# New Gruel, Old Bottle: Ford, Social Assistance and the Discipline of the Poor

Tuesday 22 January 2019, by ESMONDE Jackie, GORDON Todd (Date first published: 18 January 2019).

There was good reason to fear the worst when Ontario's Minister of Children, Community and Social Services, Lisa MacLeod, announced that the new government was engaged in a "100 Day Review" of social assistance. Mike Harris' infamous 21.6% cut to welfare rates may be 20 years old, but the memories are still fresh and the impacts are still being felt.

When the results of that 100-day review were announced, many people initially sighed with relief. The drastic benefit cuts that were feared did not materialize. But the truth is, the Ford government inherited a social assistance program that had already been gutted. All that was left to do was to address those few areas that had avoided the full attack of austerity. That full attack starts now, and the pain will be deep.

Many details are yet to come, but perhaps the most troubling announcement is that the Ford government plans to move a very large portion of people who would currently qualify for the more "generous" disability benefits to the bare bones welfare program. It will accomplish that goal by changing the definition of a "person with a disability" to make it harder to qualify for the Ontario Disability Support Program. Instead, people with temporary or episodic disabilities (a high proportion of whom have mental health disabilities) will be forced onto the Ontario Works program. Ontario Works, in the meantime, is being drastically restructured to push recipients into the bottom end of the labour market. "The best social program is a job," trumpets Minister MacLeod, reinforcing the dichotomy of deserving and undeserving poor that has characterized welfare programs since their inception.

Despite all the talk about "compassion", the Ford government's welfare reforms are going to make the lives of the poor in Ontario worse. That is not an accident. It is by design; and contained within these reforms is a deeper truth about the desires and fears that drive ruling class thinking and action towards the working class and labour markets.

#### Coercion, Poverty and the Labour Market

Today's welfare reforms are part of a militant campaign waged for four decades by capital. While this campaign has been pursued most eagerly by the Conservatives, governments of all political stripes have taken steps to restructure the labour market in order to increase working-class vulnerability.

No workers are untouched, but the impacts are felt most harshly by the non-unionized and those facing oppression based on race, gender, sexuality, and the lack of citizenship status. In an increasingly competitive and volatile international marketplace, intensifying vulnerabilities is a strategy for boosting capital's profitability.

This ruling class offensive has been successful in Canada. Many workers have experienced stagnating wages that have failed to keep pace with increases to labour productivity, inequality has

risen sharply, labour rights violations have grown, and working-class expectations (and confidence to fightback) have diminished. Yet it is never enough. Capital's insatiable pursuit of profit, conducted on the backs of working-class lives, is not a product of mere individual greed. As global capitalist competition heightens, labour in Canada is not only the source of capital's profit but always a potential barrier to it as well. We are in, to borrow a phrase, a war without end.

It is not a coincidence that welfare reforms are being introduced at the same time as the Ford government is rolling back workers' rights, cancelling the increase of the minimum wage to \$15, and freezing future minimum wage increases for two years. These rollbacks and the welfare reforms are inter-connected parts of a broader and extremely reactionary whole. There is a logic – an insidious one – to what the Ontario government is doing.

Some people may be inclined to conclude that Ford and other right-wing governments are motivated by a hatred of and a desire to punish people who live in poverty. But it is not the poor per se that they hate. What they really hate – and indeed fear – are the example of so-called "able-bodied" poor who do not work and are perceived to have avoided the labour market discipline imposed on and expected of everyone else under capitalism.

Behind the glibness of Minister MacLeod's insistence that the "best social program is a job" lies the harsh reality of welfare policy as old as capitalism itself. Welfare programs have always been designed to force people into the labour market, leaving them no alternative for survival. Predicated on our separation or, as Marx described it, alienation from society's productive wealth, the labour market is the means by which people obtain their livelihood. This political and economic relationship is unique to capitalist society.

As much as bourgeois ideologues (then and now) try to naturalize market relations, ahistorically treating them as inevitable or even encoded in our genetic makeup, state coercion has always played a role in creating these relations. This coercion, moreover, often includes bloody violence. That part of our history never made it into the works of the classical political economists or into contemporary economics textbooks.

Welfare programs for the destitute have always been organized with this coercive project in mind. Ending poverty has never been the goal. Poverty, in fact, is useful to capital.

That the ruling class is perfectly fine with people living in poverty may seem counterintuitive to some. If people are poor, they obviously have less money to purchase things and we are constantly being told that people buying things is good for "the economy". But we would do well to remember that we do not live in an abstract economy but capitalism, and what drives capitalist investment and thus capitalist growth is not spending by workers but the profitability of capital. And profitability is not reducible to spending by workers.

As a number of Marxist observers, including Marx himself, have demonstrated, it is not a decline in wages that precipitates economic crises and slowdowns in capitalist accumulation. Indeed, wages normally fall after an economic crisis has hit. Rather, profitability falls as companies vying for market share try to raise productivity by replacing living labour (the source of profit) with technology, what Marx referred to as dead labour. That means that what drives capitalist growth – investments in labour-saving technologies to boost productivity – also drives its crisis tendencies. Capitalism is volatile at its core.

For much of capitalist history desperately low wages was the norm for the majority of workers. That is still true today in the Global South, while the neoliberal period has seen stagnating wages in much of the Global North. Yet stagnating or poverty wages have not stopped capitalism in the North and

the South from experiencing periods of frenetic growth and a sharp rise in profitability, which are followed inevitably, however, by their opposite.

It is not always or necessarily a one-to-one trade-off between an increase in profits or an increase in wages. For example, capital may be able to generate productivity increases at rates much higher than wage increases (that is, if it is able to increase what Marx called the rate of exploitation). But in a society centred on a marketplace where companies fight for survival by keeping their prices competitive with those of their rivals, there is a structural imperative to keeping workers vulnerable and precarious, and to vigorously oppose efforts at improved wages.

Poverty, then, offers a much-needed disciplinary mechanism for capital to force reluctant people into labour market conditions they would rather avoid, while also ensuring profitability and competitiveness.

# "A most necessary and indispensable ingredient of society": Poverty and the English Poor Laws

The importance of poverty to capitalism was obvious to the ruling class and its intellectuals in the nineteenth century, and they did not shy away from openly stating so. They were obsessed with what they saw as the widespread indiscipline of the poor and the menace this posed to fragile labour markets. And a threat to labour markets meant, by extension, a threat to the not-fully-consolidated regime of private property to which they were so deeply devoted.

Danger to their new capitalist order (and their privileged status within it) lurked around every corner, especially from the growing mass of the dispossessed who did not share the rich and powerful's devotion to the cold rationality of the free market. Those outside of this order incited revulsion and moral panic amongst the ruling class. But it was not the poverty of the poor that concerned them; it was the poor's animosity towards market relations. And the solution to this lay in part in poverty.

The nineteenth century English liberal and advocate of the punitive philosophy that would come to define poor relief in England (and ultimately Canada), Jeremy Bentham, noted that "poverty is the state of everyone who, in order to obtain subsistence, is forced to have recourse to labour."

Patrick Colquhoun, a contemporary of Bentham's and a founder and theorist of the so-called New Police in England, identified poverty as integral to the production of wealth and advancement of the nation:

Poverty is that state and condition in society where the individual has ... no property but what is derived from the constant exercise of industry in the various occupations of life; or, in other words, it is the state of every one who must labour for subsistence. Poverty is therefore a most necessary and indispensable ingredient of society, without which nations and communities could not exist in a state of civilization. It is the lot of man – it is the source of wealth, since without labour there would be no riches, no refinement, no comfort, and no benefit to those who may be possessed of wealth. Indigence therefore, and not poverty, is the evil ... It is the state of any one who is destitute of the means of subsistence, and is unable to labour to procure it to the extent nature requires.

The "evil" for Colquhoun was not poverty in and of itself, but the poor who did not work for someone else for a living.

Edwin Chadwick, a leading contributor to the creation of the New Poor Laws, offered: "Poverty ... is the natural, the primitive, the general, and the unchangeable state of man; ... as labour is the source of wealth, so is poverty of labour. Banish poverty, you banish wealth." "Indigence," he insisted like

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The New Poor Laws advocated by Chadwick, Bentham and Colquhoun, and imposed on early nineteenth century England, were explicitly designed not to eradicate poverty but to force people into the labour market by keeping conditions for those on relief more miserable than that of the worst job one could find in the labour market. The Report of the Poor Law argued: "It has never been deemed expedient that the provision should extend to the relief of poverty; that is, the state of one who, in order to obtain a mere subsistence, is forced to have recourse to labour."

The same approach to the question of poverty and its relief seen here would guide the design of social assistance programs in Canada from the nineteenth century until today.

So important was the ruling class's need for alienated – and compliant – labour, and so profound its fear of the dispossessed's refusal of market relations, that relief schemes like the New Poor Laws were complemented by extremely harsh forms of legal coercion. Failure to enter the labour market was itself criminalized. Merely being poor and not working, or "indigent", was a marker of someone's latent if not explicit criminality. Through police and legal violence, idleness was made a vice to be eradicated, and labour discipline a virtue.

The spread of the workhouse, with its forced labour and brutal conditions, was part of this project. Supporting the workhouse as a disciplinary measure, the French liberal Alexis de Toqueville noted that it is for "the indigent who cannot earn their living by honest work, and those who do not want to." An eighteenth century anonymous pamphleteer cited by Marx in Value, Price and Profit urged that workhouses be "Houses of Terror". Vagrancy law would also be deployed against the idle.

Canada had its share of workhouses as its rulers sought to impose a labour market on the poor. It also had its very own Vagrancy Act (1869), whose first two clauses stated:

"Every one is a loose, idle or disorderly person or vagrant who (a) not having any visible means of maintaining himself lives without employment; (b) being able to work and thereby or by other means to maintain himself and family willfully refuses or neglects to do so"

Loitering and begging without permission was prohibited. Sex workers, whose work outside the boundaries of legal market relations was itself criminalized, were also routinely targeted by police in Canada under the vagrancy law until well into the twentieth century.

At times, militant struggles by workers and the poor have succeeded in pushing back. For example, in the period following World War Two, with memories of the Depression still fresh on peoples' minds, mass movements forced the softening of austerity conditions and punishment in a trend that lasted for several decades. But overwhelmingly, from the nineteenth century to today, market relations have been imposed on the majority through a conscious, concerted, and violent state project. Poverty and welfare relief were and remain fundamental to this.

## Discipline, not Compassion, for People in Poverty

Despite claims to the contrary by the likes of Ford, Mike Harris, or Justin Trudeau, it is clear that Canada's political leaders do not actually care about the poor or genuinely wish to end poverty. Canada is one of the richest countries in the world, but rather than spending to boost social assistance rates, create a national childcare program or expand affordable housing, governments choose to lower taxes for wealthy individuals and businesses, permit the rich to move money into offshore tax havens, increase military and police spending, and so on. The key is always to watch what they do, not what they say.

While the severity of poverty in Canada in 2018 is less than a century ago, today's austerity agenda broadly follows a similar pattern: attaching poverty conditions to social assistance and promoting the general vulnerability of workers. These conditions are, of course, experienced in different ways by different people. Women who rely on social assistance, for example, face a punishing level of surveillance of their relationships and reproductive choices. Women, particularly racialized women, also face a level of discrimination in the labour market that makes them most likely be amongst the working poor.

Legal coercion is also a key component of the austerity agenda, notably in Ontario's legal prohibitions on panhandling through legislation such as the Safe Streets Act and more aggressive law-and-order police practices.

However politicians may frame their actions towards social assistance as being in the best interests of the poor, it is clear their intention lies elsewhere. They are well-aware that social assistance rates are grossly inadequate, that welfare is punitive and degrading and that the consequences are terrible: homelessness, illness, reliance on shelters and food banks, and stagnation of wages for many workers. And as the inquests into the deaths of Kimberly Rogers and Grant Faulkner show, people die as a direct result of Ontario's miserable social assistance programs.

That other ubiquitous neoliberal claim, that governments face the unavoidable and urgent need to tighten their fiscal belts, falls flat in the face of scrutiny. Not only do governments in one of the richest countries in the world prioritize other policies over assisting the poor or improving conditions for low-wage and non-unionized workers, but keeping social assistance rates impossibly low does not necessarily make a significant contribution to financial savings – and certainly not in the way we are led to believe it does.

For instance, despite the extremely aggressive cut to welfare rates by the Harris government in Ontario in 1995, savings were an illusion. Administrative costs remained high due to the effort to implement workfare, the decision to hire Anderson Consulting to assist in throwing people off of the rolls, and increased spending on "Eligibility Review Officers". As one Ontario welfare official at the time remarked about the Tories' welfare strategy: "I don't think costs even enter the equation. It's more [concerned with] having people behave properly."

#### The Future is Precarious

Driving these political decisions is the desire to continue re-making labour markets by deepening and extending precarity in order to contain labour costs while boosting labour productivity – to set the conditions, in other words, for strengthened capitalist profitability on the backs of workers. With the unravelling of the relative economic stability of the post-World War Two period, a new urgency was felt by capital to reset labour relations, shift the balance of power in favour of employers, and drive down the expectations of workers and the unemployed. But, despite definite success with this agenda, economic volatility and intensified competition between corporations (from both domestic and international sources) are the new norm of the neoliberal period. So too, therefore, is the constant attack on workers.

The details of the next wave of welfare reform have only been hinted at, but moving people off of Ontario Works and into the labour market is the explicit goal. But that has always been the goal. And with monthly payments of just over \$700, there is already a financial imperative to work where possible. Yet, with so much precarity in Ontario's labour market, working is no guarantee of an escape from welfare. Bad jobs are so bad that it is now common for people to still qualify for Ontario Works while working. And in light of the proliferation of temporary jobs, a very large percentage of those who "earn off" of Ontario Works are back on the rolls soon enough in a never-ending cycle of

# precarity.

Given that the Ford government has clearly signaled that Ontario is "Open for Business", it will not be solving that problem by expanding worker rights. That means that if Ford wants to force people into work, low social assistance rates are not enough. They will have to be much more explicitly coercive about it. Cutting off benefits to recipients who are not "trying hard enough" to work may be the future.

Forced into the labour market, former benefits recipients are likely to end up at its bottom end, where work is the most unsafe, precarious, and low paying. While the expansion of the labour market with more extremely desperate workers may not immediately affect the conditions of workers with better wages and working conditions, especially if they have the benefit of a union, this nevertheless marks another move by governments in their ongoing and longer-term project of reengineering working-class expectations for good jobs and a decent life. But expanding the layer of extremely desperate and vulnerable workers could over time also translate into a further softening of working conditions for other workers, as bad jobs continue to become the norm, more companies turn to this expanding pool of workers to stay competitive, and workers with better working conditions are willing to make concessions in order to avoid the growing bottom end of the labour market.

That could be the future – unless, of course, the labour movement, including unions and other workers' rights organizations, can organize these workers and fight for better wages and working conditions with the same kind of militancy the ruling class deploys in pursuit of its agenda.

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That could be the future – unless, of course, the labour movement, including unions and other workers' rights organizations, can organize these workers and fight for better wages and working conditions with the same kind of militancy the ruling class deploys in pursuit of its agenda.

When the results of that 100-day review were announced, many people initially sighed with relief. The drastic benefit cuts that were feared did not materialize. But the truth is, the Ford government inherited a social assistance program that had already been gutted. All that was left to do was to address those few areas that had avoided the full attack of austerity. That full attack starts now, and the pain will be deep.

Many details are yet to come, but perhaps the most troubling announcement is that the Ford government plans to move a very large portion of people who would currently qualify for the more "generous" disability benefits to the bare bones welfare program. It will accomplish that goal by changing the definition of a "person with a disability" to make it harder to qualify for the Ontario Disability Support Program. Instead, people with temporary or episodic disabilities (a high proportion of whom have mental health disabilities) will be forced onto the Ontario Works program. Ontario Works, in the meantime, is being drastically restructured to push recipients into the bottom end of the labour market. "The best social program is a job," trumpets Minister MacLeod, reinforcing the dichotomy of deserving and undeserving poor that has characterized welfare programs since their inception.

Despite all the talk about "compassion", the Ford government's welfare reforms are going to make the lives of the poor in Ontario worse. That is not an accident. It is by design; and contained within these reforms is a deeper truth about the desires and fears that drive ruling class thinking and action towards the working class and labour markets.

# Coercion, Poverty and the Labour Market

Today's welfare reforms are part of a militant campaign waged for four decades by capital. While this campaign has been pursued most eagerly by the Conservatives, governments of all political stripes have taken steps to restructure the labour market in order to increase working-class vulnerability.

No workers are untouched, but the impacts are felt most harshly by the non-unionized and those facing oppression based on race, gender, sexuality, and the lack of citizenship status. In an increasingly competitive and volatile international marketplace, intensifying vulnerabilities is a strategy for boosting capital's profitability.

This ruling class offensive has been successful in Canada. Many workers have experienced stagnating wages that have failed to keep pace with increases to labour productivity, inequality has risen sharply, labour rights violations have grown, and working-class expectations (and confidence to fightback) have diminished. Yet it is never enough. Capital's insatiable pursuit of profit, conducted on the backs of working-class lives, is not a product of mere individual greed. As global capitalist competition heightens, labour in Canada is not only the source of capital's profit but always a potential barrier to it as well. We are in, to borrow a phrase, a war without end.

It is not a coincidence that welfare reforms are being introduced at the same time as the Ford government is rolling back workers' rights, cancelling the increase of the minimum wage to \$15, and freezing future minimum wage increases for two years. These rollbacks and the welfare reforms are inter-connected parts of a broader and extremely reactionary whole. There is a logic – an insidious one – to what the Ontario government is doing.

Some people may be inclined to conclude that Ford and other right-wing governments are motivated by a hatred of and a desire to punish people who live in poverty. But it is not the poor per se that they hate. What they really hate – and indeed fear – are the example of so-called "able-bodied" poor who do not work and are perceived to have avoided the labour market discipline imposed on and expected of everyone else under capitalism.

Behind the glibness of Minister MacLeod's insistence that the "best social program is a job" lies the harsh reality of welfare policy as old as capitalism itself. Welfare programs have always been designed to force people into the labour market, leaving them no alternative for survival. Predicated on our separation or, as Marx described it, alienation from society's productive wealth, the labour market is the means by which people obtain their livelihood. This political and economic relationship is unique to capitalist society.

As much as bourgeois ideologues (then and now) try to naturalize market relations, ahistorically treating them as inevitable or even encoded in our genetic makeup, state coercion has always played a role in creating these relations. This coercion, moreover, often includes bloody violence. That part of our history never made it into the works of the classical political economists or into contemporary economics textbooks.

Welfare programs for the destitute have always been organized with this coercive project in mind. Ending poverty has never been the goal. Poverty, in fact, is useful to capital.

That the ruling class is perfectly fine with people living in poverty may seem counterintuitive to some. If people are poor, they obviously have less money to purchase things and we are constantly being told that people buying things is good for "the economy". But we would do well to remember that we do not live in an abstract economy but capitalism, and what drives capitalist investment and

thus capitalist growth is not spending by workers but the profitability of capital. And profitability is not reducible to spending by workers.

As a number of Marxist observers, including Marx himself, have demonstrated, it is not a decline in wages that precipitates economic crises and slowdowns in capitalist accumulation. Indeed, wages normally fall after an economic crisis has hit. Rather, profitability falls as companies vying for market share try to raise productivity by replacing living labour (the source of profit) with technology, what Marx referred to as dead labour. That means that what drives capitalist growth – investments in labour-saving technologies to boost productivity – also drives its crisis tendencies. Capitalism is volatile at its core.

For much of capitalist history desperately low wages was the norm for the majority of workers. That is still true today in the Global South, while the neoliberal period has seen stagnating wages in much of the Global North. Yet stagnating or poverty wages have not stopped capitalism in the North and the South from experiencing periods of frenetic growth and a sharp rise in profitability, which are followed inevitably, however, by their opposite.

It is not always or necessarily a one-to-one trade-off between an increase in profits or an increase in wages. For example, capital may be able to generate productivity increases at rates much higher than wage increases (that is, if it is able to increase what Marx called the rate of exploitation). But in a society centred on a marketplace where companies fight for survival by keeping their prices competitive with those of their rivals, there is a structural imperative to keeping workers vulnerable and precarious, and to vigorously oppose efforts at improved wages.

Poverty, then, offers a much-needed disciplinary mechanism for capital to force reluctant people into labour market conditions they would rather avoid, while also ensuring profitability and competitiveness.

"A most necessary and indispensable ingredient of society": Poverty and the English Poor Laws

The importance of poverty to capitalism was obvious to the ruling class and its intellectuals in the nineteenth century, and they did not shy away from openly stating so. They were obsessed with what they saw as the widespread indiscipline of the poor and the menace this posed to fragile labour markets. And a threat to labour markets meant, by extension, a threat to the not-fully-consolidated regime of private property to which they were so deeply devoted.

Danger to their new capitalist order (and their privileged status within it) lurked around every corner, especially from the growing mass of the dispossessed who did not share the rich and powerful's devotion to the cold rationality of the free market. Those outside of this order incited revulsion and moral panic amongst the ruling class. But it was not the poverty of the poor that concerned them; it was the poor's animosity towards market relations. And the solution to this lay in part in poverty.

The nineteenth century English liberal and advocate of the punitive philosophy that would come to define poor relief in England (and ultimately Canada), Jeremy Bentham, noted that "poverty is the state of everyone who, in order to obtain subsistence, is forced to have recourse to labour."

Patrick Colquhoun, a contemporary of Bentham's and a founder and theorist of the so-called New Police in England, identified poverty as integral to the production of wealth and advancement of the nation:

Poverty is that state and condition in society where the individual has ... no property but what is derived from the constant exercise of industry in the various occupations of life; or, in other words, it

is the state of every one who must labour for subsistence. Poverty is therefore a most necessary and indispensable ingredient of society, without which nations and communities could not exist in a state of civilization. It is the lot of man – it is the source of wealth, since without labour there would be no riches, no refinement, no comfort, and no benefit to those who may be possessed of wealth. Indigence therefore, and not poverty, is the evil ... It is the state of any one who is destitute of the means of subsistence, and is unable to labour to procure it to the extent nature requires.

The "evil" for Colquhoun was not poverty in and of itself, but the poor who did not work for someone else for a living.

Edwin Chadwick, a leading contributor to the creation of the New Poor Laws, offered: "Poverty ... is the natural, the primitive, the general, and the unchangeable state of man; ... as labour is the source of wealth, so is poverty of labour. Banish poverty, you banish wealth." "Indigence," he insisted like Colquhoun, "and not poverty, is the evil."

The New Poor Laws advocated by Chadwick, Bentham and Colquhoun, and imposed on early nineteenth century England, were explicitly designed not to eradicate poverty but to force people into the labour market by keeping conditions for those on relief more miserable than that of the worst job one could find in the labour market. The Report of the Poor Law argued: "It has never been deemed expedient that the provision should extend to the relief of poverty; that is, the state of one who, in order to obtain a mere subsistence, is forced to have recourse to labour."

The same approach to the question of poverty and its relief seen here would guide the design of social assistance programs in Canada from the nineteenth century until today.

So important was the ruling class's need for alienated – and compliant – labour, and so profound its fear of the dispossessed's refusal of market relations, that relief schemes like the New Poor Laws were complemented by extremely harsh forms of legal coercion. Failure to enter the labour market was itself criminalized. Merely being poor and not working, or "indigent", was a marker of someone's latent if not explicit criminality. Through police and legal violence, idleness was made a vice to be eradicated, and labour discipline a virtue.

The spread of the workhouse, with its forced labour and brutal conditions, was part of this project. Supporting the workhouse as a disciplinary measure, the French liberal Alexis de Toqueville noted that it is for "the indigent who cannot earn their living by honest work, and those who do not want to." An eighteenth century anonymous pamphleteer cited by Marx in Value, Price and Profit urged that workhouses be "Houses of Terror". Vagrancy law would also be deployed against the idle.

Canada had its share of workhouses as its rulers sought to impose a labour market on the poor. It also had its very own Vagrancy Act (1869), whose first two clauses stated:

"Every one is a loose, idle or disorderly person or vagrant who (a) not having any visible means of maintaining himself lives without employment; (b) being able to work and thereby or by other means to maintain himself and family willfully refuses or neglects to do so"

Loitering and begging without permission was prohibited. Sex workers, whose work outside the boundaries of legal market relations was itself criminalized, were also routinely targeted by police in Canada under the vagrancy law until well into the twentieth century.

At times, militant struggles by workers and the poor have succeeded in pushing back. For example, in the period following World War Two, with memories of the Depression still fresh on peoples' minds, mass movements forced the softening of austerity conditions and punishment in a trend that lasted for several decades. But overwhelmingly, from the nineteenth century to today, market

relations have been imposed on the majority through a conscious, concerted, and violent state project. Poverty and welfare relief were and remain fundamental to this.

Discipline, not Compassion, for People in Poverty

Despite claims to the contrary by the likes of Ford, Mike Harris, or Justin Trudeau, it is clear that Canada's political leaders do not actually care about the poor or genuinely wish to end poverty. Canada is one of the richest countries in the world, but rather than spending to boost social assistance rates, create a national childcare program or expand affordable housing, governments choose to lower taxes for wealthy individuals and businesses, permit the rich to move money into offshore tax havens, increase military and police spending, and so on. The key is always to watch what they do, not what they say.

While the severity of poverty in Canada in 2018 is less than a century ago, today's austerity agenda broadly follows a similar pattern: attaching poverty conditions to social assistance and promoting the general vulnerability of workers. These conditions are, of course, experienced in different ways by different people. Women who rely on social assistance, for example, face a punishing level of surveillance of their relationships and reproductive choices. Women, particularly racialized women, also face a level of discrimination in the labour market that makes them most likely be amongst the working poor.

Legal coercion is also a key component of the austerity agenda, notably in Ontario's legal prohibitions on panhandling through legislation such as the Safe Streets Act and more aggressive law-and-order police practices.

However politicians may frame their actions towards social assistance as being in the best interests of the poor, it is clear their intention lies elsewhere. They are well-aware that social assistance rates are grossly inadequate, that welfare is punitive and degrading and that the consequences are terrible: homelessness, illness, reliance on shelters and food banks, and stagnation of wages for many workers. And as the inquests into the deaths of Kimberly Rogers and Grant Faulkner show, people die as a direct result of Ontario's miserable social assistance programs.

That other ubiquitous neoliberal claim, that governments face the unavoidable and urgent need to tighten their fiscal belts, falls flat in the face of scrutiny. Not only do governments in one of the richest countries in the world prioritize other policies over assisting the poor or improving conditions for low-wage and non-unionized workers, but keeping social assistance rates impossibly low does not necessarily make a significant contribution to financial savings – and certainly not in the way we are led to believe it does.

For instance, despite the extremely aggressive cut to welfare rates by the Harris government in Ontario in 1995, savings were an illusion. Administrative costs remained high due to the effort to implement workfare, the decision to hire Anderson Consulting to assist in throwing people off of the rolls, and increased spending on "Eligibility Review Officers". As one Ontario welfare official at the time remarked about the Tories' welfare strategy: "I don't think costs even enter the equation. It's more [concerned with] having people behave properly."

#### The Future is Precarious

Driving these political decisions is the desire to continue re-making labour markets by deepening and extending precarity in order to contain labour costs while boosting labour productivity – to set the conditions, in other words, for strengthened capitalist profitability on the backs of workers. With the unravelling of the relative economic stability of the post-World War Two period, a new urgency

was felt by capital to reset labour relations, shift the balance of power in favour of employers, and drive down the expectations of workers and the unemployed. But, despite definite success with this agenda, economic volatility and intensified competition between corporations (from both domestic and international sources) are the new norm of the neoliberal period. So too, therefore, is the constant attack on workers.

The details of the next wave of welfare reform have only been hinted at, but moving people off of Ontario Works and into the labour market is the explicit goal. But that has always been the goal. And with monthly payments of just over \$700, there is already a financial imperative to work where possible. Yet, with so much precarity in Ontario's labour market, working is no guarantee of an escape from welfare. Bad jobs are so bad that it is now common for people to still qualify for Ontario Works while working. And in light of the proliferation of temporary jobs, a very large percentage of those who "earn off" of Ontario Works are back on the rolls soon enough in a never-ending cycle of precarity.

Given that the Ford government has clearly signaled that Ontario is "Open for Business", it will not be solving that problem by expanding worker rights. That means that if Ford wants to force people into work, low social assistance rates are not enough. They will have to be much more explicitly coercive about it. Cutting off benefits to recipients who are not "trying hard enough" to work may be the future.

Forced into the labour market, former benefits recipients are likely to end up at its bottom end, where work is the most unsafe, precarious, and low paying. While the expansion of the labour market with more extremely desperate workers may not immediately affect the conditions of workers with better wages and working conditions, especially if they have the benefit of a union, this nevertheless marks another move by governments in their ongoing and longer-term project of reengineering working-class expectations for good jobs and a decent life. But expanding the layer of extremely desperate and vulnerable workers could over time also translate into a further softening of working conditions for other workers, as bad jobs continue to become the norm, more companies turn to this expanding pool of workers to stay competitive, and workers with better working conditions are willing to make concessions in order to avoid the growing bottom end of the labour market.

That could be the future – unless, of course, the labour movement, including unions and other workers' rights organizations, can organize these workers and fight for better wages and working conditions with the same kind of militancy the ruling class deploys in pursuit of its agenda.

## **Jackie Esmonde and Todd Gordon**

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