

# **A STABLE COMPROMISE IN UNSTABLE TIMES**

**A Critical investigation in the capital-labour relation, and how a basic income  
can mobilise a new sensibility towards value**

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Basic Income and the New Universalism  
Rethinking the Welfare State in the 21st Century

“... Capital therefore presupposes wage-labour;  
wage-labour presupposes capital. They condition each  
other; each brings the other into existence”

Karl Marx 1999/1847: 32

# **1.0 OVERVIEW**

## **01 Introduction**

+ background, context and motivation

## **02 Model as point of departure**

+ summarising the four breakdowns

## **03 Four breakdowns**

+ Basic income as a structural compromise

## **04 Closure**

+ basic income as universal

+ Unions need to abandon identity politics

+ Labour parties need to redefine labour

## 2.0 MODEL

<b>Mode of production</b>	<b>BREAKDOWN BETWEEN</b>	<b>CRISIS IN</b>	<b>RESULTS INTO</b>	<b>BASIC INCOME AS</b>
Fordist ↓ post-Fordist	Life / Labour	Time & Space	Immeasurability of value	Remuneration
	Common / private	Property	Exploitation of the commons	Compensation
<b>Labour Policy</b>				
Welfare ↓ Workfare	Right / Obligation	Reciprocity	Social Stigmatisation	Stratification
	Work / Labour	Production & Reproduction	Recommodification	Decommodification

Basic income represents a political-structural solution to the breakdowns found in the capital-labour relation in the perspective of a Danish labour market policy. Basic income is a 'third way' between Keynesian welfare principles and neo-liberal workfare principles.

### 3.0 FROM FORDISM TO POST-FORDISM

#### Overview

Fordism Is the industrialised and standardised production of material goods such as Taylor's assembly line  
*The factory - workers*

Post-Fordism Is the flexible & mobile production of intangible goods such as service, knowledge, information & affect  
*The network - workers* (blue-collar workers, freelancers, immigrants), students & unemployed

<b>Observation</b>	<p>Time and space no longer determines value production as in the factory affecting an audience, leaving no end-product (virtuoso) attending network meetings outside office (relations) answering emails at night (communication) accessing social media forums (data accumulation)</p> <p>Increased focus to activate unemployed in order to make them pay back their social benefit</p> <p>post-fordist labour is per definition precarious (remote, flexible, temporal) → difficult to mobilise workers (compete internally)</p>
<b>Reason</b>	<p>Globalisation (cheap, remote labour) New information-and communication technologies Neoliberal governance (deregulation, privatisation, individualisation)</p>
<b>Problem</b>	<p>It is becoming increasingly difficult to measure the production of value Challenges relation between labour and productivity Life has become labour</p>
<b>Answer</b>	<p>A basic income stands as remuneration for a life subsumed by labour</p>

# 4.0 FROM FORDISM TO POST-FORDISM

## Overview

When capital relies less on traditional wage-labour and more on social interaction, the role of capital becomes a battlefield for property. The property of capital is usually understood as either public or private. Knowledge is never 'raw' but always already accumulated within a social interaction. Externalities are no longer marginal to the economic transaction, but have become the central locus of production (Moulier-Boutang)

<b>Observation</b>	Investment in intangible capital (IPR, patent, software, design, branding) exceeds investment in tangible capital  Private companies 'reap' positive externalities (data, tacit knowledge) from the commons  Productivity rises while wage and employment has stagnated (Brynjolfsson & McAfee)
<b>Reason</b>	Unions have build their culture through identity politics ("right to work", "hardworking") and are afraid of including post-fordist workers such as students, freelancers, unemployed & immigrants.
<b>Problem</b>	Unions don't know how to cope with the productivity-wage challenge  When receiving social benefit, labour policy is structurally build to measure your impact. When there is no economic output you are measured by labour time.
<b>Answer</b>	Unions keep fighting for the 'keynesian principle' of stable income and full employment (dissonates with post-Fordist labour)  Therefore: Basic income as a redistribution of productivity gains as a compensation.

# 5.0 FROM WELFARE TO WORKFARE

## Overview

A welfare state is defined by two universal principles (Esping-Andersen 1990)

Denmark is regarded as a welfare state

Decommodification “the degree of families to uphold a socially acceptable standard of living independent from market participation”

Stratification “the degree the state intervention in equality without causing social stigma related to the benefit”

From the 1950s-1980s, rights were obtained through payment of income tax, and hence universal (cannot be conditioned to reciprocity).

The transition from welfare to workfare is not based on the ‘size’ of welfare, but the ‘reason’ why welfare is being issued.

Welfare is now perceived as an investment (a commodity) in human capital. Citizens are no longer citizens but consumers

<b>Observation</b>	<p>The welfare state ran into significant difficulties in the 1970s when the global stagflation crisis largely due to the oil crisis.</p> <p>Rights are no longer bound to a universal citizen-principle, but instead conditional to the fluctuations of the market.</p> <ul style="list-style-type: none"> <li>- new political figures enter into Danish media (Lazy-Robert, Poor-Carina, Café-money, Elder-burden)</li> </ul>
<b>Reason</b>	<p>The Flexicurity-Model was issued to eliminate structural unemployment around 1995 (flexible hiring/firing, guaranteed security, activation)</p>
<b>Problem</b>	<p>The market now verifies the welfare state. This is evident since the ministry of finance, which controls the reaction of economic fluctuations, has taken precedence over other ministries (e.g. education and health). The result is a de facto centralisation of political-economical power.</p> <p>Keynesian welfare policies cannot cope with structural unemployment and structural competitiveness Schumpeterian workfare policies generate social stigmatisation</p>
<b>Answer</b>	<p>Basic income as a tool for reducing stratification as workfare de facto conditions rights to the market.</p>

# 6.0 FROM WELFARE TO WORKFARE

## Overview

The work-labour relation include two different yet important arguments:

### 01 definition of work/labour

Labour is an activity paid with a wage

Work is an activity excluded from the wage relation (voluntary, creative, reproductive, political).

→ But interestingly, post-Fordist labour starts to mirror reproductive labour.

### 02 contemporary labour includes many work-for-labour activities

Job-seeking, recruitment, queuing, form-filling, networking, reading company reports, and transportation

<b>Observation</b>	A parent taking care of his/her child is doing the same amount of work as someone paid to do it. <ul style="list-style-type: none"><li>- Labour market policies separate between (wage-)labour and work</li></ul>
<b>Reason</b>	Difficulty in the quantification of labour  The realisation that labour is more a mechanism of control than an actual source of value?
<b>Problem</b>	Precarious Labour and active labour policy create Precarity traps → Recommodification  The workfare policy assures that the recipient can survive any material need (negative freedom), but on the other hand hampers the recipient to negotiate, or say no to, certain working conditions (positive freedom) due to the strict obligations of benefits.
<b>Answer</b>	Decommodification <ul style="list-style-type: none"><li>- both as negative freedom (to say no)</li><li>- and as positive (to say yes)</li></ul>



## **CLOSURE**

The universal principles of Keynesian Welfare policy can no longer be applied to a post-Fordist economy → Basic income is the only universal policy able to.

### **Next steps**

- + Unions need to abandon identity politics
- + Labour parties need to redefine labour

The four 'breakdowns' caused by workfare/post-Fordism are generating a structural pressure under each dichotomy: And the thesis believes a basic income can compromise this pressure. This thesis' claim is that the structural breakdowns can be understood by Virno's analysis of the Multitude since the concept depends on an essential insight: When politics, culture and economics blends together in the post- Fordist era, the lines between public-private and individual-collective shatters the ground on which the civil subject is constituted. The external fear that before defined the subject is now internal. A permanent insecurity forces the individual to re- establish modes of beings based on commonalities: Logical-linguistic aptitudes which at the same time pre-supposes a new form of production as such.

The structural breakdowns of life/labour, common/private, right/obligation, and work/labour are thus all emphasised and explained in the underlying idea behind the multitude: The general intellect. Virno further points to the biopolitical ambivalence of the multitude now that the multitude has the capacity to choose life over capital, but with the inherent risk that capital will subsume life. This thesis identifies a basic income, not as an emancipatory tool, but rather as a reformist compromise consisting in between the biopolitical ambivalence of the multitude as a fair compromise for life as capital.