

Debt and/or Wages: Organizing Challenges

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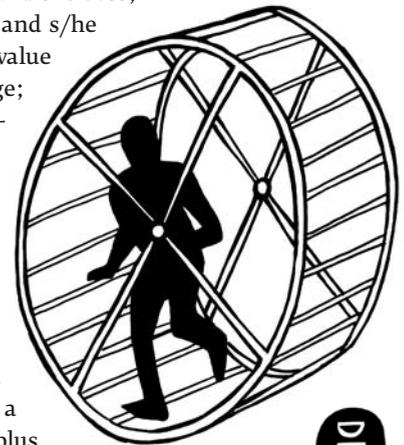
I work as a university teacher and most workers' organizations I have been involved with (and studied) have struggled around wages and working conditions on the job. For example, my union (Associated Faculties of the University of Southern Maine) is now on a "work to rule" action over a wage dispute. But with my involvement with Strike Debt, however, I am now in a debtors' organization. This is a new experience for me and for many others in Strike Debt. I thought that it would be helpful to sketch out quite schematically some of the many dissimilarities between the sphere of debt and that of wage struggles.

First, consider the ideological dimensions of wages and debt. Wages are supposed to be a "fair exchange" between the worker and the boss; the worker works for the boss for the agreed upon time, and s/he receives a fair monetary recompense. But in actual fact the value created by workers is far greater than their monetary wage; there is nothing "fair" about the "exchange," which proceeds anyway because workers are property-less and need to sell their labor power, or they starve. This asymmetry between boss and worker is not total, for the workers often refuse work in a thousand and one ways (going on strike, sabotaging production, "malingering," etc).

Debt also has its ideological character. It, too, is supposed to be a "fair exchange," between creditor and debtor. But in actual fact the creditor gains an interest payment (often many times the principal) and in so doing receives a return for the risk incurred. Refusal to pay back the loan plus interest is considered to be immoral and unfair. The debtor is made to feel ashamed, even to have committed a secular sin. Yet, increasingly, household debt (or "use value" debt, which is used to purchase commodities meant to satisfy needs and desires) is incurred in order to meet basic conditions for the reproduction of life (food, housing, education, health).

Second, there is a profound difference in the temporal order in relation to money between wages and debt. In most cases, the work comes before the boss pays the worker his/her monetary wage. In a way, then, the employer is indebted to the worker until the payment of wages. Indeed, there are cases when the boss refuses to pay wages after the work is done (especially when the worker is undocumented or when the worker is part of the "underground" economy).

In the realm of "use-value" debt, the temporal order is reversed. The debtor receives the money before s/he performs the work needed to earn a wage large enough to pay back the debt principal and interest. The creditor is temporarily vulnerable to the debtor and so the creditor class has developed a whole battery of painful, terrorizing instruments throughout history—tortures, enslavement, servitude, eviction, repossession, foreclosure, psychic torments—in order to guard against the debtor using the social surplus implicit in debt, without repaying it to the creditor.



For the existence of loanable wealth implies that there is more wealth available than is needed to simply reproduce the society. The instruments of torture are meant to “remind” the debtor of the obligation to repay the debt. But there is another function to these instruments: to repress the deep (almost innate) conviction that, in an equitable communal society, those in trouble have the right to tap the social surplus.

Third, there is a logical structure to debt and wages that leads to organizational challenges. Wages are in their nature collective. As a waged worker, one is inevitably thrown into the same work condition as other workers and, for all of their differences—race, gender, skill, etc.—there are commonalities: (1) the capital-labor conflict that leads to collective action and organization (or, at least, it must be continually repressed), and (2) the workplace cooperation required for any real work to be accomplished. Together, these commonalities are the foundation of collective wage struggle.

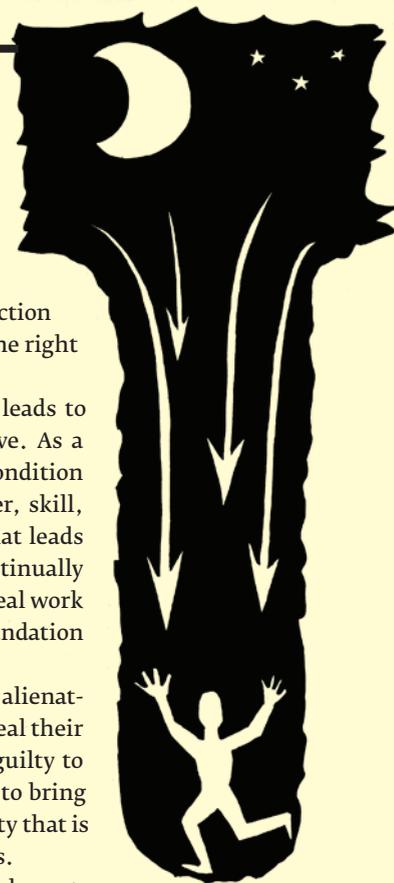
Debt, on the other hand, tends to be individualizing and alienating. Debtors do not necessarily know each other unless they reveal their condition to one another, and they are often too ashamed or guilty to do so. It is therefore necessary, when organizing around debt, to bring the identity of the debtor to the surface and create the collectivity that is continually being repressed and decomposed by the creditor class.

Finally, there is a difference between the revolutionary model events associated with wages and debt. For wages, it is the indefinite general strike, ie. the total, “infinite” refusal to work for the capitalist class. A general strike has revolutionary implications, but it need not have revolutionary consequences. It can lead to the granting of a specific set of reforms in the class relation that makes the system viable for another period.

For debt, the model event is the debt Jubilee, i.e., the total cancellation of all debt achieved either by legal change (*de jure*) or by a total debt strike (*de facto*). The Jubilee can have revolutionary implications, but it too need not have revolutionary consequences. There have been debt Jubilees that have simply led to some reforms, only to have the machine of exploitation start anew.

I have presented four differences between debt and wages that have consequences for the organization of a debtors’ movement. There are many others that I have not mentioned. This is an area of class struggle that needs study and attention, for we cannot use the same tactics and strategies developed over centuries of trade union organizing in the struggle around debt.

There are, however, disturbing commonalities between wage and debt struggles. The most salient one being the way in which racial, ethnic, skill, employment, and gender differences are manipulated into divisions among workers and debtors. Just as white workers have historically earned higher wages and have had half the unemployment rate of black workers, so, too, white debtors have received quite different treatment in the hands of the credit system than have black debtors, e.g., the disproportionate number of blacks, compared to whites, who were directed to subprime mortgages by the purveyors of credit. Historically, these inequities within the working class have been the decisive reason why revolutionary systemic (or even reformist) change has not occurred. A similar fate of division and frustration awaits the debtors’ movements of the future unless they can overcome these divisions. ■



These illustrations are the result of an Occuprint public design session in Fall 2012. The question of how to visualize debt was posed to participants.



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