

Two Inseparable Features of Today's Capitalism: Authoritarianism and Precarity*

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Introduction

Neoliberal economic policies which began to prevail from 1970s and 80s onwards comprise on the one hand deregulation of economic activities, privatisation of public institutions, liberalisation of foreign trade; and on the other hand an overall assault on the labour and its gains along with social spending cuts, subcontracted labour and undermining of trade unions. These policies, together with the internationalisation of production, have led to the spread of precarious work.

This precarious work has coexisted with authoritarianism, which has functioned as a critical tool to sustain precariousness. Transition to neoliberalism and continuation of it has required authoritarian government practices. This paper intends to reveal precariousness and authoritarianism as the inseparable features of today's capitalism. But are precarity and authoritarianism unique to neoliberal period?

This paper also aims to discuss whether authoritarianism and precariousness are peculiar to today's capitalism or they are inherent tendencies (or even one of the laws) of capitalism. Since we have enough historical evidence that capitalism is not correlated with democracy (or even bourgeois democracy), it is worth to discuss, in the light of the findings about the relationship between authoritarianism and precarity, that whether authoritarianism or bourgeois democracy is an exception in the course of capitalism.

* The paper was presented at the 8th Annual IIPPE Conference in Berlin, Germany.

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Precarious Work: A New Phenomenon or Inherent in Capitalism?

Transition to neoliberal era from Keynesian one undoubtedly caused the spread of precariousness. On the one hand, with the internationalisation of production, the Transnational Corporations (TNCs) began to move the production to the places where transaction and labour costs are lower. This has led to the suppression of wages and increased precariousness even in the developed countries since the workers are consistently under the threat of losing their jobs. In the developed countries, one other factor undermining bargaining power and thus job security of the workers is the migrant labourers (especially if they are undocumented or illegal) that are in general ready to work under heavy working conditions. On the other hand, especially in the developing countries, shrinking of the agricultural sector and the shift of labour from agriculture to industry and services contributed the rural population to be added to the reserve army of labour.

In addition, the crisis of capitalism, from 1970s onwards, has led capital reproduction to unproductive and speculative areas. As a result, the effort to overcome this problem through the financialisation process caused an increasing pressure on the productive labour that got into indebtedness and does not tend to oppose the rule.

By the way, in academia as well permanent jobs are getting more and more rare. Short term contract jobs, temporary scholarships are becoming widespread. In Turkey, all of the research assistant positions are being converted to 50/D, which provides graduate students a scholarship until they finish their thesis and then their contracts are terminated. And nowadays, going a step further, Turkish government envisages abolishing job security of the public servants.

According to widespread definitions, precariousness lacks access to work; protection from arbitrary firing; possibility for advancement; long term employment; adequate safety; development of new skills; adequate income; union representation (Jonna and Foster, 2015, 21).

Of course, the criteria of precariousness may be different in each country (for example informal work is a serious problem for Turkey whereas having the rights of retirement and health care is more important in the USA and Canada).

Some of the indicators of precariousness are as follows: part-time work, temporary work, subcontracted work, the number of discouraged workers, unemployment and underemployment. Besides, the elements such as decline of trade unions, stagnant or declining wages, increasing debts (since they facilitate the acceptance of precarious work), and fear of being fired are both the results and causes of the spread of precarious work.

OECD defines precarious work as the intersection of low levels of pay and high levels of labour insecurity. A report by the Wellesley Institute indicates that precarious employment does not meet legislated minimum employment standards like minimum wage, hours of work limitations, health and safety codes etc. Poverty and Employment Precarity in Southern Ontario (PEPSO) defines precarious employment as working less than 30 hours per week, not receiving a decent wage and benefits, and not expecting to be working at the same employment a year from now. It also argues that self-employed people who list no official employees are often working in precarious jobs, because in normal circumstances they would be part of the waged labour force (Gottfried et al., 2015, 138).

Melin and Blom (2015, 33-34), counting those who (1) are unemployed, (2) have fixed-term labour contracts, or (3) have a part-time job as precarious, depict according to the European Social Survey data in 2010 that 30% of the population between 18-65 in Russia, 35% in Nordic countries (Denmark, Finland, Norway and Sweden), 40% in Germany, 50% in the UK, 38% in France and 46% in Spain belongs to precariat.

According to the ILO statistics, more than half of the world's labour force is employed in insecure work (Gottfried et al., 2015, 138).

However, full-time employment does not guarantee a secure job. For example, according to some scholars, in the USA, large firms are reducing their core workforce and applying on contracting out of several tasks to smaller firms or employing temporary workers via external employment agencies (Lewchuk et al., 2015, 94). (These employment agencies have been introduced in Turkey as well). In addition, retirement getting more and more difficult and its privatisation, restrictions on reemployment, decreasing members and weakening bargaining power of trade unions lead to precarious work for the full-time employees as well.

Actually, one should consider that a large part of these indicators are consequences rather than causes. Because under the conditions of precarious work, the employees can object less and have less possibilities to struggle for their rights, which paves the way for worse working conditions and lower real wages in a vicious circle.

What underlies is a more systematic problem: Capitalism necessitates precarious work in order to increase rate of profits. And authoritarian rules are also essential to sustain this precarious work.

Some authors make a distinction between proletariat and precariat by defining the former as the workers organised in the trade unions, having formal and stable jobs. They argue that precariat is a new class and represents a new phase in the course of capitalism (see for example Standing, 2011).

But from its early beginnings, as seen from the texts of Marx and Engels, apart from the fact that it is not possible to make such a distinction, precariousness is inherent in proletariat. Engels in his *The Condition of the Working Class in England* and Marx and Engels in their *The Communist Manifesto* argued that proletariat's general condition can be described in terms of precariousness, the threat of being thrown into the "surplus population" with the unceasing progress of machinery reinforces this condition; and the competition among the capitalists together with the improvement of the machinery "make the wages of the workers more and more fluctuating and their livelihood more and more precarious" (Jonna and Foster, 2015, 25). This condition of precariousness actually refers to the widely known concept of "reserve army of labour".

So, I argue that relatively secure work is peculiar to Keynesian period and this period is an exception in the course of capitalist development. The reasons of the existence of relative job security at that period are the high rates of membership to trade unions since class struggles were stronger; relatively high real wages in order to support effective demand; the fact that places of production was not fragmented in national and international levels yet.

Authoritarianism and Capitalism

As mentioned above, precarious work is an essential element for capitalism to restore profits. And in order to suppress the opposition from the working class and any other groups as well as to legitimise precariousness and “take” the consent of the employees, authoritarian governments are indispensable.

In the neoliberal period, the role of the state in the economy has been reduced; however, the states in various countries went on to be strong, maybe even stronger than before. Not only in developed but also in developing and underdeveloped countries, authoritarian tendencies of the states became permanent and this helped to meet the “need” to eliminate social rights, apply liberal policies, and solve the problem of profitability after the crisis of 1970s.

“Strong” states were also preferred by international finance capital especially after the “debt crisis” since these authoritarian states were more successful to maintain external debt service by impoverishing the people, generalising precarious work and giving state guarantees for these debts. Although the attitudes of military rules in debtor countries significantly contributed the increase in the debt levels, this debt crisis cannot only be explained by the wasteful policies of these dictators. Actual developments such as the dramatic increase in petrodollars following the oil crises on the one hand, and structural features of capitalism such as the need to export capital on the other hand had rather greater impact on the debt crisis. Structural adjustment programs and austerity measures imposed by IMF as well were accompanied by authoritarian governments which eased to implement IMF’s recipes.

In many developing countries, the transition from Keynesian or developmentalist paradigm to the neoliberal one was possible through oppression apparatus of the state, and more often than not through military coups (as were the cases for Turkey and several Latin American countries).

Developed countries as well are not exempt from this authoritarianism. Recently, one should remember that a technocratic government that was not elected took over in Italy, and in Greece the referendum process was first prevented and then once it was held the government did not fulfil the results. Besides, we usually witness several bans on demonstrations in the Western countries as well. For quite some time, those who are elected in the Western countries have not fulfilled their election campaign promises and have met the demands of capital. That is why voter turnouts have declined dramatically and new figures such as Emmanuel Macron, Donald Trump, Beppe Grillo etc. appear.

Authoritarianism cannot only be defined in terms of coercion, brutal force or violence, although these means play quite critical roles in the reproduction of capital accumulation and sustaining rates of profit. It also implies that executive is more powerful than legislature or even in some cases than judiciary; laws and regulations on behalf of capital are quickly made; and technocratic elements prevail in government practices.

And in a broader sense, all of the regimes in which decisions about production, distribution and work are not taken in a participatory and democratic way could be called authoritarian: it is just the definition of capitalism.

In this sense, authoritarianism is not only a response to economic crisis as Poulantzas (2000) and Bruff (2014) argues. Of course, in the crisis periods the coercion comes to the fore, and in “normal” periods it recedes. But capitalism has always contained authoritarianism as a tendency, and furthermore by taking consideration the broader definition above it is inherent in capitalism just as precariousness.

As a corollary, capitalism prefers governments such as in Erdoğan’s Turkey, Orbán’s Hungary, Putin’s Russia, Narendra Modi’s India, Thatcher’s Britain, China, South Korea etc. The research by Lee and Zhang (2013) about the authoritarian capacity of the Chinese state to absorb opposition movements is worthy of note in this respect.

At this point, the concept of “bourgeois democracy” could be questioned since it was possible in many Western democracies thanks to the class struggles. Once class struggles retreat, many rights of the working class are abolished.

Of course these structural features of capitalism create several contradictions. Within these contradictions, the salvation of the working class lies in struggling against authoritarian and precarious nature of capitalism together with all the elements of proletariat (industrial workers, workers in the services sector, part-time workers, unemployed etc.) rather than making unreal distinctions within the working class.

As for Turkey, there is a range of arguments that Justice and Development Party (AKP) was at first reformist and adopted democratisation moves, and then it turned towards authoritarianism. This trend went so far as to argue that 2010 referendum broke with the authoritarian remnants in Turkey (for a significant example representing these views see Öniş,

2013). However, the line represented by AKP has been a clear continuation of the policies applied from the early 1980s onwards. Its apparent image may have changed in due course but the spirit of the laws enacted, the regulations made, transfer of funds was consistent from its early beginnings of its power and served to the capitalist classes by following authoritarian tendencies.

Between 2003 and 2017, 13 strikes were postponed during the AKP rule and these bans affected 67,850 workers, and these decisions were passionately defended by AKP executives.

The terms fascism and/or Islamism are widely used for the political regime in Turkey. Capitalism may co-exist with fascism, Islamism or parliamentary democracy, but authoritarianism defines the political regime in Turkey (and for capitalism) better since fascism or Islamism may not be sustainable in the long run and parliamentary democracy may not be sufficient to manage the ruled. Fascism-like regimes may only be temporary for a capitalist rule just to overcome systemic crisis and pave the way for reproducing economic and social relations.

Conclusion

From the 1970s onwards, the neoliberal paradigm has replaced the Keynesian one; and the mobility of capital, decline in the trade unionism, fall in the real wages, erosion in the job security have prevailed ever since. These led a huge increase in the reserve army of labour and precarious work, and authoritarian government practices have been essential in order to sustain this suppression on labour.

This paper argues that neoliberal policies and the effort to reverse falling rates of profit required precarity, which could only be realised in the presence of an authoritarian state. Authoritarianism and precarity cannot be separated from each other and they are basic characteristics of today's capitalism.

In this context, on the one hand, precarious work served to restore profits, meet the demands of imperialist monopolies and "local" capital groups; on the other hand, authoritarian governments managed to suppress the response from the working class and other oppressed groups. So, the struggle against authoritarianism and precarity (in other words the struggle for democracy and class struggle) as well cannot be separated from each other.

It is widely accepted that neoliberalism requires disciplined and low-waged (so precarious) labour force to sustain itself. This is not false but we should discuss whether it is peculiar to neoliberal period of capitalism.

Last but not least, precariousness is inherent in the working class and a basic tendency of capitalism rather than being a new concept. This can also be traced back to the writings of Marx and Engels. And authoritarianism is required to sustain precarious work. After the exception of Keynesianism, it seems that capitalist system mostly prefers authoritarian governments.

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