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Living Wages North and South

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ESSAYS ON TRUE DEMOCRACY AND CAPITALISM

Invisible Exploitation

How Capital Extracts Value Beyond Wage Labour

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 T he Marxist analysis of work under capitalism has long been associated with a preoccupation with wage labour: waged workers as wage-slaves, industrial workers as the revolutionary proletariat, and factory workers as the vanguard. The labour theory of value has been widely seen as applying to the wage form of work and no other. But Marx's own writings describe other forms of labour under capitalism, and Marxist theorists have long pushed to expand our understanding of exploitation beyond the classic waged relations of production.

Capitalists have always used more than the wage form alone to extract surplus product from workers. However, this century is



particularly distinguished by its growing reliance on alternate methods of extracting surplus. It's time for Marxists to rethink our preoccupation with the wage and develop a theory encompassing a common ground of exploitation across a wide variety of extractive relations under capitalism. A recognition of that shared exploitation may prove key if the exploited "class-in-itself" is to become a "class-for-itself," able to unite and act in solidarity.

Marx himself analysed two major modes of capitalist exploitation of workers outside the wage form: "so-called primitive accumulation" and reproductive labour. Already in 1913, Rosa Luxemburg proposed in The Accumulation of Capital that primitive accumulation (better translated as "original" accumulation) was not a one-time event somewhere in the past, but instead an ongoing process under capitalism. Capitalist growth, she argued, required continual expansion into "non-capitalist" spheres: "accumulation is more than an internal relationship between the branches of the capitalist economy;

it is primarily a relationship capitalist environment."¹ It is discussions of original on the material objects of seized oil fields or privatised much or even most original also called, accumulation by

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between capital and a nonworth noting here that accumulation tend to focus appropriation, such as water, minerals, or land. But accumulation—sometimes dispossession or

accumulation by theft—appropriates both raw materials and labour simultaneously. When infrastructure such as railroads, produced goods such as ships, tools, buildings, cleared and improved fields and lands, crops, mined metals, and so on are plundered, the labour used to modify and maintain those resources is also seized.

Another form of capitalist labour expropriation, slavery, can likewise be understood as a form of original accumulation, a direct theft of human labour power. The case for capitalism's foundational need for slavery was made at least as early

as 1944 by Eric Williams, assumed that slavery was a However, from reports of factories, a global traffic in work, confiscated passports children held to work on that unfree labour is not a continues to thrive.

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although at the time he labour form of the past.² workers padlocked into women for coerced sex of domestic servants, and cacao plantations, it is clear pre-capitalist relic, but

In addition to original accumulation, Marx studied the role of reproductive labour in capitalism: the unpaid work needed to reproduce labour power by creating and raising children, and by feeding, clothing, sheltering, and caring for adult workers. However, orthodox Marxism has tended to draw a sharp line between productive and reproductive labour, suggesting that the latter is necessary to capitalism's function and expansion, but it does not in economic terms generate surplus value for capital. Beginning in the 1970s, Marxist feminists and movements like the Wages for Housework campaign countered this consensus by arguing that women's domestic work was unpaid but nevertheless commodity-producing work; indeed, it created and sustained the most important commodity of all—labour-power. Women's "reproductive" work was actually foundational to capitalist exploitation, and very much a productive activity. Yet "women's work" was and remains largely invisible as labour, instead defined as a naturally occurring "labour of love," allocated to the private rather than economic sphere. As Maria Mies famously pointed out in Patriarchy and Accumulation on a World Scale, under capitalism, with the creation of the category of "housewife," "women's labour is considered a natural resource, freely available like air and water." ³

¹ ← Rosa Luxemburg, *The Accumulation of Capital* (New York: Monthly ReviewPress, 1964), 417.

² Eric Williams, Capitalism and Slavery (Chapel Hill: University of North Carolina Press, 1994).

³ ← Maria Mies, Patriarchy and Accumulation on a World Scale: Women in the International Division of Labour (New York: St. Martin's, 1986).

In her influential 1988 book If Women Counted, Marilyn Waring brought a feminist critique of conventional economic measurements to a broader audience, arguing that from carrying water to caring for the elderly, the worth of women's work was unaccounted for in money-based metrics of wages, profits, and productivity. Waring's work inspired the introduction of new statistical methods, on a national and international scale, that sought to assess the hours and imputed market value of domestic labour, caregiving, and other feminized forms of unpaid work performed by wives, daughters, and mothers. However, in her sophisticated introduction to the second edition of her book (entitled Counting for Nothing in some later editions), Waring notes a double edge to these attempts at an economic account of women's unpaid work. While arguing for the theoretical and practical importance of recognising the scope and volume of unpaid labour in the economy, she also makes clear the dangers of attaching narrowly numerical values to women's work, which has strong qualitative, ethical, and affective dimensions: "what is the cost of 'visibility' in a patently pathological value system?" she asks. "Do we want all of life to be commodified in an economic model?" Waring stops short of wondering whether a recognition of shared capitalist exploitation could provide a common political and strategic ground between house-working women and other exploited parts of the population.

While work on the capitalist exploitation of women's unwaged labour has flourished in recent decades, versions of this critique can be found much earlier, for instance in an article by the American Marxist Mary Inman entitled "The Role of the Housewife in Social Production," published in 1940. She presciently observed that "the labour of a woman, who cooks for her husband, who is making tires in the Firestone plant in Southgate, California, is essentially as much a part of the production of automobile tires as the cooks and waitresses in the cafes where Firestone workers eat.... [T]heir labour is as inseparably knit into those tires as is the labour of their husbands."

This cursory survey shows that throughout the last century, various currents in Marxism have focused on the role of unpaid labour in the creation of capitalist profits, through original accumulation, slavery, and housework-as-labour. Yet for much of that time, most Marxists still placed waged work at the centre of their analysis of capitalist exploitation, to the exclusion of other forms of labour. Some even welcomed the expansion of waged relationships into economies where unwaged labour predominated as marking the arrival of "real" capitalism—itself seen as a disruptive but necessary stage in the progress toward socialism.

In the current era of neoliberal globalisation, however, original accumulation, slavery, and housework, far from being replaced or superseded by wage labour, have instead continued and even expanded. And now we also see that even more forms of non-waged and sometimes even extra-monetary capitalist exploitation have been created. It could perhaps be argued that more exploitation takes place through these various mechanisms than in the conventional realm of wages and salaries.

While the theories discussed above have made great advances, Marxism as a whole has still yet to fully reckon with its preoccupation with the wage. What follows is an attempt to enumerate just some of the many pathways of capitalist surplus extraction, not only beyond the wage form, but also beyond original accumulation, slavery, and housework, and an argument that these other forms of exploitation are intrinsic and essential to capitalism.

We might for convenience's sake divide capitalist forms of exploitation beyond the wage into several categories. First, wage work itself is being re-organised so that more of what is demanded of a worker is claimed not to be "work" at all,

⁴ ← Marilyn Waring, Counting for Nothing: What Men Value and What Women Are Worth (Toronto: University of Toronto Press, 1999), xxiv.

⁵ → Mary Inman, "The Role of the Housewife in Social Production," reprinted in Viewpoint 5 (2015), http://viewpoint-mag.com.

and is therefore not waged; workers are paid for less and less of their necessary time. For instance, precarious waged workers are increasingly expected to log unpaid "on-call" time: Starbucks employees must remain available for constantly changing shift assignments, which daily appear and disappear on their schedules. Similarly, restaurant employees must do prep work before clocking in or clean up after clocking out, home care nurses take home paperwork to finish at night, and white-collar workers check their email in the evenings, on weekends, and on vacation. Although these workers are waged, much of their work is not.

Other familiar forms of labour exploitation that are entirely outside the formal wage model are also expanding. Long

recognised in the global work and contract labour the North as well. These nominally paid labour, such labour, and workers labeled their jobs are menial or "consultants" if they are economic scale, from drivers, to TaskRabbit to self-employed copy

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South, various kinds of piece have a growing presence in include entirely unpaid or as internships or prison "independent contractors" if "freelancers" and slightly higher up the adjunct professors and Uber workers and day labourers, editors and dog walkers.

accumulation" remains an phenomenon itself is widely capitalist profiteering, form. The seizure of natural

resources, for example, has never ceased, as in the eminent domain exercised by pipeline construction companies in the United States, or the encroachment on indigenous lands for mineral extraction and other uses, part of a broader privatisation of the commons. But original accumulation has also taken on new forms, such as civil asset forfeiture in the United States, which totalled over \$5 billion in 2014, according to the Washington Post, and which is set for a revival under Trump's Department of Justice. Subsidies, tax benefits, and bailouts for large corporations and financial firms, which clearly provide significant and ongoing profits, could also well be categorised as primitive accumulation, an upward redistribution of public money to the capitalist class, without even a gesture to the wider public in return. The age of "too big to fail" has made it entirely clear that these transfers of value are not just occasional windfalls, but are inherent to the very structure of contemporary capital accumulation.

The dizzying and ever-expanding suite of financial and monetary instruments used to drain cash from households are further forms of exploitation. Predatory housing lending and ballooning debts to credit card corporations and student loan companies point to the increasing prevalence of this mode of extraction. For many workers, "financialisation" is no abstraction, but instead a daily reality, a ready means of appropriating value by paying with one hand, and taking back that pay with the other, through mounting debt, interest, and fees.

Just as the exploitative forms of primitive accumulation and piece work are common to the global North and South alike, financialisation as a form of bleeding workers prevails across the globe. International debt—including its attendant interest payments, budget rules, and monetary restrictions—is one obvious means of using finance to extract value from

^{6 ←} Christopher Ingraham, "Law Enforce-ment took More Stuff From People ThanBurglars Did Last Year," Washington Post November 11, 2015

workers in the global South. Less discussed today, but still important, is the global system of unequal exchange, first named in the early 1960s by the economist Arghiri Emmanuel.⁷ The subject of much theorisation and debate, unequal exchange might be summed up as a phenomenon in which international trade conditions and foreign exchange relations tend to value (or undervalue) labour in a way that transfers profits to capitalists in the North. Any tourist in the global South who has noticed the lopsided value of the U.S. dollar or the euro vis-à-vis the currencies of former colonies and neo-colonies has experienced unequal exchange firsthand.

Still other forms of exploited labour appear less obviously as work, or even as mechanisms of exploitation. Housework has already been mentioned, but feminist economists, along with scholars studying peasant societies, have expanded the

discussion of housework to subsistence work that capitalism.

The socially necessary wage, the amount required for reproduce themselves under The unpaid labour of subsistence workers, by values at no cost to capital, necessary wage. When or raise children at home

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in Marx's conception, was workers to survive and prevailing social conditions. women and other producing essential use serves to lower that women cook meals for free, rather than send them to day

care, or care for ill household members—all as unpaid "labours of love" —they provide direct economic subsidies to the socially necessary wage. If workers had to pay for those services, their wages would need to be far higher. Similarly, if women or other household members grow food in kitchen gardens or fields, or repair houses and make their own clothes, as they often do in the global South, this subsidy, combined with variations in living standards and labour conditions, enables even lower wages, and therefore higher profits. To use Maria Mies's formulation, this unseen labour represents the submerged bulk of an iceberg, of which formal waged work forms only the tip.

Another form of unwaged exploitation is often called "shadow work"— something we all engage in and often loathe, yet usually do not think of as work, or even a means of exploitation. Coined by the philosopher Ivan Illich, shadow work encompasses unpaid labour created by capitalist enterprises, yet which in itself is entirely unproductive, with no purpose other than to service profit-making enterprises, for free—casting a kind of "shadow" outside the economy. Examples include activities novel enough to still draw our attention and frustration, such as slogging through endless automated phone trees to argue with health insurance companies, or installing endless updates to computer systems. Older forms of shadow work that we now take for granted include time spent paying bills, or checking bank accounts.⁸

In short, the capitalist exploitation of labour outside and beyond the wage form has been well documented for many years. Yet many Marxists continue to focus on the wage as the singular embodiment of capitalist exploitation. An expanded Marxist understanding of capitalist exploitation is long overdue. This is not merely an academic question, but a problem with profound implications for anticapitalist movements and organisations around the world.

^{7 ←} Arghiri Emanuel, Unequal Exchange: A Study of the Imperialism of Trade (New York: Monthly Review Press, 1972).

^{8 ←} Ivan Illich, Shadow Work (London: M. Boyars, 1981).

Centuries ago, to become a waged worker was to suffer a steep decline in status, a condition that workers fought against as they clung to self-provisioning and self-organised, subsistence-based work. As original accumulation proceeded, the means of both subsistence and production were privatised, and access to those means of production was denied to all but the capitalists. At this point, wage work slowly rose to a status of relative privilege among the working classes, and "access to the wage" became access to more power than was available to other workers. When a worker was waged, he (for it was usually a "he") and his work were at least acknowledged, and the terms of engagement with bosses could be perceived, delineated, and contested.

Meanwhile, workers who laboured under other, non-waged terms were reclassified as "economically backward," and sometimes were defined as not-even-working. For familiar historical examples, think here of tenant farmers framed as a kind of feudal holdover, or the bourgeois creation of the housewife. Even when their low position in the capitalist hierarchy was acknowledged, unwaged workers came to be seen as "marginalised" or at best as "oppressed," rather than as exploited. In fact, far from being peripheral to capitalism, the labour of unwaged workers is central to both the production and maintenance of capitalist profits.

This preoccupation with waged labour, and the associated perception that modern economics could not explain the supposedly vestigial and non-economic oppression of women or sharecroppers, may partly explain why many communities began to see a politics of identity, rather than economic solidarity, as their best path to public visibility and progress. Access to the wage foregrounds some workers while obscuring the labouring reality of others, fracturing the potential for unity across the multiple working classes. The wage has been used to divide us.

Every day shows us the advancing and expanding grip of capitalism, as it invades and commodifies ever more areas of personal life and experience. Yet at the same time, the number of conventionally waged workers is shrinking, with the rise of temporary contracts, piece work, informal jobs, and other precarious forms of employment. An insistence on wage work as the hallmark of labour under capitalism cannot make sense of this scenario; it must be clear now that the

sphere of capitalism has far waged work.

The orthodox Marxist vision would meet and unite in an the experience of shared productive endeavour consciousness. Capitalists plans. And with the labour protections, and the strategies have emerged to realm of unwaged work. For and unwaged alike—to condition, the assumption totality of capitalist labour Workers of all kinds must

with the neoliberal assault on unions, labour protections, and the welfare state, new capitalist strategies have emerged to further expand the existing realm of unwaged work. For the working classes—waged and unwaged alike—to recognise their shared condition, the assumption that wages represent the totality of capitalist labour relations must be rejected. Workers of all kinds must focus on the underlying reality of the extraction of their shiplus labour, whether shrouded by wages, piece work rates, unpaid shifts spent waiting to be called in, usurious interest payments, subsistence labour, or unpaid care work

has long been that workers industrial workplace, with exploitation in a shared fostering solidarity and class have always had other neoliberal assault on unions, welfare state, new capitalist further expand the existing the working classes—waged recognise their shared that wages represent the relations must be rejected. focus on the underlying

surpassed the sphere of

^{9 -} Silvia Federici, Revolution at Point Zero: Housework, Reproduction, and Feminist Struggle (Oakland: PM, 2012).

¹⁰ *← Ibidem*.

reality of the extraction of their surplus labour, whether shrouded by wages, piece work rates, unpaid shifts spent waiting to be called in, usurious interest payments, subsistence labour, or unpaid care work. The constantly proliferating variety of novel labour forms has proven an effective distraction from the task of building unity. It is the task of intellectuals to help reveal the hidden connections among seemingly disparate modes of exploitation. Additionally, we are well equipped to draw on the long and rich history of workers' struggles under the many different work regimes of capitalism and to find and create new models and possibilities, both for resistance and for the creation of independent, worker-based economies.

As capitalism retreats from the wage form in the twenty-first century, it is time to widen our understanding of capitalist exploitation to include both centuries-old forms of extraction and those now being invented or newly deployed: the status of independent contractor, intern, or consultant; the shadow work of ever-lengthening commutes; and parasitic financial mechanisms. It is time to connect the dots among these many methods of surplus appropriation, and begin to build an intellectual foundation for a resurgent and unified working-class movement, before it is too late.

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Useful links:

- jussemper.org
- Monthly Review
- Unequal Exchange
- Inside Capitalism
- Capitals, Technologies and the Realms of Life. The Dispossession of the Four Elements
 - * About Jus Semper: The Jus Semper Global Alliance aims to contribute to achieving a sustainable ethos of social justice in the world, where all communities live in truly democratic environments that provide full enjoyment of human rights and sustainable living standards in accordance with human dignity. To accomplish this, it contributes to the liberalisation of the democratic institutions of society that have been captured by the owners of the market. With that purpose, it is devoted to research and analysis to provoke the awareness and critical thinking to generate ideas for a transformative vision to materialise the truly democratic and sustainable paradigm of People and Planet and NOT of the market.
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