse'.

Nothing better illustrates the crisis of reformism than the huge retreats that have been undertaken in the post-crash years. Those who promote spurious sociological explanations, which suggest that there is a necessary 'atomisation' because of 'globalisation' and the 'precariat', miss the point. 'Atomisation' is primarily the result of a social partnership strategy that relies on fomenting demoralisation and defeatism to ensure compliance with austerity.

#### Conclusion

The precariat, therefore, is a fashionable but quite bogus concept. It reflects- but does not help to solve - a major problem in the workers movement today. We need an entirely different approach.

First, we need stronger socialist networks to promote the common interests of workers in resisting austerity and capitalism. That means opposing union agreements that sacrifice one group of workers to 'red circle' conditions for others. The reality is that once conditions are reduced for temporary workers, they become the norm for all later. When there is a small cohort of intimidated and abused workers, it will act as a break on any union advance. Opposing these divide and rule tactics will necessary involve socialists in opposing business unionism and social partnership.

Second, we should support mass unionisation drives which organise workers in sections of the economy which rely more on temporary and zero hour contracts such as the fast food industry and the retail trade. This will involve a break with the current 'organising model' that is promoted by many unions. This model, which has been imported from unions like the SEIU (Service Employees International Union) in the US, is based on more tokenistic forms of struggle in order to reach partnership agreements with employers when sufficient union density has been achieved.<sup>25</sup> The reality is that the only union that will be able to organise the mass of young workers who face the brunt of insecurity is a fighting union that is willing to break laws and engage in the most militant tactics to defeat ruthless employers.

Third, the current model of trade unionism is totally inadequate for the struggles ahead. It is based on organisational structures that are divorced from the workplace. It relies on a professional ethos, which promises casework and advocacy within official industrial relations structures. It decorates itself with a fake tokenistic leftism that is a cover for its abject passivity. Such a model of trade unionism is entering a period of crisis whose outcome is still unknown. What is required is a different form of class struggle trade unionism based on grassroots initiative.

Fourth, an aspect of the crisis of re-

formism is that social movements can emerge on the streets, which are far more militant, more anti-capitalist than anything occurring in the work place. Socialists should be unreservedly enthusiastic about such movements and willing to learn from new generations of fighters. We should reject any type of defensive syndicalism that plays fails to recognise that such movements can play a major role in the re-composition of working class politics. But within those movements, we also need to point boldly to the importance of focusing on and involving organised workers.

From Tahrir Square to Puerta del Sol in Madrid, there have been magnificent street movements, which have helped to reawaken a new militancy in workers. But the occupation of squares in itself cannot break the power of the profit-extracting machine. Only the militancy of the streets **combined with** the power of workers in the workplaces can do that.

<sup>&</sup>lt;sup>25</sup> K. Allen, 'Social Partnership and Union revitalization: The Irish Case' in G. Gall (eds) *The Future of Union Organisaing*, Basingstoke: Palgrave, 2009