

**Modes of Control:
A Labour-Status Approach to Decent Work**

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Preface

This is a dull paper. It should not be taken as representative of material emanating from the Socio-Economic Security Programme, in scope, form or tone. It is an attempt to come to grips with some well-known ideas about freedom and control, and to help a few like-minded colleagues to think through links between controls, security and “decent work”.

There are some excellent papers on *decent work* being produced by ILO colleagues or by the growing number of scholars contributing to the development of the concept and strategy around it. Some of these are focusing on definitional issues, some on measurement, some on national case studies. So far, they have not made any attempt to link up with the concepts and concerns of the Socio-Economic Security Programme. This must come if an integrated approach is to develop. Readers are encouraged to obtain copies of the various papers, particularly those produced by or for the Institute for International Labour Studies.

The reconceptualisation of work is at the core of the rethinking of social protection systems around the world, and although the abstract considerations covered by this paper may seem far removed from that rethinking, social protection schemes in the future may be judged by whether they enable people to make rational decisions about the way they work in *real freedom*, which requires basic economic security.

One set of issues has been omitted from this paper that is required for a full treatment – the classification of socio-economic strata or classes. This is being covered elsewhere, and was discussed in a recent book on the desirability of shifting from a focus on labour to one on work.

This is a discussion paper, so we would welcome comments, especially as some of the issues raised are being included in our *People’s Security Surveys* and *Enterprise Labour Flexibility and Security Surveys*. Thanks are due to participants in a seminar at Harvard University, where it was presented, to Ratna Sudarshan, for perceptive comments, and to Richard Anker, in particular, for discussions of the issues.

Guy Standing

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1. Introduction

The ILO has launched a slogan – *decent work*. Although dignified work might be a better term, work is a better word than labour, because it embraces all creative and productive activity. But what constitutes good work? There are, of course, various elements, most of which are not discussed in this paper. However, a crucial aspect of work in its positive sense is *autonomy*, the absence of externally imposed controls or at least the opportunity to avoid or lessen such controls. Good work is necessarily disciplined work, but it is self-discipline that must have the primary role. During the 21st century, the ideal to which societies should move towards is a set of circumstances in which more and more people can pursue their own sense of occupation, blending a variety of activities, formal and informal. To move in that direction, it is necessary to combat the various controls that characterize labour.

The trouble is that in discussions of labour and work, we have not given much attention to the conceptualisation of control, let alone the measurement of it. This paper is a rather dry and austere attempt to think through the issues.

2. Rethinking Work and Labour

There is a need to establish a new framework for thinking about work based on some very old ideas. This should extend from analytical categories to statistical ways of representing reality, and the framework must be suitable for a globalising economy. For this, the key concepts should be *control*, *security*, *autonomy* and *occupation*. Let us begin by recalling the main statistical story.

In the 20th century, the main political and social concerns that guided policy also shaped the labour statistics collected around the world, and these in turn shaped policies and research questions and answers. Although numerous students criticised the resultant statistics, most social scientists continued to rely on them. Among the reasons was that there was no alternative framework, and as we know no *paradigm* is replaced until there has been a breakdown in the capacity of the orthodox paradigm to answer questions being posed and until an alternative paradigm is waiting to displace it capable of addressing the new questions and of providing possible answers.

The 20th century began with the world of labour being mapped by statistics conforming to the *labour status approach*. However crudely it did so, this was suited to a social vision in which *class* was the dominant prism, and in which the social and detailed division of labour were presumed to be easy to portray. Censuses and surveys disaggregated the population by main *usual* job status, not in terms of *current* activity. This not only concealed most women from sensible classifications, but meant that there was no measure of unemployment or employment. It was this latter deficiency that undermined that approach in the 1930s, leading to the legitimation and

implementation of the *labour force approach*.¹ With its trichotomy of employed, unemployed and “economically inactive”, this was always a simplification, but it allowed economists and policymakers to estimate unemployment rates and the level of ‘employment’.

For about 50 years, this approach functioned adequately, in that for all its theoretical flaws it satisfied the needs of mainstream policymakers and social scientists. But by the end of the century, a coalition of interests had undermined its legitimacy. Besides the deficiencies that feminists and others had highlighted, there were five developments making the labour force approach increasingly anachronistic. There is no need to attribute primacy to any one factor. Briefly, they were as follows.²

First, contrary to expectations in the middle decades of the 20th century, labour markets and labour relations had become more flexible in most economies, and by the end of the century there was no presumption that labour markets in developing countries would evolve to the model epitomised by the image of *industrial man* – in regular, full-time, socially protected and unionised employment, with “temporary interruptions of earnings power”, in a stable job preceded by a period of schooling and followed by a short period of full-time retirement. Flexibility has meant a bewildering diversity of work statuses, variable periods and intensity of employment, and variable levels and forms of income. It has accentuated the inadequacy of the labour force approach everywhere.

Second, with flexibility came a grudging admission that the unemployment rate was an unreliable proxy measure of labour slack or labour supply in any economy. The neat indexes derived from the labour force approach were simply misleading. This has not stopped the vast majority of economists, labour statisticians, policymakers and commentators from continuing to use the unemployment rate as the main labour market indicator. But it is about time to pour scorn on the measure and stop believing that this is a powerful index to be used by those wishing to espouse a redistributive agenda.

Third, it has been gradually accepted that forms of work other than labour must be recognised as work and compensated. The standard criticisms of the distinction between labour and other activities were known in the 19th century, and were highlighted by luminaries such as Alfred Marshall, to little effect. What changed in the late 20th century was the politics. Voluntary work in “non-governmental organisations” and community work of various kinds had become pervasive and global, with millions of people noisily engaged in activities ranging from their enthusiasms to lobbying for their special interests. Much of this work has been performed by ‘middle-class’ people, who have been able to appreciate that it should be counted, and have been in positions to say so effectively. When such work was done mainly by the poor for the poor, or by the poor for the rich, there was a greater tendency to overlook its worth. But all sorts of people have been doing it, and with voluminous anecdotal evidence of its extent and growth, the statistical omission of such work has become transparently anomalous.

Once domestic work, care work and voluntary work become fully legitimated as work, the dichotomy of labour force and non-labour force will become untenable, if

¹ Ironically, the new approach was less valid for developing countries; yet it was exported to those countries with considerable vigour, in spite of evident deficiencies.

² For more detailed analysis, see G. Standing, *Global Labour Flexibility: Seeking Distributive Justice* (Basingstoke, Macmillan, 1999).

not absurd, even to most of those who have defended it on pragmatic grounds. Work must be rescued from labour. As that happens, a subversive agenda will take shape. Why should “jobs” be so precious? Why should policymakers set themselves a virility test out of the commitment to provide more and more jobs? Even more awkwardly, why should we tolerate politicians and bureaucrats telling us what counts as a job, thereby determining entitlement to some small public transfer?

Fourth, there has been a growing realisation that something fundamental is missing from a vision of society based on individualism, in which we are expected merely to adapt to globalisation, labour flexibility, libertarianism and privatisation of social policy. Even in the most affluent countries, there is a pervasive sense of socio-economic *insecurity*. For a while, state socialism and welfare state capitalism had offered a vision of advancing labour security, but with the collapse of the former in the 1980s and the withering of the latter over several decades, analysts have become more aware that labour market security – enough jobs – is not the only or main form of security on which to base policy recommendations.

Fifth, contrary to expectations, in the last quarter of the 20th century, there was growing “*informalisation*” of economic activity. “Informal” is an overused word. The informalisation has much to do with the spread of new and old forms of flexible labour relations, but the notions of flexibility and informality are not the same. In developing countries, there was long a presumption that there would be a shift from small-scale, casual and “pre-capitalist” forms of production to “formal” employment, defined in terms of stable full-time, protected employment, usually unionized. It is clear that this shift has not gone far in many countries, and that in some the process has gone into reverse.

What has been happening cannot be forced into a dualistic vocabulary without distorting the diversity of experiences. The dichotomy of “*formal sector*” and “*informal sector*” has clouded analysis. Reasons for dissatisfaction with the notion of informal sector include the tendency for some analysts to present it as a pool of marginalized poor scratching around to survive, while others give it a romantic glow, a great hope that could flourish if given subsidised credit, micro-insurance, technical assistance and regulatory incentives. It lumps many dissimilar phenomena into a single notion, making almost any statement dubious or misleading.

Nevertheless, the issues linked to economic and labour informalisation have helped in the erosion of respect for 20th century labour force statistics. The process of informalisation, along with the pursuit of labour flexibility, the sense that we are living in the midst of a global technological revolution, the desire to legitimize forms of work other than labour, and global unease about economic and social insecurity should combine to make it a fertile period to reconceptualise work relationships.

Perhaps a useful starting point is to return to old ideas about *control*. What the body of this paper attempts to do is think through the complexity of control – a much used word, which dominates our existence from cradle to grave. Underlying the analysis and proposed classification system is the following proposition: A just society is one in which all individuals, regardless of age, gender or social background, can work and pursue their own sense of *occupation* in real freedom, which means *inter alia* that the extent of control exercised over them is minimal and justifiable only if it prevents some individuals taking unfair advantage of others.

3. The Concept of Control

The idea of control is linked to the philosophical concept of *determination*, the setting of limits (to an object of knowledge or range of behaviour) and the exertion of pressure, inducing a constrained range of reactions rather than a prefigured pattern of behaviour. The concept of control differs from the idea of “co-ordination”, which can be defined as the social organisation of production in one way or another. Control is a means of co-ordination, although there are many forms of control that might be utilised. Control covers four types of action:

- (i) to compel someone to do something;
- (ii) to raise the costs to someone of doing or not doing something;
- (iii) to prevent someone from doing something else they might prefer to do;
- (iv) to excommunicate someone for doing something.

These might be called the control of *inclusion*, *cost*, *limitation*, and *exclusion*. Complementing these are six possible objectives of attempted subjection:

- (i) to induce a sense of *inevitability*, that the control is “natural”, etc.;
- (ii) to induce behaviour to *accommodate* to a situation perceived as unjust;
- (iii) to induce a sense of *representation*, or ideological domination, such that the person under control believes the situation is just;
- (iv) to induce *deference*, acquiescent behaviour induced by a belief that the controllers possess superior qualities;
- (v) to induce *fear*, of sanctions or possible alternatives, in spite of a belief in feasible desirable alternatives;
- (vi) to induce *resignation*, a belief that available alternatives would be as bad or worse.

While control has these several possible objectives, the term also implies a sense of *hierarchy*. This might be class-related or might not. It implies the imposition of obligations on a controlled person, whether or not there are reciprocal entitlements. The notion of ‘hierarchy’ is linked to the “new institutional economics”, and to Oliver Williamson’s distinction between ‘markets’ and ‘hierarchies’.³ This approach has been fruitful, with its notions of transaction costs, opportunism and malfeasance. But in depicting institutional arrangements as “bounded rationality”, whereby firms exist as governance structures to overcome complexity, ambiguity and contingencies, and by dichotomising markets and firms in a static way, the approach “undersocialises” and neglect the fluidity of institutional arrangements in the face of social relations of control, resistance and compromises.⁴

Control is power. In thinking of relations of production, it is evident that people have control over – or are under the control of – something or other. Nobody has total control, and it is hard to envisage anybody under the total control of others. Where do people fit in the spectrum? It matters for several reasons. Control limits freedom, and freedom is a basic human right and need. Control also determines an individual’s or group’s sense of security. It also induces a consciousness of opportunities and shapes behavioural adaptation. The most effective control, from the point of view of the

³ O. Williamson, *Markets and Hierarchies* (New York, Free Press, 1975); O. Williamson and W. Ouchi, “The markets and hierarchies and visible hands perspectives”, in A. Van de Ven and W. Joyce (eds.), *Perspectives on Organizational Design and Behavior* (New York, Wiley, 1981), pp.347-70.

⁴ M. Granovetter, “Economic action and social structure: The problem of embeddedness”, *American Journal of Sociology*, Vol.91, No.3, November 1985, pp.481-510.

controller, is that which induces the controlled to believe that they have a *duty* to perform tasks that they would not contemplate in different circumstances.⁵

Intellectually, concern over control has a long pedigree. Hobbes' *Leviathan* rationalised authoritarian power over people as the outcome of the insecurities and brutishness of the 'state of nature', in which individuals surrendered their rights and freedom in return for authoritarian protection. This view has always been controversial, involving a continuing debate over control systems and the role of the state.

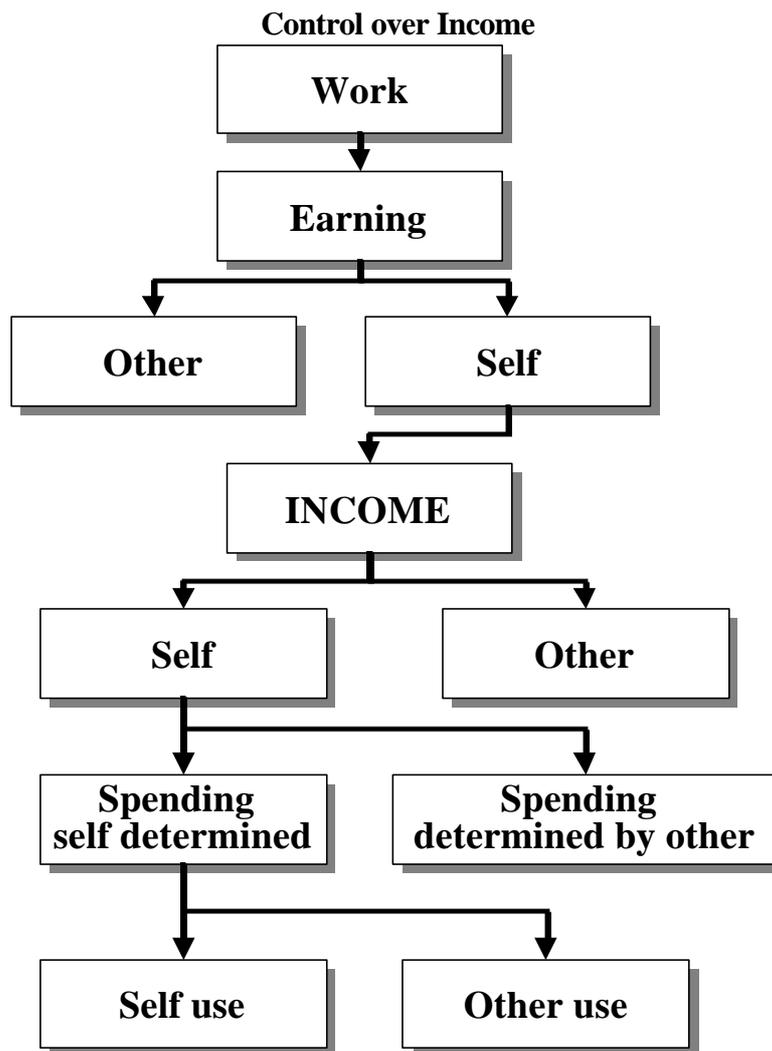
Anybody faces a variety of controls that shape preferences, attitudes and actions, as well as the outcomes of whatever choice they make. From the viewpoint of a producer, or anybody doing work or labour, there are seven aspects of the work process over which to have complete, partial or no control:

- (1) ***Control over self***. This is regarded as the fundamental (Millian) freedom, control over one's own 'labour power', control in the sense of giving a person the ability to choose between activity patterns. This varies enormously. Even a *slave* or *bonded labourer* has some control over his or her activity, but it is severely limited. At the other extreme, even an 'own-account' farmer or employer is unlikely to have absolute control over his activity, since there will be systemic obligations to kin (perhaps a village chief or senior relative) or to a local, communal or national organisation. Control over self is widely perceived as the ideal — full autonomy — although most labour statuses involve giving away part of that, for a period at least. In most contexts, full or substantial control involves some insecurity, in that decisions are in the person's domain. Yet only with sufficient security would scope for real self-control exist.
- (2) ***Control over labour (time)***. One can envisage situations in which a person's control over her labour power is curtailed but where the scope for allocating time and effort to work is greater than for apparently more independent groups. A bonded labourer may have to fulfil obligations but be able to choose to do them in the morning or evening, or by working a short period with high intensity or a longer period with less. 'Free' wage workers will usually have no such choice, and some will have more autonomy than others. The degree of control over the duration, timing and intensity of labour will reflect whether or to what extent the activity is (a) self-paced, (b) machine-paced, or (c) work-group-paced (e.g., 'gang-paced'). Control over labour also embraces time uses associated with the work, such as travel to the work site, and necessary recuperation time. With some productive relations, exploitation is mainly concerned with control over the person (as in slavery), whereas in capitalist production it is mainly about attempts to increase the intensity, duration and timing of labour.
- (3) ***Control over means of production***. This is usually regarded as the crucial characteristic of productive relations and the defining determinant of 'class'. Means of production are those objects which, when directly combined with labour and raw materials, yield a product with value. The adverb 'directly' is to exclude factors which merely facilitate production. Thus, a hydro-electric power station would not be counted as a means of production in a local timber mill, but the power would be counted as part of the raw materials. Means of production

⁵ B. Russell, *In Praise of Idleness* (London, Unwin Books, 1960 edition), p.12.

include instruments, such as tools, machinery and buildings, as well as fuel, land and other spaces such as lakes or stretches of a river.

- (4) ***Control over raw materials.*** This is one of the most concealed forms, but most well known. Raw materials are inputs purposely transformed into desired output having preconceived use value. The term refers to the state of the input at the point of entry into the work process under consideration. Thus a textile factory's raw materials include cloth, not wool, and machines, not metal. Those who have researched patterns of production involving women know that in many systems control over raw materials is a powerful way of controlling and exploiting their labour.
- (5) ***Control over skill reproduction.*** This is concerned with the ability to develop and maintain skills and work capacity. In artisanal production, apprentices were initiated into the 'mysteries' of a craft, and often skill and its recognition were the preserve of a craft *guild*. This has been one of the social controls over the ability to define, develop and apply skills. In some societies, there have been caste-like restrictions, in others kinship systems have required youths to adhere to particular occupations or tasks, in others employers have restricted skill acquisition or directed labour relations so as to limit the acquisition or to enable one group to obtain the skill and not others. Control over skill acquisition has received little attention. In some places social norms have dictated that, for example, women do the gathering and weeding, or apply the skills of dairying and animal husbandry, while they are prevented from acquiring other skills. Social pressures and norms are everywhere.
- (6) ***Control over output.*** This is concerned with the use to which the output is put. The output could be for the worker's consumption, for use in subsequent production, or be used by family or kin. It could be for the use of somebody controlling production, as in the case of a feudal lord consuming food produced by peasants, or sold as a commodity by the producer, or acquired by a merchant for subsequent sale. These means of disposing of the output have different implications, and help reveal the nature of production and distribution. One suspects that a woman outworker in a slum, or producing bidis in an Indian village, rarely has control over the output.
- (7) ***Control over the proceeds of output, or income.*** This should be distinguished from the preceding, although they may be the same. It usually means income. If a weaver is obliged to purchase yarn from a merchant and sell the cloth to that merchant, and is obliged to pay rent to a landlord out of the income and to support relatives with the remainder, the proceeds of the output sold are not controlled by the merchant, even though the output is controlled by him. The proceeds are controlled by the landlord and/or kin. More generally, many producers – particularly women – face multiple controls over the proceeds of their work. This can be illustrated quite simply by keeping the following sequence in mind:



In sum, there are seven elements of labour subject to control. In all economic systems some individuals and institutions exercise control over some elements but not others. This means we should be wary of analytical or statistical classifications based on any one element of the rights, freedoms or security possessed by social groups. For instance, in many parts of the world it is unsatisfactory to measure the control exercised by a landlord merely by measuring the income received from renting out land. Similarly, it is insufficient to identify someone not ‘employed’ or ‘seeking employment’ as ‘economically inactive’ without delving into the sources of his or her income and forms of control exercised in production.

4. Labour Status Categories

Consider the conventional classification of labour statuses, as used in most censuses and labour force surveys, as well as in statistical publications of international organisations. Although sometimes refined, basically this divides the ‘working population’ into employers, self-employed (own account), wage workers and ‘unpaid’ family workers. The remainder of the ‘adult’ civilian population is usually divided into students, unemployed, retired, sick and disabled, and “housewives” (sic). The virtue of this approach is its parsimony, but it does not identify characteristics of control or underlying social relationships. The categories are nebulous; they compress

different groups into single categories. Thus, the self-employed are often under the control of ‘employers’ or ‘middlemen, and are not independent producers of goods or services. Family workers blur into the supposedly economically inactive, only classified as such on the basis of contrived activity criteria or cultural bias. One result is that gender-based and other forms of inequality are concealed or distorted.

The following offers a classification based on the seven elements of control identified earlier. It is presented, austerely, as a means of emphasising that even at the beginning of the 21st century, a focus on control mechanisms would yield a profoundly different picture than the one conveyed by conventional labour statistics. Although some are not relevant everywhere, there are 20 labour statuses:

(1) **Slave**. The slave is the limiting category of *absence* of control, definitionally having no control over self, means of production, raw materials, output, proceeds of output or labouring skills. There may be limited control over labour time allocation, but the crucial characteristic is absence of control over self. The slave has unlimited obligations to the slave owner. We have no idea how many people around the world are in slave-like relationships. Labour analysts implicitly presume that the numbers are so low as to be irrelevant. However, organisations such as the Anti-Slavery Society have long reminded us that there are rather a lot of them.

(2) **Serf**. Unlike the slave, the serf retains some control over self. He has binding commitments to a non-producer in terms of obligations to provide a proportion of the output and often in terms of what output he or she can produce. By virtue of producing his means of subsistence, she retains partial control over skill development and labour time. But in both cases the control is partial in that they are subordinated to requirements imposed on him as a serf, given the customary obligations to a landlord or other rentier.

(3) **Servant**. If the serf has some control over part of the output, the servant has none. The servant usually has more control over the proceeds of the output, in that he retains his income. He has no control over the allocation or intensity of labour, being required to labour when and where required. A serf may have more control over time because he has rental obligations rather than a direct labour relation. The servant should have greater control over self because he is likely to have a labour ‘contract’, whereas the serf and slave are locked into a set of coercive obligations without legal freedoms.

(4) **Bonded labourer**. The bonded labourer is conceptually close to the slave, the difference in principle being that a bonded labourer can escape if he clears his ‘debts’ by which he is attached to an employer, landlord or other creditor. Whereas slavery is the result of extra-economic coercion; the bonded labourer faces obligations that are the outcome of economic transactions, in principle. There are also ‘indirect bonded labourers’, in which relatives are obliged to labour as well. This has been, and continues to be, the situation of many children in developing countries. Bonded labour covers a wide variety of labour relations. Some analysts would exclude labourers who attach themselves to employers as a means of increasing their security, incidentally placing themselves in debt to the employer or landlord. The dividing line between these and those forced to do tasks because of debt is hard to draw. The distinguishing characteristic is that, as a result of indebtedness, an employer or landlord can determine the labour activity of the bonded individual.

(5) *Sharecropper*. Sharecropping has existed since the beginning of recorded history, figuring prominently in ancient Greece, the Roman Empire, feudal Europe, and as far apart as China and the post-bellum American south. It continues in much of the world, as a major form of agrarian labour. It also emerged in new forms in flexible labour markets late in the 20th century. Being so widespread, yet so under-recorded, causes confusion, because controls and labour arrangements have varied so widely. Some economists have regarded sharecropping as a form of labour that provides incentives to effort, others have seen it as a fetter on the development of productive forces. Adam Smith regarded it as progressive over serfdom, though less efficient than fixed-rent contracts; Alfred Marshall regarded it as inefficient. Although academic debate has been intense, we have no idea of the number of sharecroppers in the world.

A sharecropper may be a *tenant farmer*, obliged to give a proportion of the output or proceeds of the output to a landlord, or someone (or family work group) who is little more than a *piece-rate worker*, coming to harvest a crop and retaining some share. Although both experience income insecurity, the difference is the degree of attachment to the 'share-controller'. Whatever the form, a sharecropper may retain a small or large share of the output, perhaps depending on the fertility of the soil, provision of means of production, bargaining power and so on. The tenancy may conceal more exploitation than implied by the share formula, since the labourer may be obliged to provide unpaid services or gifts of food as well. The income flexibility involves uncertainty and risk borne by the sharecropper, and his 'exchange entitlements' are vulnerable. Control over self, labour time and intensity, and skill reproduction may be retained, but the means of production will be shared (the landowner at least owning the land). Social reformers have been inclined to condemn sharecropping because of the dependency and insecurity that come with the flexibility of the labouring relationship.

(6) *Peasant*. Although the peasantry has been the subject of numerous analyses, and has been romanticised and vilified in world literature and political discourse throughout history, national statistics leave a void as to the number and types of peasants. Perhaps this reflects their heterogeneous character. More likely, the oversight reflects the fact that labour force data have been shaped by statisticians and economists concerned with labour markets in industrialised economies where wage labour has predominated.

Peasants have been distinguished from tribal cultivators because peasants have been economically integrated into wider social and political units. Peasants – 'people of the field' – are cultivators oriented to reproduction of their conditions of existence, rather than to accumulation of wealth. Some analysts, such as Raymond Firth, have broadened the concept of peasant to encompass non-agricultural activities in which reproduction is the main motivating factor. It seems better to maintain the conventional idea of rural folk.

They are not alienated from their main means of production, in that they have the use or control of land, and retain control of themselves as producers. Their autonomy is variable, as is their involvement in market production. The peasant has partial control over self, labour time, proceeds of output and skill reproduction. The work is inherently flexible, since the social and detailed divisions of labour are undeveloped, and specialisation is limited. The *occupational multiplicity* limits any control over them, at the expense of limiting dynamic efficiency.

In considering peasants, however limited, the analytical primacy of control over *ownership* is crucial, for a feature of their existence is the familial or customary form of property, making possession and ownership hard or impossible to distinguish. As one student of peasantries put it,

*“Even though land, cattle and equipment may be formally defined as belonging to the man who heads the household, in actual fact he acts rather as a holder and manager of the common family property with the right to sell it or give it away heavily restricted, or made altogether absent, by peasant custom.”*⁶

This limitation on self-control has been part of the social relations of *reciprocity*, which has given peasantries some security amidst the flexibility and “informality” inherent in their existence.

A related aspect is peasant *differentiation*. Analysts have differentiated ‘rich’, ‘middle’ and ‘poor’ peasants, or ‘kulaks’ and ‘poor’ peasants. Rather than wealth or income security, the primary distinction has been resort to labour hiring, with middle peasants neither hiring in nor hiring out labour.⁷ But even with rich peasants, production is done primarily to raise standard of living, social status, family size or social power.

In sum, peasants do not possess an ideal set of controls, since their precariousness means they fall under others’ control in almost all elements of their work and labour. But in terms of control, they are by no means the most disadvantaged.

(7) *Tribal cultivators*. These should be separated from peasants. Table 1 summarises differences in the modal characteristics of peasants and tribal cultivators. The peasant household has control over ‘land’ (main means of production) it cultivates, even though it can lose it or acquire more, whereas the tribesman has only usufruct rights as a member of a social unit, although these are not ownership rights, because tribal assets are regulated and shared out by the dictat of tribal elders or chiefs.

The usufruct system in tribal communities usually implies that means of production and raw materials are socially controlled and distributed to particular cultivators, rather than individually owned. Output is shared by the community, based on customary obligations and entitlements. The peasant retains control over himself as a worker, while his allocation of time and work intensity is controlled by customary household division of labour considerations. A tribal cultivator’s labour power is socially controlled, work being socially directed, albeit commonly on the basis of custom.

⁶ T. Shanin, “The nature and logic of the peasant economy”, *The Journal of Peasant Studies*, Vol.1, No.1, October 1973, p.68.

⁷ Of course, there may be an annual cycle of hiring in and hiring out labour. Exchange labour or communal labour also cloud the picture.

Table 1: Control relations of production: peasants and tribal cultivators

Aspect	Peasant	Tribal cultivator
Land	Own	Usufruct. Social
Tools	Own	Own
Labour power (self)	Self-directed	Socially directed
Work (time, effort, intensity)	Self-directed	Socially directed
Raw materials	Own	Socially provided
Output	Own	Shared reciprocal rights
Proceeds of output	Own	Shared
Skills, etc.	Own	Own

Whereas the peasant is integrated into a wider network of production and distribution, the tribal cultivator is not. The tribesman is part of a self-contained group, owing tribute to its members but only incidentally exploited or economically linked with wider social groupings. Peasants, conversely, are confronted by a state and are involved in commodity markets, including a labour market.

(8) *Nomad*. Nomadic pastoralism too is as old as humanity, the original form of flexible labour. Yet no statistics record the presence of nomads in our midst. If covered by international statistics, they are lumped together with the ‘self-employed’ or ‘unpaid family workers’, a sorry loss of identity. They have taken a long time to disappear.

Under ‘pastoralist’, anthropologists have included those who are essentially peasants, those who combine nomadic herding with use of sedentary villages, and farmers who indulge in ‘transhumation’ as herders. Nomadic existence implies independence from sedentary restrictions. Although nomadic life reflects an ecological balance – often disrupted by ‘development projects’ – nomads have control over raw materials, means of production, labour power, work time, output, proceeds of output and skill. In their precarious existence, they are the ultimate in autonomy. But they should not be idealised as a form of primitive communalism. Commonly, nomads have been hierarchical, with slavery and vassaldom embedded in their social structures.⁸ Because of the heterogeneity one might place nomads in one of the other labour statuses, but they remain an elusive reality for measurements of labour activity.

(9) *Artisan*. The artisan possesses control over self, labour time and skill development. The artisan’s independence rests on a combination of those with control over means of production. Erosion of the latter has marked transitions from *pre-capitalist* to *capitalist* relations of production.

The artisan may have no control over raw materials, which can lead to loss of control over means of production, as where a merchant lures him into debt and expropriation – a feature of the transition to capitalism in western Europe.⁹ The artisan’s control over output is a constraining characteristic of his situation, since he must sell to obtain his subsistence. Yet his control is greater the greater the number of purchasers; if the artisan is faced by a monopolist, self control is precarious.

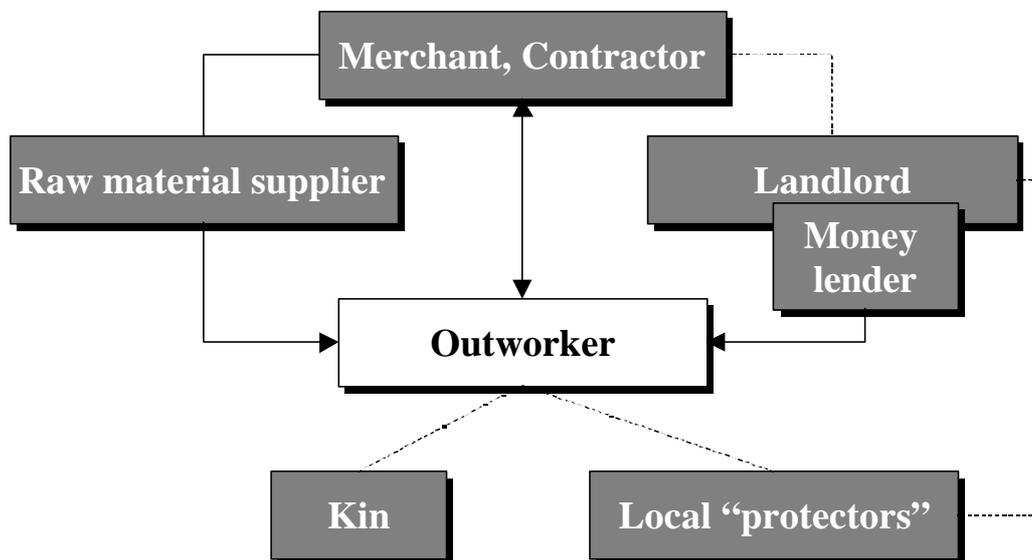
⁸ T. Asad, “Equality in nomadic social systems”, *Critique of Anthropology*, Vol.3, No.11, Spring 1978, pp.57-65.

⁹ M.H. Dobb, *Studies in the Development of Capitalism* (London, Routledge and Kegan Paul, 1946).

The artisan is often depicted as in a favourable socio-economic status, as in the model of the ‘flexible specialist’ painted in terms of a ‘yeoman’.¹⁰ The flexibility and relative security of the craftsman have appeal in terms of control, yet history shows that in reality for hundreds of years their position has been precarious. What we admire in the artisan is the sense of *occupation* – a relatively substantive capacity to have control over skill development, time and the mysteries of a craft.

(10) *Outworker*. The outworker is someone who works for someone else or for middlemen, but indirectly. In many economies, a large number of women, and some men, are in this status. They are sometimes, misleadingly, classified as “self-employed” or as “wage worker”, with something like “home-based” or “indirect” attached as a prefix. They do not work for themselves, being dependent on orders or the supply of raw materials or access to equipment. The outworker has little control over labour time or skill, but perhaps the most striking characteristics are the lack of control over the output, raw materials and the proceeds of the output. Figure 1 presents a typical set of control relations in which outworkers are enmeshed.

Figure 1: Outworker Control Relations



(11) *Wage Worker*. This is the standard labourer, usually defined in terms of two ‘freedoms’ – juridically free to sell his labour power to whomever wishes to pay for it, and free of the means of production. He is also free to use his income. Of course, in reality these freedoms are limited by markets and institutional and cultural constraints.

Where the wage worker differs most from the artisan is in his lack of control over means of production, although complete lack of means of production is neither a sufficient nor a necessary condition for wage worker status. Workers may own some means of production but be unable to use them productively except by working for an employer, directly or in some subordinately-contractual basis, or be unable to do so for an adequate income because of competitive inferiority with established firms.

The wage worker has no control over output or raw materials. Though he has formal control over himself, there is little control over labour time or intensity, and only limited control over skill development. A distinction should be made between

¹⁰ M. Piore and C. Sabel, *The Second Industrial Divide* (New York, Basic Books, 1984).

standard workers and those placed in ‘intermediate authority’, such as shopfloor supervisors, foremen and ‘middle managers’, whose position enables them to exercise partial control over the labour time of themselves and others. In 20th century mass production, the layers of such workers multiplied – and then declined.

Considering the control status of this intermediary category, further disaggregations may be required. Senior managers are hard to classify because they occupy what Erik Wright has called a ‘contradictory location’, ideologically committed to controlling others’ labour but lacking control over their own, leading many to fluctuate between burn-out intensity of labour and amoral opportunism. Other managers have variants of this conflict of interest, making their control status hazy at times.

Another sub-category consists of *semi-autonomous employees*, mainly ‘professionals’ and ‘technicians’, who have a relatively high degree of control over their labour power, although not having the status of self-employed. There was a debate in the 1970s over whether such workers belonged to ‘the working class’, with Poulantzas claiming that, since such workers possess ‘secret knowledge’ of production, they should not be counted as part of the working class. That debate seems sterile now.

Finally, the majority could be described as *subordinated* wage workers. These are subject to various controls, and to supervision and sanctions. One might divide them into *craft* and *process workers*, the former having more technical skill and being in ‘progressive’ rather than ‘static’ jobs. Others have proposed distinctions based on notions of ‘productive’ and ‘unproductive’ labour, or on modal work-history trajectories, such as those in jobs belonging to ‘working-class careers’ compared with those in ‘careerless occupations’ (sic). We merely note that there are distinctions in control status among wage workers, and that all face multiple controls.

(12) *‘Semi-proletarian’*. This is a classic transitional form of labour found mainly in quasi-feudal agrarian structures, in plantations and large estates. It is where the worker combines wage labour and non-wage work to secure a subsistence. A common case is where employers give wage workers a small plot on which to produce part of their means of reproduction. To describe these as wage workers is to neglect the role of non-wage work; to describe them as self-employed would be equally misleading.

The semi-proletarian has some control over self, but less than the wage worker, by being locked into a relatively immobile relationship and not operating in a free labour market. He has some control in so far as he can sever the relationship, by flight. He has partial control over labour time, output and means of production (mainly means of reproduction, although he may be able to sell part of his output). But he has minimal control over skill development, since his limited access to a restricted variety of means of production constrains his personal development.

(13) *Family worker*. It is moot whether or not this should be treated separately. The standard term of ‘unpaid family worker’ is supposed to identify someone who works as part of a family group without monetary payment. But it is unclear why family workers should be separated from ‘own account’ or ‘self-employed’, or ‘economically inactive’. That aside, family workers have partial control over self, work time, skill reproduction, raw materials and means of production; they may have some control over the use of output and the proceeds from the output. If the family

worker were dropped from a labour status classification, it would be hard to place them.

(14) *Apprentice*. This is another category that some would exclude from a taxonomy of labour statuses. Where an apprentice is paid a money wage or a wage in kind, he could be classified as a wage worker, whereas if he were being trained in a family business and not paid a wage, he might be classified as a family worker. Neither adequately captures the features of apprentices.

An apprentice undergoes training while in employment, intended to produce a socially recognised set of skills. Often, the apprentice is paid little or nothing, and is provided with little or no training, or given training for an unnecessarily long time, yet locked by contract and false hope into a prolonged relationship with little means of escape. In some countries, so-called apprenticeships exist to circumvent minimum-wage or age-limit laws, explaining why there is a high proportion of ‘apprentices’ in some industries. They are a flexible form of labour, with little employment security.

Apprentices usually have no control over self, labour time, means of production, raw materials, their output, or their skill reproduction, which is left to the discretion of the employer. Only over the income, to the extent that the apprentice is paid anything, does he have partial control, and even this is limited if payment is made to a guardian or relative, or retained by the employer by some device. The apprentice has little freedom. This is why apprenticeship has been maintained on a large scale only when workers have little bargaining power or if a strong institutional framework ensures that standards are maintained and loss of freedom is repaid with higher earnings later in the career.

(15) *Co-operative worker*. A final category of worker in the proposed labour status classification based on control relations is the member of a producer co-operative or collective farms, where members share in the control, ownership and outcome of production. Co-operatives have varied from thinly disguised capitalist firms (as was notoriously the case in the latter stages of *perestroika* in the Soviet Union) to highly egalitarian forms of communal subsistence production. Co-operative workers have been identified in some labour force surveys. In 1958, the UN’s Statistical Commission recommended that in population censuses producer co-operative members should be identified. But few tabulations display them.

Co-operative production can be assessed in terms of the seven aspects of control. Where the worker is free to join or leave, he retains control over his labour power. This is crucial, in indicating an important sense of self-control. But he has only partial control over labour time and skill use and reproduction, as well as over the means of production, raw materials and output depending on the sharing mechanisms. Those limit the control exercised by any member or group of members. This provides income security, and a virtue of co-operatives is that they aim to achieve a balance of self-control and security.

(16) *Landlord*. Is it valid to classify a landlord, who may be doing no labour but who receives income, as economically inactive? A landlord has partial control over means of production, even if he has total control of land or property. He may have partial control of raw materials, and he has partial control over the output, in that he has a legal or other right to part of the output.

Landlords have set the tone of hypocrisy that has permeated the discourse on labour and work. The words of Bertrand Russell (1960, p.11) are apt:

“There are men who, through ownership of land, are able to make others pay for the privilege of being allowed to exist and to work. These landowners are idle, and I might be expected to praise them. Unfortunately, their idleness is only rendered possible by the industry of others; indeed their desire for comfortable idleness is historically the source of the whole gospel of work. The last thing they have ever wished is that others should follow their example.”

(17) **Lord/Master.** Just as we should recognise slaves, so the corresponding dominant status should be recognised. Where relevant, the slave owner retains control over the slave’s means of production, raw materials, output and proceeds of the output.

(18) **Chief.** In some peasant and tribal communities, elders or chiefs receive tribute from the direct producers. This may take the form of unpaid labour services, a share of the produce or money rent. A chief’s position can vary from being little less than a dictator over community affairs to little more than a titular functionary. At the abstract level, chiefs have partial control over workers, labour time and intensity, means of production and raw materials, output and proceeds of output.

(19) **Merchant.** The trader or merchant has control over self and his work time, but has less control over the means of production and raw materials, although in the development of industrial capitalism they tended to take over control of both these aspects to become employers or withdrew from the production process altogether. One might wish to distinguish *petty traders* from *merchant capitalists*. The autonomy of petty traders is restricted by their tenuous control over a limited range of raw materials. Often they combine petty trade with other labour, or drift into a position of dependence on larger merchants.

(20) **Employer.** Finally, the employer has control over self, labour time, skill development, output and the proceeds of the output. He does not necessarily have total control over the means of production or raw materials. One might place *managers* in the same category, but as they are in intermediate authority, having control of others’ labour power, through having responsibility for recruitment and dismissal, it is more appropriate to include them in wage workers.

In sum, although one could make refinements, the proposed labour status classification derived from a control perspective can be summarised in a matrix (Table 2), where the rows consist of labour status categories and where columns indicate the seven aspects of control. A negative sign indicates absence of control, a zero indicates partial or varying control, and a positive sign indicates a high level of control. For categories listed below the line, the signs refer to control over others in the specific aspect. We do not have data for this labour status approach, but an attempt to produce a global depiction of labour processes and markets could build on this.

Table 2: Matrix of Labour Statuses, by Relations of Control

Labour status	Aspect of control						
	Own labour power	Work time	Pro-ductive means	Raw materials	Output	Proceeds of output	Skills
Slave	-	-/0	-	-	-	-	-
Serf	0	0	-/0	0	0	0	0
Servant	0	-	-	-	-	+	-
Bonded labourer	-	0	-	-	-	0	0
Sharecropper	+	+	-/0	-/0	0	0	+
Artisan	+	+	+	0	0	+	+
Outworker	+	0	-	-	-	-	0
Wage worker	+	-	-	-	-	0	0
-Semi-autonomous	+	0	-/0	-/0	-	0	+
-Managerial/supervisory	+	0	0	0	0	0	+
-Subordinated	+	-	-	-	-	0	-
Semi-proletarian	0	0	0	0	0	0	0
Peasant	+	+	+	0	+	+	+
- Rich	+	+	+	+	+	+	+
- Middle	+	+	0	0	+	+	+
- Poor	-	-	0	0	0	0	0
Tribal cultivator	0	0	0	-	0	0	+
Family worker	0	0	0	0	0	0	0
Apprentice	-	-	-/0	-	-	0	-/0
Co-operative worker	+	0	0	0	0	0	0
Landlord*	0	0	0	0	0	+	-
Lord/master*	+	+	+	+	+	+	+
Chief*	0	0	0/+	0	0	0/+	0
Merchant*	+	+	-/0	0	+	+	+
Employer*	+	+	0/+	0	+	+	+

Note: *For these statuses the values refer to their control over others' labour power, work time, etc. Thus, for example, landlord have partial or variable control (0) over the timing/kind of work done by tenants.

Code: - absence of control; 0 partial or variable control; + high or complete control.

5. Forms of labour control

Modes of control as methods of taking unfair advantage of another's labour should be distinguished from forms of control placing a person in a subordinated, dependent position, or in enforcing claims or contracts. Controls determine the range of feasible choices, preventing some that might be desired, or imposing costs on

certain options that influence the choice, or giving incentives to take a particular choice. *Direct* controls coexist with *indirect* controls. The former cover situations in which labour is controlled by employers directly, the latter refer to the intrusion of intermediaries, including ideological, custom-based, and legal mechanisms. We also need to differentiate between *external* and *internal* controls; those exercised through the labour market are external, those in an enterprise are internal.

Control systems defy easy classification partly because use of one type may induce behavioural adaptation so that another form, more benign perhaps, suffices once preferences and range of ‘choices’ have been shaped. Consider the following:

It is obvious that, in primitive communities, peasants, left to themselves, would not have parted with the slender surplus upon which the warriors and priests subsisted, but would have either produced less or consumed more. At first, sheer force compelled them to produce and part with the surplus. Gradually, however, it was found possible to induce many of them to accept an ethic according to which it was their duty to work hard, although part of their work went to support others in idleness. By this means the amount of compulsion required was lessened, and the expenses of government were diminished.¹¹

While one should agonise over the notion of freedom in such circumstances, it illustrates the difficulty of identifying actual mechanisms of control. The following presents a classification of labour controls, beginning with those outside the domain of the “firm”.

(i) External controls

External control consists of claim enforcement mechanisms sanctioned by authorities, institutions or values outside the work process.¹² It can be split into *economic* and *extra-economic* forms. Economic covers situations in which the labour relation reflects the outcome of ‘choice’, property relations, bargaining or market exchange. Extra-economic controls are those that are ‘coercive’, ‘custom-based’ or ‘ideological’, in that they force the issue of constrained choice into the open.¹³ Coercive and ideological forms of control may be combined, with coercion kept in reserve in case customary relations become unstable. Thus, patron-client relations between landlords and peasants have often broken down and led to force to reinstate some exploitative practice.

External control can be disaggregated in terms of a simple matrix, as follows:

¹¹ Russell, 1960, op. cit., p.12.

¹² In a valuable paper, Sam Bowles, drawing on transaction cost economics, makes a distinction between endogenous and exogenous claim enforcement. S. Bowles, “Markets as social institutions” (University of Massachusetts at Amherst, Department of Economics, 1998, mimeo.), p.3.

¹³ Controls determine the range of feasible choice, preventing choices that might be desired or considered, or imposing costs on options that influence the choice, or giving incentives to make a particular choice. Free choice is a vexed notion, and the level of constraint to be regarded as acceptable in order to be consistent with freedom is hard to decide.

	Direct	Indirect
Economic	Labour contract Social transfers	Need generation
Extra-Economic	Coercion, force Debt bonds Co-operative obligations	Social reciprocity Ideology Laws, regulations

Among direct, extra-economic controls, coercion may be legally enforceable or extra-legal, where the former involves the state in protecting the 'rights' of controllers and in enforcing obligations on the controlled, perhaps taking over part of the controllers' sphere of action. For instance, serfs historically have been controlled by the feared intervention of local militia, and in many places workers have been prevented by guards from leaving or entering their workplace. Conversely, extra-legal methods have been instituted by dominant groups, as where landlords have forced peasants to do unpaid labour without letting them have recourse to law or where the state has not attempted to offset unbalanced power relationships. Coercion takes many forms, including symbolic violence intended to produce conformity and docile labour.¹⁴

Debt bonds have been a powerful mechanism for controlling labour, with both agrarian and industrial uses, and some new forms of flexible labour. Indebtedness may be used as a means of control or of exploitation; one may assess which objective is primary by the interest rate and terms of repayment.¹⁵ There are three types of situation. First, *debt peonage* is a relationship whereby an indebted worker receives little or no wage, but provides labour from which she cannot escape because of the debt; the labour relation *per se* does not provide the means by which the bonded relation could be severed.

That contrasts with *bonded labour*, in which a worker receives a wage from which she is expected to repay a debt over a period of employment, as where a consumption loan is provided in advance as a means of committing the worker to a period of labour. Whereas debt peonage is a legal relationship backed by the threat of sanction, or is allowed to persist because laws are flouted in favour of the controller, debt-bonded labour is custom-based, sanctioned by "voluntary" market exchange.

A third situation is where out-workers deal with merchants, where there is no direct control involved in the labour, but where loans are extended as a means of controlling the flow of output or services. This is typically used in flexible labour systems, although it has been rarely documented beyond anecdotal accounts. It was presumed to be a "pre-capitalist" mechanism of control that was inefficient because lack of direct supervision meant that the quality and quantity of labour were unpredictable, leading historically to the transition to the workshop and factory

¹⁴ M. Foucault, "Disciplinary power and subjection", in S. Lukes (ed.), *Power* (New York, New York University Press, 1986).

¹⁵ National Labour Institute and Gandhi Peace Foundation, *National Survey of the Incidence of Bonded Labour* (New Delhi, Paul's Press, 1979).

production, when direct control could be used. However, the recent global growth of external labour flexibility may have made it more prevalent.

Coercion and debt are direct mechanisms. By contrast, extra-economic control exercised through “social reciprocities” is indirect in character, covering a wide variety of customary relationships, of obligations and rights, such as those based on kinship, ethnic identity, caste restrictions, and class or tribal rules, which link individuals to institutions of “civil society” while imposing various behavioural norms:

- Social reciprocities – Family, within households/compounds
- Kinship, non-household/compound
- Caste restrictions
- Tribal, clan rules
- Ethnic, migrant associations, etc.
- Guilds, “professional” associations, unions, etc.

The reciprocities involved, whether “structured” or “balanced”, may be motivated or justified by economic considerations, but not fit the formal notion of economic adopted here.¹⁶ Control exercised through ‘social reciprocities’ is indirect, covering a variety of customary relationships, obligations and rights, such as those based on kinship, ethnic identity, caste restrictions, and class or tribal rules, linking individuals to institutions of ‘civil society’ while imposing behavioural norms. Any relationship based on reciprocity involves a limited range of control, in which obligations are traded for security or entitlements of some sort. The reciprocity may not be balanced, in the sense that both parties receive the equivalent in value.¹⁷ But reciprocity figures in every labour relationship. In some contexts, the crucial reciprocity covers *communal labour*, in which unpaid work is undertaken in return for entitlement to future income or social assistance or in return for retaining membership of the community and for gaining access to communal social services and infrastructure.

Ideology has figured prominently as a control mechanism. The thundering voice of a peddler of religious virtues telling workers about their duty to labour has always been a way by which elites have controlled the restless spirits of the oppressed. Students of economics are educated to be schizophrenic. In one class they learn about the Protestant Ethic and the rise of capitalism, in which workers were induced to labour diligently and in which material wealth was regarded as evidence of virtue and as implying moral obligations from the wealthy to the deprived, and in the next class they are taught the elegant simplicity of culture-free neo-classical economics. In the late 20th century perhaps, this reflected the hegemony of hedonistic individualism, and the view that nobody has an obligation to anyone unless they choose to have it.

¹⁶ On structural and balanced reciprocities in “primitive” economies, see M. Sahlins, *Stone Age Economics* (London, Tavistock Press, 1974); M. Nash, *Primitive and Peasant Economic Systems* (San Francisco, Chandler Publishing Co., 1966).

¹⁷ Some analysts describe reciprocity in peasant society as “bilateral bargains”. This is inappropriate since it is usually a “bargain” based on an unequal bargaining position. Worse is the practice of describing labour relations between landlords or estates and peasants as “contracts”, since they are based on control over aspects of production. To refer to “choice of contracts” suggests a benign, egalitarian situation that scarcely exists. To call labour relations based on extra-economic coercion, or indirect forms of control, “contracts” is surely contrary to normal juridical sense. Such contracts would presumably be null and void.

Linked to ideology is the role of schooling. One analysis argued that for those destined for low-level jobs, who would be subject to tight control, schooling would be intended to teach discipline and adherence to rules, whereas for those intended for higher-level positions education would emphasise broader social relationships.¹⁸ That does not mean that it always works out that way, yet schooling has been a means of labour control.

As for the role of ideology, a contrast has been drawn between individualism of 'the West' and the collectivism of 'the East'. It has been suggested that in Europe and North America, Roman and German law coupled with Christianity created an individualistic system based on general morality, leading to an individualistic system of contract enforcement.¹⁹ By contrast, Confucianism in China and east Asia was more collectivist, with kinship and community ties leaving less space for the state's regulatory role and more for informal contract enforcement, leading to *inter*-group opportunistic behaviour and *intra*-group reciprocities based on trust.²⁰ Informal enforcement based on customary social controls is less flexible than the individualistic one in times of structural change, because information and trust take time to build up and cannot be abrogated without social implications.

Next to ideology and culture, it may seem strange to classify law and regulations as indirect, extra-economic control. Regulations play a role in all labour systems. We merely note here that laws and regulatory institutions have served to legitimise social relations of production, or to undermine relations because elites have found pre-existing frameworks inappropriate. Leaving aside inter-relationships between legal, regulatory and social relations, legal rules can play four roles in changing forms of labour control:

- (1) Once a social relation of control has changed, new laws can legitimate it.
- (2) New control relations can develop without any legal change being needed, although once developed laws may be desired to stabilise them.
- (3) A legal change can precede and encourage changes in labour relations if the latter is impeding the development of production.
- (4) New control relations can develop without a legal change being necessary.

In terms used at the outset, the legal and regulatory framework will shape the *control of inclusion*, by compelling workers or employers to do something, the *control of cost*, by imposing costs on those not abiding by the norms, the *control of excommunication*, by blocking people from participating in some way, and the *control of limitation*, by preventing individuals from doing something else that they might wish to do.

A final direct extra-economic control consists of co-operative obligations and rights, which, while part of the network of social reciprocities, refer to the situation of co-operatives and the rules governing the labour activity of members of co-operative organisations. They may not be as important as they were once expected to become, but they still need to be taken into account.

¹⁸ S. Bowles and H. Gintis, *Schooling in Capitalist America* (New York, Basic Books, 1975).

¹⁹ A. Greif, "Cultural beliefs and the organisation of society: A historical and theoretical reflection on collectivist and individualistic societies", *Journal of Political Economy*, Vol.102, No.5, 1994, pp.912-50.

²⁰ A. Greif, "Contracting, enforcement and efficiency: Economics beyond the law", *Annual World Bank Conference on Development Economics 1996* (Washington, DC, The World Bank, 1997), p.252.

Economic external control is exercised primarily through legally sanctioned labour contracts. For several decades, *contractualisation* has been spreading, particularly in industrialised societies. Labour contracts are always ‘incomplete’, and may be of any duration, degree of legally-binding authority and flexibility. A contract may be between an individual worker and an employer, or a worker and someone in intermediary authority, such as a contractor or employment agency, or be group-based, as in the case of collective agreements or in agreements with family work gangs. The *basic* dimensions of labour contracts can be summarised in terms of duration, basis of payment, frequency of payment, medium of payment, relative autonomy in the work, and links with other contracts. This focuses on the formality, duration and degree of commitment and *dependence* involved in a labour contract.²¹ There are also informal aspects, such as moral pressures and norms. In short, in assessing the pattern of control in labour markets, the nature of labour contracts is a strategic variable.

Social transfers are also a form of labour control. Control may be exercised by adjusting the benefit *level*, *probability of entitlement*, *probability of access*, *duration* of benefits, *conditionality* of transfers, and *obligations* prior to receipt and in consequence of receipt of them. In labour markets, transfers have been among the most important forms of control, and are growing even more so.

Finally, the main indirect economic control is *need generation*. The manipulation of needs and tastes has been an increasingly important mechanism for inducing labour and for tying workers to labour, often through consumption debt. Advertising has become so pervasive and intrusive that its manipulative capacities have become awesome. Can one doubt that without advertising the need for labour, and the willingness to labour, would be reduced? The unsatisfied drive for *more* by those with much has become a social sickness. It attests to the success of indirect economic control.

(ii) Internal controls

Internal controls are linked to the character of labour, type of controller, technical and social division of labour, and notions of skill, job and occupation. Their main objectives are to raise ‘productivity’ and to legitimise and reproduce relations of production. These may be in conflict.²² There are also *direct* and *indirect* forms of internal control. With industrialisation, there is a shift from direct to indirect labour controls, from the ‘despotic organisation of consent’ to the ‘hegemonic organisation of consent’.²³ The shift is from direct supervision to elaborate systems of implicit games involving rules and explicit and implicit bargaining.

Simple direct controls are those exercised by employers in contact with workers, whereas simple indirect control is that mediated through intermediary controllers such as foremen and managers, commonly involving sanctions exercised by intermediaries.²⁴ Thus, a foreman controls a worker’s labour time and intensity, but

²¹ Although sociologists and historians have occasionally analysed the labour market in terms of these elements, few economists have done so. For a brilliant study of a low-income, agrarian labour market in this tradition, see P. Bardhan and A. Rudra, “Types of labour attachment in agriculture: Results of a survey in West Bengal”, *Economic and Political Weekly*, Vol.XV, No.35, Aug. 30 1980, pp.1477-84.

²² J.Habermas, *Legitimation Crisis* (London, Heineman, 1976).

²³ M. Buroway, *Manufacturing Consent* (Chicago, University of Chicago Press, 1979).

²⁴ R. Edwards, *Contested Terrain* (New York, Basic Books Incorporated, 1979), p.19.

does not set out to alter the detailed division of labour or degree of skill in the job structure. An objective is the limitation of *shirking* or *soldiering*.

Consideration of internal controls relates to the debate on the firm stimulated by the classic work of Ronald Coase in the 1930s, in which he painted it as outside the market economy. This tradition depicts the firm as a command system, but ignores the indeterminate character of labour relations. Questions include:

- (1) Why, when and to what extent do workers obey commands?
- (2) When will internal controls be used rather than external?
- (3) Does external flexibility arise when external controls become more efficient?

Direct controls involve direction, monitoring, evaluation, incentives and discipline. Direction or supervision is intended to increase efficiency, and is sometimes presented as reducing the real wage. Leaving aside what forms of direct control achieve, we can see that in simple control of wage labour, there are easily identified incentives (wage rates, overtime, bonuses, profit shares, fringe benefits and promotions) and sanctions (wage deductions, extra labour, exclusion from benefits, demotion, dismissal).

<u>Incentives</u>	<u>Sanctions</u>
Wage rates	Wage deductions
- piece rates, time rates	
- form (cash, kind)	
- overtime rates	
Bonuses	Extra labour
- profit shares	
Fringe benefits	Exclusion from benefits
Promotion	Demotion, dismissal

Thus, an employer may change the wage rate or system to influence the quantity and quality of labour. In this, *piece rates* have typically been preferred by employers as a means of speeding up labour and increasing its intensity. The standard drawbacks of piece rates have been that some forms of labour yield output that is hard to quantify or identify, piece rates may lower quality to the extent that workers attempt to maximise earnings through speedy work, costs may rise because they use up more materials, and take more risks, while transaction costs of work reorganisation may be high.²⁵ At some point, the advantages may outweigh the disadvantages, and with technological developments and high non-wage labour costs, elaborate piece-rate systems could be expected to accompany external flexibility. However, some economists believe that globalisation encourages use of time rates.²⁶ The reason is that a need for rapid adjustment places a premium on controlling transaction costs.

Besides the wage form, bonuses and overtime rates have been used to increase incentive-based control of labour. Fringe benefits may be used to control commitment

²⁵ E.P. Lazear, "Performance pay and productivity" (Cambridge, Mass., National Bureau of Economic Research, Working Paper No.5672, July 1996).

²⁶ R. Freeman and M. Kleiner, "From piece rates to time rates: Surviving global competition", paper presented at the Industrial Relations Association Meeting, Chicago, January 3, 1998.

and loyalty to a firm, reducing labour turnover. Firms use promotions for the same objectives. Experience-rated pay is also a control mechanism, since it offers an incentive to stay with the firm, reflecting a belief that workers accumulate and apply firm-specific and job-specific competencies. But recognising this as a control mechanism raises questions about some popular labour market analyses, notably the ‘insider-outsider’ model. Internal control includes an ability to raise the cost to the worker of job loss. If the cost of disobeying orders is loss of job, that would be minimal if one could move into another job immediately at the same wage. Internal control is strengthened if the entry wage is low by comparison with the post-entry wage. It is often argued that reducing the wages of insiders would improve labour market efficiency, but if the wage premium was a device to increase labour and raise output, that would be dubious.

In contrast to simple controls, *technical control* is more indirect, linking the control to job restructuring and the detailed division of labour, the intention being to minimise workers’ capacity to circumvent labour obligations. Management uses technical methods to impose a pace and direction on labour, reducing worker discretion, and to monitor and evaluate labour input. To the extent that technical control is feasible, there is less need for foremen, supervisors and middle-management. However, if technical advances make jobs static and narrow, desire for internal control may require more supervisors to monitor effort or overcome a ‘motivation crisis’. Then, general supervisors may be substituted by shopfloor or specialist supervisors.

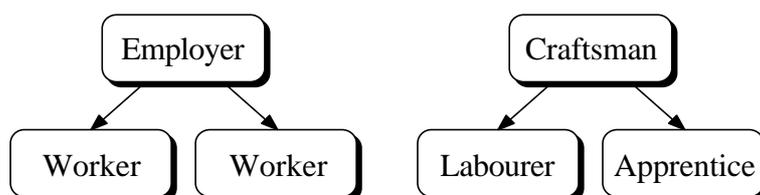
Technological innovation can induce changes in control mechanisms, and vice versa. For instance, when powerloading machines were introduced into coal mining in the UK in the 1970s miners were shifted from piecework to daywork pay, while management transformed deputies who had been responsible for health, safety and local bargaining into front-line supervisors, limiting the miners’ autonomy. This provoked national pay strikes, which led management to introduce a form of piecework (the pit-level bonus scheme) to make the wage system more flexible and tighten control over labour input.

Technical control leads to a third form of internal control — *bureaucratic control*. A defining feature is that work rules become formalised, centralised and hierarchical, leaving little scope for discretion by the layers of controllers that permeate the job structure. Centralised, administrative rules and complex procedures are set up to regulate job classification, promotion, discipline, wage scales, grades and definitions of minute responsibilities. The term ‘micro-management’ captures the pettiness of the process.

In bureaucratic organisations, technical procedures tend to be ineffectual control mechanisms, so indirect methods are deployed, such as job design, job fragmentation and job ladders, often representing attempts to link effort on the job to reward or to make it more transparent. The resultant stratification may avoid the appearance of excessive sanctions, depersonalised in enterprise rules and procedures. Although static jobs abound, bureaucratic grading procedures can produce internal labour mobility; this tends not to be a function of technical ability but is contrived for hierarchical control purposes. *Social attributes replace technical skills in promotions*, which constitute the core of bureaucratic control, providing centralised cohesion, at the cost of loss of dynamic efficiency.

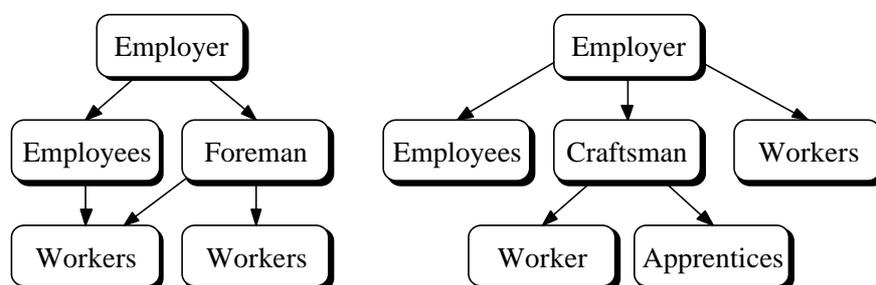
Consider the evolution of internal labour control systems. Simple direct controls characterise the early phases of industrialisation. On the left of Figure 2 is the situation in which the employer controls raw materials, means of production and the product. Each worker is hired by the employer and is under his direct control. On the right is the classic craftsman model, with an apprentice being groomed to take over or to become an autonomous non-competing craftsman after a prolonged period of training and experience. The 'journeyman' will remain a labourer, and his position represents an early form of labour stratification.

Figure 2: Simple, direct control



Mass production led to indirect and technical control systems. These increase the social distance between employer and worker, and the division between 'mental' and 'manual' labour. In the system illustrated on the left of Figure 3, the employer still exercises direct control over employees (probably clerical and technical workers) while delegating control over other workers to supervisors. The variant on the right depicts loss of autonomy by the craftsman, although he retains partial control over the labour of others, delegated to him by the employer.

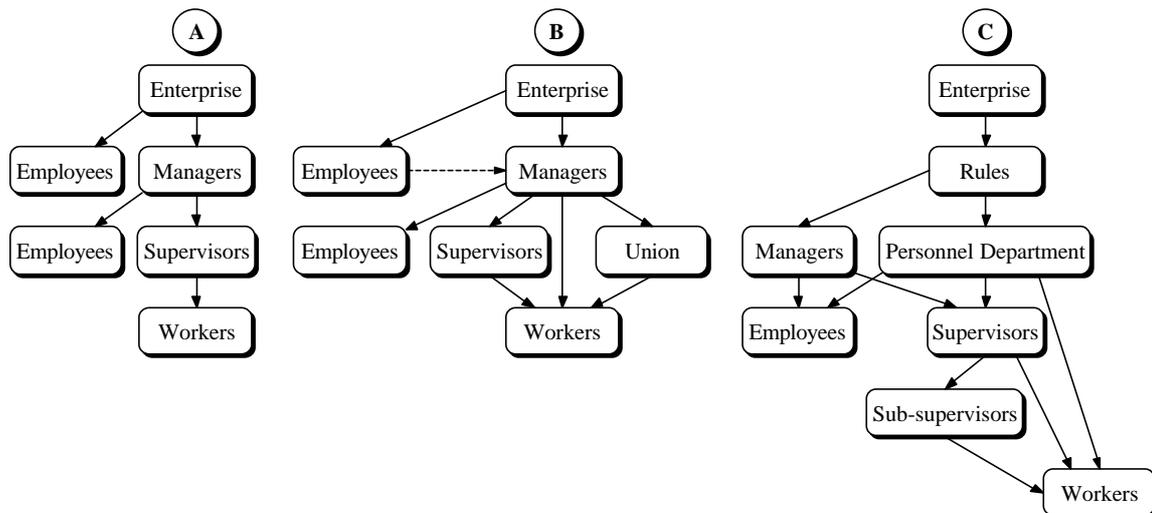
Figure 3: Simple, indirect controls



These systems were common in industrial economies in the early part of the 20th century. But for large-scale firms, they are unsatisfactory because the intermediary groups tend to identify with those beneath them, rather than with those above. Stripped of superior status, they would feel they were workers, and while they might not have class consciousness (in the sense of identifying themselves with ordinary workers), their interest in maximising the output of those below them in the hierarchy is weak, especially if they themselves come from that stratum of workers.

What emerges is increased reliance on technical and bureaucratic forms of control. Jobs are split horizontally and vertically, with enterprise rules and procedures being formalised, with the 'rule book' and the Personnel Department becoming the determinants of the hierarchical system. The patterns evolve through phases such as depicted in Figure 4. The tendency is for control to become more *diffused* and *impersonal*. The worker's autonomy is whittled away by layers of control. Fragmentation into narrow and static jobs, coupled with a tightening of controls, accentuates the negative aspects of labour and sense of alienation, while encouraging worker resistance. This tends to lead to more authoritarian control.

Figure 4: Indirect, bureaucratic control
(*main lines of control*)



Note: Enterprise could be an individual capitalist, a Board of Directors, sub-national or national authority or a supra-national body.

A classic example is the Japanese enterprise of the early 20th century. Japanese corporations drew on their roots, epitomised by *oyabunkobun*, to fashion a corporate paternalism that ensured internal control. They succeeded because of favourable external circumstances.²⁷ According to one interpretation, the *oyabunkobun* relation is a simulated kinship tie, based on patriarchal authority coupled with social reciprocities. Traditionally, simple direct control was exercised by *oyakata*, master workmen who were labour contractors with bands of followers (*kokata*) and apprentices. Exploitative relations were concealed by the paternalistic *oyabunkobun*. Then, with the emergence of large corporations, the *oyakata* were absorbed and pacified by ‘life-long’ employment and enterprise benefits, which secured their co-operation in controlling workers below them in the hierarchy. Devotion to jobs, exemplified by dutiful respect for higher-status strata, became the principal means of moving up the job ladder.

Such corporate paternalism provides a means of moulding a docile workforce in an era of industrialisation, as in East Asia in the post-1945 era, where it built on historically paternalistic social relations. But the costs imposed on the workforce, in terms of intensity of labour, dehumanising schedules and accompanying stress, can intensify social tensions in periods of economic adjustment.²⁸

6. Paternalistic Control

Crossing the divide between internal and external control, *paternalistic control* is inherent in all forms of relations of production and distribution. One could even differentiate political and economic ideologies on where they stand on the spectrum of paternalism. The essence of paternalism is *reciprocity*, usually involving a set of

²⁷ C.R. Littler, *The Development of the Labour Process in Capitalist Societies* (London, Heineman, 1982), pp.146-60.

²⁸ In Malaysia, where typically intense schedules were imposed in the early phase of industrialisation, periodically the docile ‘female’ workforce gave way to mass hysteria, known locally as “running amok”.

obligations expected from the worker that he would not offer had he not been subject to consciousness-shaping and behavioural controls. In return, the worker receives some *protection* and some *security*.

As one would expect, paternalism is rooted in the family and kinship. Protection is provided by the ‘strong’, ‘elders’ or a group presumed to have powers of wisdom, authority and capacity to protect or set rules on distribution. To function, there should be a sense of balanced reciprocity, usually involving labour service in return for membership rights and protection. But if the paternal figure oversteps the demands or fails to provide the protection expected, or is perceived as being unable to provide it, the relationship will fray or collapse, prompting exit or voice reactions.

There are two other forms of paternalism. *Company paternalism* is associated with 19th century industrialism and ‘company towns’, which evolved into what has been called *welfare capitalism* in the USA in the early decades of the 20th century. Company paternalism covers arrangements where ‘loyal’ labour ‘service’ is provided in return for protection and benevolence in times of contingent need from the employer or his agents. Personalised security depends on deference and obsequiousness. The 20th century corporation with its “corporation man” had strong elements of this paternalism.

The second form, *state paternalism*, became prominent in the late 20th century. This is the restriction by law of an individual’s liberty ostensibly for his or her own good. It includes establishment of welfare controls over economic actions in the name of improving individual and social welfare. The future of social policy and the character of work will depend on how state paternalism is limited or extended.²⁹

With any paternalism, the reciprocity of labour for welfare is determined by the preferences and needs of the controller. This discretion represents insecurity for the worker, but he may be able to adjust the effort bargain or threaten retribution. By contrast, *bureaucratic control* provides more security for the worker, but there is less scope for workers to adjust the effort bargain. If there is no capacity to adjust the effort reward structure, opportunism will grow, and anomie is the likely reaction among losers. Bureaucratic control does not overcome the drawbacks of the insecurity that accompanies market or paternalistic control. Libertarians, such as Robert Nozick, oppose bureaucratic control because for them tax and state transfers violate property rights and because the state has paternalistic control as well. But libertarians accept paternalistic control as legitimate if Pareto conditions hold. One finds it hard to imagine when that could be assured.

One cannot escape from the pervasive influence of paternalism in labour transactions, nor should it be ignored in shaping the evolution of social policy and work in the twenty-first century. Which policies are favoured will depend very greatly on one’s attitude to paternalism as a mode of control and regulation. The international trend to “workfare” has placed it very firmly at the heart of the debate on the future of social protection and on the nature of freedom.

²⁹ For a defense of state paternalism against the claims of Millian liberalism, see A. Gutmann and D. Thompson, *Democracy and Disagreement* (Cambridge, Mass., Harvard University Press, 1996). For an opposing critique, see Standing, 1999, op. cit., chapter 10.

7. Occupational Control

Not all forms of labour control are exercised by or on behalf of employers. Besides countervailing control exercised over labour supply and the supply of skilled labour by craft unions (and to some extent industrial unions), there is what might be called *occupational control*. Rare is the textbook that recognises its existence as a feature of labour markets.³⁰ Yet it has existed at least since the guilds of the Roman Empire, and guilds were a vibrant form of control within craft communities in the Middle Ages. Occupational control played a prominent role in the 20th century as well. Indeed, control over its own tasks is a defining characteristic of an occupation.

Occupational control covers the control of *access* (including induction and training), *performance*, *content*, *evaluation* and *social protection*. Historically, occupations have come and gone, or have evolved into others or split. A group of workers performing what it considers similar tasks has emerged to identify itself as an occupation, and developed the institutional capacity to protect and enhance its interests, to determine who may perform the tasks under the occupational title, who may have access to the training and qualifications required in order to be legitimised and allowed to perform the tasks, what should be covered by the occupation and what excluded, how performance should be evaluated, what penalties imposed if there is deemed to be a failing, and what forms of social protection should be provided to its members.

Numerous groups have achieved control in all these respects, from humble crafts such as blacksmiths to crusty professions such as lawyers, engineers, accountants and architects. Occupations have rites of passage and codes of ethics and conduct that set them apart, and may have structures of decision-making that outsiders cannot understand. Occupational control has been pursued by bodies set up by members of the occupation and sometimes by laws. Thus, medieval guilds assisted their members, protected the craft, regulated the level and standard of production, regulated working conditions, training, Sunday work, night work, and so on. Modern occupational associations have done much the same.³¹ Usually, these bodies have been intent on limiting individual or group opportunism, maintaining the incomes, benefits and status of the occupation and preserving or enhancing the skill of its occupation. In some cases, occupational control has grown so hegemonic that the occupation can also control the work content of subordinate occupations, most of which are denied the opportunity to enter the dominant occupation.

Occupational control probably reaches its apogee when the state legitimises the issuing of *licences* to individuals to allow them to practice. This restricts entry and raises the income of those inside the profession or occupation.³² This can lead to rent seeking, leading in turn to the emergence of substitutes, or ways of avoiding the need for such workers or actions by the state to restrict the occupational control.

³⁰ These usually regard *regulations* as laws passed by governments, thereby ignoring voice regulation and the rules and procedures set by non-state bodies, including occupational associations. If one wished, one might call the latter *informal regulations*.

³¹ R.L. Simpson, "Social control of occupations and work", *Annual Review of Sociology*, Vol.11, 1985, pp.415-36; C. Derber (ed.), *Professionals as Workers: Mental Labour in Advanced Capitalism* (Boston, G.K. Hall, 1982).

³² J. Pfeffer, "Administrative regulations and licensing: Social problems or solution?", *Social Problems*, Vol.21, 1974, pp.468-79.

One modern form of occupational control is *professionalism*, although it had its roots in the guilds and old clerical and legal practices.³³ Professionalism has produced a mix of statutory and voice regulation. Professions make claims to a unique body of formally acquired knowledge, a freedom to set and administer controls over their work, ostensibly to preserve the quality and reliability of the *service* provided, a *public* interest that legitimises their right to self-governance, a (paternalistic) norm of authority over clients, and an occupational *culture*, with clubs, associations, codes of ethics and conduct, and so on.³⁴ It is a middle-class attempt to differentiate higher-earning groups from working-class occupations as well as from employers, managers and administrative controls. Professionalism embeds some occupations in the economic system while generating and guarding privileges, status, income security and representation security.³⁵

Professionalism is also unstable, because technological, administrative and organisational change generate sub-professions (with prefixes or new names), so that professions almost become like those fireworks that rise into the sky and divide into clusters of twinkles. For instance, physiotherapy was part of general medicine. Now there are not just physiotherapists but specialists dealing with different parts of the body, with different traditions and ‘proven’ techniques. Other professions have split into those in which tertiary education is ‘required’ (often unproved) and those that ‘require’ (ditto) lengthy apprenticeship-style or on-the-job training.

The existence of occupational control reflects a tendency for occupations to evolve, splinter or even die, and for occupations to be in potential conflict with broader organisations (or firms) oriented to production and profit. How they evolve is often the cause and consequence of tensions between the occupational group and advances in the technical and social division of labour. Because large organisations were the dominant force in the 20th century, many forms of occupational solidarity were undermined, resulting in dilution of work content, ‘deskilling’, or occupational splintering. However, even within large organisations some occupations have managed to retain some autonomy. And, as implicit in flexible forms of production, the balance between organisational and other forms of control may change.

Often an occupation has existed in tension with administrative-managerial control. Indeed, labour markets have always been arenas for struggles between administrative and occupational control. From the Luddites onwards, the great changes in productive systems have involved a struggle between these conflicting forms of control, usually resulting in success for administrative control. The most celebrated case in the 20th century was the assimilation of printers to bureaucratic control. This highlights a tendency for bureaucratic control to lead to ‘deskilling’ or ‘deprofessionalisation’.³⁶ This characterised labour markets when Taylorism (and

³³ M.S. Larson, The Rise of Professionalism (Berkeley, University of California Press, 1977); H.L. Wilensky, “The professionalization of everyone”, American Journal of Sociology, Vol.70, 1964, pp.137-58.

³⁴ H.M. Trice, Occupational Subcultures in the Workplace (Ithaca, New York, ILR Press, 1993), pp.54-5.

³⁵ Incidentally, the *ideology* of labour licensing deserves study.

³⁶ H. Braverman, Labour and Monopoly Capital: The Degradation of Work in the Twentieth Century (New York, Monthly Review Press, 1974); R.A. Rothman, “Deprofessionalization: The case of law in America”, Work and Occupations, Vol.11, 1984, pp.183-206.

variants) was in ascendancy. In some cases, deskilling will be more about the *status* sense of skill than the *technique* sense.³⁷

Even if administrative control comes to dominate occupational control, the existence of occupations makes supervision a two-edged tool of managerial control. Many can adjust the effort bargain and the quality of output in both directions, so attempts to tighten managerial control may result in a reduction in both effort and quality.³⁸ However, there is a conflict between occupational and administrative control, since the ideology behind the latter determines that management will try to control the terms of employment and content of jobs.

The more technical skill is involved in an occupation and the more that ‘jobs’ are embedded in an occupation, the less managerial control can be exerted without high costs for enterprise administrations. This is important, because the more that jobs belong to occupations, the greater the potential for *self-control*, and thus the more work will be motivated by incentives, including non-monetary motives, rather than external pressure and directions. This has a bearing on the appropriate forms of remuneration and the forms of *security* to be promoted.

Occupational control springs from a perceived need by workers with particular skills and aspirations to protect a niche in society and the economy. One could almost call it a form of worker resistance. But it can be just as paternalistic as other forms of labour control. So one may conclude that there is an ambivalence about occupational control, which should guard us against idealising its positive characteristics.

8. Modes of Resistance

Workers have resisted controls in various ways. Gramsci was one of the first to recognise that Taylorism, the archetypal technical control system, generated resistance because workers experienced loss of status and professionalism, which required employers to resort to controls to prevent ‘the physiological collapse of the worker’. The worker had to be induced to ‘internalise’ the mechanical nature of industrial labour, to take for granted its lack of human content and to lose ‘the memory of the trade’. This ‘memory’ leads the worker to think about his labour, which could ‘lead him into a train of thought that is far from conformist’. To overcome such contemplation, employers introduce new incentives and sanctions. Gramsci’s analysis is remarkable for pinpointing the interactions between control and reaction. No analysis of labour should neglect such interactions.

Workers have both passive and active forms of resistance to external and managerial controls, and these can be divided into concealed and exit responses:

<u>Concealed resistance</u>	<u>Exit resistance</u>
‘Soldiering’	Absenteeism
Lower effort bargain	Quitting
Lower quality of labour	Sabotage
‘Working to rule’	Strikes

³⁷ Skill can and has been defined in three senses – technique, social status and control status. For a discussion, see Standing, 1999, op. cit., chapter 1.

³⁸ T.L. Steiger and W. Form, “The labour process in construction: Control without bureaucratic and technological means”, *Work and Occupations*, Vol.18, 1991, pp.251-70.

It was 'soldiering', or systematic reduction of effort, that scientific management was intended to overcome, for the employer's benefit. But soldiering is only one form of resistance. Frustrated workers may lower the quality of work, or encourage or enforce lower effort by others. The ways are legion and are part of the counter-culture of most societies.³⁹ Quitting is not the only exit option. High absenteeism may reflect a rejection of controls, or a response to an imbalance of incentives. Strikes and other industrial action are obvious 'voice' reactions. Throughout the ages, workers have also resorted to elaborate forms of *sabotage*.⁴⁰ *Pilfering* has also been a form of resistance, raising worker incomes while expressing dissatisfaction with controls. Sometimes pilfering has been organised collectively and converted into a means of strengthening worker solidarity.⁴¹

Controls work on various levels, and the reactions by those expected to perform the labour will vary according to their perception of their unfairness, the credibility of the threat of sanction, the probability of detection, the perception of solidarity among fellow labourers, cost of the reaction, and so on. The effort bargain that results from the controls, and the reactions, will be mediated through the worker's *consciousness*. For a worker, four types of consciousness have been identified:

- (1) *Subordinated consciousness*. In this case, the worker accepts the legitimation of the power of dominant groups; he thinks the control is socially just or necessary.
- (2) *Dependent consciousness*. A person may be conscious of being dominated, but adapts because he or she sees no possibility of overcoming it.
- (3) *Emancipatory consciousness*. A worker may be aware that society is based on a production system that is the cause of his subordination, and be inclined to oppose it, politically or through 'exit' or 'voice' options in the labour market.
- (4) *Bourgeois consciousness*. A worker may believe that he or she belongs to the dominant groups in society, and believe that individualism applies, in that individual effort is sufficient to enter the dominant group.

No doubt this could be refined. But it would be misleading to postulate that labour relations are merely command systems or that they can be translated into standard market relationships. Consciousness is the intermediary variable. In socio-economic transformations, when control systems undergo major changes, often linked to technological change and work reorganisation, working communities may react destructively or resentfully. At other times, those subject to new controls and the associated insecurities have sunk into sullen, anomic behaviour.

Anomic resistance is most likely when the perception is strong that there is little chance of changing the situation. Sabotage is most likely when the perception is strong that the system has abrogated conventional norms of distributive justice, but when there is no vision of a viable alternative set of relationships and distribution. In both, *insecurity* creates pressure to oppose structures of control in a negative way. By contrast, exit options are more likely if there is a belief that viable alternatives exist, while industrial action is likely if workers believe that change can be induced by pressure, so that the system can be preserved by redistributive adjustments. *Collective resistance* means more. As the great American institutionalist, John Commons put it:

³⁹ Trice, 1993, op. cit., pp. 141-59.

⁴⁰ G. Brown, *Sabotage* (Nottingham, Spokesman Books, 1977).

⁴¹ For an account of this among Newfoundland longshoremen, see G. Mars, *Cheats at Work: An Anthropology of Workplace Crime* (Boston, Allen and Unwin, 1982).

“Collective action is more than control of individual action — it is, by the very act of control.... a liberation of individual action from coercion, duress, discrimination...by means of restraints placed on other individuals. And Collective Action is more.... it is expansion of the will of the individual far beyond what he can do by his own puny act. Since liberation and expansion for persons consist in restraint...of other persons.... the derived definition [of an institution] is: collective action in restraint, liberation and expansion of individual action.”⁴²

In this respect, the role of *trade unions* in the patterning of control relations has been ambiguous. In simple control systems, unions have typically represented male artisans or skilled craftsmen, attempting to control *ports of entry* to a craft or profession, regulating the control of subordinate labourers and apprentices, and acquiring surplus from lower strata of workers. Craft unions traditionally have constrained managerial control over job content, but have also retained functions associated with management, often controlling hiring, training, ownership of tools and career progression paths. In technical control systems, unions have tended to evolve into industrial unions and to focus on raising wages, improving working conditions and managing worker discontent. They have tended to become intermediary controllers, helping to legitimise Tayloristic practices or bureaucratic procedures, and helping to placate discontent rather than opposing the control system itself.⁴³ Industrial unions have had diminishing control over job content (skill, breadth, time allocation), the control of which union leaders in the 19th and early 20th centuries regarded as an essential function of unionism.

It is perhaps partly because they do not offer a coherent strategy for workers’ control over their work that at the beginning of the 21st century, trade unions lack popular legitimacy or moral authority. Too often they have seemed to represent “insiders”, and to be “rent seeking” devices. Yet, criticism should not be taken too far and should be constructive, looking to determine what types of union and association are required to combat controls and promote security. Effective resistance to controls does require collective agency of some sort. The character of work and security in the coming era will be determined in large part by whether what evolves takes on the role of controller or resistance in the name of autonomy. Several tendencies are vying for supremacy. Control functions are being taken by intermediaries. There is also a powerful current to create and legitimize something like *company unions*, set up by managements or facilitated by them, and often supported by legislation. The most striking case of this was what happened in Chile during and after the Pinochet regime. Company unions are also associated with the Japanese development experience, and have been spreading in east Asia, in particular.

Against that trend, or potentially so, are moves to create unions that embrace not just workers in specific occupations or sectors but those on the edge of labour markets. These offer the possibility of giving Voice to the *flexiworkers* – those doing labour in casual or temporary work statuses, those working through employment agencies or middlemen, the outworkers, tele-cottage workers, and so on. To be

⁴² J.R. Commons, *Institutional Economics* (New York, Macmillan, 1934), p.73. Emphasis in the original.

⁴³ In the UK, the managerial role of unions, and shop stewards in particular, was highlighted by reports of employers to the Royal Commission on Trade Unions in the mid-1960s. In the USA, some union leaders have joined boards of directors of major companies, perhaps most memorably when the UAW President joined the Board of Chrysler.

effective, such organizations will have to merge or form alliances with representative “non-governmental organizations”. Although they have been over-romanticised and are prone to failings of transparency, accountability, democracy and representativity, and to immoral and moral hazards, they offer the hope of overcoming the “insider-outsider” divide that has dogged traditional trade unionism.⁴⁴ Perhaps they will usher in an era of decentralized democratic governance of work and labour. Perhaps.

9. Towards Human Security: Why Control Matters

This paper originated from dissatisfaction with the orthodox depiction of work and labour status and from a belief that what differentiates types of work activity is the pattern of control involved. Underlying this concern is a normative perspective derived from a standard view that distributive justice must have an egalitarian base of some sort. This is not the place to develop that theme in any detail. However, it might be useful to attempt to make the linkage schematically.

The starting point is that distributive justice requires that everyone in society should have basic security and *self-control*. Equal basic security implies that there should be equal freedom from morbidity, sustainable self-respect, and equal freedom from controls. There should also be equal good opportunity to develop one’s competencies.⁴⁵

The principle of equality of opportunity should be interpreted as the opportunity to pursue one’s self-determined *occupation*, defined in terms of a bundle of competencies and aspirations linked to work over a lifetime. As argued elsewhere, occupation is the positive side of work. It requires self-discipline and a progressive content – as befits human development. And it requires a regulatory framework to limit both opportunism and dilettantism.

So, the freedom to pursue one’s own sense of occupation requires basic security, which implies freedom from controls. This line of reasoning runs into the “contented slave” objection, i.e., the view that people may deliberately place themselves under the control of somebody else as a means of obtaining basic security, or as a means of overcoming their vulnerability, and thereby being able to avoid having to make awkward or risky decisions. Here is not the place to try to rehearse a full answer to this line. Suffice it to state that social and political rules cannot be derived from a belief that human beings would opt for slavery. Justice requires that society has policies and institutions that provide adequate security and self-control, in which every individual can make rational choices – the essence of real freedom.

There are many twists and turns in this analysis. However, in telegrammatic form, in what one might describe as *complex egalitarianism*, distributive justice requires:

⁴⁴ These issues are being considered in the Socio-Economic Security Programme in the context of initiatives to enhance voice representation security. It is hoped that this will be linked with research undertaken in the Social Dialogue Infocus Programme and in the International Institute for Labour Studies.

⁴⁵ One could agree with Bob Hepple in thinking that equality of opportunity is not sufficient for decent work. B. Hepple, “Work, empowerment and equality”, paper presented to International Institute for Labour Studies, November 7, 2000. The difficulty is to identify what philosophers call the *equalisandrum* (the bundle of goods that must be equalized for distributive justice). On this, see Standing, 1999, op. cit., chapter 11.

- Basic security for all
 - * Freedom from morbidity
 - * Freedom from fear
 - * Being in control of one's development
 - * Sustainable self-respect
 - * Minimal income security – a “floor” to downside risk
 - * Voice representation security
- Equal good opportunity for occupational security

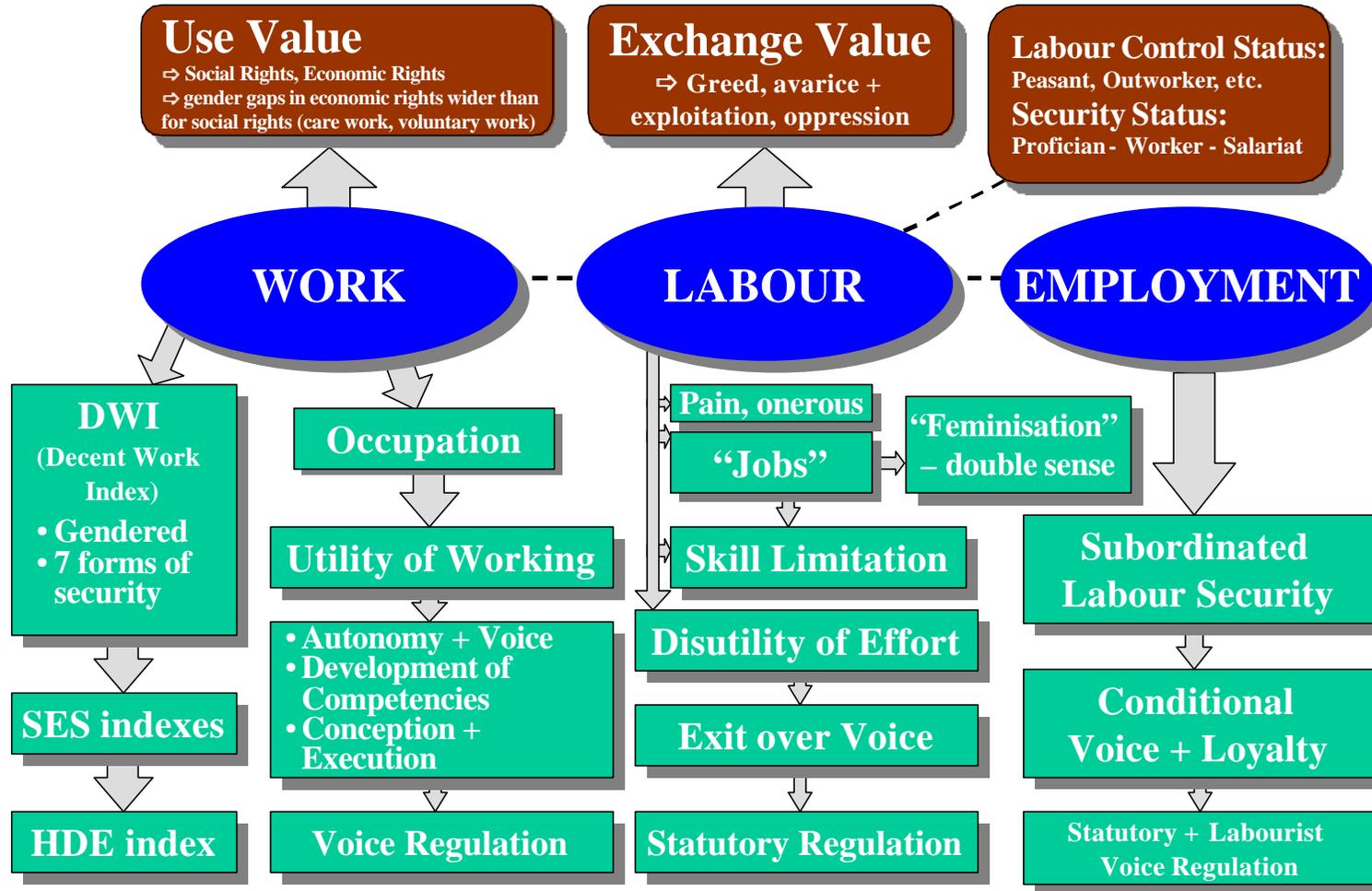
To be meaningful, basic security requires basic income security, to allow “real freedom”, and it requires sustainable Voice representation security (collective and individual), to ensure that the vulnerable and all interest groups are taken into account. It is also necessary to have a convoluted policy rule, based on the Rawlsian Difference Principle:

Policies are just if and only if they reduce (or do not worsen) the insecurity of the least secure groups in society and if they reduce the controls limiting the autonomy to pursue occupation of those facing the most controls.

With this as background, let me make a link with the ILO's new orientation to “decent work” – or, a term I prefer, “dignified work”. Figure 5 is an attempt to portray *stylized tendencies* linked to the three key notions. Start at the centre, with the notion of labour. As a general rule, labour is hard and should not be romanticized. Its primary function is to produce marketable output or services (exchange value), and thus those who control labour usually want to take advantage of others, and often will oppress and exploit those performing labour, who in turn will want to shirk and avoid it as much as they can. So, controls have to be considerable. Labour is also associated with a proliferation of “jobs” and the “jobholder society” so memorably deplored in Hannah Arendt's The Human Condition. Jobs are limiting, instrumental. Performance of labour has a disutility, captured in the standard economic textbooks. Labour is also a matter of demand and supply, so that employers and workers exit from their relationship if product demand or wages fall. Finally, of the three forms of regulation (statutory, voice and market (fiscal)), it is statutory regulations that tend to be given the primary role, although market regulation (notably through fiscal policy) may also be strong.

At the right hand side are the key tendencies of *employment*, which might be called stable labour. The standard model of employment involves an implicit social contract in which workers and employees receive labour security in return for accepting controls over them, a disciplined, subordinated role in the production process. Employment relationships emphasise notions of *loyalty* to a firm and to the employer, in which workers have a Voice role that has carefully prescribed limits.

Diagram 1: From Labour to Work



Both labour and employment are associated with a complex set of labour statuses suggested in the main part of this paper, and are also associated with what might be called Class. This is not quite appropriate for what I have in mind – the constantly evolving process of socio-economic stratification. But thinking along this line, one might have Control Status (the number of status groups depending on the type of society, etc) and Security Status.⁴⁶

Now consider the idea of *work*. This captures the positive sense of productive and creative activity, in which the conception and execution aspects are increasingly combined (in Braverman's imagery) and, more importantly still, in which there is room and respect for inaction and *contemplation*. When we think of work in positive terms, we think of the utility of working, in which pressures come from within ourselves, in which we feel in control, so that we give proper place to the vital activity of stillness, of contemplation. In intent at least, labour and employment do not leave space for this stillness. The economic imperative rules. Modern technologies, and every technological revolution, result in a greater intensity of labour for millions of people. Stress, burn out, loss of control over time are what characterize labour.

In thinking of what constitutes dignified work, we must give priority to enhancement of self-control, which surely consists of growing *autonomy* and the support of strong collective and individual Voice, allowing real freedom over what to do and not to do, and when to do it. Thinking of work leads us back to the complex idea of occupation, in which we can develop our competencies in ways that we choose through working.

If we focus on what work can provide and what labour cannot, we may have a richer view of distributive justice in which the negation of controls will be given more systematic attention. This leads to other tensions implicit in the diagram. A focus on maximizing jobs and "restoring Full Employment" leads inexorably to pressure on people to accept subordinated flexibility – with calls on workers to make concessions in order to help to create more jobs. By contrast, a focus on work leads in the direction of thinking about liberating flexibility – a desire to be *informal* in the sense that increasingly we should be able to choose how to allocate time. A focus on work also leads back to the values of universalism and social solidarity, and away from the use of public *social protection policy* and *fiscal policy* as part of regulatory policy and as labour-based selective entitlements.

The gender implications of the shift from labour to work are also substantial. In the current era, trends in labour and jobs are encouraging *feminisation* in the double sense that more women are in jobs and a growing proportion of total job opportunities are of the type traditionally taken by women, that is, casual, informal, insecure and careerless.⁴⁷ If we reflect on work in a broad sense we know that many work activities that are not labour are done mainly by women and deserve to be compensated and given Voice if we are serious about promoting a strategy for dignified work. Work has

⁴⁶ It is suggested elsewhere that in the context of globalisation, informalisation and flexible labour markets, one can conceive of seven strata in modern society defined by their security status – an elite, proficians, the salariat, the core, flexiworkers, unemployed and the detached. The core stratum (standard "formal" workers, wedded to standard labour securities) has been shrinking in many countries and can be expected to shrink further. It is this group for which welfare states were built. Above the core, there is a process of detachment by fortune from the public sphere of social policy, while below the core there is a process of detachment by misfortune.

⁴⁷ G. Standing, "Global feminisation through flexible labour: A theme revisited", *World Development*, July 1999.

use value, and it is a sign of progress that the *social rights* of those doing various forms of non-labour work are becoming more topical in many parts of the world.

For instance, it is increasingly recognized that care work should be covered by social protection policy. It is powerfully subversive that in the last few years of the 20th century *care work* emerged from the shadows into the public domain, not only by having a public face but by being legitimised socially in a context of a labourist welfare state under strain. Much has been written about care work.⁴⁸ A fundamental question is whether the commodification of care can defy the Wollstonecraft dilemma, the difficulty of reconciling the desire to see the activity move into the public sphere (implying or leading towards commodification) while avoiding the prospect of women remaining in low-status activity.

At the outset of the 21st century, there is something approaching a unity of purpose among welfare state reformers and many feminists. The work of care should be recognized as such. There is a pragmatic, even cynical element in this. Some policy reformers see *carers* as reducing the need for extensive state provision of social services and social transfers, with ‘private’, personal and *low-cost* suppliers replacing ‘public’ support. Whatever the rationale, more analysts are joining feminists in demanding that such work should be recognised, compensated properly and recorded statistically. Making it visible should increase its dignity. There is no prospect of genuine gender equality unless or until all forms of work are treated equally in social policy.

Other forms of work also tend to be excluded from labour. Non-governmental organizations are regarded as the most dynamic part of civil society. While much of the noise may be little more than that, much of it is valuable. Recognizing that much of the activity is real work is also subversive, because we need to measure it, to ensure that those involved can have the basic security they need and to ensure that the more vulnerable who are drawn to a cause are enabled to retain their sense of self-control and to pursue their sense of occupation along with everybody else.

The recognition or even compensation for work that is not labour is insufficient to make it “decent work”. The set of necessary and sufficient conditions also requires voice security for all sides of any work relationship. For this, we need to reflect on what are the controls that must be minimised for a particular type of work. Care is particularly appropriate for this process of reflection, because it is the type of work that is susceptible to conflicting pressures. Whatever the institutional structure, there is always an element of a ‘gift relationship’ and an element of a market relationship. What is required to limit oppression, exploitation and opportunism is voice representation for all sides – the carer, the surrogate carer, and the recipient of care and surrogate for the recipient. In short, for all types of work, voice and income security are required in order to provide an environment of security and decent work.

10. Concluding Points

Combating controls in work and labour should be a fundamental part of a strategy for promoting dignified work and distributive justice. Controls cannot be

⁴⁸ E.g., N. Folbre, “Care and the global economy”, paper prepared for the UNDP, New York, 1999; J. Lewis, “Care work: A review of the issues”, paper prepared for the ILO Socio-Economic Security Programme, Geneva, 1999. The ILO’s Socio-Economic Security Programme is carrying out an assessment of the alternative policy options for responding to the legitimation of care work.

combated and negated unless we identify them specifically and place them at the heart of our analytical and statistical frameworks. We, as social scientists, have done little to place them there.

The 20th century was the century of the labouring man. This one should be the century of *work*, when all sorts of human activity will be recognized as valuable. One predicts that soon the century of labouring man will be regarded as a peculiar aberration of human history. As part of the shift from labour to work, diverse forms of work are being legitimised, and concern over forms of control should be among the priorities for liberating work as creative, self-controlling activity.

Care work is just one type of work that will undermine the legitimacy of the labour force approach to statistics; its inclusion as work will affect labour analysis and policymaking. Another form of work that will have similar effects is *out-work*. The revival of interest in this partly reflects the perceived trend towards external labour flexibility all over the world. Of course, outwork has always been widespread in developing countries. What has become clear is that it is not doomed to decline, and is a large part of the future.

The trend to informal activities makes it even more crucial to probe the dynamics and mechanisms of control that intensify insecurity among those doing such work. Informal working is not just about precariousness and social exclusion. Potentially, outwork, own account work, distance working, “teleworking” and other forms of “non-regular” work offer considerable scope for the autonomy and personal security that are essential aspects of *dignified work* and the pursuit of occupation. However, real self-control will not be achieved unless all forms of work are backed by Voice representation security and basic economic security, on which *real* freedom depends.

Some analysts have questioned the view that there can be a universally applicable set of rights of work, suggesting that because there are many types of labour status and many different types of economy at various levels of development a universal set is impracticable. This is moot.

The desirable *universalism* is definable in terms of trends towards basic security for all, regardless of social or labour status, and towards basic self-control, or the control over self. In that context, because of their relevance to the evolving decent work paradigm, it is worth reiterating the two principles that underlie the ILO’s Socio-Economic Security Programme.

The first is the Rawls Difference Principle applied to policy choices:

A policy is just if, and only if, it reduces the insecurity of the least secure groups in society.

Decent work is about *distributional* outcomes – the labourer and the peasant should have the same basic security as the lawyer or the shareholder.

The second is the Paternalism Test Principle:

A policy is just if and only if it does not impose controls on some groups that are not imposed on the most free groups in society, or if it reduces the controls limiting the autonomy to pursue occupation of those facing the most controls.

In normative terms, we can favour policies and institutions that move people's work away from controls and inequalities, and that move *towards* greater autonomy, security and equality. This is not just about laws and regulations. It is about the structuring of work – the need to shape work to suit people, not merely shape people for jobs, or to make them more “employable” (sic).

There is one final point worth making about control and the ‘decent work’ agenda. How can a balance be achieved between freedom as autonomy and freedom as responsibility? This relates to the complex notion of freedom – freedom from controls, and freedom to be able to make rational choices – “the wish to be self-directed and not to be directed by others”.⁴⁹ The libertarian notion treats freedom as unbridled individualism. But actually any individual needs some constraints – boundaries or pressures to direct him or her away from pure egotism. The desirable constraint is some form of collective that limits opportunism while facilitating the *freedom to develop*. This is the Voice security that we should be seeking.

The trouble is that any collective by itself could (and probably would) become oppressive unless checked by some other form of collective. Thus, the family will be oppressive unless its members can draw strength from belonging to a wider community; the union will be oppressive unless civic associations can give strength to individuals; the civil society organisation is likely to become oppressive and opportunistic unless its members can identify with a balancing group, and so on. We need a set of collectives. As G.D.H. Cole put it in 1920, at a time of ferment as trade unions and cooperatives struggled for identity, “A person requires as many forms of representation as he has distinct organisable interests or points of view.” In short, freedom requires a *system* of collective individualism in order to restrain moral and immoral hazards.

This should lead us to consider some current populist imagery. The notion of “*empowerment*” should be disquieting. We should feel uneasy about the language of battle. Of course, social relations are about adversarial bargaining, conflict and “struggle”. It is intellectually reprehensible to talk or write as if there were no conflicts of interest; this leads to flabby thinking by bureaucratic minds unwilling to take intellectual risks. However, the danger of the current discourse around “development as freedom” is that it depicts freedom as competitive individualism, consumerism, possession, aggrandisement, the maximisation of short-term profits and individual advantage. It fosters a Hobbesian mentality, which turns all social relations into “winners” and “losers”. This freedom to be endlessly at war with our fellow beings, with nature and with ourselves, is driving us into a frenzy of “competitiveness”, egotism, stress, “labouraholism”, “presenteeism”, *karoshi* and other social sicknesses.

Of course we need production, which requires incentives. However, we must reflect more. We need a softer tone, a less abrasive way of living, in which self-control does not mean merely freedom to compete opportunistically and frenetically with others more “equally”, somehow replacing hierarchical control relations. The *stress* that is the modern illness of the libertarian labour ethic will not be addressed by this route. We must reject the language of empowerment. It is *dis-empowerment* that is required; it is the negation of all those controls, in order to liberate our enthusiasms, our creativity, and most of all, our capacity for contemplation and reflection. That is real security. The greatest freedom of all is to be *still*. Decent work can only evolve if

⁴⁹ I. Berlin, *Four Essays on Liberty* (Oxford, Oxford University Press, 1969), p.131.

ordinary people are enabled to have the capacity to say “No”. This is a disturbing message for those who want to see the extension of markets to every crevice of human existence and who see the multiplication of jobs as the answer to the human condition. Decent work needs basic security, or real freedom is denied. The ultimate paradox is that decent work requires the freedom to do no work at all. Decent work can only exist when it is done for intrinsic reasons, not because a landlord, a boss or the State says it shall be so.