



Book Reviews

Guy Standing (2009) *Work after Globalization. Building Occupational Citizenship*. Cheltenham, UK, and Northampton, MA, USA. Edgar Elgar. 366 pp.

Guy Standing (2011) *The Precariat. The New Dangerous Class*. New York and London. Bloomsbury Academic, 198 pp.

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Guy Standing is Professor of Economic Security at the University of Bath in the UK. He worked from 1975 to 2006 as a senior official in the International Labour Organization (ILO) within different positions: Director of labor market policies, coordinator of labor market research, Director of Central and Eastern European departments, and Director of the Socio-Economic Security Program.

Few books on labor and working class issues have in recent years got more attention and caused more critical debate, than Guy Standing's *The Precariat. The New Dangerous Class (2011)*. There has even been a book review symposium in August 2012 and a series of lectures around the world by Standing. It is interesting to note that Standing's former book *Work after Globalization. Building Occupational Citizenship (2009)* with more or less the same concepts, analysis, and conclusions, but more academically, theoretically, and empirically grounded, without the provocative title and descriptions, did not meet the same interest. Do authors need to use provocative language and smart new words and concepts to get attention today? Standing uses a series of creative neologisms like "precariat" for precarious workers, "denizens" for workers and others denied citizenship and labor rights, "salarariat" for a class of salaried workers, "proficians" for technicians and professional workers, "Chindia" for China's and India's combined (pool of workers), and several other creations. On the other hand, Standing takes conceptual distinctions most seriously, critically discussing fundamental concepts of work, labor, occupation, and citizenship, and at the same time presenting a radical vision of "work after globalization." As Standing discusses theoretical and conceptual problems to a fuller extent in his 2009 book, the review starts with this and continues discussing *The Precariat* afterward.

Work after Globalization goes back in labor history, before and during industrial labor regulation and welfare capitalism. Standing is especially critical of the ILO era during neoliberal globalization. Social democratic laborism and the tripartite industrial relation system, which was good in establishing national industrial citizenship, that is, labor rights for the core working class, left informal and precarious workers without these rights. Because of neoliberal globalization, offshoring, outsourcing, and privatization, millions of workers also lose formerly established rights. Standing makes a theoretical and empirical comprehensive and radical analysis of work during decades of



neoliberal globalization with focus on occupational rights, going beyond industrial citizenship, in an attempt to “reviving occupation in full freedom” (chapter 9) and building basic economic security for all (chapter 10).

Standing takes inspiration from Polanyi’s *Great Transformation* (1944) and agrees with the need for socially embedding the destructive capitalist markets (2009, chapter 1). Polanyi argues theoretically for decommodification as the logical future outcome due to the need for a growing public sector and for embedded capitalist markets after the depression in the 1930s and WWII. Pressure would come from civil society to stabilize crisis-ridden capitalist market by public sector expansion and decommodification. Decommodification of labor (reproduction) is situations when persons can sustain their livelihood without reliance on the market. In 1944 Polanyi sees growing decommodification as socioeconomic progress, giving labor more job security and democratic rights by the welfare-state model. Standing finds Polanyi’s view of the future market economy in *Great Transformation* too optimistic and points critically to the “Global Transformation,” as a second great transformation, which he describes as the neoliberal countermovement and end of the welfare-state capitalism (2009, chapter 3). Polanyi could of course not foresee this later development in 1944. The industrial working class, trade unions, and social democracy had a progressive era of labourism and decommodification, building industrial citizenship and safety rules. This preglobalization era brought increased national labor market regulation, in line with ILO’s principal idea that “labor is not a commodity.” The industrial citizenship includes rights and safety rules regarding seven areas according to Standing (2009, Box 2.1, p. 37):

- labor market security*—full employment and adequate income policy on macro level
- employment security*—regulation of arbitrary dismissal
- job security*—to keep employment, job, and income status or upward mobility
- work security*—health and safety regulations
- skill reproduction security*—right to training and education to gain skills
- income security*—minimum wage floor, adequate compensation, reduced inequality
- representation security*—independent unions, right to strike

However, the decommodification era of labor market and work security is gone in most countries. The neoliberal countermovement has changed conditions for most workers by “labor recommodification in the Global Transformation,” which is the title of chapter 3. This chapter analyses “the architecture of the global market society” (2009, pp. 59–62). By sharp conceptual distinctions, such as between work (all type of activity) and labor (wage work), commodification and decommodification, industrial citizenship and occupational citizenship, Standing formulates his radical criticism of both the neoliberal market architecture, “Hayek’s triumph” (p. 57) and the weakness of the ILO industrial relation model and labourism. Neoliberal globalization dismantles the security of industrial citizenship even for the industrial core of the working class. Global labor flexibility—numerical and functional—affects all workers by adapting to market fluctuations, its ups and downs, changing number employed and occupational job functions. Global competition reduces social income security and welfare benefits. Public sector jobs are no longer permanent. By global privatization, income gaps increase and more and more workers, not only in the South, get informal, precarious jobs without rights and security. Standing criticizes the ILO model for limiting identity of work and occupation to wage

labor. All work outside the capitalist labor market turns uninteresting for industrial relation regulation. Chapter 4 is about global inequality, class structure, and the precariat, and those outside industrial regulation, which will be taken up later.

Most interesting is the analysis of global changes of occupations and professions in Chapters 6 and 7. Neoliberal globalization continuously transformed and dismantled the content and identity of different occupations. Hayek was one of the first to attack the medical professions' protection from market forces. Essentially, as Standing remarks, occupational groups try to protect themselves from unregulated market forces, from consumers or employers. However, occupations, especially professional occupations, for long living with self-regulating associations, need to accept state licensing, standards, and regulation, adapting to the market. Standing describes in some detail examples of conflicts regarding certification, accreditation, and licensing both in the North and South. To harmonize occupational standards in services, the World Trade Organisation (WTO) in its General Agreement on Trade and Services (GATS) has been struggling with mutual recognition of professional qualifications, like the European Union with its Service directive (pp. 200–208). Professional standards most often come in conflict with competitive cost pressure on global markets, dismantling traditional rights, status levels, and identities of professions. Corporate standards need corporate knowledge control and professional skills upgrading but mass production also deskills workers (p. 165).

Vision

In Chapter 9 Standing tries to give all occupations equal rights, recognition, and identity, a vision described as “reviving occupation in full freedom” (chapter title). Freedom as political and philosophical concept is analyzed and related to citizenship. Standing criticizes thoughts of liberal individualism, corporate citizenship, and new forms of paternalism. *Great Transformation (GT)* is cited as a political philosophy by Standing (2009, p. 242):

Socialism is, essentially, the tendency inherent in industrial civilization to transcend the self-regulating market by consciously subordinating it to a democratic society (GT, p. 242).

There should be “work rights” instead of “labor rights” and new international regulation for informal, precarious workers. Instead of “industrial citizenship,” there should be “occupational citizenship,” based on professions, education, and “collaborative bargaining” (pp. 278–281). As Durkheim once put it, professional groups could become “the chief source of social solidarity” (pp. 252–253) according to Standing. These principles go beyond ILO. Standing is most skeptical if ILO, based on labourism and tripartite principles, could ever be reformed in the direction of occupational citizenship, as no occupational based group is represented (p. 263). However, it seems difficult to regulate and accredit occupations, balancing consumer interest, labor law, and occupational group interest (pp. 265–280). New occupational associations, work rights linked to occupations, and new collaborative collective relations must be formed, according to Standing.

The major tool or policy for decommodification and occupational citizenship is the *Basic income* principle presented in Chapter 10 (pp. 299–305). Economic income security is fundamental for freedom. Every citizen or legal resident, regardless of age, marital



status, or employment situation should therefore have a guaranteed monthly basic income as cash payment or tax credit. The basic income payment must be unconditional, not subject to different paternalistic schemes. Seventeen Latin American countries have conditional cash transfer schemes (CCTs), in Brazil alone paid to about 50 million poor people (2011, p. 140). Conditionality is wrong, in Standing's view. CCTs are not helpful in establishing occupational citizenship. Standing takes active part in the organization "Basic Income Earth Network," working for unconditional income security.

Standing wants to build a new occupational relation system instead of the ILO-based industrial relation system. No doubt, there are strong tendencies of occupational regulation, also globally, as seen with GATS negotiations. But will occupational associations contribute to more equality and solidarity? Can occupational citizenship build a universal alternative as presumed? Even if you can agree with most of Standing's critical analysis of neoliberal globalization and degradation of labor, several questions remain unanswered. Are not the new industrializing and developing countries more in need of proper industrial relations than of occupational relations? Is the power behind Global Union Federations, such as that of IndustriALL, not necessary to get binding agreements with multinational corporations like *the Fire and Safety Accord* in Bangladesh (May 2013), giving precarious workers some protection and some limited part of industrial citizenship? Do occupational groups themselves want to abandon the industrial relation (IR) system, for instance in Nordic countries where their unions are strong and part of the IR system? Standings' arguing is based on fundamental principles, but must it always be either or? Can it not be both ILO's industrial relations and transitional occupational citizenship and working rights principles? For instance, are Latin American CCTs not an element pointing to the need of basic income, and could some conditionality be good or necessary and others bad or unnecessary—in the transition to "paradise"?

The precariat

In the 2011 book, the language is sharper and the precariat becomes the major global agency of change, either to a global "inferno," if the precariat turns toward fascism as a dangerous class (Chapter 6), or to a "paradise" (Chapter 7), if the precariat can unite and build occupational citizenship as outlined in *Work After Globalization*. The use of terminology and popular language makes the book to a somewhat Communist Manifesto-like version of *Work After Globalization*, a global age revision of Marx and Engels and Polanyi. Anyhow, it is a strong wake-up call. The precariat takes the role of the proletariat. The precariat is precarious workers below the status of working class, but the process of "precariatization" during globalization is a parallel to "proletarianization" under industrial capitalism (pp. 16–18). It is wrong, according to Standing, to understand neoliberal decommodification as deregulation, which often is the case. In reality, there has never been more labor regulation, but regulation to remove collective labor rights, to restrict or suppress independent organizing and working rights, and to dismantle other barriers to commodification (p. 26).

The era of public sector welfare and decommodification, protecting the position of workers, is gone and the neoliberal countermovement, the Global Transformation, erodes trade unions and working class rights, especially in the South. As a result, a new class, the precariat, emerges without industrial citizenship or any of its above-mentioned

rights and securities at work. The precariat is formed by global competition, privatization, income gaps, labor flexibility, and recommodification in a new global class structure. The precariat is one of seven global classes, described shortly in *Work After Globalization* (2009, Chapter 4). The vast majority lives in the South. In order from top to bottom, using Standing's terminology, the seven global classes, are as follows:

- the elite*, super-rich global citizens with influence on most governments
- the salariat*, public and private high-paid employees with stable employment and many benefits
- the proficians*, technicians and professionals, often consultants or own-account workers
- the working class*, core of manual employees, a shrinking group, including the working poor
- the precariat*, a growing group of informal, precarious workers
- the unemployed*, mainly long-time unemployed depending on social benefits
- the detached*, a modern "lumpen proletariat," homeless and others living below subsistence level

All global classes are becoming more fragmented by power position and status than before. However, the precariat is even more heterogeneous, not even a class yet, but a *class-in-the-making* (2011, p. 7).

More and more workers lose full-time jobs and end in the precariat, as part-timers, casual workers, "recycling" workers, etc. due to competitive global pressure. It is still only emerging, not able to act, as Standing supposes it will in the future. Global migrants form the largest part of the socially fragmented precariat. They are "denizens," that is, without full national citizenship and without occupational rights. Regarding occupational rights, the whole precariat is denizens.

Precariat combines the two words precarious and proletariat with an origin in French sociology, according to Standing (p. 9). In other countries the concept varies. The social origin of the precariat can be both paid and salaried employment, or other groups, like poor farmers moving to cities. There is a general agreement of an increase of precarious work globally, in both the North and South, but exact numbers cannot be given due to lack of statistical definitions. Most country studies analyze the increase of "bad jobs" and the deterioration of the quality of jobs and the employment protection system, without common standards of statistical data. However, there is no agreement about making a class division between the precariat and the working class. The division is not especially clear in Standing's book either.

Standing makes no distinction between the concepts precarious work and vulnerable work. The first concept relates to type (or lack) of work contract, the second to type (or lack of) of health and safety work environment. Precarious, flexible, or part-time work does not have to be vulnerable, denied occupational safety rules. Full-time unionized work can be very vulnerable. Furthermore, precariousness in the South may be different from the North. Standing has most examples from the North, especially the UK and the USA. Many reviewers criticize this bias. Ronaldo Munck makes a critical reconstruction of the precariat with a long-term perspective from the South (Munck, 2013). It is recommended reading to complement Standing. Munck believes that the process of proletarianization is compatible with informalization in the South, creating the fastest growing global social class on earth, the informal working class of about one billion workers.



Standing builds his vision of future occupational citizenship for the precariat on a new global class movement of the precarious workers, with new type of collective work associations and new institutions (p. 168). He does not see the possibility for an alliance with traditional trade unions or the democratic majority or ILO. The precariat needs its own collaborative associations, like cooperatives or occupational guilds (pp. 169–170). In contrast to Polanyi and ILO principles, he believes labor by definition is a commodity. Full market pressure or commodification, should actually be applied on the income of the salariat, the proficians, and core workers—classes enjoying special benefits and bonuses. Benefits should be taken away. This should help to harmonize income levels, according to Standing. However, it seems to be in contrast to building occupational citizenship for the precariat and others, which needs decommoditized, free public education and economic rights, limiting the destructive influence of the market. Especially his suggestion to institute a Basic Income to all, enabling free use of time, is obviously against commodification (2009, Chapter 10; 2011, Chapter 7) because it also includes the working class and the salariat. Furthermore, if the precariat wins its struggle for occupational citizenship, it will, by Standing's own definition, become part of the working class or salariat with the same seven security standards and rights as mentioned above.

The two books do not give any answer to questions of how to unite the fragmented precariat to a class with common interests, or how to build strategic alliances, except for Standing's participation and strategy in the Basic Income Earth Network. Most other authors' discussion on agency and strategies build on inclusion of traditional unions or core workers in network alliances with labor NGOs. Although *The Precariat* is a good overview of global precariousness of workers, it is most difficult to understand the prescribed strategy of dividing struggles and split in institutions between working class trade unions and the precariat. This strategy may lead to a "policy of inferno" as described in Chapter 6.

References

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