

JOURNAL FÜR ENTWICKLUNGSPOLITIK

vol. XXX 4–2014

CAPITALIST PERIPHERIES: PERSPECTIVES ON PRECARISATION FROM THE GLOBAL SOUTH AND NORTH

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Herausgegeben von:
Mattersburger Kreis für Entwicklungspolitik
an den österreichischen Universitäten

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The Social Precarisation of Labour in Brazil

GRAÇA DRUCK

1. Introduction

During the transition from the 20th to the 21st century, the socio-historical contradictions of work do not allow for definitive conclusions regarding disruptions and new forms of labour or social relationships, because alongside the emergence of new conditions and social labour situations, old forms and modalities reproduce and reconfigure themselves in a clear process of social metamorphosis.

I intend to explain why the social precarisation of labour is both a new and an old phenomenon, existing in different but equal forms, and is both a past and present phenomenon, characterised by its macro- and micro-social nature and global and local processes, using the Brazilian reality as a reference. According to my understanding, precarisation is not associated exclusively with the labour market (i.e. atypical forms of employment, unemployment, temporary, part-time jobs, etc.) but with all fields of labour, such as work processes and work organisation and the working and health conditions of workers, as well as in forms of resistance and the role of the State.

The conception of the social precarisation of labour that will be developed in this article can be briefly described with the following points: (1) the centrality of work and its historical forms justify an emphasis on the *social* character of precarisation; in addition, the social precarisation of labour is considered *social* because it has become a strategy of domination used by capital at particular historical moments, combining the crisis of Fordism and the welfare state, the financialisation of the economy, neoliberal policies and productive restructuring, which compose a new regime of flexible accumulation; (2) precarisation is not a result of the flexibilisation of

labour, as stated in many studies, but rather, precarisation is flexibilisation and vice versa; (3) although precarisation is characterised by some national historical specificities it is also global because it disrupts certain dualities, such as that of the excluded and the included, the employed and the unemployed, and the formal and the informal. This is due to the fact that there is a precarisation process that extends to all regions and all segments of workers, as an “institutionalisation of instability” (Appay/Thébaud-Mony 1997); (4) the implications of these changes in labour extend to all other dimensions of social life: family, study, leisure and restriction to access to public goods (health, education and habitation, etc); (5) precarisation is not restricted to the employment relationship, atypical forms of employment or the loss of the typical wage condition of Fordism, but includes *all* fields of labour, in its various dimensions, i.e. different forms of insertion, contracts, informality, outsourcing, deregulation, the flexibilisation of labour legislation, unemployment, sickness, workplace accidents, wage loss and the fragility of trade unions.

Therefore, in this study, the thematic concept from which I depart to construct indicators is that of *Social Precarisation of Labour*, understood as a process in which the institutionalisation of contemporary flexibilisation and precarisation of labour is established economically, socially and politically (Appay/Thébaud-Mony 1997).

2. Current flexible accumulation on a global scale: precarisation as a strategy of domination

In the current historical moment, labour has assumed a particular configuration that has become hegemonic in global terms over at least the past four decades. This era is identified as one of an unprecedented globalisation of capital, grounded in a neoliberal political and economic scheme and materialising essentially through a long and intense restructuring of production and labour.

We are living through a new stage of capitalism referred to as “flexible” by Sennett (1999) and as “flexible accumulation” by Harvey (1992). Underlying this denomination is the understanding that the historical development of the capitalist system has produced significant transformations, particularly

in terms of labour and workers' struggles, that have redefined the configuration of the capitalist system while maintaining its essence as a system whose social relationships are based on wage labour, that is, via the appropriation of labour by capital through the purchase and sale of the workforce in the market regardless of the existing or predominant forms of contract.

Different patterns of accumulation have been established during the history of capitalism that resulted from a set of economic, social and political factors, prominently including workers' resistance struggles that have imposed limits on accumulation, redefining and implementing social and labour rights, as well as society and the State's acceptance and legitimisation of social protection as a guaranteed right.

The various historical conjunctures and the transitions between eras indicate transformation processes by which old and new forms of labour and employment coexist, are combined, and, at the same time, redefine themselves, indicating the typical process of metamorphosis, which is currently occurring under the aegis of a dynamic that ultimately predominates over others: the dynamic of the social precarisation of labour.

I agree with the thesis that there has always been precarious labour in capitalism, but in the recent metamorphosis of contemporary work, metamorphosed precarity now has a strategic and central position in the logic of capitalist domination. It is no longer something residual or peripheral, but has become institutionalised in all regions of the world, both in developed and core countries, as well as in countries like Brazil.

Flexible accumulation has its origin in the quest to overcome crisis resulting from another pattern of capitalist development, marked by Fordism and a regulatory regime. I do not intend to resume the debate on the crisis of Fordism, but it is worth comparing the characteristics of that crisis and the current context after 40 years of alternatives to the old Fordist pattern of development.

A consensus was reached in the analyses of the crisis of Fordism that pointed to mass production saturation, along with a falling rate of productivity in the major countries of the world and a decrease in profitability; although economic growth has slowed, in flexible capitalism profitability has increased and capital gains have never been so high and so rapid, within the socioeconomic environment of the countries that have been welfare states or have implemented public policies for full employ-

ment, as a response to the crisis of 1929. According to Boltanski and Chiapello (2009), in the context of the 1960s, in addition to a standard of living that allowed for social progress planning, there was also a political environment of significant mobilisation and criticism of capitalist standards, which resulted in the events of May 1968. Social struggles against various forms of inequality in the workplace, at school and in the family and with regard to gender, race and generation were strongly expressed and led to protests all over the world.

In this era, transformations brought about by the rupture of the Fordist pattern generated another way of work and life, guided by the flexibilisation and precarisation of labour as requirements of the financialisation of the economy that have enabled the globalisation of capital to a degree never before reached. An evolution of the financial sphere came to determine all other ventures of capital, subordinating the productive sphere and contaminating all production practices and modes of work management, centrally grounded in a new configuration of the state that has begun to play an increasingly important role as ‘manager of the bourgeoisie’s businesses’ because it now acts in defense of the deregulation of markets, particularly the financial and labour markets.

This hegemony of the ‘financial logic’ goes beyond the strictly economic aspect of the market and permeates all spheres of social life, providing content for a new way of work and life. The current social time is unprecedented in its rapidity; it does not appear to extend beyond the *continuous present* and is sustained on the unlimited volatility, ephemerality and disposability of everything that is produced, and mainly on those who produce it – working men and women. The short term – as the central element of financial investments – requires agility for both production and work processes, which in turn requires workers who subject themselves to any conditions to meet the new pace and rapid changes.

These circumstances represent the “new spirit of capitalism” (Boltanski/Chiapello 2009), with which capital pursues to the greatest extent possible the sole goal of making more money from money, without establishing ties or bonds and without commitments of any type except commitment to the market game (financial in the first instance), guided by a limitless international competition that does not allow for any type of regulation.

Thus, it is no longer a society of full employment but one of unemployment and precarious forms of work that has come to predominate in places where a high degree of economic and social development has been reached.

According to Castel (1998), this condition explains the centrality of labour precarisation in the new dynamics of capitalism development, a process that modifies the conditions of (stable) wage labour, which was hegemonic during the Fordist period. The loss of employment or the loss of a stable insertion into the labour market creates a condition of insecurity and a precarious mode of life and work including both objective and subjective dimensions, thus constituting mass vulnerability, weakened social cohesion or social exclusion (*'unbelonging'*).

To say that the social precarisation of labour is at the heart of the dynamics of flexible capitalism also means understanding the precarisation of labour as a strategy of domination. That is, capital uses *force* and *consent* to achieve this degree of accumulation without moral and material limits. The *force* materialises mainly in the imposition of precarious work and employment conditions in the face of the permanent threat of structural unemployment created by capitalism. In a general way, Marx and Engels' thoughts regarding the main political function of the industrial reserve army apply here: the creation of strong competition and division among workers and thus the guarantee of nearly absolute submission and subordination of labour to capital is the only way of ensuring worker survival. The *consent* is achieved from the moment at which workers themselves, influenced by their political and union leaders, come to believe that the transformations of work are inexorable, and as such, must be justified as the results of a new age or a new spirit of capitalism.

The above mentioned explains why I use the term precarisation rather than precarity. These words are not synonyms, although they have the same etymological root. Precarisation emphasises the process and historical character of the phenomenon and the fact that it leads to social regression. It cannot be interpreted as a 'return to what was before' but as a new, modern condition, as it reconfigures the old, retains it and aggregates new elements.

It is, therefore, a metamorphosis of precarity, which, although present since the origins of capitalism, assumes new contours as a consequence of historical processes marked by different patterns of development and workers' struggles.

The content of this (new) precarisation is provided by the conditions of instability, insecurity and fragmentation characterising workers' collectives and the brutal competition existing among them. This precarisation affects everyone indiscriminately, and its manifestations differ in degree and intensity but are similar in the sense of being precarious no longer in a provisional, but rather a permanent sense, thus configuring a reality in which the more traditional forms of resistance and struggle degrade and weaken, thus reinforcing the idea of 'economic fatality'.

In the words of Bourdieu (1998), this transition relies on flexibility as a "policy of precarisation", inspired by economic and political factors, the product of a "political will". Then precarisation is a "political regime [...] part of a mode of domination of a new kind, based on the creation of a generalised and permanent state of insecurity aimed at forcing the workers into submission, into acceptance of exploitation" (Bourdieu 1998: 124-125).

At this historic conjuncture of capitalism in the world – the flexible accumulation, a political regime sustained by the strategy of precarisation – it is necessary to understand the specificities and particularities of each country or region in the context of concrete realities.

3. The specificities of the social precarisation of labour in Brazil

In order to understand the specificities of the Brazilian case, it's necessary to mention its past history. Brazil is a colonial country sustained on slave labour, which has specialised into an agro-export economy and whose late industrialisation, through the import substitution model, has condemned it to a subordinate position in relation to the core economies.

This was the most general process that has characterised the specificities of capitalism in Latin America and which gave rise to different interpretations about the central-peripheral relation or development-underdevelopment.

It is considered that the world development of capitalism occurred unevenly and combined, creating an international division of labour, in which former colonies, such as Latin America, became dependent countries and raw material exporters, while the industrial dynamics of technological matrix advanced in the core countries – implying heterogeneous

processes among core countries and among peripheral ones. In the case of Brazil, industrialisation, although late, made the economy more complex and dynamic, establishing the main durable consumer goods industries in the country, and differentiating its productive structure from those of other Latin American countries.

Industrialisation in Brazil since the Second World War, the implementation of the import substitution model, inspired by the American pattern of industrialisation, that was sustained through mass production of consumer durables and mass consumption, was marked by a strongly exclusionary character. It incorporated a minority segment of workers into the formal labour market and created a consumer market, which was selectively restricted to this minority segment of the population. This model was implemented via state coercion and management of labour by capital, without a social compact that would integrate workers in the distribution of economic results obtained with the advancement of Brazilian industrialisation. Lipietz and Leborgne (1996) define this case as peripheral Fordism: “it remains peripheral in the sense that in the world wide circuit of the industries, skilled labour (especially in engineering) remains to a large extent external to these countries. Further, the outlets follow a particular combination of local consumption by the middle classes, a growing consumption of durable goods by the workers and low priced exports to the core capitalisms”.

The social protection system (CLT – Consolidation of Labour Laws) was established in 1943 and was conditioned by state control over the trade unions and also a set of social and labour rights restricted to the urban sector, claimed by workers since before 1930. It represented an important step toward the ‘wage condition’, a frequent object of studies in terms of the European experience. It should be pointed out, however, that Brazilian social policies followed a trajectory different from those in Europe. It is also from this perspective that the advances included in the Constitution of 1988 stand out: some rights were extended, existing rights were consolidated, and new public policies of a universal nature were created, such as the universal retirement pension provided for rural workers and the SUS (*Sistema Único de Saúde* – Unified Health System), which has made workers’ health an integral part of public health. However, the difficulties of enacting these achievements became evident in the scenario that was

already developing at the beginning of the 1990s: the neoliberal project that emerged victorious in the 1989 elections, and that contradicted fundamental principles of the new Constitution.

Currently, after 20 years of systemic manifestations of the Fordist crisis in Brazil, it can be stated that the precarisation of labour has become a new phenomenon, whose main characteristics, modalities and dimensions suggest unprecedented social precarisation has taken place in the country over the last two decades. This has been revealed by changes in forms of work organisation/management, labour and social legislation, the role of the state and its social policies, the behaviour of the trade unions and forms of action taken by public institutions and civil associations.

The character of this new social precarisation of labour rests on the idea that it is a process that economically, socially and politically stimulates the institutionalising of precarisation all over the world, renewing and reconfiguring the historical and structural precarity of labour in Brazil, now justified – in the vision made hegemonic by capital – by the need to adapt to the new global reality, and marked by the inevitability and inexorability of a worldwide process of precarisation that is also increasingly occurring in developed countries.

The nature of the dynamics of precarious work in Brazil is the same as in other countries in the world, but their forms and characteristics are typical of a Peripheral Liberal Model (Filgueiras/Gonçalves 2007), a development model in place since the 1990s. This was developed in the context of profound changes concerning five dimensions of socio-economic and political organisation of the country: (1) the relationship between capital and labour, (2) the relationship between the different fractions of capital, (3) the (economic and financial) international integration of the country, (4) the structure and functioning of the state and (5) the forms of political representation. A new pattern of capitalist development emerged, making use, during the past two decades, of distinct regimes of macroeconomic policies. It can be summarised in terms of the following characteristics: structural external vulnerability, passive insertion into the world economy, macroeconomic instability and difficulty in maintaining higher rates of growth. In short, it is a liberal model, because it is founded on neoliberal reforms and economic policies, under the hegemony of financial capital and peripheral as implemented in the

specific context of a peripheral country like Brazil (Filgueiras/Gonçalves 2007; Filgueiras et al. 2010).

In Brazil, this precarisation is 'new' because it has been reconfigured and expanded, leading to social regression in all of its dimensions. As a consequence, it extends to both the more developed regions of the country, such as São Paulo, as well as the regions most traditionally marked by instability, such as Bahia; it is present in the most dynamic and modern sectors of the country and in cutting-edge industries (through the practice of outsourcing), as well as in more traditional forms of informal work and self-employment, among other sectors; it affects both more highly qualified workers and the least skilled workers and it occurs in both the private and in the public sectors. This process breaks with the traditional duality between formal and informal work and all the implications of this.

'Precarisation' in Brazil, similarly to the rest of the world, is marked by a different historical climate, characterised by the hegemony of financial capital, which permeates the economy as a whole, redefining the occupational structure, leveraging the growth of services, and driving the emergence of new segments of precarious work, such as in the tele-marketing sector (Sproll 2013). The financial capital appropriates the state itself, imposes a reduction of public and social policies and creates a permanent economic instability, which is the origin of the current financial and economic crisis.

In Latin American countries, the dynamic nature of the precarisation of labour is the same as in the core countries, but its potential for generalisation is different because only a minority group of workers have had relatively stable earnings, i.e., the social vulnerability was always very large, but also differentiated between the workers themselves and today even those protected by law ('formal employment') are also exposed to precarisation, as will be discussed later.

4. The social precarisation of labour in Brazil: some indicators

4.1 The labour market has remained precarious over the last two decades

The indicators of labour precarisation developed for the analysis of the last two decades are intended to account for various dimensions by combining the quantitative and qualitative aspects. In an attempt to avoid reductionist visions that sometimes consider one or another fact of reality absolute, these indicators are grouped in six types or dimensions of precarisation (Franco/Druck 2009).

The first dimension is the form of workforce commodification, demonstrated empirically by the evolution of the Brazilian labour market, highlighting the indicators of occupational insertion, income, unemployment rates and employee turnover rates. When neoliberalism arrived in the 1990s in Brazil, the country's entry into globalisation was subordinated and exposed the instability of the international financial system. During this period, Brazil saw the highest rates of unemployment in its history, with the deepening of productive restructuring, leading to the expansion of informality and outsourcing for all sectors of the economy. This included a number of changes in the labour and social security legislation that reduced and flexibilised the rights of workers (Krein/Baltar 2013).

The main labour market indicators for the 2000s exhibit a trend toward job recovery, with a reduction on unemployment rates and an increase in the numbers of formal employees. This trend was interrupted by the global crisis of 2008. The rates of urban unemployment in Brazil rose after the global crisis during the period from October 2008 to March 2009, during which the number of unemployed grew by 19% in just six months, rising from 1,743 million to 2,082 million. This percentage change is the same as that observed for the five-year period from 2003 to 2007, when the number of total unemployed *decreased* from 2,608,000 unemployed to 2,100,000 (IBGE 2010). That is to say, what the country had recovered over five years was lost within six months, indicating the vulnerability of jobs in Brazil and the difficulties of overcoming the high levels of unemployment resulting from the country's mode of insertion into globalisation. However, since August 2009, a new process of job recovery has begun that includes an increase in formal employees and a decrease in the total

unemployment rate in metropolitan regions from 14.0% to 10.5% in 2012 (SEADE/DIEESE 2013).

The growth of formal employment in the private sector in recent years has not been sufficient to decrease the turnover rate. In 2002 this was 41.8% and in 2012 43.1%, demonstrating the degree of flexibility of labour contracts. Furthermore, the duration of employment was short; in 2012, 45% lasted less than 6 months and 66.5% of those laid off had not yet completed one year of employment (DIEESE 2014a), indicating the high degree of instability and vulnerability of jobs created.

With regard to income, the salary range of formal employees that grew the most during this period (2002–2012) was up to two minimum wages (142%), whereas employees who receive more than two minimum wages increased only 24% (DIEESE 2014a). This is an indicator of income redistribution that occurs between workers themselves.

The minimum wage has been the object of valorisation and recovery since the mid-1990s but has been characterised by higher rates of correction in the 2000s, with a valorisation of 171% occurring between 2003 and 2009, which has had positive impacts on the economy as a whole. In 2009, 9.7 million workers, or 7.8% of the total number of those employed, earned the minimum wage, whereas in 2001 they numbered 5.9 million or 7.8% of the employed. However, it is important to note that the nominal value of the Necessary Minimum Wage (*Salário Mínimo Necessário* – SMN),¹ calculated by DIEESE, should have been R\$ 2,227.53 in December 2009, but was in fact R\$ 510.00, i.e. 4.4 times lower than this.

4.2 Outsourcing: the main form of social precarisation of labour

Management standards inspired by Toyotism can be identified as a second dimension of the social precarisation of labour. Within the context of an intensification of work (the imposition of unachievable performance goals, the extension of working hours and versatility, among other aspects) this has led to extremely precarious conditions grounded in management through fear, and in discrimination created by outsourcing, which has spread to epidemic levels. Additionally, this process has been accompanied by forms of abuse of power through moral harassment, which has been widely denounced and made the subject of lawsuits in Labour Courts and at the Labour Department of Justice.

Studies at the beginning of the 1990s were, to a large extent, conducted in the industrial sector, with an emphasis on the automotive, chemical/petrochemical and oil industries. At that time, important trade unions, such as the Metal Workers Union of the ABC region of São Paulo (Sindicato dos Metalúrgicos do ABC) and the Chemical and Petrochemical Industry Workers Union of Bahia (Sindicato dos Químicos e Petroquímicos da Bahia), began to denounce and position themselves against outsourcing, arguing that it ceased to be applied only in peripheral activities of the factories, being also adopted within the productive core (Druck 2011).

In the 2000s, the growth and spread of outsourcing characterised an ‘uncontrolled epidemic’, as a modality of work management and organisation in an environment controlled by the logic of financial accumulation that requires total flexibility of the work process, working conditions and labour market at all levels, thus introducing a new type of precarisation that has come to guide the relationship between capital and labour in all its dimensions. Additionally, in a context in which the economy is heavily coined by very short-term financial logic, companies are in a position to pressurise workers to maximise time, attain high rates of productivity and reduce costs through labour and ‘volatility’ in the form of contracts. Outsourcing meets these requirements as no other mode of management does (Druck 2011).

Outsourcing has grown in all sectors of the economy, prominently in the public sector and in state companies. This new trend, which can be explained by the fact that successive government adopted neoliberal policies, on behalf of the fiscal surplus recommended by the ‘Washington Consensus’, suspended government procurement. In this context they sought to remedy the need for civil servants through outsourcing in different ways: intern hiring, the use of workers cooperatives² (particularly in health), the transfer or outsourcing of public services to the private sector and the subcontracting of private companies.

Likewise, in the private sector, outsourcing has grown significantly in core company areas and begun to take on new forms, such as cooperatives, one-person companies (*pejotização*) and working from home, also called telecommuting.

Due to the difficulty of obtaining information from companies, precise statistics on outsourcing in Brazil are currently not available. The Employ-

ment and Unemployment Survey (Pesquisa de Emprego e Desemprego – PED) conducted by DIEESE, estimates that in 2009, 11.6% of urban workers in the major metropolitan regions were subcontracted through outsourced services and self-employed individuals who worked for companies in 2009. In a more recent study, CUT/DIEESE (2011) reports that in 2010, typically outsourced sectors corresponded to 25.5% of formal employment in Brazil.

Pochmann (2012) shows that the evolution of the number of formal workers in typically outsourceable activities jumped from 110,000 in 1995 to over 700,000 in 2010 in São Paulo. During the period of 1996–2010, the average annual growth in formal outsourced employment was 13.1% per year, and the average annual increase in the number of companies was 12.4%.

Studies conducted in the 2000s on banking, telemarketing, petrochemical and oil, in addition to state-owned or privatised electricity companies, communications and public health and education services, reveal that apart from general growth trends in outsourcing, multiple forms of precarisation of outsourced workers refer to contract types, salaries, turnover, working hours, working and health conditions and union representation.

The remuneration of employees in typically outsourced industries is 27.1% lower than that of other employees. Outsourced workers work three hours more than other workers, their duration of employment is 55.5% lower than that of other employees, and the turnover rate in typically outsourced companies (January to August 2011) is 44.9%, whereas in other companies it is 22.0% (CUT/DIEESE 2011).

All of these data are indicators of working conditions that are more precarious than those of non-outsourced workers, and if we consider the exponential growth of outsourcing, which has become widespread for all activities in the private and the public sector, it can be concluded that the phenomenon of outsourcing is one of the main drivers of the social precarisation of labour in Brazil.

Sectoral and case studies also confirm these results. For instance a study on companies in the chemical, petrochemical and oil industries in Bahia between 2004 and 2006 compares outsourcing processes in the early 1990s with those in the 2000s. The main findings are as follows: (1) Outsourcing has continually grown for all company activity areas; (2) the

proportion of outsourced worker in relation to directly employed workers has grown. Moreover, for the ten companies that have provided such information, a ratio of 63.7% of outsourced workers, in contrast to only 36.3% of directly employed workers, was found. Among these companies, there are differences in the degree of outsourcing because more than half of workers are directly employed in only two of them, whereas between 49.1% and 28.5% of workers are directly employed in the remaining companies; (3) the diversification of types of contracts offered to outsourced workers, including the following forms: Specialised Non-Industrial Service Provider Company, Other Industrial Company, Temporary Employment, Cooperatives, Service Provider/Individual Firm (child company) and NGO/Non-profit Agency; (4) a significant difference between the average cost of the directly employed worker with the average cost of the outsourced worker; for a subset of six companies that provided such information, the cost of the subcontracted worker varied from 1.4 to five times less than that of the employed worker; (5) the persistence of labour complaints despite the control and compliance with legislation declared by companies (Druck/Franco 2007).

4.3 The conditions of (in)security and health in the workplace

The third dimension of social precarisation refers to the conditions of (in)security and health at the workplace, arising from management standards that disrespect the necessary training, ignore information on risks, do not implement preventive collective measures, define unrealistic goals and use moral harassment for their achievement, among other issues, subordinated to the quest for higher productivity at any cost, including that of human lives.

An important indicator of this precarisation is the evolution of the number of workplace accidents in the country. Although these statistics are recognisably underreported, in the period between 2001–2009 there was an increase of 126%.

Furthermore, there is increase in hazardous risks and accidents as revealed by reports in the electricity, petroleum extraction and refining and steel industries. A study of DIEESE (2010), reveals that between 2006 and 2008, 239 electricity workers died as a result of workplace accidents, 193 (80.7%) of whom were outsourced workers. The average mortality rate³

among directly employed workers during the same period was 15.06 (per 100,000), whereas that among outsourced workers was 55.53 (per 100,000). It is worth highlighting that during the same period, the average national mortality rate for all economic sectors covered by the Social Security System was 9.8; that is, the risk of an outsourced worker dying as the result of a workplace accident in the electricity industry is 5.66 times higher than in other productive sectors.

In the case of Petrobrás, from 1995 to 2010, 283 deaths caused by workplace accidents were recorded, 228 of the victims were outsourced workers. In August 2011 alone, eight workers died as the result of workplace accidents at the state-owned company, all of them outsourced workers (DIEESE 2011).

In addition, micro-social studies of companies and organisations in the field of Work-Related Mental Health define a ‘psychopathology of precarisation’ as a product of the violence in the work environment, generated by the imposition of the pursuit of excellence as the ideology of human perfection, which pushes workers, ignoring their limits and difficulties, along with a radical defense and implementation of flexibility as the ‘norm’ requiring a continuous adaptation to changes and new demands for versatility and for a ‘volatile’ individual without ties, without bonds and without character, that is, flexible. This condition, aggravated by other typical imperatives of the so-called modern standards of corporate organisation (exacerbated competitiveness, rapidity or unlimited speed) is implicated in the rise of mental illness in various forms, including suicides (Seligmann-Silva 2001; Franco et al. 2010; Krein/Baltar 2013).

4.4 The loss of individual and collective identities and the fragmentation of unions

A fourth dimension of labour precarisation is the loss of individual and collective identities, the fruit of a symbolic and real devaluation that condemns every worker to be the only one responsible for his or her employability and thus subjugating him or her to the “dictatorship of success” (Appay 2005) in the extremely adverse conditions created by flexible capitalism.

The current work environment, in a context of precarisation as a strategy of domination, of “management through fear”, is extremely fertile

for the spread of “abuses”, encouraged by a wickedness that contaminates the environment, stimulating behaviours that lead to the disqualification, devaluation and depreciation of the “other”, causing damage, suffering and even sickness. This behaviour is often stimulated by competition among colleagues themselves that later becomes “company policy” (Barreto cited in Aguiar 2006).

This has effects on organisational capacities. Due to the extreme levels of competition among workers and their heterogeneity and division caused by outsourcing, unions have become increasingly fragmented and workers’ struggles and representation have become more difficult. Data on the number of strikes, unions, unionisations and agreements, among other events, are important, but they do not explain underlying trends, changes and redefinitions. The lower number of strikes in the 2000s compared with the two previous decades, the growth in the number of trade union centres – today, there are 11 trade union confederations, eight of which have been formed in the 2000s – the stagnancy or even decrease in the rates of unionisation evident in 2009 compared with 2008 (16.5 million unionised, in contrast to 17.5 million) and the type of action strategy used by most of the union leaders can only be understood in the context of ‘ideological perplexity’, as previously mentioned.

4.5 The ‘crisis of labour law’ in liberal times

Finally, the fifth dimension of the social precarisation of work concerns a ‘crisis of labour law’, questioning its tradition and existence, expressed in the attack against forms of state regulation whose social and labour laws have been violently condemned by the liberal ‘principles’ of the defense of flexibilisation as an inexorable process brought about by modernity in the times of globalisation. This idea is supported in the recent document *101 proposals for the modernisation of the labour legislation* submitted by the Confederação Nacional da Indústria – the National Confederation of Industries (CNI 2012). The main focus of the document regarding the amendment of the Brazilian labour legislation is the defense of the “negotiated over the legislated”, that is, replacing established workers’ rights by negotiated (collective or individual) agreements: “In order to promote labour modernisation in Brazil, it is necessary to observe what model of labour relations the country wants for the future. It is not difficult to find

convergences around the idea of replacing the model currently in force by another that favors negotiation, grounded on the representativeness of the actors and able to adapt itself to the different realities and maximise the gains for companies, workers and the country. A modern labour system is formed by a legal basis that addresses the fundamental rights and lays down the rules for the process of dialogue between the involved parties, the remainder being defined by negotiations that take into account sectoral and regional specificities as well as those of each company and each worker. In this respect, it would be necessary to replace a model where almost everything is defined in law and very little is negotiated, by another one that favors negotiation and reduces the homogeneous state control” (CNI 2012: 18).

In another area – the action of public power – disputes regarding the elimination of the national labour law (CLT) or its maintenance are intensified by the role performed or possibly performed by some public organisations/institutions, whose primary function is to ensure the implementation of and compliance with the legislation in force. For example, the authorisation of inspectors of the Ministry of Work and Employment (MTE) for supervision, registration and fining of companies and institutions has been queried and has already been the object of a draft law aiming to withdraw this power. A broad mobilisation of supervisory agents and trade unions has for the moment led to the withdrawal of the measure.

In reality, these institutions play a fundamental role as agents endowed with the power to limit the action of capital – through regulation – in relation to the commodification of work that has recently extended further than the purchase and sale of the workforce through salaried work by resorting to other forms of work that appeared to have been consigned to history, such as child labour and forms of labour analog. In this sense, the joint action of the Ministry of Labour and Employment and the Labour Department of Justice, with the support of the Federal Police, is exemplary in the fight against labour analogous to slavery, and its results have been very impressive in terms of the number of rescued workers and the political repercussions of this action. This has revealed the degree of the exploitation of modern national and multinational companies in Brazil and given rise to the “Register of Employers caught red-handed exploiting slave labour” (*“Cadastro de Empregadores flagrados explorando mão-de-obra escrava”*),

known as the “Dirty List”, available on the MTE’s website (MTE 2010). During the period of 2000–2010, 959 operations were conducted in various regions of the country, through which 37,092 workers were rescued and the contracts of a total of 35,790 workers were formalised through the actions of the inspectors. The payment value of compensation relating to salary payables (outstanding salary, vacations, the thirteenth salary and the Christmas bonus, among other payables) reached the sum of R\$ 61.2 million during these ten years, excluding fines and reparations for moral damages.

These actions indicate, on the one hand, high growth in the use of slave labour in the context of modern labour, which becomes evident in complaints and the performance of such operations coordinated by the MTE, and on the other hand, the state’s capacity to set limits on the voracity of capital. This example, among others, is representative of the absence of moral limits exhibited by capital and makes explicit that the reason of labour law is questioned, while simultaneously indicating the need for intervention by the public power, as agents of Brazilian labour law, that significantly challenge the radical defenders of the neoliberal order.

5. Conclusions

The current conjuncture of labour in Brazil, despite the resumption of employment growth under legal protection (formal employment) and the drop in unemployment rates, cannot be analysed in terms of a ‘number fetish’. This is affirmed by Juan Somavia, ILO General Director: “besides the unemployment rate, we have the challenge of improving the productivity and salaries, reducing informality, improving social protection covering and facing inequalities, [...] It’s not only important to generate more jobs, but also that these are quality jobs” (ILO 2009).

Yet it is necessary to go beyond this, because there is a question as to what constitute quality jobs in a time when the commoditisation of workforce has reached extreme levels, trivialising the risks, the accidents and workers health, as indicated by the growth in the number of accident at work, the non-compliance with basic safety standards, revealed by the audits of the MTE, aggravated by a policy of monetising the worker’s health, which happens to guide negotiations and challenges under labour law.

Monetisation and the commoditisation that transform worker's rights into costs, always present in the perspective of the capital (e.g. the 'Brazil cost', the 'China cost'), also pervade workers' ideals and their leadership, who also internalise the logic of the market. This stimulates competition among the workers themselves. In a clear demonstration of resignation that gradually contaminates even the capacity of indignation on social injustices, the denial of rights and social protection is seen as a result of 'economic fatalism'.

The inherent violence of the capitalist offensive was of a symbolic and material nature. The restructuring of production, with layoffs, outsourcing and versatility as inspired by Toyotism, promoted, in an objective sense, the weakening of workers and their capacity to fight, which was reinforced in the subjective plan by the defense of a policy and trade unions performance in the limits of this new order (neoliberal) of the capital.

In spite of this scenario, there is a movement that deserves attention: the number of strikes by outsourced workers. Although systematised statistics are not available, consulting some newspapers of the mainstream press and search sites reveals that there are daily reports about strike movements of outsourced workers claiming unpaid salary payments, the thirteenth salary and holiday pay among other basic rights of workers under legal protection (formal employment), which are not respected by employers.

There are also important initiatives, from trade unions, their leaders, central trade unions, associated to labour law agents (labour inspectors, judges and prosecutors), to researchers/scholars of universities and research centres, who have held meetings, seminars, events related to precarisation caused by outsourcing.

In 2011, the Forum Permanente em Defesa dos Trabalhadores Ameaçados pela Terceirização (Permanent Forum on the Defense of Workers Threatened by Outsourcing) was created, which gathers researchers, institutions of labour law, trade unions, central unions, and has mobilised nationally against the approval of the Bill 4330 proposed by companies owners defending the unrestricted freedom of companies to use outsourcing. A national campaign bringing together the most diverse segments of civil society in this last year was able to stop the vote on the Bill in the National Congress.

These are important initiatives and struggles, although they still remain too scattered. However, the organisation of opposition forces within a framework in which the balance of power is still very unfavourable to workers, has demonstrated that the current social and political actors are multiple and are diverse in nature. They are in the trade unions, civil associations, public institutions, associations and movements of all kinds that are drawn from those hardest hit by precarisation, as well as those who practice solidarity, creating solidarity networks and political engagement replacing the traditionally vertical character of organisations, such as trade unions, with horizontal structures. These are struggles, movements, organisations and networks, either created or reinvented, and focusing on health, life and the defence of decent employment rights - rights that flexible capitalism was not able to guarantee, but instead, has come to deny.

- 1 According to Brazilian Labour Law, the legal minimum wage should cover expenses for a family's daily needs in terms of food, housing, health, education, clothing, hygiene, transportation, leisure and social security services. DIEESE (a Brazilian research institute linked to trade unions) calculates the actual costs of a basic monthly food basket in São Paulo as the basis for a "necessary" minimum wage to cover real expenses for the mentioned items (DIEESE 2014b).
- 2 Workers cooperatives have been (and are increasingly) used as an important strategy of outsourcing of services and also productive processes by both public and private enterprises aiming to reduce enterprise costs. Workers are not employed but are associated members of these cooperatives (disguised employment) and therefore subjected to precarious conditions and an unstable and marginal inclusion, because labour rights and social protection do not apply.
- 3 The mortality rate is a statistical indicator that establishes the relationship between different populations and deaths occurring in this group of individuals, negating the influence of the group size. The mortality rate compares sets of workers of different sizes and characteristics, in order to establish the relationship between sets of 100,000 worker deaths, allowing for a more accurate assessment of the risk of accidental death while at work.

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Abstracts

This paper presents a conceptual discussion and an analysis of labour in the context of globalisation of capital, marked by the hegemony of financial capital, and the restructuring of production and labour, which indicate a new historic moment of capitalism. In this context, the precarisation of labour suffers a metamorphoses and occupies a central place in the new dynamics of capitalism development in all the world. The conception of precarisation refers not only to the changes in the labour market (different types of employment and unemployment), but also to all fields of labour – in relation to the form of organisation of labour, work and

health conditions, worker resistance and trade unions as well as the role of the State, through different types of regulation, particularly that of labour and social legislation. This paper comprises five sections: an introduction; a discussion of precarisation in the current flexible regime of accumulation; a summary of the main specificities of social precarisation of labour in Brazil, a presentation of the core dimensions of precarisation, based on an analysis of Brazilian empirical reality in the last decade, and finally a few conclusions.

Der Artikel analysiert die gegenwärtige Phase von Globalisierung, die durch die Hegemonie des Finanzkapitals sowie eine tiefgreifende Restrukturierung von Arbeits- und Produktionsprozessen gekennzeichnet ist. Prekarisierung von Arbeit ist ein struktureller Ausdruck dieses Wandlungsprozesses, der die Dynamik kapitalistischer Entwicklung weltweit prägt und dabei selbst eine Metamorphose durchläuft. Der Begriff der Prekarisierung bezieht sich hierbei nicht nur auf die Veränderungen auf dem Arbeitsmarkt, also auf verschiedene Beschäftigungstypen und Arbeitslosigkeit, sondern auf alle Bereiche der Arbeit. Damit werden die Form der Arbeitsorganisation, Arbeits- und Beschäftigungsverhältnisse, Gesundheitsrisiken, Widerstandsformen und gewerkschaftliche Organisation von Beschäftigten sowie die regulierende Rolle des Staates, insbesondere bezüglich der Arbeits- und Sozialgesetzgebung, mit einbezogen. Der Artikel gliedert sich in fünf Teile: eine Einleitung, eine Diskussion von Prekarisierung im gegenwärtigen flexiblen Akkumulationsregime, eine Zusammenfassung der zentralen Charakteristika sozialer Prekarisierung von Arbeit in Brasilien, eine Darstellung der zentralen Dimensionen von Prekarisierung, die in den letzten zehn Jahren empirisch für Brasilien kennzeichnend sind, und einige Schlussbemerkungen.

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