

# Talking Cents

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*Talking Cents is a ecumenical group charged by the Anglican Diocesan Council to promote an alternative to current economic and political thought, and to encourage debate within the Church. Ministry Units are encouraged to distribute these articles. This issue is contributed by David Hall of the Auckland Diocesan Social Justice Group*

## Are we still citizens?

Professor Guy Standing introduced us to the concept of the “Precariat” in his book “**The Precariat: the new dangerous class**” published in 2011. He has now followed this up with another book “**A Precariat Charter: from denizens to citizens**” published this year. Professor Standing has visited New Zealand twice in the last two years.

Standing’s first book on this subject identifies the *Precariat* as a relatively new and growing group within society of people in precarious employment, mainly as a result of the radical changes in public policy over the last 30 years. He describes the *Precariat* as “*people living through insecure jobs interspersed with periods of unemployment or labour force withdrawal and living insecurely, with uncertain access to housing and public resources. They experience a constant sense of transiency.*”<sup>1</sup>

Whilst employment insecurity is not particularly new, it is the range of activities and the number of people involved that has changed. In particular some university graduates and others with specific skills are now effected. In addition, the Precariat status can be applied to many migrants particularly those with advanced qualifications, including medicine, who are unable to use their training as intended because of professional and/or government requirements.

In addition to the insecure nature of the *Precariat* they also miss out on many of the non-cash benefits that through most of the 20<sup>th</sup> century were considered part of the employment package: such as pension plans, health insurance, educational benefits, profit sharing etc. When I started work in England in the 1950s the firm I worked for had a quarterly profit sharing scheme that on average added some 25% to my income. The firm also paid for my university education as an engineer. Such arrangements have disappeared in both England and New Zealand.

The relationship between the “state” and the individual member of the *Precariat* is not that of citizen but of denizen. By this Standing means “*The state treats the Precariat as necessary but as a group to be criticized, pitied, demonised, sanctioned or penalized in turn, not as a force of social protection or betterment of well-being.*”<sup>2</sup> He supports this conclusion with a large number of examples mainly drawn from practice in the UK. Included are changes in both employment conditions and state entitlements. For example, the unemployment benefit has been renamed the **job-seeker allowance** with many conditions that have to be met if the allowance is to continue. Recipients of the allowance are required to prove that they have been actively looking for employment. Ever second week they have

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<sup>1</sup> Standing, Gut: A Precariat Challenge” Bloomsbury 2014. Page 16.

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<sup>2</sup>ibid page 21

to meet with the official “adviser” who, if not satisfied, can withdraw the allowance. What used to be a “right” has now become a “gift”.

Another example Standing gives is the use of “zero-hours contracts”<sup>3</sup>. This is where an person signs a contract to work for an employer but the contract does not specify any hours of work required and it is only when work hours are offered and worked does the individual get paid. The individual has no “right” to work but is still considered, for “job-seeker allowance” purposes to be employed and hence not eligible for the allowance.

Standing’s Precariat Charter comprises about half of the book and includes 29 Articles ranging from “*Redefining work as productive and reproductive activity*” to “*Treating migrants as labour market equals*” and “*Ensuring due process for all*”. The fact that Standing devotes a significant section to due process is concerning. He writes “*The failure of due process can reflect measures that block people from obtaining rights, measures to suspend their rights, measures to weaken access to such rights or measures to deny rights to those who previously had them.*”<sup>4</sup> Recent legislation in New Zealand that takes away the right to sue from family members seeking disability carer allowances is a good example of this in New Zealand.

Standing also looks at due process in social protest and quotes David Cameron, the British Prime Minister, saying after some community protests (riots) against evictions from social housing in August 2011 “*We’ve got to be less sensitive to the charge that this is about interfering or nannying*”<sup>5</sup> At the same time the British Work and Pensions Secretary of State was advocating that benefits (allowances) be cut from those participating in anti-social activity.

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<sup>3</sup> ibid page 165

<sup>4</sup> ibid page 216

<sup>5</sup> ibid page 228

The concept of “denizen” goes back to the Middle Ages and is used to describe an “outsider” or “alien” who was granted by the king the right to settle and work in his particularly occupation in a specific town. Over the centuries the denizen has become someone between a citizen and a non-citizen, a sort of half-way house. But perhaps more concerning citizens can now be re-classified as denizens through a variety of processes. Standing identified six ways that people can become denizens<sup>6</sup>:

- Blocked from attaining rights by laws, regulations or non-accountable actions of state bureaucracies i.e. loss of job seeker allowance.
- Costs of maintaining citizen rights can be raised
- Loss of rights through change of status, as employee, resident etc
- Loss of citizen rights by proper legal process
- De facto loss of citizen rights without due process
- Loss of citizen rights by not conforming to moralistic norms, lifestyle choices or sets of values that puts them outside the range of protection.

Regrettably we can see much of what Standing is talking about applying to us in New Zealand. The welfare reforms of recent years appear to parallel those in Britain. The way New Zealanders are treated in Australia appear to be a good example of a “Precariat” for all New Zealanders who arrived in Australia since 2001 being treated as Denizens.

In his earlier book on the Precariat he indicated that a possible reaction, by at least some of the Precariat, to their plight would be to turn to extreme right wing potentially totalitarian parties, the recent elections in the UK and Europe appear to confirm Standings fears. Let us hope and pray that we do not follow a similar route in New Zealand later this year.

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<sup>6</sup> ibid page 9