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To cite this article: Dorothy Sue Cobble (2016) Worker mutualism in an age of entrepreneurial capitalism, Labour & Industry: a journal of the social and economic relations of work, 26:3, 179-189, DOI: 10.1080/10301763.2016.1205939

To link to this article: http://dx.doi.org/10.1080/10301763.2016.1205939

Published online: 26 Sep 2016.
Worker mutualism in an age of entrepreneurial capitalism

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ABSTRACT

In this Keynote Address to the 30th AIRAANZ Conference in Sydney, the author identifies three vital and promising models of worker mutualism. These models show that worker mutualism is thriving, even in an era of entrepreneurial and hyper-individualistic capitalism. Indeed, we are at a moment of recovery and reconfiguration for labour and labour movements globally. The three models of worker mutualism are set within a larger context. The author challenges three mythic narratives: labour decline, working-class conservatism and the association of the rise of new forms of work with rising economic inequality that keep scholars from thinking clearly about worker mutualism and entrepreneurial capitalism.

Abstract Image

I am honoured and pleased to be speaking at the 30th anniversary gathering of AIRAANZ. Yesterday’s conference truly lived up to Johanna MacNeil’s charge to us in her Presidential Address (2016): it was civil, collegial and collectivist. I look forward to more of the same over the next few days.

I’ve titled my talk ‘Worker Mutualism in an Age of Entrepreneurial Capitalism’, and part of what I will do this morning is lay out what I see as today’s most vital and promising models of worker mutualism. Each of the models has roots in the past; none is wholly new. But each derives its strength, at least in part, by being forward-looking and open to new ways of organising work and representing workers. And each shows that worker mutualism is thriving, even in an era of entrepreneurial capitalism often judged hostile to cooperation and collective advance. We are at a moment of recovery and reconfiguration for labour and labour movements. The pendulum of history is starting to swing away from hyper-individualism and back toward social solidarity.

Let me begin by setting the larger context for my discussion of specific models of worker mutualism. The context I have in mind is not the conventional one. I want to challenge three widespread myths that dominate our narratives about work and workers. These myths are troubling because they make it harder for us to think clearly about worker mutualism and about entrepreneurial capitalism. And because they go unchallenged, they circulate and replicate, becoming the untested foundational premises on which theories and politics are constructed. They could be thought of as bad academic
memes – half-truths that spread, propagate and mutate in part because of their psychological appeal and their superficial plausibility.

The decline of labour, the first myth I’ll discuss, is one of the most deeply embedded assumptions of our time. It’s also untested and, in my view, wrong.

It rests on the analytical fallacy of taking a small subset of nations – the richer, post-industrial nations – and confusing them for the whole. It is true: trade union membership has fallen in almost all OECD countries, with some of the steepest declines in countries like the United States, Australia and New Zealand (Visser 2006, 43). But these trends are not universal. And if we look at trade union membership globally, a different picture emerges: one of growth not decline.

Take the most recent figures from the bible of global labour statistics: the Historical Dictionary of Organized Labor, third edition, edited by Australian researcher James C. Docherty and his associate Sjaak van der Velden at the Institute for Social History in Amsterdam. In 1970, they estimate (2012, 10, 18–19), there were 98 million union members worldwide (not including China); 40 years later, in 2010, they count 175 million (again, not including China and the 200 million members in the All-China Federation of Trade Unions). In other words, despite the well-publicised declines of organised labour in Western economies, union ranks worldwide rose 78% in the last 40 years, gaining 77 million members.

How can this be? Gains in union membership in Africa, Asia, Latin America and Eastern Europe, they find, more than offset declines in the older, industrial economies. Indeed, the global growth of organised labour, they modestly conclude, ‘is one of the unsung success stories of modern world history’ (Docherty and van der Velden 2012, 10, 18–19).

I refer you to their long discussion – it takes up almost a third of the volume – for more detail on sources, methodology and the myriad ways available data overestimates and underestimates union membership. There is no doubt that we need more data on union membership, especially global data, as well as more research and analysis of global union trends, but their volume stands as one of the most reliable overviews we have. I should note too that Docherty and van der Velden are no longer alone in their challenge to the ‘decline of labour’ trope. There’s a small tsunami of push-back beginning to build – fuelled by quite recent global studies like the 2015 analysis of trade union membership in 94 countries done by New Zealand-based Peter Hall-Jones at ‘New Unionism’ (2015, 1–9) – all pointing to the same global rise in trade union membership.

But the narrative of labour decline rests on a second analytical fallacy. All too often we define the labour movement narrowly and make the mistake of conflating the labour movement with contract unionism. The labour movement, however, has never just been about collective bargaining. When we look only at data on worker organisations engaged primarily in bargaining contracts we are capturing part of the labour movement but not the whole. Missing are the millions of workers in what I call the ‘other’ labour movement (Cobble 2010a, 18; Cobble and Merrill 2014, 40).

Let me talk for a minute about this ‘other’ or missing labour movement – what journalist Josh Eidelson (2013, 24) dubs ‘alt-labour’. Although perceived as a new development, it is actually a very old phenomenon. Think for a second about the nineteenth-century labour movements in industrialising nations. Certainly workers sought and secured contracts with employers. But much of their collective energies
went elsewhere: into campaigns for the vote and full citizenship rights, into building worker cooperatives, into movements for shorter hours and living wages, and into political agitation for labour standard legislation and other government policies.

Today, once again, a broad and diverse alt-labour movement is flourishing, often with the help of traditional contract unionism. We can see it in what Michele Ford and her co-authors yesterday (2016) called ‘a resurgence of political unionism’ in Indonesia. We can see it in the rise of new forms of worker institutions and associations in rich nations as well as poor, in the global north as well as the global south. In this short talk I discuss only a small slice of the emerging alt-labour movement. I won’t have time, for example, to detail the proliferation of living wage, minimum wage or wage theft campaigns around the world – what I call the global wage justice movement; or the explosion of immigrant worker rights centres and other labour NGOs; or the new community-labour alliances or transnational networks created by street vendors, waste pickers, home-based and other disenfranchised workers (Luce 2014, 148–203; Milkman and Ott 2014; Bonner and Spooner 2011, 95–97). But let me underscore that the larger context for the analysis of worker mutualism that follows is not labour movement decline but labour movement growth and reconstitution. Alt-labour is on the rise, and like the upward trends of trade union membership globally, its rise requires that we rethink and rewrite the dominant narratives of labour’s demise.

Let me turn to myth two: working-class conservatism. The trope of the reactionary worker (usually envisioned as male and blue-collar despite the demographic dominance of women service workers in the bottom half of income-earners) has a long and distinguished academic pedigree, especially in the United States (Cobble 2012, 35–37). Reactionary workers (and their unions) are blamed for a range of social ills; while those with more power – for example, the corporate or political elites – often escape scrutiny. Workers (and working-class institutions) are held to a different and harsher standard than others and frequently tarred with such classist slurs as thuggish, corrupt, lazy or just plain dumb.

George Orwell in ‘Politics and the English Language’ ([1946] 1971, 127–140) warned us against ‘ready-made’ ideas – familiar, already-formulated clichés that fly in from the closest window and take over our prose – and our thoughts – if we let them. But despite Orwell’s warning, the reactionary and morally retrograde blue-collar whipping boy is trotted out again and again. This handy, ready-made cultural trope is worth resisting: it demeans a broad swath of the population and sustains inequalities of power and wealth by channelling anger and criticism away from those at the top.

I encounter the reactionary worker most frequently these days in political narratives, where he has a starring role in the rise of the right. But once again aggregate data – this time data on U.S. voting patterns – points in a different direction than the anecdotal or the ready-made.

I first discovered the stark divergence between political narrative and political data in depicting working-class sensibilities in the United States one Sunday morning after the 2004 Bush re-election when the New York Times helped lift my gloom with some surprising charts. I was shocked to see how closely Presidential voting behaviour in 2004 correlated with income, with lower-income voters voting solidly Democratic, middle-income voters more mixed and higher-income voters solidly Republican. And that basic pattern of divergence by class, a kind of ‘class voting gap’, stretched back for decades. If the bottom 45% of earners had been the only ones voting, the historical
charts revealed, the United States would have had a solid string of Democratic presidents since the 1930s! (Cobble 2012, 37–39). Yet despite the persistently *progressive* voting record of the bottom 45% of earners, the *conservatism* of the working classes continues to figure prominently in popular and scholarly narratives. ‘Working-class liberalism’ almost seems like an oxymoron.

But wait a minute, you might be thinking: what about Trump and his huge army of disaffected angry blue-collars? No doubt, Trump has ‘working-class’ support, especially if ‘working-class’ means, as is almost always the case, those without college degrees, a group comprising some 70% of the American adult population. Few heed political scientist Larry Bartels (2006, 207–209) stern admonition against using educational attainment instead of income as a proxy for social class. As it turns out, those flocking to Trump’s rallies differ from other Americans not by income but by being disproportionately white, male, old and rural! The majority of low-income voters, still loyal to the Democratic Party, barely get a mention.

The now ubiquitous use of ‘precarious’ and ‘precarity’ perpetuates a third and final set of mythic narratives. Many assume we are experiencing an unprecedented rise of new forms of work, often referred to as ‘precarious’ work or non-standard work, and blame the shift toward non-standard jobs for rising economic insecurity and inequality. Moreover, some argue, we are witnessing the creation of a new ‘precarious’ workforce or ‘precariat’, to use Guy Standing’s term from his global bestseller: *The Precariat: The New Dangerous Class* (2011). I want to challenge, or at least raise questions, about all these assumptions.

Let me be clear: if we define ‘precarity’ narrowly as economic insecurity or ‘insecure work’ as the Australian Fair Work Commission puts it, it is on the rise. But labels can obscure as much as they reveal, and ‘precarious’ and ‘precarity’ have become such labels. They are rabbit holes down which it is all too easy to disappear. Standing’s ‘precariat’, for example, includes those without economic security and those without long-term tenure with a single employer. But it also includes those who are poor and those who lack meaningful work, full citizenship rights and a sense of community and social inclusion. That definition, it strikes me, is so broad as to be meaningless.

Instead of riding the precarity bandwagon, we need more clarity in our terms and more of the hard work of figuring out exactly what is changing in the world of work, why, for whom and with what consequences. In the richer nations, some workers may be witnessing a *return* to older forms of work arrangements – sub-contracted, casualised, short-term – forms dominant before the rise of large vertically integrated corporate structures and mass production. But it is not clear how fast these work arrangements are growing in the *aggregate* and whether their growth helps explain the steep rise of economic insecurity and inequality.

UC Berkeley economist Annette Bernhardt (2014) recently analysed national trends in the United States over the last few decades using key indicators of nonstandard work: self-employment, temporary and part-time work, sub-contracting and job instability. The ‘aggregate data’, she found, ‘did not show unambiguous increase in nonstandard forms of work’ (2014, 2). Further, non-standard jobs displayed considerable diversity in permanence and work conditions, with ‘pernicious forms of nonstandard work’ concentrated in specific industries and sub-contracting associated with industry consolidation and long-term employment as well as with fragmentation and impermanence. Aramark, for
example, is a subcontractor but it claims a 29% share of the food service market and employs full-time, long-term workers (2014, 13).

Bernhardt calls her study the ‘flat-line’ paper, and she cautions against blaming the rise of nonstandard jobs for rising inequality and insecurity. Rather, she notes, jobs of all sorts have seen wages fall and labour protections abandoned as the power of capital, economic and political, has grown and neo-liberal policies have become the norm. Neo-liberalism is the culprit, not new forms of work.

Of course, Bernhardt’s flat-line findings may not be true for other nations. But Kevin Doogan in New Capitalism?: The Transformation of Work (2009) finds similar flat-line trends for nonstandard jobs in many European countries and spends much of the book puzzling over how to explain the yawning gap between the breathless ‘narrativities’ of work transformation and the statistical portraits of work continuity.

What does appear to be changing, however, is who holds nonstandard jobs, with more men and more college-educated workers in these slots, especially in richer nations. The shift in gender and class composition of nonstandard work helps explain, at least in part, why such jobs are perceived as new and newly central to industrial economies. Nonstandard work is a new phenomenon for many men and white-collar employees, and because their work is routinely given disproportionate attention and taken as the norm, their experiences end up being universalised. For the majority of women and low-income workers, however, nonstandard work is old hat: they held such jobs in the past and they still do (Cobble and Vosko 2000). Similarly, in poorer countries, the vast majority, men and women, work in what was once termed the informal sector – toiling without protections as vendors, homeworkers, small producers and day labourers – and there most remain.

But what about Standing’s vision of the ‘precariat’ as a new and dangerous class? His assertion does have its virtues: for one it is a reminder not to limit the working classes to the factory proletariat. As scholars of household and agricultural economies, of slavery, and of the subaltern have argued for some time now, when writing about work and workers researchers must cast a wide net. But not everything caught in our wide net is usefully analysed together or treated as a group. The precarious workforce, in my view, hardly constitutes such a group or class, even one in the making. Precarious workers come in all shapes and sizes, with some among the highest earners in today’s economy and others among the lowest. Rather than look to the ‘precariat’ as the new vanguard class, we need to think more about the rise of bad jobs, or ‘insecure work’, in all sectors of the economy and how to boost the bargaining power of all kinds of workers, whether standard or nonstandard, waged or unwaged, proletariat, salariat or ‘pink-collar’.

Let me shift from myths to models and to how workers of all sorts are boosting their bargaining power collectively and inventing new forms of mutualism. I believe we are in the midst of an upsurge of worker mutualism. It is a moment of experimentation and invention as we transition to a new and reconfigured labour movement.

I’ll discuss three of what I see as today’s most promising models of worker mutualism. I offer three, not one, because we need multiple models of collectivity for today’s diverse workforce. The sooner we discard the idea of a single, one-size-fits-all approach to organising and representing workers, the better off we will be – theoretically and politically. The three models I discuss are not mutually exclusive: there is overlap and
many shared characteristics. No model is an island sufficient to itself, not even a theoretical one.

I discovered model one, occupational unionism, in writing my first book, *Dishing It Out* (1991a), a history of waitresses and waitress unionism. One of the reasons I could write such a book was that waitress unions, like many other kinds of occupational unions, thrived in the past. Occupational unionism was a surprisingly effective form of mutualism among nonfactory workers, even those in highly mobile, casualised jobs. Indeed, as I came to understand, it was the dominant form of trade unionism before the rise of mass production (Cobble 1991b).

Occupational unionism fostered mutual aid among workers, and it gave them the power of ‘exit’ as well as ‘voice’ – to use Albert Hirschman’s terms (1969). The union offered training and other professional or trade advice; it made workers more ‘employable’ and increased their bargaining power as individuals and as a group. Occupational unions offered portable benefits and union-run health and welfare funds; some set up hiring halls or worker-run employment agencies to ensure equitable distribution of jobs as well as greater control by workers over when and where to work. It helped regulate chaotic, cutthroat industries, offering a way for high-road employers to survive.

Occupational unionists practiced what I labelled ‘peer management’ – meaning workers themselves took over matters later considered management prerogative: training and recruiting new workers, setting minimum labour standards, and taking responsibility for enforcing worker-set performance norms. As one waitress found out when she faced a jury of her waitress peers: No, a plate of spaghetti in the customer’s face was not the best response to an irritated diner (Cobble 1991a, 1991b).

Today, new worker associations are adopting and updating these practices, especially in sectors with a mobile workforce. The Freelancers Union, now the largest labour union in New York City with some 200,000 members, is one example (Greenhouse 2013). But hiring halls, portable benefits, training, worker-set labour codes and other forms of mutual aid are being embraced anew by a growing number of worker associations, centres and alliances (Cobble 2007; Milkman and Ott 2014). Some of the most exciting and successful of these new unions are emerging among the self-employed.

The self-employed are organising worldwide, creating what I see as a second and highly instructive model of worker mutualism. They draw on occupational and other older forms of worker mutualism. They are also inventing new practices. It’s a movement some disdain as petit bourgeois because it includes small producers, vendors and others in business for themselves. Yet labour organising among the self-employed and the unwaged has a long and robust past.

In the United States, the largest labour organisation in the nineteenth century, the Knights of Labor, did not limit itself to waged workers or to those the state deemed ‘employees’. It took in all ‘producers’, including self-employed artisans, vendors and small entrepreneurs – everyone except bankers, gamblers, liquor producers and lawyers! Collective bargaining was not its primary approach. Rather, it concentrated on forming producer cooperatives to end unfair and ruinous competition, establishing banks and credit unions, and setting up benefit and insurance funds. The Knights forged alliances with consumers who valued quality goods made and distributed by ethical producers. They organised politically as well as economically, demanding laws raising wages,
limiting work hours and guarding workplace health and safety that protected all ‘producers’, waged and unwaged (Dubofsky and Dulles 2010, 33–55).

Today, labour organisations representing the self-employed are again among the largest unions in the world. The best example is the Self-Employed Women’s Association, or SEWA, the million-and-a half member all-female union based in India (Jhabvala 1994; Vosko 2007; Agarwala 2013). A licensed trade union since 1972, SEWA is a hybrid body like the Knights: it takes in the waged and the unwaged, employees and employers, producers and sellers. And like the Knights, collective bargaining is a minor concern. SEWA puts its enormous energy into securing credit, education, land, tools, technology and markets for its members. Capital, physical as well as social and cultural, should not be in the hands of a few, SEWA argues; it must be redistributed if power and prestige is to be shared and decision-making democratised.

SEWA also organises politically to demand social inclusion and citizenship rights for all its members. By gaining social security and legal protections for all, SEWA sees itself as helping end the negative aspects of informal employment while preserving the positive. As Ela Bhatt (2005), one of SEWA’s principal founders, explains: SEWA members don’t want jobs in the formal sector if that means loss of independence, creativity and flexibility. She adds: we don’t want to leave our jobs; we want the status, dignity and protection all workers deserve.

SEWA’s collective power rests on helping each member develop a sense of individual identity and self worth. The first step is helping women recognise themselves and their work as important, Namrata Bali, SEWA’s education director, recently explained to me (Bali 2015). The simple act of learning to speak one’s own name in public and claim what one does all day as work, as valuable, is transformative. But SEWA doesn’t stop there. The next step is for each member to recognise the rights and dignity of all ‘work sisters’ (Bali 2015). SEWA takes in all castes and all classes; it is rural and urban; secular as well as Muslim, Hindi, Christian and Buddhist. Creating bonds of commonality among all ‘work sisters’ does not come easily. Yet against great odds, SEWA is doing just that. A shared sense of individual self-worth and of membership in a community of ‘work sisters’ sustains SEWA’s mutualism and propels the organisation forward.

I’d like to shift gears for a moment and look at self-employed workers in a quite different sector of the economy: the gig world of Uber. As it now stands, Uber extracts excess profits by evading labour law, withholding taxes and squeezing money from its drivers, classified not as ‘employees’ but as ‘independent contractors’ (Greenhouse 2016). Their business model is provoking mass protests and traffic tie-ups (what French drivers call ‘Operation Snail’) in global cities from Jakarta to Mexico City to Paris, Madrid, Milan and Berlin (Cochrane 2016; Thomson, Rahn, and Rascouet 2016; Woody 2016). In March 2016, the 10,000-member Indonesian Land Transportation Drivers Association paralysed Jakarta demanding government bans on app-based companies like Uber (Cochrane 2016). A month earlier, in the United States, Uber drivers in San Francisco, San Diego, New York and elsewhere collectively withdrew their services. In response to 15% fare cuts, New York’s LaGuardia airport drivers self-organised via WhatsApp and switched off their Uber app for 72 hours. The 18,000-member Taxi Drivers Alliance joined them, demanding price minimums, income security, insurance coverage and a portable benefit fund for Uber drivers (Feuer 2016; Wishnia 2016).
Self-employed drivers are pursuing collective bargaining options as well. Seattle’s App-based Drivers Association, together with community allies, won a municipal ordinance in 2015 giving so-called independent drivers organising rights and inclusion in labour law regulations. A lawsuit in California demanding employee status for Uber drivers is making headway too (Greenhouse 2016).

Portland Oregon Uber drivers chose a different route: worker ownership (Schor 2014; Greenhouse 2016). As Uber drivers, they reasoned, they were entrepreneurs in name only, with all of the risk and little, if any, of the control or monetary reward. Why should Uber, which claims to be only a technology platform, reap such profits? Why not let workers be their own bosses and control the new technologies themselves? If the ‘employee’ can disappear, why not the ‘employer’? In the end, Portland drivers quit Uber, designed an alternative digital platform, and started a non-profit, worker-run and worker-owned taxi cooperative. In so doing, they created a genuine peer-to-peer economic exchange and cut out the for-profit middleman.

Let me move to my last model: the relational unionism being created by service and care workers – a group Cameron Macdonald and Carmen Sirianni (1996, x) describe as the new emotional proletariat. As I am sure you are aware, service workers are no longer at the margins of the economy. By some estimates, 70–80% of employment in OECD nations is in services. Indeed, the question is not when service workers will be the majority in these countries – they already are – but when or even if the tilt toward services will ever subside (Cobble and Merrill 2008).

Many of these jobs are ‘people work’ – Daniel Bell’s term from his 1973 classic The Coming of Post-Industrial Society – and they involve interacting with others: a customer, client, patient or student. People workers may engage in emotional, care, aesthetic, body or intimate labour as well as mental and manual. Ironically, as it turns out, the new ‘selfie’ world, despite its name, is a world of increasing dependence on others. The ‘me economy’ is built on a big ‘we’. An army of personal service workers attends to our ever-escalating need for self-improvement, bodily perfection and emotional solace.

Fortunately for all of us, the new emotional proletariat is organising. And the organisations they are creating – among domestic workers, childcare workers, home health aides and others – are remaking our economy and our culture (Cobble and Merrill 2008). They are pioneering a new, relational unionism, to adopt the name invented by Kris Rondeau, the lead organiser of the Harvard Union of Clerical Workers. Wages and economic security remain key issues – no surprise given the low pay for most service work – but relational unions also seek to improve the quality of human relationships (Cobble 2010b). For the emotional proletariat, comprised of workers whose expertise lies in interpersonal exchange, the person and the inter-personal are priorities. It’s whole person unionism.

Relational unionism has great transformative power. It matters to all of us how people treat each other at work – whether we are talking about boss–worker relations, worker–worker relations or encounters between servers and those who are served. It also matters, service workers remind us, how society thinks about and rewards caregiving. Making quality care more available affects us all. We all were or are young; we all have been sick; and all of us, we can hope, will be old. Childcare unions, for example, have insisted that every child has the right to good care and every caretaker deserves respect and just compensation for making sure the next generation is safe, healthy and sane.
The dual agenda of ‘quality jobs = quality care’ described by Sara Charlesworth and Jenny Malone in a superb care work session I attended earlier this morning beautifully captures this aspect of relational unionism.

Indeed, as home and elder care organiser Ai-Jen Poo explains in her recent book, The Age of Dignity (2015), revaluing care can save us all. When we shift resources toward care work, we are creating a smaller carbon footprint. Jobs reproducing people and society are among the most sustainable of jobs. Relational unionism moves us to a new labour imaginary, one in which the reproduction of people and the planet are as important as making things and dominating nature through tools and technology.

We need many more such movements. Movements that create a more caring and sustainable society and help heal the social-psychic wounds of an impersonal capitalism rife with what Moroccan-born social critic Eva Illouz (2007) calls ‘cold intimacies’.

Entrepreneurial capitalism has the potential to isolate and reduce each of us, to pit us against each other and against ourselves. But today’s workers are organising. They are rejecting the myth of self-reliance and choosing mutualism and mutual aid. They remind us that cooperation is as necessary for economic and social advance as competition and that, in the end, we all deserve and desire the care of others.

Workers have always wanted what entrepreneurial capitalism promises – freedom and independence. But they are refusing to have these gains come at the expense of economic fairness and security. They are creating a kinder, more equitable and secure world. They are inventing our future, a better future. That is the promise of worker mutualism in an age of entrepreneurial capitalism.

Disclosure statement

No potential conflict of interest was reported by the authors.

Notes on contributor

Dorothy Sue Cobble is a distinguished professor of history and labour studies at Rutgers University. Dorothy Sue Cobble specialises in the history of work, social movements and social policy in the twentieth century. Her award-winning books include, most recently, Feminism Unfinished: A Short, Surprising History of American Women’s Movements (2014). She has held research fellowships from Harvard University, the Woodrow Wilson Center, the Russell Sage Foundation, the National Endowment from the Humanities, the American Council of Learned Societies and other funders. In 2016, the Swedish Research Council awarded her the 2016 Kerstin Hesselgren Chaired Professorship at Stockholm University.

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