



## CHAPTER 2

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# Labour Questions in the South: Back to the Drawing Board, Yet Again

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### INTRODUCTION

The fact that the world of work across the globe, under contemporary capitalism, confronts multiple challenges is hardly news. For over decades now, since the ascendancy of neoliberalism from 1970s onward, the overall thrust has been characterised by a range of adverse processes for indicators typically associated with well-being of workers, be it employment and livelihood generation, wages and labour incomes, forms of contract, etc., to name only a few. In general, the trajectories of transition have generated huge concerns, if not despair, for large swathes of working people. Although the broad trends since the 1970s have been characterised by a degree of unevenness, inter-temporally and spatially, important adverse outcomes such as growing inequalities and declining share of labour incomes, increasing job and remuneration polarisation, accelerated

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dilution of standard employment relations etc. have been near-universal across countries, including in the advanced ones. There is indeed a large body of incontrovertible evidence and burgeoning literature, documenting and analysing these and other pitfalls pertaining to transformation trajectories in the world of work.

As the title suggests, this essay is primarily concerned with labour's landscape in the Global South. However, one of the central kernels of Marxist Political Economy, beginning with the brilliant analysis in the Communist Manifesto of 1848, by Karl Marx and Friedrich Engels, is about the inexorable, ruthless and brutal march of Capital, that seeks to hammer and subordinate whatever opposition comes in its way; no 'Chinese Wall' is safe, and through its relentless complex journey, with primitive accumulation at its core, in particular via colonial conquests, a 'combined and uneven' global capitalist system is shaped. In other words, dynamics of 'Global South' can hardly be understood without comprehending its inextricable connections with 'Global North', at different stages in approximately five centuries of capitalism and, equally importantly, at the current juncture. We hardly need to labour this argument, which has almost universal acceptance in framing analytical paradigms within (Marxist) political economy tradition, to engage with historical capitalism.

Sure enough, recognition of this critical connect (across space and time), and its implications for theory, has certainly not led to homogenised, simplistic narratives among Marxists; on the contrary, significant differences and major contestations, some of these irreconcilable, abound! However, it is not our purpose here to engage with the relevant debates. While acknowledging multiplicity of trajectories, across time and space, it seems reasonable to go along with the widely held view that the three continents of Africa, Asia and Latin America, as colonies or semi-colonies, lost massively through a whole range of mechanisms associated with primitive accumulation, and were *structurally deformed*, to serve the North.<sup>1</sup> There is a very large and impressive literature that endorses such a perspective.<sup>2</sup>

Economic historians have amassed compelling evidence that even as late as middle of the eighteenth century; the contemporary Third World was at least at par, if not ahead of the First World, not only in agriculture, but also with respect to the index of non-agricultural and per capita incomes (Bairoch 1995; Kuznets 1971; Maddison 2007). Subsequently, the 'West' started moving ahead of the 'Rest' and the widening gap between the two became a surge in due course. Of course, as is well

acknowledged, there is more to the material progress of the West over the Rest, than mechanisms of colonialism, or later, imperialism and neo-colonialism. However, the economic stranglehold of the former over the latter has to be a critical component, in any reasonable account of the combined and uneven development of capitalism since its inception, and to comprehend persistent structural and other economic challenges in the South.

As said earlier, this essay is not an attempt to engage with capitalist transitions and their diversities in the South, even at a high level of generality; but a recall of the above noted conclusion, we suggest, is absolutely necessary not only from the perspective of a minimalist historical backdrop, but also for appropriate framing of the present. Without such an acknowledgment, contemporary socio-economic challenges in the South, including persistent mass poverty and utter vulnerability of the world of work can hardly be investigated. We will do well to remember that primitive accumulation and Imperialism are integral to every stage of capitalism, whatever be the differences in their forms, scale and intensity.

Thus an engagement with labour questions in the South at the current juncture needs to be situated in contemporary global capitalism, which has been broadly neoliberalism, with all its variations across regions and countries, for the last half a century or so. Further, during this period, there are important *differentia specifica* of capitalism, compared to its earlier stages, which are central to the relationships between metropolitan capital and the rest of the world, along with major changes in productive forces. In an overall context of intensification of neoliberal globalisation, through so called structural reforms, there has been, inter alia, a spectacular acceleration of financialisation of accumulation and trans-nationalisation of capital, including in production, along with the rise of Big Tech and automation. These have resulted in profound restructuring of economic landscapes – nationally and internationally – and accumulation regimes, with major implications for the present and future of work. As already noted at the outset, world of work has been under huge stress through multiple channels, including dwindling of employment opportunities, compression of social protection, dismantling of labour regulation, assault on trade unions, rising inequalities and overall precarisation.

Apart from these brief introductory remarks, and just about a couple of words as conclusion, this chapter has two substantive sections. First of these flags a couple of major markers central to contemporary neoliberal capitalism and sketches out, conceptually their implications in reconfiguring

the material and socio-political prospects for labouring women and men, particularly in the Global South. The subsequent section outlines the core of an analytical framework rooted in Marxian Political Economy, and is better than any other theoretical alternative in our judgment, to comprehend the world of work in general and seeks to bring in sharp relief its implications and linkages for labour questions at the current juncture; in other words, this section underscores the significance and urgency of getting back to the drawing board yet again.

### NEOLIBERALISM AND CONTOURS OF WORLD OF WORK

The fact the global capitalist system entered into a new episode of globalisation since the early 1970s, after approximately four decades of nationally regulated regimes in large measure, post the WWII and along with decolonisation of much of the third world, is well acknowledged, across the ideological spectrum from the 'Left' to the 'Right'. There is a huge literature examining and analysing this historical transition inter-temporally and for different regimes and countries, which we cannot engage with here even in broad brush strokes, but a couple of words may be in order.

This shift, spread over the 1970s to 1990s, had its philosophical moorings and policy justification in the presumed supremacy of the market in delivering efficient economic outcomes. To put it bluntly, this presumption was akin to religious fervour among the market devouts who hardly bothered to have any substantive engagement with either theory or history of actual experiences. Given the balance of forces, the ideological warfare against post-WWII state-led strategies of economic transformation, and equally importantly, against the idea and models of existing socialism, succeeded in 'discrediting' them. Of course the pitfalls, contradictions, and challenges of *dirigiste* regimes, collapse of the Soviet bloc, setbacks to socialist system in general and their embracing of markets in varying degrees were very useful in relentless ideological onslaughts. However, the point worth stressing here is that there was not even a pretence among the market-fundamentalists to have an assessment of the contrasting and competing perspectives, or even an elementary consideration of bare facts and figures.<sup>3</sup> Thus, the so-called 'Washington Consensus', as economist John Williamson put it, became the ruling orthodoxy; this 'manufactured consensus' by Capital and its ideologues, with active support of 'States' almost everywhere, managed to steamroll all dissenting voices. This is the backdrop of the 'Ten Commandments' or

‘righteous’ principles of economic policies, including privatisation of public enterprises and services, financial and trade liberalisation, deregulation, among others, as discussed in detail by Williamson. The crux of these, as one would expect, was utterly simple, “leave the economy to the market; it knows and does the best for it”.

Sure enough, we have had varieties of neoliberalism, depending on the domestic contestations within each context, and, of course, the designs and power of imperialism, of which Pinochet dictatorship seizing control of Chile (1973), with direct US backing was an early major illustration. As is well known, US imperialism has often treated Latin America as its own backyard in imposing its writ, but the continent has also been a powerful site of anti-imperialist struggles. The simple point is: varieties of neoliberalism (or capitalism in general) have to be investigated as the dialectics of the national and the global tendencies of capitalist accumulation processes, and resistances to these in search of progressive alternatives. Thus, on the one extreme, we have almost ‘textbook versions’ of neoliberalism, which are illustrations of brutal assaults on the system by capital and driven by unadulterated market orthodoxy. We have already mentioned the case of Chile in early 1970s, which was one such regime, after Allende was dislodged and the ‘Chicago Boys’ had field day; subsequently in several other countries in Africa, Asia and Latin America, we get cases of extreme neoliberal models. On the other extreme, we have illustrations of far more ‘reticent neoliberalism’, e.g. in erstwhile citadels of ‘welfare state capitalism’ or socialist countries that have embraced the market rather cautiously without surrendering to several commandments of the Washington consensus. In fact for the latter category such as China, Vietnam or Cuba, there are strong contestations as to whether it is appropriate to label these as neoliberal systems or state capitalism (if not still a variety of socialism).

These matters, relating to ‘varieties of neoliberalism’, have been discussed extensively in the literature with a focus on country specific dialectics and specific trajectories of resistances and other relevant themes. Substantive debates around visions and prospects of progressive transformations, located within careful political economy frameworks abound. It is neither feasible, nor our intention here to interrogate this complex terrain. Given the core objective of this paper, our argument is rather straight forward: it is undeniable that the last half a century has been a phase of ascendancy for *Laissez Faire* economic regimes across the world, resulting in profound socio-economic transformations everywhere. There has been much triumphalist celebration on the Right of getting free

markets in the driver's seat yet again and the Left has discussed and analysed the current phase of 'capitalist globalisation' or 'neoliberal globalisation', with considerable concern for prospects of progressive socio-economic alternatives. As stressed earlier, each context and place requires careful, in depth analysis; however it is crystal clear that capitalist accumulation strategies and tendencies have acquired tremendous momentum everywhere in recent years and are reconfiguring the world of work, with serious adverse implications. We now turn to provide a brief overview of these relevant linkages.

Current phase of globalisation is characterised by at least a couple of novel features, in comparison with earlier episodes of globalisation, along with a continuation and accentuation of several others. One major difference is the dominance of 'capital-as-finance' in global economy, as never before. This is a kind of 'Finance Capital' whose primary thrust is remarkably different from the one that Hilferding and Lenin had analysed around late 19th and early 20th centuries, which was one of relatively greater synergy between 'capital-in-production' and 'capital-as-finance'. To be sure, rifts and tensions between these two have been a part of multiple competitions characterising components of capital, as emphasised by Marx and several of his eminent successors, including Lenin. Nonetheless the kind of disjunction between the two witnessed during the recent decades, has been unprecedented. The subject has received considerable attention by a number of Marxist scholars and heterodox economists, (for example Samir Amin (2013), Gerald Epstein (2005), Harry Magdoff and Paul Sweezy (1987), Mariana Mazzucato (2017), Prabhat Patnaik (2016a, b), Robert Pollin (2012) and Paul Sweezy (1994), among others), underlining and emphasising the fact that the 'New Finance' has almost been a hindrance to expansion of productive systems, and that there has been growing financialisation of accumulation.<sup>4</sup> As Sweezy put it way back in 1994, "Traditionally financial expansion has gone hand in hand with prosperity in the real economy. Is it really possible that this is no longer true, that now in the late twentieth century the opposite is more nearly the case; in other words, that financial expansion feeds not on a healthy real economy but a stagnant one? The answer to this question, I think is yes it is possible, and it has been happening" (Sweezy 1994).

There is indeed a large literature on the ascendancy and dominance of finance capital in the current phase of globalisation and on multiple implications of unprecedented growth in financialisation<sup>5</sup> in global economy. It is quite clear that growing financialisation of accumulation

has impacted adversely a whole range of macro-economic outcomes, including investments in real economy, as the new finance chases immediate speculative gains.<sup>6</sup> Further, as Patnaik has often emphasised in his several illuminating contributions, apart from incessantly running after speculation, and thus contributing to an effective squeeze on capital-in-production at large, new finance seriously undermines economic policy space very significantly for the States, particularly in the South, and compresses public investments and expenditures in general. In short, there is a double whammy, via both the market and the State, on real economy, with huge deleterious consequences for the world of work primarily through contraction of employment.

The relationship between Finance and real economy has played out in complex ways, at different junctures of capitalism, including the present; however, depredations of the latter by the former in the contemporary neoliberal era appear to be unprecedented. It would seem that the worst fears of John Maynard Keynes, one of the greatest economists of all time, and a great well-wisher of capitalism, regarding unregulated and footloose finance, have come true. Writing in the 1930s, about untrammelled finance, he was seriously apprehensive about the ‘best brains of the Wall Street’ essentially indulging in betting and speculation, and warned that if “the capitalist development of a country becomes a by-product of the activities of a casino, the job is likely to be ill-done” (Keynes 1936 p. 159). Several well-known economists in the heterodox traditions who were close associates of Keynes, or were much influenced by him, such Joan Robinson and Hyman Minsky, made significant contributions to our understanding of the debilitating consequences of unregulated finance; in particular, an overall reorientation of the banking sector to speculative finance and its disastrous consequences for productive activities in general.

The second notable feature of the current episode of globalisation, with profound implications for the world of work, is relatively much larger direct engagement of the metropolitan capital in the third world through investments in production, resulting in considerable and unprecedented dilution of the traditional division of labour.<sup>7</sup> This has facilitated substantial diffusion of economic activities from North to select destinations in South, across several sectors. Thus, transnational deepening of economic connectedness in the last half a century or so has been accompanied by considerable reconfiguration in spatial organisation, generally through the so-called offshore outsourcing platforms, much of it in Asia and Latin America as the major action hubs. By the first decade of twenty first

century, in case of manufacturing for instance, China became the major node, the so-called 'factory of the world', whereas for the IT-enabled offshore services outsourcing, India emerged as the critical platform, earning the sobriquet of the 'office of the world'. Apart from these two countries as major exemplifiers of the noted offshoring trends, there are a number of other significant destinations in the Global South, along with a few countries in Central and Eastern Europe, which are connected in these transnational webs through investments, production, trade, etc.

Although, inflows in direct investment from the Global North has been critical to the above noted trans-nationalisation, it is worth noting that there has been increased incorporation of countries in the South not only in trade of final goods and services, but increasingly for components and tasks, without these countries being recipients of FDIs, in a whole range of economic activities. For instance, the remarkable success of India's IT-enabled exports in services since the early 1990s, across a broad range in terms of skills and subsectors, has been fuelled by domestic firms through opportunities of inserting themselves in global demands and requirements. Thus, increased incorporation of producers in the South, to cater to the global, in particular Northern demand, from agricultural commodities to the top end of the service segments, as part of the global production and consumption systems, is yet another important dimension of contemporary capitalism. Frequently it happens on terms and conditions significantly different from old fashioned trade patterns, through relatively complex contracts pertaining to several aspects of transactions.

The fact that the production of many commodities is dispersed/fragmented/segmented through splitting up of particular task is indeed an important dimension of contemporary economic arrangements. Models of assembly line, mass production, where raw materials were brought to the factory door and final product exited it, is much less significant now. Initially, the transition to dispersed production was largely confined to outsourcing of tasks within national boundaries; with the ascendancy of neoliberal globalisation, many of these tasks are performed through offshore outsourcing, much of it to the select destinations in the South.<sup>8</sup>

Typically, model of dispersion is one where high value, non-production tasks such as R&D, design, branding, up-market retail etc. are retained in the North and 'low-end activities' (in terms of their share in total value) tend to get relocated to the South. In case of quite a few commodities, there have been dramatic exits of production from well-known centres in the North, such as that of automobile sector from Detroit in the USA,



reducing them to rust-belts. In general, there has been substantial shift of material production, either entirely, or of its major components, especially in case of ‘polluting’ activities. Thus it is hardly surprising that the share of manufacturing output as well as workforce employed in it, for the North in total global manufacturing has come down significantly since the 1980s.<sup>9</sup>

In short, a globalised regime of production dispersed across countries, whose core features have been sketched in the foregoing, is a major marker of contemporary neoliberalism; some of the attributes of this regime, as suggested, are indeed specific to the current phase of capitalism. As it happens, much of the scholarly literature has described it as Global Supply Chains (GSCs)/Global Value Chains (GVCs)/Global Commodity Chains (GCCs)/Global Production Networks (GPNs), among others. Sure enough, all these labels offer important and considerable insights, both analytical and empirical. However, as discussed elsewhere (Jha and Yeros 2019), in our assessment they suffer from inadequate consideration of political economy and historical trajectories of capitalism. In particular, the ‘immanent tendencies’, or the ‘laws of motion’ of the system (as Marxist political economists put it) are hardly engaged with in any substantive manner by the above characterisations. Our preferred analytical expression for encapsulating the developments under consideration is *Global Value Systems* (GVSs) which of course have a much longer history, beginning with colonialism, but with powerful *differentia specifica* for the current juncture. For reasons of space, we avoid getting into the relevant details<sup>10</sup> here; however, it is worth flagging a couple of issues of obvious significance in contextualising the ascendancy of the above-sketched regime.

As already noted, expansion and deepening of the current phase of internationalised accumulation has been co-terminus with ascendancy of neoliberalism since the 1970s; in other words, the backdrop of the transition to neoliberalism, and its subsequent unfolding, are important structural and political correlates, critical to any analysis of the global accumulation trajectories during the last half century. It is widely acknowledged that the late 1960s onward, there was a palpable crisis of profitability in metropolitan countries, for a variety of reasons, both domestic and external, including increased power of organised labour, decolonisation of a large number of countries in the third world and varying degrees of assertion by the newly independent countries in their respective economic policies with help from the socialist bloc, successive oil crisis of 1970s, defeat of the US in Vietnam, among others. It was this backdrop which set the context for successful assault by capital and its

allies on existing models of ‘regulated capitalism’ of the post-WWII period, which indeed had delivered, and was delivering a better material deal to the working classes and masses at large. It is not for nothing that the regulated post-WWII regulated capitalism has often been described as the ‘golden age of capitalism’.

The second issue to note here is that the actors who subsequently were central in the unfolding of the current episode of globalisation, namely the giant firms, many of them already trans-national/multinational companies, were waiting in the wings to take forward the neoliberal accumulation regimes. It is worth recalling that the first generation of eminent Marxist scholars such as Lenin, Bukharin, Luxemburg, among others had already noted around a century ago, the emergence and power-in-making of such actors. To recall a succinct and sharp word on it from Lenin, from his preface to Bukharin’s important contribution, *Imperialism and the World Economy* (Bukharin 1929 [Reprint 1950] p. Preface): “At a certain in the development of exchange, at certain stage in the growth of large-scale production, namely at the stage that was reached approximately at the end of the nineteenth and the beginning of the twentieth centuries, commodity exchange had created such an internationalisation of economic relations, and such an internationalisation of capital, accompanied by such a vast increase in large-scale production, that free competition began to be replaced by monopoly”. As we know well, by the middle of the twentieth century, further growth in economic heft and power of international corporations was recognised across the board, especially within Marxist political economy. Paul Baran (1957), Paul Sweezy and Paul Baran (1966), Paul Sweezy (1994), Andre Gundar Frank (1967), Amiya Bagchi (1982), Stephen Hymer (1979), Samir Amin (1974), and several other scholars, during the 1960s and 1970s, within the Marxist tradition, came up with profound contributions in their investigations of the role of multinational corporations in strengthening imperialism. It was evident that working of the ‘laws of concentration and centralisation of capital’ had reached a stage that had made large capital in the North much more capable and ambitious in controlling global economic systems.

These two features of the material-political context contributed significantly to the prospects of neoliberal transition since the 1970s. Further, major technological breakthroughs such as container revolution in transportation and remarkable leaps in information processing in the IT sector, effectively resulted in shrinking of space and time, which also led to considerable cost reductions in economic transactions and played a huge

role in facilitation of global dispersion of production. These developments, in turn, with ascendancy of neoliberalism, accelerated concentration and centralisation of capital, and consequently economic power through multinational corporations in the North. In short, it became a virtuous tango that fed on, and supported, each other, and the net outcome is, as Amin elaborates and analyses in his *Capitalism in the Age of Globalisation* (Amin 1997), effectively a ‘capitalism of generalised monopolies’, with giant transnational corporations headquartered in the North controlling the key economic areas, such as technology and finance, among others. Thus, it is a bunch of monopolistic corporations who are lords and masters of the current globally dispersed production and accumulation regimes. As noted by Screpanti, this system of centralised control but decentralised production is one where “expansion of foreign direct investments involves a constant flow of profits from the South to the North, that is, from Periphery to the Centre of the imperial power of multinational capital” (Screpanti 2014 p. 19), reiterating a point made by Baran and Sweezy more than five decades ago.

We do not wish to pursue and examine any further the vibrant and growing literature on alternative analytical approaches engaged with the nitty-gritty of the transition to the current accumulation regime of globally dispersed production systems, outlined in the foregoing. However, two points are in order, given the core concerns of this paper. First, in identifying major proximate correlates for mobility of capital from North to South, both through direct investments as well as through increased incorporation into production without requirements of substantial investments, ‘global labour arbitrage’ (an expression often attributed to Stephen Roach when he was chief economist of Morgan Stanley) has often been given pride of place; given the huge gaps in real wages between the North and the South (especially in terms of hard currency, such as USD and Euro, exchange rates), there is general agreement that wage hierarchy has been a major contributor to the relocation of economic activities from the former to the latter. This explanation is certainly valid, and has a longer history in the Marxist tradition, rooted in the analysis of the globalisation of TNCs. For instance, well-known and important contributions by Barnett and Muller (1974), Hymer (1979), among others, had emphasised the significance for the search for low unit labour costs as a powerful tool in business strategies underlying oligopolistic rivalry, in extraction of super-profits and rents from the third world countries, by the TNCs headquartered in the North. Huge amount of evidence has been marshalled

by Marxist scholars (and others) for a few decades now, corroborating the importance of wage hierarchies that have benefitted TNCs immensely.<sup>11</sup> It is clear from all the major data sources that wage costs in developing countries are a small factor, in percentage terms often in single digits, of the wages in developed countries (for details see Immanuel Ness (2015) and Intan Suwandi (2019)).

While the importance of global labour arbitrage is indeed a major driver in the current episode of globalisation, it obviously needs to be contextualised in the evolution of imperialism, in particular, structural and systemic changes underlying it which have unleashed new strategies of accumulation, as we have indicated in the foregoing. Furthermore, in the current neoliberal regime, economic relationship between North and South is of a kind where, beyond labour, there are huge cost differences and thus possibilities of ‘arbitrage’ along various other axes, such as land and a host of natural resources, industrial safety norms, environmental regulations etc. In short, overall regulatory regimes vis-à-vis capital in the South is not only much weaker than in the North, for several historical reasons we need not get into here, but the gap between the two may have widened further during the recent decades since 1970s, as several countries in the South have been scrambling to attract and retain capital, leading to a virtual ‘race to the bottom’. Thus, it is important to situate the ascendancy of the current phase of GVSs in the larger complex of *‘labour-nature-regulation arbitrage’*, which has had major implications for capital-labour dynamics both in the North and South.

One powerful outcome, as noted by a large number of scholars (Amin, Stiglitz, Patnaik and others), is worsening of the prospects for work, wages, and overall working conditions in the North itself.<sup>12</sup> Effectively, what we have is a process of ‘globalisation of labour reserves’, itself, more than ever before. Whereas the wages in third world economies remain largely connected to subsistence levels, in part due to the high and persistent levels of relative surplus population, real and potential mobility of capital threatens and compels workers to a relatively more vulnerable regime in advanced countries. Thus, the ‘de-segmentation’ of the ‘traditionally-enforced pattern of international division of labour’, to use Patnaik’s expression, has contributed to a context where wages continue to be under pressure all around, whereas labour productivity keeps rising everywhere due to incessant technological changes (central to capitalist competition) and increased encroachment of more capital intensive methods of production. An obvious outcome of the inter-play of these,

and other relevant on-going structural changes is, as documented extensively, a marked compression of wage share in national outputs almost in every country of the world, (for a couple of recent contribution on this theme see (Ness 2015; ILO 2017; Suwandi 2019; Basu 2016)).

This brings us to the second point pertaining to the world of work that we need to flag about in the current context of globally fragmented but connected value systems. The fact of an increase in the share of surplus across most countries, and in the total global output, aggravates the problem of aggregate demand for well-known Marxian and Keynesian reasons.<sup>13</sup> As effective demand gets squeezed overall level of economic activity gets curtailed; thus, *ceteris paribus*, higher the share of surplus and more prolonged the tendency of wage-squeeze, greater is the problem of effective demand. Such a denouement, in its extreme, may result in stagnation or even recession, with huge employment challenges and other adverse impacts on every aspect of the world over. Experience of recent decades, since the 1980s, provide ample testimony to a protracted crisis and deep distress to the lives of working people almost everywhere. Although there are notable differences across countries and particular sub-phases during the current neoliberal era, the fact of growing employment and livelihood challenges are widely acknowledged with expressions such as ‘jobless growth’ gaining currency across ideological divides in academic and policy discourses.

Combination of the above noted depressing effect on inducement to invest in material production due to worsening income distribution, and the ascendancy of capital-as-finance, discussed earlier, has been critical in shackling capital-in-production worldwide, contributing to not only ‘jobless’ but ‘job-loss’ growth trajectories in many countries, and thus to an increase in size of relative surplus population globally and in unleashing a range of lethal outcomes for the world of work in general.

This brings us to the third major, and much talked about, feature during the current episode of globalisation, namely the dramatic technological transformations and their implications for what often gets labelled euphemistically as ‘future of work’ in popular discourses. Clearly, the technological advances, or the development of ‘Productive Forces’, to use the standard Marxist expression, during the last half a century or so have been absolutely breath-taking, both in terms of content and pace. Between the so-called Third Industrial Revolution, that had gained considerable ground by 1970s, the crux of which was fantastic leaps in the structure, processes and speed of information, computing and processing, to the

Fourth one, with its core features as artificial intelligence, robotics, automation, deep machine learning and big data, modes of production and production relations (again to use well-known Marxist concepts), have undergone phenomenal reconfigurations globally, and these are very much ‘works in progress’. For reasons of space, it is impossible for us to engage in this paper with already considerable, and burgeoning, literature on various dimensions of the so-called ‘Industry III’ and ‘Industry IV’, and their implications for world of work.<sup>14</sup> Nonetheless, couple of remarks, very briefly, are in order.

First, the argument that the fears of labour displacement due to on-going technological advances is a ‘misplaced’ one, as we have ‘frequently been there and seen it all’ in different waves of technological disruptions and changes in the history of capitalism, may itself well be a misplaced one, as the current phase could very well be a sharp rupture from the past in unprecedented ways.<sup>15</sup> The future is uncertain but it seems quite clear that, over a relatively short period of about four to five decades, the global economy has undergone very significant acceleration in labour-saving changes in technology leading to exacerbation of unemployment, even if experiences across countries are uneven. Furthermore, in addition to contributing to this squeeze on the jobs, equally, if not more important concerns relating to on-going trends have been that of the quality of jobs, working conditions, dismantling of even rudimentary social protections and regulations, flattening of trade unions, and on each one of these we have growing evidence from different corners of the world. Given that the ascendancy of the third and fourth industrial revolutions have been largely co-terminus with the rise and consolidation of the other important features pertaining to the current phase of neoliberalism noted above, it is indeed difficult to separate significance of any one of the multiple correlates in a stark and precise manner, as they are inextricably connected with each other. However, what seems certain is that the technological changes are jettisoning a great deal of spatially well-defined dimensions of production, through online digital labour platforms, reconfiguring the interactions between workers and machines through robotisation, artificial intelligence etc., and thus leading to new regimes of labour processes and business models.<sup>16</sup> How the future will unfold is obviously uncertain, as it depends, not only on technological changes, but equally importantly, on social and political contestations. Nonetheless, circumstantial evidence at the current juncture seems to suggest significant contribution of these

changes to growing labour reserves and increased vulnerability of workers in the global economy.

Yet another important attribute of neoliberalism that we must note here, even if only in passing, that has huge implications for world of work, is the aggravation of the multiple forces of primitive accumulation. As noted right at the outset, primitive accumulation is a permanent feature of capitalism. Rise of neoliberalism fundamentally means a return to ‘spontaneous capitalism’ (to use an expression from Marxist authors such as Oscar Lange and Prabhat Patnaik), which means that the system gets increasingly driven by its own immanent tendencies and laws of motion, and a major outcome of such an order is strengthening of the forces of primitive accumulation in a comprehensive sense. Consequently, we have an accentuation in the processes of ‘accumulation through dispossession’ (as Harvey put it), and ‘accumulation through encroachment’ (to use Patnaik’s expression) in general, as well as the “deepening of super-exploitation by the offloading of the costs of social reproduction unto the expanding of labour reserves themselves, and unto women and the most oppressed social layers in particular” (Yeros and Jha 2020 p. 83). For the world of work, particularly in the South, a major implication of such a transition is the strengthening of the tendency to destroy petty production, in all its forms, which had enjoyed a degree of protection in the *dirigiste* era. Such a process obviously aggravates the problem of growing labour reserves through displaced producers joining its ranks in substantial numbers.

Before we close this section, a couple of extremely important caveats are in order. In the foregoing, we have highlighted major systemic changes and features central to the current episode of globalisation, that are important in an analysis of labour questions, with particular focus on the South. However, we need to go beyond these and engage with other critical aspects of capitalist transformation trajectories, globally and locally, both in *longue duree* and conjunctural perspectives, to engage with the relevant issues in a fuller fashion. Given the level of abstraction adopted in this paper, and its focal concerns, such a task is clearly not feasible here. However, even at the highest level of generality it is important to flag that issues relating to nature and ecology are absolutely critical in shaping the world of work everywhere, as is widely recognised in contemporary political economy literature. Growing ecological crisis, or the ‘metabolic rifts’, created by relentless greed of capital, has reached a point that seriously threatens the planet Earth, posing profound challenges to not only

livelihoods and work, but well-being of humanity in general. Given our focus in this paper, we have not managed to explore the multi-dimensional ecological assaults of capitalism; however, as noted above, ascendancy of the neoliberal order necessarily implies that the tendencies and pace of the processes of primitive accumulation get evermore strengthened and reckless, taking the system's contradictions around natural resources and environmental sustainability to dangerously new levels.

Finally, another caveat we need to note is that, given the level of abstraction our discussion here has been unable to get into profound issues and features pertaining to race, caste, ethnicity, patriarchy and gender, which are inextricably enmeshed with capitalist accumulation processes. 'Divide and rule' has always been central to capitalist control strategies and a variety of segmentative and discriminatory tactics, along the above noted axes, are critical markers of the world of work everywhere, and need to be investigated thoroughly.

### FRAMING THE CURRENT CONJUNCTURE

As suggested in our introductory remarks, primary purpose of this section is to underpin a couple of core building blocks central to the Marxist analytical framework of the world of work under capitalism, which help us understand several processes highlighted in the foregoing, and other important outcomes at the current juncture. Given the Marxist assumption that the fundamental motivation of capitalism, namely ceaseless accumulation, driven by maximum possible surplus extraction from workers, basic constitutive blocks of such a framework hinge on the structure of the labour process and overall control strategies to facilitate optimal outcomes for capital. This obviously has a wide canvas and our brief remarks in the following focus only on a couple arguments of immediate significance for this paper.

As is well-known, the abstract, stylised core of Marxist analysis in *Das Kapital* and other important contributions is a model of spontaneous system driven by its own 'laws of motion', in an incessantly competitive framework. With reference to labour, among the most profound laws that shape trajectory of spontaneous capitalism is what Marx framed as 'the absolute general law of capitalist accumulation', the essence of which is:

The greater the social wealth, the functioning capital, the extent and energy of its growth, and, therefore, also the absolute mass of the proletariat and



the productiveness of its labour, the greater is the industrial reserve army. The same causes which develop the expansive power of capital, develop also the labour power at its disposal. The relative mass of the industrial reserve army increases therefore with the potential energy of wealth. But the greater this reserve army in proportion to the active labour army, the greater is the mass of a consolidated surplus population, whose misery is in inverse ratio to its torment of labour. The more extensive, finally, the Lazarus layers of the working class, and the industrial reserve army, the greater is official pauperism. *This is the absolute general law of capitalist accumulation.* Like all other laws it is modified in its working by many circumstances, the analysis of which does not concern us here ((Marx 1887 [Reprint 1995–1996] p. 450), emphasis added).

This law is central to an understanding of dynamics of world of work under capitalism and critical to comprehending labour reserves or relative surplus population. The conclusions that Marx reached using this law – namely inevitability of labour reserves as intrinsic, permanent and absolutely important to cyclical as well as secular functioning of capitalism – are not only among his remarkable insights, but unparalleled till date in the history of economic analysis to explain persistence unemployment and other important features of capitalist labour regimes. For Marx, perennial existence of labour reserves is not only an outcome of ‘valorisation of capital’, but in fact a general condition of capitalist accumulation process.<sup>17</sup> Such a framework of a *competitive* capitalist system distinguishes the Marxist tradition sharply, in fact irreconcilably so, from all other major analytical paradigms in economics, including the much respected Keynesian paradigm in heterodox economic analysis.<sup>18</sup>

Relentless ‘valorisation of capital’ versus ‘de-valorisation of labour power’ in Marx’s narrative has several major consequences for the world of work including a perennial unstable relationship between the ‘active labour reserve army’ and the ‘relative surplus population’, continuous reconfiguration of these broad categories and their constituents etc. His discussion of the different components of the RSP, which he categorised *floating, latent and stagnant*, and how they connect with circuit of capital, at particular junctures as well as in *longue duree* perspective, are extremely insightful and persuasive. Essentially outcomes for the world of work are shaped by overall accumulation regimes, which have complex and multiple correlates, inter alia, economic-structural and political, both internal and external to a country. Further it is suggested that more spontaneous a

system, higher would be the probability of a range of stark and adverse outcomes for labour, including a relatively powerful tendency of labour repulsion, compared to labour absorption. In such a system, prospects of gains for workers are extremely limited at best, as suggested by Marx and Engels in most of their writings. In fact, they advance the claim of inevitable polarisation, with growing poverty for workers at one pole along with growing wealth at another, for capital. The proposition has been much debated but remains an extremely powerful insight pertaining the working of capitalism. Sure enough, the polarisation thesis and conception of poverty are quite complex and have multiple dimensions, including a range of social and political questions.<sup>19</sup> However, the fact of worsening or stagnant material lot for workers has a strong association with spontaneous capitalism in Marx's analysis, as indeed analytical tradition following in his footsteps, through the so-called 'immiserisation thesis'.

Again, there are different ways of interpreting and investigating the immiserisation thesis, starting from a worsening of wage income for working people, on an average, which cannot guarantee access to a well-defined consumption basket, which had been the case at an earlier comparable point in time. Although both Marx and Engels occasionally hint at such an interpretation,<sup>20</sup> and there is substantial evidence to corroborate such immiserisation across time and space,<sup>21</sup> it seems to us that Marx's claim of "growing misery of workers" is better interpreted with reference to overall conditions of work, including multiple vulnerabilities, drudgery etc. along with monetary returns to labour power. Another common interpretation of the immiserisation thesis focuses not on absolute but relative impoverishment around money-metric and other indicators; in other words, such an approach highlights growing inequalities, or polarisation, across different critical spaces to establish the claim of relative impoverishment of the working classes.

Consistent with Marx's Absolute General Law of Capitalist Accumulation, the fact of the growing proportion of the reserve army, to the active labour army, can be considered a powerful indicator, in a *systemic sense*, of growing impoverishment. This claim gains further credence in a context where ensuring the basic sustenance of those constituting the labour reserves falls on the shoulders of the active labour army, as well as on the intensification of unpaid labour expended on social reproduction mainly by women, a feature common to large parts of the Global South even today. Yet another simple, but a powerful and telling measure of growing misery is the following: as capitalism evolves, incessant

technological progress tends to reduce the socially necessary labour hours required to produce the ‘wage basket’, whereas the length of the working day does not go down proportionately, thus increasing the gap between what a worker gives and what she gets, measured in terms of total labour hours. This utterly simple point, borne out of the history of capitalism in large measure, is a compelling substantiation of the immiseration thesis.

In short, Marx’s remarkable conclusions regarding immiseration of workers and inevitable polarisation constitutes a rich terrain, analytically and empirically, and are of critical importance in framing the relevant discourses on the world of work under capitalism. Essential claim here is: spontaneous capitalism, given its laws of motion, is driven by relentless commodification of labour (aided and abated by forces of primitive accumulation), perennial and growing labour reserves, inexorable immiseration of workers, and polarisation of wealth and poverty, within and across countries. In our reading of Marx, it is important to assess the claim of ‘worsening’ of worker’s condition with respect to totality of her situation, including what Marx, somewhat polemically, highlighted as “accumulation of misery, the torment of labour, slavery, ignorance, brutalisation, and moral degradation”, in his critique of the prevailing regime. Processes that generate such outcomes are indeed complex and require careful investigations locally and globally, and any Marxist narrative must engage with these issues adequately. However, as Marx put it while referring to the General Law of Capitalist Accumulation, “like all other laws, it is modified in its working by many circumstances”, which deserve serious investigations. There are two arguments that we wish to flag in this context.

First, even in a context of spontaneous capitalism, struggles of organised workers can achieve substantial collective gains against capital, as we know well from different junctures in history. In fact, Marx himself notes significance of such actions, which is not surprising given the centrality of political struggles in his theory, in several of his writings all through, and makes forceful case for building organisations of workers, nationally and internationally, and planned cooperation among them. For instance, he highlights the victory of workers in gaining a ten hour working day, legally approved in England in 1847, in his Inaugural Address to the First International, as major success of organised struggle of workers, and lauds this achievement, when the capitalist class “succumbed to the political economy of the working class”. We may recall quite a few instances from history of capitalism when workers, through organisation and cooperation, have successfully achieved collective gains even in contexts structurally

seemed heavily stacked against them. Taking an example from the present for instance, the way the neo-liberal tide has been confronted since the early 2000s in several countries in Latin America, with notable gains, offer crucial insights on agency of labour. As one would expect, there is a huge literature on these issues within the Marxist tradition and we are not in a position to engage with these any further here.<sup>22</sup> Simple point worth stressing here is: Marxian political economy must not be interpreted in crude and narrow deterministic frameworks.

This brings us to the second argument we wish to flag here: without undermining the agency of labour in any way, it is obvious that the larger structural context, consisting not only of the economic but other core features of accumulation regime, are crucial in shaping the overall political economy of labour at any juncture. As we know, historical capitalism has had a range of accumulation regimes with distinctly different prospects for trajectories of economic transformation, each having specific linkages and possibilities for incorporation of labour power and other dimensions pertaining to the world of work. Analytically and empirically, this has been a rich terrain within Marxian scholarship, investigating varieties within capitalism, ‘articulation’ versus disarticulation’, making of the ‘core’ and ‘periphery’, issues of uneven development, unequal exchange and so on. We briefly touched on the making of the North and South, right at the outset of this paper in an overarching frame of global accumulation that ushered in capitalism, driven by colonialism and imperialism.

Of course, we have, at a high level of generality, worthwhile attempts at typologies of regimes, inter-temporally and across countries, that provide huge insights and powerful messages. Any adequate consideration of these issues is impossible within the scope of this paper. However, for illustrative purposes, and especially its relevance to the South, we may recall Amin’s stylised distinction between two regimes, namely, a ‘self-centred system’ and a ‘peripheral system’ respectively (Amin 1974), during the post WWII period, with their roots in Marx’s well-known ‘departmental schemes’ in *Capital*, (Marx 1893 [1956 Reprint] p. Chapter 19). Primary analytical concern of Amin is to contrast a relatively virtuous circuit of accumulation, which also entails better outcomes for the world of work, with a comprador, parasitic mode, i.e. the peripheral system which has little to offer to its own working people (For further details (Amin 1974; Jha et al. 2017)), a regime characteristic of many countries in the South during the post WWII era. However, as we also know, during this period of regulated capitalism, a handful of countries in the South were able to embark on

relatively autonomous transformation trajectories, often with public sector-led industrialisation, occasionally substantial land reforms, etc., which resulted in respectable economic outcomes, including for labour; the so-called ‘East Asian Miracle’ cases were, economically speaking, considered as most impressive among these.

Not that these countries were beyond orbit of imperialism or early neo-colonialism; yet as we suggested in one of our recent paper, “a number of peripheral states-- beyond the revolutionary states of China, Vietnam and Cuba – were sufficiently radicalised to retain substantial autonomy and sustained an anti-imperialist posture in the spirit of Bandung, without succumbing immediately to the dictates of neoliberal rule. And, in fact, nationalism in the liberated peripheries generally still showed a commitment to social and economic development, even if it remained deficient in democratic content, and even if when it gravitated to the Western camp” (Yeros and Jha 2020). Ascendency of neoliberalism, or late neo-colonialism, has made it exceedingly difficult, structurally, for the South, the pursuit of relatively autonomous economic transformation and social development, and indeed the outcomes for the world of work. As discussed in the preceding sections, neoliberalism as a system unleashes a number of major processes which militate against labour at large, through multiple mechanisms that we highlighted, in the dominated periphery. Countries in the South through their willing or forced submission, get trapped in what Samir Amin (following Andre Gunder Frank) christened as *lumpen-development*, which is fundamentally anti-labourist. We have already flagged a number of relevant features and outcomes in this regard, to close this section it may useful to point out, very briefly, a couple of indicators pertaining to a worsening state of flux for labour, drawing on the ILO data.

As mentioned in an earlier paper (Jha et al. 2017), both for conceptual and empirical reasons, it is not feasible to have very good operational markers, with the help of global databases, for estimating the relevant and crucial Marxist categories such as the RSP and its components etc. Nonetheless, in spite of serious limitations, a broad-brush sketch pertaining to some of the major indicators may certainly be noted from the data bases of the ILO, such as the Key Indicators of Labour Markets. Using this source, a well-known distinction may be made between two broad categories; ‘non-vulnerable workers’ (consisting mainly of Wage and Salaried Employees), and ‘vulnerable’ (constituting Own Account or Self Employed and Contributing Family Workers); we take the former as a proxy for ‘active labour force’. If we do so, the estimate for 2019, of the

share of Wage and Salaried Employees in total global labour force is about 53 percent. As one would expect, there are stark differences between the North and the South; for Europe and North America the relevant ratios are around 85 percent, whereas for Sub Saharan African and South Asia, these are in the range of 24 to 30 percent. Although during the last couple of decades, globally there is a small improvement in the share of regular and salaried workers, it is also a fact that informality of different kinds has deepened considerably among them, for which we do not have comparable information globally.<sup>23</sup> It is also the case that these figures refer to the economically active population excluding not only the aged but also the young under 15, who are heavily concentrated in the South and remain unaccounted for in both paid and unpaid labour, especially girls.

Between 2000 and 2019, global count of workers increased from about 2.6 to 3.29 billion, which as a proportion of total world population for these two respective years shows a decline from about 61 to 57 percent; further, for the latter year, the share of the North in total global labour force has come down marginally, from about 18 to 15 percent, and the South currently accounts for about 85 percent of the global labour force. Based on the labour force participation numbers, it would appear that due to several challenges highlighted earlier, even the most basic indicator for the world of work, e.g. participation, conveys a worrisome message. What we seem to have, at least for the last couple of decades, is the phenomenon of so-called ‘discouraged worker effect’ in operation. For the U.S., East Asia and South Asia, estimates for those who have opted out of labour force are 25 million, 145 million and 275 million respectively; globally the projected count is about 740 million. It is worth stressing here that for very large segments of workers in the South, opting out basically underlines ultimate hopelessness and despair.

We have already pointed out earlier that the information relating to wage rates, wage share etc., from all major global data sources, generally paint a grim picture for the recent decades, although, with notable variations across regions and countries, which require much closer investigation; unfortunately we are not in a position to undertake this task here. However, the moot point is: labour questions in the South (or in the North) can hardly be addressed by relying on currently dominant frameworks of spontaneous capitalism or tinkering on its margins, a conclusion which is as old as Marxian political economy itself; hence our insistence in this paper to return to such a ‘drawing board’, yet again.

## CONCLUDING REMARKS

As we see it, global capitalism has been in a state of profound protracted crisis, with huge and persistent challenges for working people across the world, and more so for those in the South. Central project for the political economy of labour currently has to be framed in a comprehensive strategy of rolling back the globally dominant model of corporate controlled lumpen capitalism, fashioned and driven in large measure by the imperial centres. This model, which is hegemonic on a global scale, is akin to a pyramid, characterised by a handful of giant monopolies mostly headquartered in the North, and a massive RSP located largely in the South; the former reaping the imperialist rents, and the huge mass of working people in the latter trapped in pauperisation. As long as such a model remains hegemonic, there is no escape from persistent polarisation, and precariarisation of the working masses, inherent in such a model.

However, as Amin says, ‘Yet, this autumn of capitalism does not coincide with a “springtime of peoples” which implies that workers and peoples in struggle have made an accurate assessment of the requirements, not to “end crisis of capitalism” but to “end capitalism”. This has not happened or not yet’ (Amin 2019). In other words, for political economy of labour, the road is possibly a long and hard one, but one can hardly visualise any other promising road. The essence of the challenge is to work for a system, which functions ‘without the existence of a class of masters employing a class of hands’, to borrow a gem of an expression from Marx again.

## NOTES

1. It is worth recalling Karl Marx’s well-known statement on some of the powerful and rapacious mechanisms associated with early capitalism: “The discovery of gold and silver in America, the extirpation, enslavement and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black-skins, signalled the rosy dawn of the era of capitalist production. These idyllic proceedings are the chief momenta of primitive accumulation. On their heels treads the commercial war of the European nations, with the globe for a theatre. It begins with the revolt of the Netherlands from Spain, assumes giant dimensions in England’s Anti-Jacobin War, and is still going on in the opium wars against China, &c” (Marx 1887 [Reprint 1995–1996] p. 533).

2. For some of the major contributions, supporting such a conclusion, see Samir Amin (1973, 1976), Amiya Bagchi (1982, 2005), Paul Baran (1957), Eduardo Galeano (1973), Peter Magubane (1979), Irfan Habib (1995), Eric Williams (1966), Walter Rodney (1972), Joseph Inikori and Engerman, ed. (1992), Prabhat Patnaik (1995, 2009), and Utsa Patnaik and Prabhat Patnaik (2016).
3. As mentioned, there is a huge literature on these issues and some of the useful references include: David Harvey (2005), Erik Reinert, Jayati Ghosh and Rainer Kattel (2016), Robert Pollin et al. (1998), Ha Joon Chang (2002), Lucia Pradella and Thomas Marois ed. (2014).
4. Epstein offers a simple and useful definition: “Financialisation means the increasing role of financial motives, financial markets, financial actors and financial institutions in the operation of domestic and international economies” (Epstein 2005 p. 3).
5. Empirical measures of financialisation are tricky, complex and controversial. However, there are relatively simple estimates which are robust indicators of the phenomena. One such measure is the ratio of the value of global financial transactions to the value of transactions in global trade. As per a recent estimate by Thomson and Dutta, this ratio was 2:1 in 1973 and increased to a whopping 90:1 by 2004. As per the same estimate, for the year 2017, value of the global trade for the entire year happened to be USD 17.88 trillion, whereas valuation of *daily financial transactions* in the same year stood at USD 5.1 trillion (Thomson, et al., 2018).
6. As Patnaik puts it, “The new finance is not separate from industry, since even capital employed in industry is not immune to the quest for speculative gains, but industry does not occupy any special place in the plan for this finance capital.... This is basically what the process of financialisation involves, namely an enormous growth of capital as finance, pure and simple and its quest for quick speculative gains” (Patnaik 2010).
7. As Patnaik notes, a fundamental difference contemporary globalisation compared to the earlier phases is “the fact that the current episode is characterised by a mobility not just of capital-as-finance across the globe but also of capital-in-production” (Patnaik 2016a, b p. 3). He goes on to suggest that had such a feature (e.g. direct investment from the North to the South) characterised earlier episodes of globalisation, “the division of the world into an advanced and backward segment would not have occurred” (Patnaik 2016a, b).
8. Adam Smith had emphasised the ‘division of labour’ as among the most important contributor to the wealth of nations; whatever be the merits of his claims, for an enthusiastic Smithian on this matter the current state of the division of labour, going beyond the firm, far and wide across the world, would be a dream come true!



9. As John Smith notes, “In 1980s half of the world’s industrial workers lived in Europe, Japan, and North America, i.e. the imperialist nations. Since then, in just three decades, their numbers have declined in absolute terms by around a quarter, while the export-led expansion of the industrial workforce in low-wage countries has grown rapidly and now comprises 80 per cent of the world’s industrial workers” (Smith 2013).
10. Interested readers may refer to Praveen Jha and Amit Chakraborty (2014) and Praveen Jha and Paris Yeros (2019) for brief overviews of the relevant arguments.
11. For a sample of recent important contributions, interested readers may refer to several articles by Foster and his colleagues in *Monthly Review*. Further, there are quite a few impressive books engaging with this theme during the last two decades; Samir Amin (2010 and 2011), (2010; 2011) Ernesto Screpanti (2014) Immanuel Ness (2015), Intan Suwandi (2019), John. B. Foster and Robert McChesney (2012), Stephanie Barrientos (2019) and Dev Nathan et al. (2016), are among persuasive and easily accessible treatments of the subject, most of these within Marxist Political Economy.
12. As noted by Stiglitz, for a male worker in the United States, real wage over a period of more than five decades (between 1968 and 2011), did not increase, which is indeed one of the starkest indicators of the increased pressure on workers at large in economically the most powerful country in the world (Stiglitz 2013).
13. Highlighting the tendency of the growing hiatus between the ‘vectors of world real wages and productivity’, Patnaik notes, “A rise in the share of surplus in total output has the effect *ceteris paribus* of reducing aggregated demand....for a simple reason highlighted by authors like Michal Kalecki (1954), Josef Steindl (1976), and Paul Sweezy and Paul Baran (Sweezy and Baran 1966), namely that the consumption-income ratio is higher for wage-earners than for surplus-earners. Such a shift therefore has the effect of reducing aggregate consumption, and hence aggregate demand for any given level of investment” (Patnaik 2016a, b p. 9).
14. For a good overview of the relevant trends, implications etc. interested readers may refer to *Inception Report for the Global Commission on the Future of Work* (ILO 2017).
15. As the 2017 ILO report observes, “while the prevailing evidence of past technological developments suggests that waves of technological change result in short-term job destruction followed by the creation of jobs, today’s technological advances are emerging at an unprecedented rate and changing work in ways not seen before” (ILO 2017 p. 10).
16. As already stated, there is a large and growing literature on these issues, and to mention a couple of helpful references, readers may look at Christian

- Fuchs (2014), Ursula Huws (2010, 2014), Janine Berg et al. (2018) and International Labour Organisation (2017).
17. To quote Marx: “But if a surplus labouring population is a necessary product of accumulation or of the development of wealth on a capitalistic basis, this surplus population becomes conversely the lever of capitalist accumulation, nay a *condition of existence of the capitalist mode of production*. It forms a disposable industrial reserve army that belongs to capital as absolutely as if the latter had bred it at its own cost. Independently of the limits of the actual increase of population, it creates for the changing needs of the self-expansion of capital, a mass of humans always ready for exploitation” ((Marx 1887 [Reprint 1995–1996] p. 444) emphasis added).
  18. We have discussed these issues briefly in an earlier work (Jha et al. 2017).
  19. Marx’s well-known and much discussed proposition in Chapter 25 of *Capital Volume I* that, “in proportion as capital accumulates, the situation of the worker, be his payment high or low, must grow worse” (Marx 1887 [Reprint 1995–1996] p. 451), is an obvious and clear statement beyond a simply construed material conception, and hints at his deep and abiding engagements with issues of alienation, conditions of freedom etc. as critical constituents of human poverty. In fact, contrary to popular perception, that capitalism is conducive to realisation of individual freedom, whereas socialism is antithetical to it, Marx’s claim is exactly the opposite; rule of capital, for him, was “the most complete suspension of individual freedoms” (Marx, 11857–61 [Reprint 1993] p. 652).
  20. In his 1867 address of the General Council of the International Working Men’s Association, Marx refers to the unchecked functioning of “the iron rule of supply and demand” (read as spontaneous capitalism) *reducing* the “producers of all wealth to a starvation diet”. Likewise in his Inaugural Address to the First International in 1864, reflecting on the situation of the English industrial working class, Marx says, “it is a great fact that the misery of the working masses has not diminished from 1848 to 1864, and yet this period is unrivalled for the development of its industry and the growth of commerce” (Marx 1864).
  21. Drawing on an impressive array of scholarship on the English experiences, Ranadive notes that, “not only was there a qualitative deterioration over 1795–1840 in the living standard of workers, but relative to other classes in English society, the deterioration stood out in sharp contrast...While the deterioration set in after 1770, the critical year was 1795 when the ‘battle of the loaf’ started with the labourer being driven from a wheaten, to a potato diet” (Ranadive 1987 p. 45). In a recent and very impressive contribution to theorising imperialism, Patnaik and Patnaik (2016), highlights absolute worsening in the plight of working people with reference to

accessing even minimum nutrition norms in the countries of the South at different junctures.

22. We may mention a couple of important references for readers interested in pursuing it further: Hal Draper (1978), Eric Olin Wright (2000), Beverly Silver (2003).
23. In case of India, for instance, within the so-called formal sector, there has been a huge increase in the share of officially defined informal workers.

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