From Living Wage To Working Class Counter-Power: Theory, Strategy And Struggle

By Lucien van der Walt

ABSTRACT: Based on a talk given at a Living Wage Conference in Kenya, this article argues that, while statutory minimum wages and other improvements are welcome gains, they are inadequate in an exploiting system based on the rule of the few. It is necessary to pose the more ambitious demand for a 'living wage' set by the working class. This should be developed and enforced as part of a process of building powerful, autonomous, self-managed, politically conscientised and universalist class-struggle movements opposing all forms of oppression. Rejecting 'privilege' theories, this article argues that all sectors of the broad working class benefit from demands and campaigns that secure equal rights, equal treatment and equal wages, against divide-and-rule systems, and in which strikers build alliances with communities and users. A 'living wage' movement of this type should be located in a larger project of building a popular counter-power that can resist, and then topple, ruling class power.

INTRODUCTION

The fight for a 'living wage' is part of the struggle, but is not an end in itself; it should link to broader working-class struggles to build a counter-power that overthrows the existing power structure.[1]

THE WAGE SYSTEM IN CONTEXT

The wage system is at the heart of the subjugation of the broad working class, that is, workers, their families and the unemployed. Not owning any independent means of existence, for example, land or productive machinery or governing power, and access to real decision-making, the working class is compelled to work for wages, in order to survive.

Even those who do not have waged employment are reliant, through family members, on the wages by those who are employed; the unemployed are, above all, unemployed workers. In this sense, the working class are 'wage slaves': unlike slaves bought permanently by masters, the wage slaves must seek out masters and sell themselves, by the hour (Bakunin, [1871] 1993).

Since wages are always below the level of workers' output, workers are exploited through the wage system: they are paid less than the value of what they produce, the surplus value accruing to employers (Kropotkin, [1887] 1970: 71).

These employers are the state, including the state corporations and army, and private employers, especially corporations, but also include small employers. The big employers constitute a ruling class, owners of the state and of capital, including of state capital and the

1. This article is based on a presentation on 'Paying Living Wages: A Reality or Mirage?' given at a colloquium organised by the Kenyan Human Rights Commission (KRC) Consortium with unions and other stakeholders, Panafric Hotel, Nairobi, Kenya, 27-28 November 2014. The article presented here is a slightly revised version of one in the *South African Labour Bulletin,* volume 39, number 2, pp. 35-39.

political and military elite. That is, exploitation is not the sole preserve of private capitalists, but is also undertaken by the upper levels of the state apparatus, the 'bureaucratic aristocracy' (Bakunin, [1873] 1971: 343), including military heads, parliamentarians, and so forth.

Exploitation is closely linked to a larger system of domination economically, culturally, socially, politically by the ruling class, that is, those who control the means of administration, coercion and production over the popular classes as a whole. Besides the working class (broadly understood), the popular classes include the peasantry (the small family farmers, exploited through rent, taxes and monopolies) (for more on the peasantry, see Kropotkin, [1887] 1970: 55).

It is through two pyramid shaped structures that the ruling class – a small minority – has centralised power and wealth in its hands, these being states (centred on state managers: political and military elites) and corporations (centred on private capitalists), which work together. The struggle for higher wages is, in short, a struggle against the ruling class.

MINIMUM WAGE VERSUS A LIVING WAGE

A minimum wage means a legally-enforced wage below which workers cannot be paid. This might apply to specific sectors, for example, farming, or specific jobs, such as teachers. It could also be a national wage level.

It is better to have a minimum wage than not, since it provides a 'floor' below which wages cannot fall. Certainly, employers – state and private – prefer not to pay minimum wages; it limits their power.

But a minimum wage is not the same as a living wage, and the workers' movement should fight for living wages, instead of minimum wages. This distinction has not always been clearly drawn by labour movements (see Cottle, 2014:5), with the 1985 Founding Resolutions of the Congress of South African Trade Unions (COSATU), for example, speaking confusingly about a 'living minimum wage' (COSATU, 1985: 26).

A living wage is a wage upon which working-class people can live with dignity and justice.

A living wage is a wage that meets working-class needs – not just subsistence needs (costs of living) but also larger social and cultural needs, enabling a dignified existence. (These larger needs are not captured in most efforts to provide formulae for calculating a living wage: for an overview of possible calculations, see Cottle, 2014: 2-4).

It should also be set at levels that remove, as far as possible, divisions within the working-class, that is, also helps achieve the political need for working class unity against all forms of oppression. Naturally this all opens the door to escalating demands, but wage levels are profoundly political and their determination is an important area of engagement and mobilisation.

Since these living wage goals bring the working class into direct conflict with the existing social order, the living wage struggle needs to be part of a fight for much more radical changes.
Minimum wages, where they exist, are normally set at the lowest levels of barebones subsistence (food, shelter, clothing and so on) agreeable to employers. In almost all cases, minimum wages are set below the level unions and workers demand (see for example, COSATU, ca. 1990). Given inflation and rising costs, statutory minimum wages fall in real value, allowing employers to effectively cut wages to below basic subsistence.

While workers are constantly told to compare their wages to workers in other countries and sectors, there are no maximum wage settings to limit employer incomes.

TOP-DOWN WAGE SETTING

A large part of the problem with the minimum wage is how it gets set – at the level of affordability to employers (including the state), plus calculation of the most minimal 'basket' of subsistence costs.

Normally the calculation is done in a way that, firstly, underestimates workers' financial needs, and secondly, limits that calculation to the most basic items of subsistence, that is, the lowest possible cost of living.

There is no single way to calculate minimum wages, but the calculations are controlled by states and other employers, who devote extensive full-time resources through, amongst other measures, accountants, lobbyists and negotiators while unions lack this capacity and control.

This is the background against which minimum wages set by governments generally fall below required levels for basic subsistence.

LIVING WAGES, FROM BELOW

A living wage, as outlined here, is something much more radical. Firstly, it involves a much more generous estimate of basic subsistence needs – not just living from hand-to-mouth, steps away from starvation.

Secondly, it recognises that workers' needs are not simply food and shelter. People also have needs that are social (for example, the ability to participate in society, with dignity, without exclusion, without barriers), and cultural (for example, spending time with family, time for enjoyment, time for education and self-improvement).

Minimum wages are currently set narrowly, and primarily in the interests of the employers, that is, they prioritise the needs of the ruling class, which benefits from the exploiting wage system. Biased, top-down calculations by and for the ruling class should be replaced with a wage policy from below: it should instead be the working class that defines the level of the required wages. Rather than rely on state and employer calculations of 'basic' needs, the working class should – through forums, campaigns and movements – set the living wage level that it needs. The early COSATU proposed something along these lines, but has since retreated from this position: the federation would 'establish as soon as possible what workers regard as a minimum living wage', and then 'initiate and conduct – in alliance with other progressive organisations and trade unions in the country – an ongoing national campaign for a legally enforced national minimum living wage for all workers', including through industrial action (COSATU, 1985: 26-27).

The working class should then campaign vigorously for the adoption of this wage level, and impose this in the teeth of ruling class opposition. The situation where wage calculations are restricted to small groups of "experts" both within unions, but, above all, in the state and the corporations must end.

In general, all issues bearing on state and employer policy, including economic and social policy should be approached in this manner, of 'policy-from-below', rather than through corporatism, lobbying and outsourcing to experts (for a fuller discussion of this approach, see van der Walt, 2006: 56-57).

JUSTICE, EQUALITY AND UNITY

Thirdly, the setting of a living wage level also requires consideration of larger issues of equality and justice. Society is not just based around the division between classes, but is also divided within classes, along lines like race, nationality and gender.

These divisions mean, for example, that immigrant workers earn lower wages, in general, than national workers, are concentrated in worse jobs, and face problems that national workers do not face, for example, popular prejudice and police terror against immigrants as immigrants. The same can be said about the situation of working-class women, minorities, rural workers and other categories of vulnerable workers.

'PRIVILEGE' OR OPPRESSION?

This situation of disparities is sometimes misinterpreted as a system of 'privilege' because one group in the working class (for example, national workers) is 'privileged' by being treated somewhat better than another (for example, immigrants). For example, a recent presentation in COSATU came close to speaking of Coloured 'privilege' as a basic obstacle to working class unity in the Western Cape, South Africa (Ehrenreich, 2014).

The problem with the 'privilege' theory, however, is that the inequality between the two harms the interests of the whole working class; it primarily benefits the ruling class, in that it divides the working class, weakens unions, confuses people about where their problems arise, increasing the rates of exploitation. Likewise, ordinary Coloured workers lose out from racial divisions within the working class: it would be difficult to defend the claim that the Coloured working class materially or otherwise benefits from the working class divisions stirred up by a racist past and by contemporary political parties of all hues.

Two groups of workers, for instance, immigrant and local workers get pitted against one other, seeing the other as the enemy. But there is nothing to gain for national workers if immigrants are terrorised by police as immigrants; it is not a 'privilege' to be terrorised at a lower rate.[2]

It is not a 'privilege' for national workers to get slightly higher wages than immigrants, or to be exploited slightly less: on the contrary, this situation forces national workers – themselves already severely exploited and oppressed – into competing for jobs with immigrants by accepting lower wages and more exploitation. This then opens the doors for 'xenophobia', which leaves the ruling class safe, as the working class devours itself.

Therefore, a living wage definition must also ensure equality and justice. The living wage must aim at equal wages, redress for past wrongs, and just and unifying wage levels, as part of fighting against the specific forms of oppression faced along the lines of gender, race and nationality, the fight for equal rights and treatment - a class movement against all oppression, not an individualist politics of 'check your privilege' (for an important early critique of 'privilege' approaches, see Lynd, 1969: 26-30; also see D'Arcy, 2014).

This universalist approach helps bridge the divisions in the working class – thus, the demand for the living wage can help meet the political need to unite the working class, by overcoming

2. There are some deeper shifts at work in the language here: where the traditional left spoke of "oppression" (meaning persistent disadvantage for specific groups) as arising from a larger political economy that most people had an interest in destroying, the language of "privilege" (meaning unearned individual and group benefits due to a place in an identity-based hierarchy) presents society as based on competing interest groups and stresses changes in interpersonal relations (see e.g. D'Arcy, 2014). The 'privilege' approach draws on older notions of a bribed 'labour aristocracy' (Lynd, 1969: 26-30).

myriad forms of division and oppression, with a common struggle and a fight for common and shared conditions and rights.

GLOBALISING FROM BELOW

Effectively winning the same wage levels for all workers in a given sector will remove the downward pressure of the extra-low wages of a sector of workers, unify workers around a common set of demands, elaborated together, and directly challenge the specific problems faced by the most oppressed sections. The struggle itself helps to forge unity and overcome sectionalism.

This same principle needs to be expanded across industries, as a way of removing the same disparities within the economy; across the gap between full-time and casual workers, and the employed and unemployed, as a way of bringing workers into a single labour market with decent conditions; and globalised, as a way of removing the same disparities between countries (see Gallin, 1996: 2-4; also van der Walt, 2001: 18-20).

The demand for a living wage should aim for a universal, and ultimately, international, living wage as part of a project of working class unity. And since the demand for a living wage requires campaigns and actions, this also requires building international solidarity, against divisive politics and ideas.

ALLIANCES BEYOND THE WORKPLACE

Wage levels are, in the final analysis, shaped by the balance of power not the cost of living, the cost of producing the commodity labour power, or labour market conditions (Bekken, 2009: 29). Winning a living wage therefore requires widespread mobilisation and education by the working class, from below.

Without powerful workers' organisation – above all, effective and democratic unions – wage levels cannot improve. Better wages will not arise from appeals to the conscience of employers, or through the law. They rest, ultimately, on punitive actions based on popular organisation, including strikes.

This also requires organising beyond the workplace. Alliances need to be built with other parts of the working class, including those affected by strikes and other actions. To do this, it is essential to link workplace struggles to neighbourhood issues, to strengthen campaigns, otherwise the division between workplace and community will undermine the struggle.

This means raising issues from communities and making them part of strike or campaign demands.

If the electricity workers, for example, strike over wages, this will affect communities. It is necessary to explain what the strike is about, and why communities should support workplace struggles, but it is also necessary that workplace struggles support neighbourhood demands, for example, electricity strikes should include neighbourhood demands, such as the demand for higher wattage connections in working-class neighbourhoods, at lower prices. This also means giving thought to selective strike actions, for example, blacking out elite suburbs, not working-class townships. It also means that higher wages should not be paid for by higher electricity charges, where employers 'rob Peter to pay Paul'.

Actions that destroy facilities, disrupt examinations and services to the working class, lead to industry closures and so these should be avoided.

Strikers have an ethical obligation to the larger working class – but none at all to the ruling class (Ford & Foster, [1912] 1990: 9, 16-17), which they are forced, by their situation, to confront, resist and challenge. Rather, the aim should be to unite the whole working class, and win better conditions for the whole working class and should thus avoid actions which create or entrench divisions.

A LIVING WAGE IS NOT ENOUGH

Finally, it is also essential to remember that wage struggles are inadequate on their own. They are a goal, but not the end goal.

They are essential as they improve the living conditions of people. They develop confidence in the ordinary people's ability to change the world in which they live. If workers are afraid to fight for the most basic things such as enough money to live on, they will never be able to fight for anything more, including changing society into something better.

But better wages are still not enough.

The wage system itself rests on a deep system of social and economic inequality, between the popular and ruling classes, and divisions and oppression by factors like race, gender and nationality. The best wages cannot remove the basic system of class rule and its attendant inequalities.

BUILDING "COUNTER-POWER"

Thus, struggles, including at work should never be reduced to merely wage struggles. They should escalate to include demands for greater control by the working class over the workplace and over working-class neighbourhoods, as well as greater popular class unity.

This means building counter-power; the organised power of the broad working class that is participatory, pluralistic, democratic, and outside and against the state, creating workplace and community/ neighbourhood structures that provide the basis for resistance in the present and lay the organisational basis for a new society.

These are structures that can become the governing power in society, replacing the top-down systems of the state and capital with an egalitarian society of working-class self-management. These include democratic unions and neighbourhood movements – this is not a project of building a political party.

An important historical example is provided by the Spanish anarchist/ syndicalist movement, centred on the massive labour federation, the National Confederation of Labour (CNT, *Confederación Nacional del Trabajo*), and its allied media youth, neighbourhood, rural and political alliances and projects – and its social revolution of 1936-1939 (see, for example, Ealham, 2005; for a consideration of the relevance of anarcho - and revolutionary syndicalism to contemporary labour: van der Walt, 2014).

SELF-ACTIVITY AND AUTONOMY

This project rests on self-activity and autonomy. It means, for example, rather than cooperating with employers to improve productivity through productivity deals, a programme of developing a workers' veto on retrenchments, that is, implementing a refusal to be retrenched.

Building counter-power does not mean cooperation with the state, or the corporations, or running in elections. It is, instead, about relentless struggle against the state and capital, as well as against divisions within the working class, and against all forms of oppression and exploitation, while expanding the role of counter-power in daily life.

Building counter-power means locating all struggles in a larger project to fundamentally change society, by removing the systems of economic and social inequality, and a system of political power, including the state that play a key role in entrenching these systems.

This requires building widespread counter-power that unifies all the sectors of the popular classes, unifies on the basis of justice, equity and struggle, and shifts power from the ruling class to the popular classes, and from the state and the corporations, to the counter-power of the people.

RIGHTS RELY ON POWER

It is an illusion to think that the state can be used to entrench justice, including living wages. All states, without exception, no matter how red their flags, or socialist their slogans, are controlled by minority ruling classes; constitutions are pieces of paper, ignored unless working-class people enforce them through struggles, not litigation.

Even then, the balance of power shapes how laws are interpreted and applied, if at all; so it is only through strength – struggle, autonomy, self-managed counter-power – that anything can be won. It is not through political parties and elections that the state and capital make concessions. 'Working class political parties', enmeshed in the hostile state, have normally proved 'distinct failures': the most important reforms have arisen, instead, as a 'registration' or reflection of the 'direct action' and 'real power' wielded by working classes fighting through their 'own efforts' and mass structures (Ford & Foster, [1912] 1990: 3-4, 20).

Unless the working class and the popular classes build the power to enforce their demands, including wage demands, upon the ruling class, they will never win those demands. The balance of power shapes income distribution, how and where decisions are made, who is rich and who is poor, and who lives, and who dies.

But all victories, even the greatest ones under the existing system, that is, capitalism and the state – are partial. Better wages are continually eroded by issues like rising prices and rising unemployment.

Furthermore, a better paid wage slave is still a wage slave. The deep system and structure of dispossession and minority class rule that forces people into wage labour, has to be uprooted. The highest wage does not remove exploitation; the system cannot operate unless workers are paid less than the value of their production. Exploitation does not have to mean a low wage: it means only that workers are paid less than the value of their production.

The deep class system is also based on a basic disparity of power and wealth, across society, in everything from the running and financing of schools (always worst for the working class) to the structure of the economy (which is why it is possible to have a country with mines producing gold, which has no real use, yet a massive shortage of houses).

Fundamental change means displacing the ruling class from power, through counter-power, implementing a new society, based on participatory and democratic planning of the economy and society. This requires a continual project of struggle, autonomous of the ruling class, including the state, including the parliament and state elections and it requires conscientising the mass of the people on the need for a larger struggle for self-management, the removal of hierarchy, and social and economic equality, that is, a project of revolutionary counter-culture, running alongside and strengthening working-class counter-power.

FROM WAGE STRUGGLES TO SOCIAL TRANSFORMATION

Building counter-power and counter-culture is only possible by engaging with struggles for immediate reforms, including wage struggles.

Through such struggles and not through abstract plans, the mass of people get mobilised; their victories increase their confidence; their defeats teach valuable lessons, including the importance of solidarity and unity, and the common interests of the broad working class. A working class that will not fight to put bread on the table will never manage to fight to completely change society.

The argument that fights for minimum or living wages are too moderate, that struggle must ignore this as a distraction, and proceed straight to 'revolution' (or failing that, to riots and so on), is wrong. Wage battles, like all immediate struggles, are limited, but they are a step on the road to deep changes.

A real change in society will not arise from a simple collection of partial struggles and victories, however 'militant' but preparing for a decisive confrontation – where the accumulation of massive counter-power, infused with counter-culture can permanently displace the existing power structure.

THERE ARE NO SHORT CUTS

There is no short cuts, since this project requires widespread mobilisation and conscientisation; smaller struggles, sometimes emotive, sometimes 'militant,' are valuable, but never enough; there needs to be a quantitative (in terms of numbers and structures) and qualitative (in terms of growing mass confidence, organisation, consciousness and power) change.

This requires careful work, not a leap of faith; the small struggles are the foundation of the great struggle, not a rival, not a substitute, but only a step in the right direction.

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WORKERS OF SOUTH AFRICA!
UNITE AND FIGHT FOR A LIVING WAGE!
UNDER CAPITALISM, MILLIONS OF WORKERS - EMPLOYED AND UNEMPLOYED - ARE FORCED TO LIVE IN TERRIBLE POVERTY...
WHY DO WE HAVE TO LIVE LIKE THIS? NO MONEY, NO JOBS, NO HOUSES! AND THERES NO ELECTRICITY OR SERVICES IN OUR TOWNSHIPS, AND NO REAL EDUCATION FOR OUR CHILDREN!
...AND EVEN THOSE OF US WITH JOBS SUFFER - WE WORK HARD, BUT WE STILL DONT EVEN GET PAID ENOUGH TO LIVE LIKE HUMAN BEINGS! BUT WHAT CAN WE DO?!
MEANWHILE THE BOSSES LIVE IN LUXURY WITH MUCH MORE THAN THEY NEED..!
WELL? I OWN THIS FACTORY, SO ALL THE PROFITS BELONG TO ME! THATS ONLY RIGHT, ISNT IT?
IS IT? WHAT'S RIGHT ABOUT IT FOR THE WORKERS?
WHY SHOULD THE BOSSES TAKE ALL THE PROFITS, JUST BECAUSE THEY ARE ALREADY RICH?? THIS SYSTEM STINKS, COMRADES! AND WE MUST PUT A STOP TO IT!!