THE ROLE OF SOCIAL POLICY IN ACCOUNTING FOR CHANGES IN THE NATURE OF WORK

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Summary

Just over the past three decades, the idea of work has changed so dramatically world over; almost marking the beginning of the end of the industrial age. Traditional forms of work and employment relations as we know them; are fast becoming a thing of the past. The changing nature of work and employment relationships is influenced by multiple factors in the political, economic, social and technological realms. Interrogating these changes in terms of how they affect macro-social trends, working conditions and labour relations, the quality of life, etc, requires a transdisciplinary approach in terms of asking the right questions and seeking appropriate solutions. It also requires horizontal and vertical collaborative approaches to policy formulation, implementation and governance. In all of this, accountability and socio-economic inclusion is key.

Some of the key drivers shaping changes in the nature of work today

A variety of drivers account for this change. First, when the Information Age entered the scene in the 1970s, changed a lot of the ways in which people work and shaped new forms of industrial relations and how the 'talent economy' is managed. New industries and forms of work have emerged. The expansion of the knowledge economy and the services sector has a lot to do with the discovery of the internet. So, *technology* is one of the key drivers of this change.

Secondly, the *global restructuring of capital and production,* has had an immense contribution in changing the nature of work and industrial relations. The increased role of automation and application of various technologies in the production

process, has opened new opportunities and closed old ones, whilst surfacing new challenges. Companies are now producing more with less and they call it *increasing efficiency, reducing costs and improving productivity.* As the International Labour Organisation (ILO) reports, 'a shift away from the standard employment model, in which workers earn wages and salaries in a dependent employment relationship vis-a-vis their employers, have stable jobs and work full time. In advanced economies, the standard employment model is less and less dominant. In emerging and developing economies, there has been some strengthening of employment contracts and relationships but informal employment continues to be common in many countries' ILO (2015:3).

Such changes have ushered in what is loosely referred to as the rise of the 'precariat'. This means that work has become more precarious, insecure, temporary and with less or no benefits at all. Consequently, workers are increasingly joining the ranks of the population that must, out of necessity rely on social safety nets and broader social policy to achieve better life outcomes. In the process, the company continues to maintain its control over labour and trade unions find it hard to organise the shop floor.

Thirdly, increasingly companies are forced by pressure from below, scientific progress and the quest for profit to consider the social costs of production in relation to nature. The movement to either *blue or green economies* forces companies to attend to the 'triple bottom line': 'The pursuit of profit had now to be balanced with the needs of society and of the environment.' Sorensen (2012: 21).

So, in this sense, politics, green politics in particular and social concerns, combined to change corporate behaviour and induce particular responses from the state in terms of rules and regulations. Today, for instance, almost all countries apply carbon taxes in order to direct society to cleaner energy and production practices and thus protect the environment.

The endeavour to change the way we produce and consume is beginning to shape many scenarios for the future: politics will have to bring harmony between people, technology and nature, corporates will have to adjust not only their technological capabilities, but they ethical and moral compass and the people and workers will have to continue to demand better life outcomes under new conditions of freedom

and possibility. The very definition of what is moral and ethical has changed or expanded.

As all of these things happen, society is already searching for new ways of knowing, new forms and institutions of accountability, new methods of collaboration and a transdisciplinary way of asking questions and seeking answers.

What then are the implications for social policy, accountability and inclusion? What role is there for agents like the state, business and labour?

Jimi Adesina[1] (2007) defines Social Policy as:

- o '…the collective public efforts at affecting and protecting the social well-being of the people within a given territory.'
- o Later he writes: '…specific and deliberate policies (enacted and pursued) that positively impact on the social well-being and security. Critical areas therefore will be education, health and sanitation, and social security. The latter we will define more widely to include social insurance, pension schemes, and policies directed at reduction socioeconomic vulnerability.'

As work changes in terms of tools of trade, skills and knowledge requirements, time required, geographical location, work contracts, etc; implications for social policy and the role of the state become even more pronounced. Social policy, especially in developing countries, will now have to be universal instead of only targeting vulnerable groups.

People may need to have regular training, have multiple skills, qualifications, experience and indeed even more than one job. As this happens, job security for entry-level and intermediate jobs becomes a thing of the past and thus more people having to rely on state support for a better quality of life and incomes. Education policy, content and delivery is changing to adjust to this reality.

In other words, contrary to the earlier narrative of *globalisation;* the state will not shrink but grow in terms of relevance and function in the political economy. Further, as of 2009, demographics show that more people stay in urban centres.

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[1] Adesina is one of the progressive leading academics and thinkers on Social Policy in Africa. He has years of teaching and researching Social Policy in SA and elsewhere in the world.

And so, the demand for services and infrastructure is moving towards the cities, and jobs will be more informalised as competition rises for human survival. If left unchecked, the phenomenon of the urban poor may increase and cause serious repercussions for the stability of the polity.

In this context, social policy is no longer a luxury or an option for any society but; an integral part of development and economic policy, otherwise poverty and inequality will exacerbate. And yet, social policy should not mean a retreat of development proper; *one that ensures socio-economic inclusion*. Exclusive reliance on social policy can retard innovation in development and structural change.

The main shortcoming in South Africa's social policy lies at two levels:

- Firstly, the failure of development and economic restructuring which leads to low levels of growth and socio-economic exclusion.
- Secondly, there is a conceptual weakness: the assumption that social policy refers to social grants and free services! The latter is a junior cousin of social policy proper.

Social policy is about normalising society. About creating systems and values that say: there must be public goods that must be accessible to all on the basis of the social contract between the state and the people. And so, social policy should go beyond the narrow confines of social grants and free services:

- first, it should cover the social sector: education and health (medical care, water and sanitation),
- secondly, it should reduce the cost of leaving: access to energy, transport, basic and bulk infrastructure, spatial development, etc.

Emphasis must be placed on the fact that social policy and economic development play reinforcing roles in the quest to create a better life for all. One cannot succeed without the other!

Now that we have problematised social policy, what then are the implications for social partners such as the state and business?

Here the first point to be made relates to how precarious work – the new normal – induces more of creative state intervention in the labour market and in social welfare. That is the problem, the research question!

As work becomes more and more unconventional and therefore precarious, the burden for social protection increases. And even as the state is the lead agent in this regard, there is nothing that stops innovative social partnerships between state, labour, business and civil society from finding common sustainable solutions. Indeed, this emphasises the collaborative method of governance that is increasingly required to manage complex and interrelated problems in society.

The state – which must operate above and within society – has the duty shape social relations, mediate the allocation of resources and ensure that we have working social partnerships for development, accountability and inclusion.

Business or corporates can evolve into mini-states that challenge the role and position of the state in society. Meaning, they can amass too much power to dictate almost at an equal footing so much that they act alone or as co-determinants, depending on the balance of power in a given jurisdiction.

However, business will need to meet a new test of legitimacy and trust. It must demonstrate that it cares about the people, the planet and ideas. So, the burden and threshold will be higher than mere corporate social responsibility. For instance, in the mining sector today, mining houses are increasingly under pressure to pursue 'sustainable mining', ensure fair wages and working conditions and keep resource nationalism at bay by engaging in meaning social contracts with mining communities!

What about labour?

The natural antagonism between labour and capital will continue for the foreseeable future; not unless artificial intelligence and robotics replace the human being sooner than we can project, in which case then trade unions may be obsolete. This could mean that the idea of work for human beings will cease to exist and the struggle will shift to who controls and has access to technology, patents and capital, among other inputs. But for now or in the next half a century, we are looking at

new forms of work drastically different to the current traditional forms. It is the acceleration of the transition from human labour to intelligent automation, still.

Currently, labour broking causes a lot of tension and mistrust between labour and corporates because it brings about *fragmented* labour relations: casualisation, part-time, temporary; all of which constitutes precarious and insecure work which pushes wages and benefits down and causes inequality and social discord. However, it is possible that labour may begin to consider affecting the labour market and its value-chains differently; such as acting as skills centres, labour sourcing agents and job creation, and much more.

The way forward

The foregoing underscores one key message: there are certain social forces of progress whose wheels cannot be stopped and technology is one such force. But it is important that there is harmony and coexistence between people, nature and technology. Much as technological progress is amazing, rapid and disruptive, we are not about to have a world of machines without humans! Well, that's if we manage climate change better!

The following is the summary of the main ideas discussed above:

- Governance of the local and global commons will require a transdisciplinary approach to research and innovation and a collaborative approach in terms of policy formulation and implementation.
- The changing nature of work and employment relations inevitably leads to the rise of the precariat and thus the need for the state, acting with social partners to avert vulnerability, insecurity and inequality.
- Social policy should mean more than social grants and free services. The changing nature of work induces a more universal rather than a targeted social policy.
- The state through social policy must underwrite the vulnerability of the precariat.
- Social policy must be underwritten by development and economic restructuring; without which there can be no strong fiscal base from which to fund social security.

- All poles of power must be kept in check in society. Public accountability is one dimension; corporates must be accountable too. The matrix of a 'triple bottom line' is a good starting point to keep corporate power in check.
- All the social partners should be jointly held accountable for social inclusion and the creation of stable societies.

Social policy as a response to the vulnerability of the precariat is now the new normal. It stands out as one of the key necessary interventions in the transition to new forms of work and employment relations. In other words, the state must account for the vulnerability of the precariat; as well as other social groups in society.

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