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Relative surplus population and uneven development in the neoliberal era: Theory and empirical application

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Abstract
This paper offers the groundwork of an alternative to mainstream (un)employment theory that builds on Marx's account of the 'active army' and 'relative surplus population'. With special application to the current neoliberal era, Marx's long-range labour market analysis is connected to a mid-range account of capitalism's uneven development in historical practice. This alternative approach is then adapted to an 'empirically adequate' statistical mapping of the relative surplus population's contemporary global composition. Under neoliberal global capitalism, the relative surplus population is identified as being larger than the active army, and is unevenly composed and distributed across developed, developing and underdeveloped countries.

Keywords
Relative surplus population, uneven development, neoliberal global capitalism, environmental depletion

Introduction
A reasonable amount of research already exists with implicit but undeveloped connections to Marx's concept of the 'relative surplus population'. In particular, Davis's (2004a,

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2004b, 2006) chilling depiction of mutual exploitation, illegal trades and selling of informal services, adopted as survivalist strategies amongst the increasing population of slum-dwellers located in the most impoverished parts of the world, has been a compelling inspiration for this paper. Similarly, research into the 'informal proletariat', 'surplus humanity', the 'informal sector', the 'new poor', 'working poor', the 'global poor', 'unprotected workers', the 'neo-proletariat' and the 'non-employed' all connect more or less with Marx's project to identify the process that relegates a large portion of the world's population to irregular, insecure, temporary and precarious forms of employment (Bauman, 1998; Breman, 2003; Davis, 2006; Gorz, 1982; Harrod, 2007; Portes, Castells and Benton, 1989; Sassen, 1994; Standing, 1997; Tokman, 2007; Walters, 1996). The explicit challenge laid down by Davis arises from his claim that this growing slum population is a development unexplained either by classical Marxism or neoliberal economics.

Bankrupt-but-hegemonic neoliberal mainstream theory is narrowly stuck in an a-social and a-historical analysis of the exchange relation. And while the disparate strands of radical labour market analysis powerfully critique the mainstream, they do not offer an alternative paradigm (see Fine, 2007; Fleetwood, 2006). The alternative to mainstream (un)employment theory outlined here is grounded in capitalist social relations of production and offers a missing element to the radical accounts, thus promoting their coherence and convergence. It builds on Marx's fragments of a radical alternative to mainstream (un)employment theory in *Grundrisse*, *Theories of Surplus Value* and in a more sustained way in his account of the relative surplus population in Chapter 25 of *Capital* Vol. 1. A further major task is to integrate these fragments with Marx's broader method and account of the core dynamic of capitalist social relations of production, and to specify the latter's relation to capitalism's uneven concrete historical development.

The paper proceeds as follows. First, the framework of a radical alternative to mainstream (un)employment theory is sketched. This alternative approach is focused on a theoretical account of the uneven development of the relative surplus population as an effect of the uneven unfolding across space and time of the logic of labour under the imperatives of the social relations of the capitalist mode of production. The second section outlines basic elements of a class analysis of the active army/relative surplus population division, which underpins a more detailed conceptual framework applied to statistically map its contemporary forms and composition across the countries of the world. A supplementary analysis of the 'latent surplus population' is then presented. Finally, different profiles of the relative surplus population across unevenly developing countries are linked to an analysis of the relative surplus population into the future.

Towards a new conceptual framework

According to Marx's analysis, capitalist development generates a contradictory temporal logic of employment that alternately makes labour surplus and redeploys surplus labour. On the one hand, capital's search for increasing productivity under the whip of competition reduces necessary labour time and implies, at any moment, the expulsion of a portion of the actively labouring population. While redundant, this surplus labour is a surplus population, 'useless until such time as capital can utilize it' (Marx, 1973: 399). On the other hand, capital can only transform surplus labour into surplus value by 'setting necessary labour in motion' to generate a surplus product (Marx, 1973). Therefore,

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while capital is constantly 'throwing workers on the streets' to maintain competitiveness, capital's interest is always to increase the actively labouring population (Marx, 1973; 1969: 573). To the extent that capital's domination of production leaves labour with no way to live other than by selling its labour power, redundant labour is compelled to seek out new employment that 'extends wage labour absolutely' (Marx, 1969: 573). In sum:

> Capital can only create surplus labour by setting necessary labour in motion … It is therefore equally a tendency of capital to increase the labouring population, as well as constantly posit a part of it as surplus population. (Marx, 1973: 399)

In the shift from pre-capitalist agricultural to industrial capitalist social relations, the peasantry is dispossessed of its means of subsistence and pushed towards urban centres. This 'latent' component of the relative surplus population (Marx, 1976: 795) is subsequently compelled by physical necessity to enter into the capital-wage-labour relation (see Neilson, 2007, 2009). However, this proletarianisation process occurs unevenly because of the uneven character of enclosure and industrialisation. Some of the peasantry remains outside the ambit of capital; some of those in the latent surplus population continue to move between a non-industrial rural mode of production and temporary work in the reserve army; and others become permanently located in the ranks of the urban-based relative surplus population. As a result of Marx's concentration on the endogenous unfolding of established capitalist social relations, he overlooks the significance of this process of uneven development.

Marx primarily focuses on the effects of productivity-driven redundancy of full-fledged proletarians located in the dynamic core of capitalist productivity. In response to the competition-driven changing standard of socially necessary labour, members of the 'active army' are reabsorbed productively by increasing the volume and variety of output and in the development and production of productive forces, or they are expelled from this core and pushed down into the ranks of the relative surplus population (Marx, 1969: 573). Marx claims in *Capital* Vol. 1 that the long-term tendency of the capitalist mode of production, which he defines as the '*absolute general law of capital accumulation',* is for an increasingly pauperised 'relative surplus population' to grow 'more rapidly than the productive population' (Marx 1976: 798). The long-term dynamic of capitalism is predicted to generate – contra the *Communist Manifesto* class simplification thesis – an unevenly stratified and segmented global labouring population numerically dominated by the strata of the relative surplus population. Furthermore, and undeveloped in Marx's analysis, the increasing application of science to productive forces under advanced capitalism not only escalates labour's redundancy rate, it simultaneously escalates the productivity-driven rate of consumption of the material world, indicated by a growing organic composition of capital and an increasing labour-to-output ratio.

From the abstract to the concrete: Uneven development and the mid-range perspective

The above prognostic analysis is valid only within the methodological parameters of Marx's method. Especially in *Capital*, Marx assumes that the world directly comprises the essential social structures of the capitalist mode of production that unfold evenly into the future as a self-contained endogenous logic. He does not consider how politics contingently overdetermines capital logic. Nor does he recognise how endogenous capital logic spreads

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unevenly within and across an existing diversity of social formations as it articulates with other modes of production, which are then unevenly subsumed to its imperatives.

In recent capitalist history, this unfolding pattern has been contingently overdetermined by countries' path-dependent responses to successive models of development. Under the post-Second World War Fordist model of development, capital's imperatives were diluted by the counteractive nature of Fordist regulation, which moderated competition and promoted auto-centric accumulation but was confined in its direct scope to industrially advanced capitalist countries (Lipietz, 1988; Neilson, 2011). For non-developed countries, industrial capitalist norms of necessary labour were externally articulated only within narrow enclaves (Cardoso, 2009; Weeks, 2001) – a large peasantry in particular continued to subsist beyond these enclaves. The effect of the Fordist model of development was to contingently fix an international division of labour based on a structure of dependence and underdevelopment. For the non-developed countries, the peasantry's proletarianisation – central to the process of capitalist industrialisation – was stalled as large sections of the rural population subsisted outside of capital's reach.

This pattern began to unsettle with the faltering of the Fordist model in the 1970s. Profit-squeezed capitalist firms in the advanced countries relocated parts of their production into what have become known as the 'newly industrialising countries', thus precipitating the international spread of competition and productivity norms (Lipietz, 1987). This process generated redundancy amongst the industrial proletariat in the advanced countries as low-cost manufacturing shifted to the newly industrialising countries and 'pulled' people from the countryside towards urban centres. The crisis of the Fordist model of development opened up spaces both for capital to re-internationalise and for the neoliberal project to gain ascendancy. The neoliberal model of development, conceived here as a blueprint for market regulation comprising an international framework plus a national template, was by the mid-1980s embedded in the form of the Washington Consensus (Neilson, 2011). Adoption of the national template across the countries of the world has been central to the making of the global free market (Cerny, 1997). The resulting subordination to global imperatives of capital has, in turn, pushed national states further towards the neoliberal template (Neilson, 2006).

The neoliberal model of development, which provides capital with the opportunity to move and operate with minimal constraint in and across countries, has had the effect of unleashing global competition not only between capitalist firms but also between countries and between workforces. Exposing national states to global competition has spread productivity norms ('necessary labour') to the global level, and in so doing makes all labour performed below these norms vulnerable to redundancy. To counteract redundancy, countries have sought to secure a viable share of internationally competitive capital.

According to Weeks, 'Competition, not the lack of it, is the primary source of [capitalism's] instability, crises and uneven development' (2001: 16). More specifically, rather than neoliberal globalisation resulting in an endogenous or even process of global capitalist development, the global unleashing of competition across unevenly developing capitalist countries – previously stalled under the Fordist model of development – has deepened the pattern of uneven development (Caffentzis, 2010; McMichael, 2008). The imposition of global productivity norms of socially necessary labour on unevenly developing countries leads to both an uneven international distribution in the size and composition

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of the surplus population and an uneven capacity to subsequently secure employment from globally competitive capital. International economic competitiveness drives the size and form of a country's active army, which in turn impacts on the size and form of its relative surplus population. The distinction between technology-driven and low wage-driven economic competitiveness further complicates the analysis.

Globalisation of competition under the contemporary neoliberal model of development has intensified the shift of industrial employment from the technologically advanced countries to the newly industrialising countries, casting previously affluent sections of the Fordist working class into the ranks of the low-paid service sector. Nonetheless, the economic affluence of these countries facilitates welfare as well as service-sector employment. In non-developed countries, the latent surplus rural population, confronted by 21st-century global standards of necessary labour, is 'pushed' towards the cities in search of work. However, in contrast to the advanced countries, the low-wage-based competitiveness of even the most successful non-developed countries generates a smaller and less affluent active army, and therefore leads to more desperate circumstances for the relative surplus population because of the absence of welfare support and limited employment opportunity in the formal service sector. This uneven pattern is intensified by the dramatic scale of enclosures in those non-developed countries with large rural populations. This unevenly distributed relative surplus population underpins labour's global oversupply and capital's scarcity, while further intensifying the zero-sum logic of competition between countries and between labour.

The uneven size and form of national relative surplus populations is also exacerbated by the articulation of demographic with economic factors. Malthus's account of overpopulation focuses on an exponential logic of natural reproduction that outpaces a relatively fixed material capacity to provide the 'necessaries of life'. In contrast, although Marx accepts that demography has its own logic (see Burkett, 1998: 129-30), he argues that material capacity to meet an increasing population's needs, rather than being fixed, varies relatively according to the productivity levels and distributional relations of the prevailing mode of production. However, Marx's argument also demonstrates the converse logic: productivity plus distribution relations provide the trans-historical limiting determinants of population growth. The capitalist version of this universal constraint implies that indefinite increases in productivity underpin the *possibility* of an indefinitely increasing absolute population dynamic. Furthermore, for countries in the current era with limited international competitiveness, absolute population increases necessarily swell the size of their relative surplus populations, as well as further fuelling the uneven expression of the collision courses of surplus population and environmental depletion.

Applying class analysis

The relational categories deployed in the above theoretical framework are expressed in the following formula: 'active army' + 'relative surplus population' = 'labouring population'. Official statistical categories, used in the country-specific datasets of ILO's (2008) *Key Indicators of the Labour Market* and the World Bank's (2008) *World Development Indicators,* are reworked to reflect this formula. Before presenting this reworked data, a class analytical critique of this formula is linked with an explanation of how official empirical categories have been practically reworked. For the class analysis, the capital-

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labour class division is conceptualised in relation to the active army/relative surplus population distinction, and the dividing line between the active army and the strata of the relative surplus population is more clearly identified. Members of the labouring population external to the capitalist mode of production, specifically the peasantry, are discussed in the context of the supplementary data analysis.

Active army

Within the active army category, the capital-labour relation expresses the class relation between waged workers employed in core productive sectors and active managers who control and administer the process. Managerial labour actively performs the function of capital, but contradictorily, as coordinators of the labour process, is also part of the productive active army (Carchedi, 1977; Neilson, 2007; Poulantzas, 1975; Wright, 1976). Similarly, knowledge labour applied to the development of productive forces, though implying the possibility of independent secure wealth and not narrowly productive, can also be viewed as part of the core productive active army to the extent that this labour facilitates productivity increases. Unavoidably, the 'employed' category deployed as the statistical proxy to measure the active army corresponds with this broad definition because it includes core production workers as well as the contradictory class locations occupied by knowledge workers, professionals and managers. Waged workers in the service sector and manufacturing periphery, which are located on the margins of the relative surplus population, are also included in the statistical aggregates of the active army because they cannot be extracted from the available datasets.

Relative surplus population: A redundancy measure

The main analytical focus here – to draw the line between the active army and the relative surplus population and identify the latter's major strata – is more challenging. The primary distinction deployed is between the moments of redundancy and activity. At the moment of redundancy, all members of the labouring population outside of the active army and thus surplus to the productive requirements of capital accumulation residually define the relative surplus population. The following formulation of mainstream categories – the sum of the 'unemployed' (those actively seeking but without paid work) plus the 'non-employed' or those 'outside the workforce' (those without paid work but not actively seeking) – is applied to calculate approximately the relative surplus population at the moment of redundancy. While this formula works approximately as an aggregate, and the 'unemployed' in particular is a useful measure of the directly available reserve army, the division between unemployed and non-employed muddles divisional criteria of choice/necessity and availability/unavailability, as well as blurring the distinction between capital and labour.

The *necessarily unavailable* centrally includes those who are unable to work, such as those too young or old, the incarcerated and the physically and mentally disabled. The *necessarily available* refers to all those who are able to and need to engage in paid work but are unable to find it, which includes the unemployed and the unemployable. In the advanced countries, this grouping also shows up in the categories of 'discouraged job seekers' or 'long-term unemployed' (who are not counted as unemployed because they are not 'actively seeking'). In the non-developed countries, the socially excluded are likely to be over-represented in the ranks of the destitute. 'Homemakers' and people in training

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are more ambiguously located between choice and necessity. A segment of the people (un)available by *choice* can be classified as 'passive' members of the bourgeoisie. Resnick and Wolff (2007) argue that bourgeois membership refers foremost to idle people living off capital rather than those actively performing capitalist functions. Thus, in contrast to redundant proletarian labour, the bourgeoisie have independent means to live without working. Broadly speaking, bourgeois membership includes all those who have sufficient capital without needing to work, including people who have inherited wealth and super annuitants with secure independent income. Non-working people living securely with independent wealth, though clearly bourgeois rather than proletarian, are nonetheless part of the relative surplus population in the sense that they are a segment of productivity-driven surplus labour. It is practically impossible to extract those who can choose not to work from the official datasets, so they are included in the statistical proxy of the redundant or inactive segment of the relative surplus population – which combines existing measures of the 'unemployed' and the 'non-employed'.

Relative surplus population: An active measure

The activities of the relative surplus population, in contrast to the active army, are 'unproductive' and/or 'informal'. The following account uses as its point of departure Marx's discussion of the relative surplus population in regards to distinctions between the reserve army of labour, those in 'domestic servitude to the bourgeoisie' and the lumpen-proletariat (Marx, 1976, Ch. 25).

First, the reserve army of labour, made 'partially redundant' from the active army because of capitalism's advancing productivity, is also 'partially active' and central to capital's exploitation-driven dynamic of accumulation. This ready labour source, deployed flexibly by capital, helps to maximise the constancy of necessary labour. In addition, the reserve army is a central regulator of the value of labour-power and the extension of the working day. In a 'desperate competition for remaining scraps of irregular work', its wages are forced below the 'average normal level of the working class', and in compensation for lower wages, longer working hours are sought (Marx, 1976: 789, 796). At the point of redundancy the reserve army is wholly unproductive, but when engaged it is brought into the core sector of capitalist productivity. The reserve army is located in the relative surplus population because the segmentation process associated with labour's redundancy as a result of advancing productivity implies the reserve army's irregular redeployment in temporary and insecure, albeit productive, positions.

Second, Marx identifies those in 'domestic servitude to the bourgeoisie'. The modern concept of the service sector includes health and education services, child rearing and household domestic labour – which, although immaterial, are all productive in the sense that they meet basic human needs. When undertaken outside of the wage relation or the capitalist regime of productivity, domestic labour and child rearing stand beyond the active army. Members of the surplus labouring population hired as servants are incorporated into the wage relation but still remain outside the core of industrially advanced sectors of capitalist productivity and tend to exhibit insecurity and precariousness typical of the reserve army. To the extent that services are commodified and subject to the capitalist logic of increasing productivity, then they become incorporated into capitalism's productive core.

Third, Marx's lumpen-proletariat refers to those engaged in unproductive criminal work. While members of the lumpen-proletariat may be engaged in criminal activities,

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such as drug trafficking, petty theft and prostitution, the concept can be further extended to employees operating outside of the formal and legal channels of capitalist society in producing legal goods and services.

The informal proletariat

Discussion on the strata of the relative surplus population overlaps with an existing body of research undertaken on the 'informal sector', or 'informal proletariat'. This approach highlights temporary and precarious forms of small-scale, clandestine work that operate at the margins of society and stem from the absence of state regulation and protection in non-developed countries (see de Soto, 1989; 2000; Portes et al, 1989; Portes and Hoffman, 2003; Tokman, 2007), though the developed world is not completely excluded from analyses of this kind (see Gerxhani, 2004; Sassen, 1994; 2006). In the active sense, the relative surplus population, defined generally by its insecure and precarious forms of working activity outside of the core sectors of capitalist productivity, closely approximates the 'informal proletariat'.

Within the informal sector, four forms of employment can be distinguished: informal wage-labour, unpaid family labour, own-account work and micro-entrepreneurship (Fortuna and Prates, 1989; ILO, 2008) – with the latter two possessing bourgeois characteristics. Informal wage-labour refers to work falling within a standard employer-employee relationship that is not subject to controls and conditions set by labour legislation regarding taxation, social security contributions and social protections (Portes et al., 1989). It is characterized by extremely flexible and insecure arrangements in temporary, low paid, unskilled and labour-intensive industry (Tokman, 2007), and includes those employed in day-labouring, domestic servitude, off-the-book formal manufacturing and informal micro-enterprises. Unpaid family labour is defined as work in a market-oriented establishment operated by a related person living in the same household, in which conditions are comparable to informal wage-labour but where no wage is paid (ILO, 1993). Own-account work denotes self-employers who receive unrecorded payments for their economic activity (ILO, 1993). They avoid taxation and industry standard practices and protocols stipulated by the state, perform labour-intensive activities requiring little to no capital investment, which is in many instances carried out at the home, and are extremely flexible, insecure, unskilled and meagrely remunerated – essentially occupying the same survivalist space as informal wage-labourers (Portes et al., 1989; Portes and Hoffman, 2003; Portes and Schauffler, 1993; Tokman, 2007). Finally, micro-entrepreneurship refers to own-account workers who make use of paid employees (ILO,1993). Taken as a whole, informal sector work can vary from flea market vending, gypsy cab driving or plastic collecting, to car repairing, clothes manufacturing and so on.

It is difficult to give accurate measures on the informal sector because it remains, by definition, largely undocumented. As a compromise, the ILO (2008) has come up with a useful measure: the 'vulnerable employed', which encompasses two broad groups of the total employed: own-account workers and unpaid family workers. Here, own-account workers are defined as non-employing workers whose income is directly dependent upon the profits derived from the goods or services they produce or sell (ILO, 2008: KILM 3), but where no distinction is made between those formally and informally operating; unpaid family workers are defined, as above, as those who hold jobs in a market-oriented establishment operated by a related person living in the same household where no wage is paid (ILO, 2008: KILM 3).

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Due to the greater number of observations when compared to those for the informal sector, we have adopted the ILO's vulnerable employed measure for the following empirical analysis. It is an appropriate compromise because the majority of those encompassed within the vulnerable employed measure live in poverty and operate informally in precarious forms of employment (ILO, 2008: KILM 3). However, while offering a very useful proxy for the active segment of the relative surplus population, the vulnerable employed measure does not *comprehensively* encompass the groupings identified above as the active fragments of the relative surplus population. In particular, it excludes segments of the lumpen-proletariat, the informal wage-labourers and incidents of 'formalised precariousness' – formal waged-workers within the reserve army of labour and service sector who legally mirror the employment conditions of those falling within the informal sector in terms of extreme insecurity, irregularity and low pay. In sum, the concept of the vulnerable employed operationalised in the ILO figures, though undercounting the relative surplus population in its active sense, nonetheless provides an 'empirically adequate' proxy measure of the active relative surplus population when defined as those in precarious employment positions outside the core sectors of capitalist productivity.

Measuring the relative surplus population

The original formula (AA + RSP = LP) is statistically operationalised as follows: first, the active army (AA) is treated as roughly equivalent to the 'employed' minus the 'vulnerable employed'; second, the total relative surplus population (RSP) is calculated as roughly equivalent to a combination of the 'unemployed', the 'total non-employed' and the 'vulnerable employed'; third, a separate measure of the relative surplus population aged 15 and over (RSP15+) is calculated as roughly equivalent to the 'unemployed', the 'vulnerable employed' and the 'non-employed aged 15 and over'. The sum total of the AA and RSP therefore equals the total population, while the sum total of the AA and RSP(15+) comes to the working population (a measure of the total population aged 15 and over).

There are some caveats to these formulae adopted to calculate the RSP, RSP(15+) and active army. The RSP and RSP(15+) formulae, on the one hand, overestimate the relative surplus population where own-account workers in the vulnerable employed are engaged in high-skilled and high-paid work with a reasonable level of job security. This situation is far more prominent in developed countries – amongst the professional middle class of health-care practitioners, human resource consultants, lawyers, actors, sports stars, computer technicians and so on. This is counterbalanced, on the other hand, by underestimates of several overlapping groups that comprise part of the relative surplus population but are not included in its empirical estimate: casual or temporary waged-workers; low-waged and low-skilled workers in the service-sector or manufacturing periphery; informal waged-workers that have been recorded as employed; and micro-entrepreneurs. These omissions ensure the relative surplus population is likely to be *underreported*, signalling that the extent of capitalism's human crisis is even deeper than we suggest. It logically follows that the empirical estimate of the active army over-counts in comparison to its corresponding conceptual definition because it contains the aforementioned omissions from the RSP and RSP(15+) estimates. Even so, we have salvaged what is possible from the somewhat uncooperative data formats to arrive at empirically adequate estimates of the relative surplus population and active army.

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	RSP(15+) (000)	RSP (000)	Active army (000)	Working population (15+) (000)	Total population (000)	RSP(15+)/ AA	RSP/ AA
Developed	397462	565074	412370	809832	977444	0.96	1.37
Developing	2131489	3405703	1405158	3536647	4810861	1.52	2.42
Underdeveloped	393278	717595	80498	473776	798093	4.89	8.91
World	**2922229**	**4688372**	**1898026**	**4820255**	**6586398**	**1.54**	**2.47**

Figure 1. Extent of the RSP and RSP(15+)

Attempts were made to retrieve year 2007 data for all components of the formulae for each country.[1] However, in several instances in which components of national data were unobtainable for 2007, the latest available post-2000 year or a derivation was used. In order to derive missing data, countries were initially grouped into three pre-defined categories which, when understood in terms of the more conventional distinctions drawn between countries in development studies, are treated as proxies for uneven levels of capitalist development. The make-up of 'developed' countries was pre-determined by the IMF's advanced economies list (for their criteria, see IMF, 2009: 182). 'Underdeveloped' countries were framed by the UN's 'least developed country' list (for their criteria, see UN, 2009). 'Developing' countries were sketched as a residual category for countries not included in the aforementioned catchments, which casts a broad net around what can loosely be considered the newly industrialising countries. On a practical level, adopting this approach enabled more accurate derivations of missing data – by separately averaging out each category's available collection of national data to fill in any gaps. Wherever possible, derivations of missing national data were made using retrieved data; in a small number of instances the absence of reliable national data meant derivations were necessary at the level of calculated data. Though it may appear that the classificatory system thus places arbitrary boundaries around groups of countries and their corresponding levels of development, we argue that these categories form meaningful clusters in so far as, in the context of scarce and globally mobile capital, the developmental or 'competitive' strategies available to each country and the possible outcomes of such strategies correspond with the category they fall under.

The aggregated figures highlight a number of important points. In Figure 1, the world RSP(15+)/AA ratio of 1.54 suggests that the RSP(15+) forms a global majority of the working population; for the RSP/AA ratio the world figure is 2.47, with the RSP forming a global majority of the total population at almost two and a half times more than the active army. There is also a tendency for the RSP(15+)/AA and RSP/AA ratios to increase as levels of development decrease: developed countries have ratios of 0.96 and 1.37 respectively; developing countries stand at 1.52 and 2.42; and for underdeveloped countries, those ratios increase to 4.89 and 8.91. The markedly different compositions of RSP(15+) in Figure 2 underline a further trend: the proportion of the RSP(15+) made up of vulnerable employed swells and the proportion of non-employed contracts as levels of development decrease. For developed countries, a massive 79.4 per cent of the RSP(15+) is non-employed, while only 13.9 per cent are vulnerable employed. Those figures are 58.3 per cent and 35 per cent respectively for developing countries, while underdeveloped countries have only 31.9 per cent non-employed and 62.7 per cent

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	Non-employed (15+) (000)	Non-employed (15+) (%RSP15+)	Unemployed (000)	Unemployed (%RSP15+)[2]	Vulnerable employed (000)	Vulnerable employed (%RSP15+)	RSP(15+) (000)
Developed	315595	79.4	26497	6.7	55370	13.9	397462
Developing	1242034	58.3	142300	6.7	746462	35.0	2131489
Underdeveloped	125460	31.9	20731	5.3	246648	62.7	393278
World	**1683089**	**57.6**	**189528**	**6.5**	**1048480**	**35.9**	**2922229**

Figure 2. Composition of the RSP(15+)

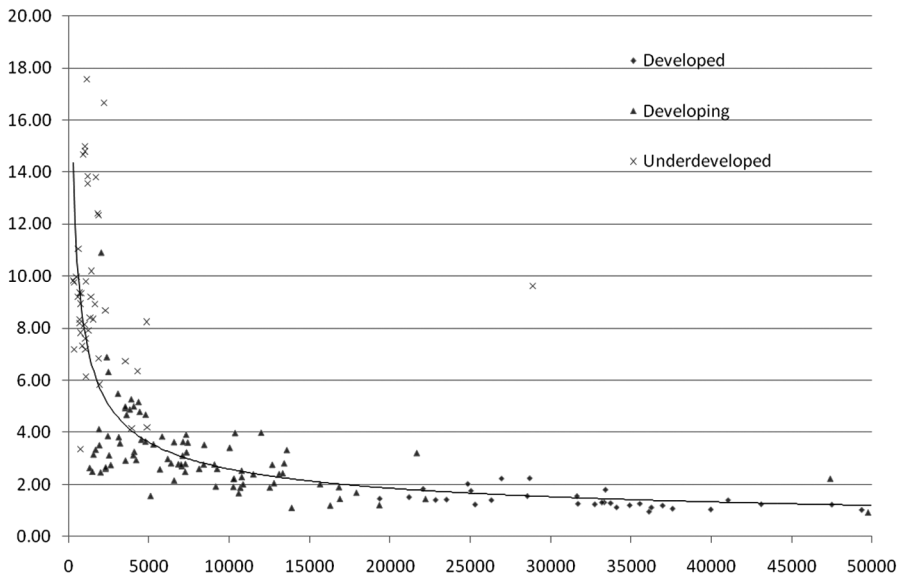


Figure 3. RSP/AA ratio and GDP per capita (PPP constant 2005 int$) for individual countries

vulnerable employed. The unemployed portion of the RSP(15+) remains minimal throughout, with 6.7 per cent for both developed and developing countries, and a dip to 5.3 per cent for underdeveloped countries.

Figure 3 plots the RSP/AA ratio against GDP per capita – a readily obtainable and widely recognised proxy for national levels of development – for individual countries where data was available. While by no means a perfect relationship, the results correspond with the aggregated figures in showing that countries with lower GDP per capita tend to have larger RSP/AA ratios. A more detailed breakdown for several individual countries spanning a broad band of GDP per capita levels is presented in Figure 4. From the data provided (and also echoing findings for the countries not displayed here), it can be observed that amongst developed countries, the proportion of RSP(15+) non-employed hovers around 70 to 85 per cent, while vulnerable employed sits between about 7 to 27 per cent. The RSP/AA ratios of developed countries are similar, ranging

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	GDP per capita (PPP constant 2005 int$)	RSP(15+) (000)	RSP (000)	Active army (000)	RSP(15+)/AA	RSP/AA	Non-employed (%RSP15+)	Unemployed (%RSP15+)	Vulnerable employed (%RSP15+)
DEVELOPED									
Singapore	47497	1582	2532	2057	0.77	1.23	80.6	4.8	14.6
United States	43102	108903	167383	134238	0.81	1.25	77.4	6.5	16.1
United Kingdom	33717	23434	34386	26615	0.88	1.29	80.0	6.7	13.3
Germany	33181	35552	46750	35518	1.00	1.32	82.9	10.1	6.9
Japan	31689	54029	71345	56426	0.96	1.26	82.5	4.8	12.7
South Korea	25021	22221	30925	17531	1.27	1.76	69.9	3.5	26.5
DEVELOPING									
Russia	13873	54211	74825	67275	0.81	1.11	83.8	8.6	7.7
Mexico	13307	44330	74678	30603	1.45	2.44	67.7	3.4	28.8
Chile	13087	7822	11729	4866	1.61	2.41	73.0	6.4	20.5
Turkey	11968	39546	59097	14788	2.67	4.00	72.1	6.5	21.4
Brazil	9146	73880	126206	65395	1.13	1.93	56.1	10.8	33.1
China	5084	540841	804735	513575	1.05	1.57	48.5	7.1	44.4
Morocco	3880	17177	25942	4919	3.49	5.27	62.5	6.6	30.9
India	2600	494288	825072	299715	1.65	2.75	66.6	5.1	28.4
Vietnam	2455	51169	73532	11623	4.40	6.33	33.6	2.0	64.4
UNDERDEVELOPED									
Cambodia	1702	8292	13471	975	8.51	13.82	21.9	1.8	76.4
Bangladesh	1178	93670	147892	10679	8.77	13.85	32.1	3.4	64.5
Tanzania	1118	20349	38256	2176	9.35	17.58	12.6	11.5	75.9
Uganda	1016	13780	28984	1932	7.13	15.00	16.1	3.1	80.8
Nepal	992	14426	25034	3073	4.69	8.15	39.6	6.7	53.6
Madagascar	932	9907	18414	1256	7.89	14.66	16.7	2.5	80.8

Figure 4. Extent of the RSP and RSP(15+) and composition of the RSP(15+) for selected countries

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from 1.23 in Singapore to 1.76 in South Korea. Developing countries show the most variation in the make-up of RSP(15+). The Russian Federation, for instance, has a very high proportion of RSP(15+) non-employed, at 83.8 per cent, while Vietnam has a comparatively low 33.6 per cent; for the vulnerable employed those proportions are 7.7 and 64.4 per cent respectively. A more typical example among developing countries is Brazil, with 56.1 per cent non-employed and 33.1 per cent vulnerable employed. The RSP/AA ratios of developing countries range from 1.11 in Russia to 6.33 in Vietnam. In underdeveloped countries, the proportion of RSP(15+) non-employed is usually very low, as low as 12.6 per cent for Tanzania and 16.1 per cent for Uganda, while the vulnerable employed proportions are very high, at 75.9 and 80.8 per cent respectively for the two countries. The RSP/AA ratios of underdeveloped countries are also very high, from 8.15 in Nepal to 17.58 in Tanzania.

Uneven development and the latent surplus: Profiles and prognosis

Under the neoliberal model of development, capitalism's unevenly unfolding contradictory logic of (re)deployment and redundancy has a globally dynamic character. As an effect of market globalisation, dispossession and transfer of the means of production from the peasantry to capital, central to capitalist industrialisation (Weeks, 2001: 15), has been universally unleashed. Nearly all peasant-based rural production is being subordinated to global industrial productivity norms (Caffentzis, 2010; McMichael, 2008), thus triggering on-going increases in the size of the relative surplus population. The global oversupply of labour, centrally driven by this process, is generating general global pressure on wages and employment circumstances. This pressure, expressed unequally across more or less competitive countries, represents the latest form of capitalism's uneven development. Empirical expression of the uneven increase in the size and composition of the latent component of the relative surplus population, not possible in the above data analysis because it does not distinguish between urban and rural figures, is indicated by the following supplementary data analysis.

Figure 5 maps the UN's (2008) population estimates and projections for rural and urban areas in 2007 and 2025.[3] Based on 2007 estimates, the majority of those in developing and underdeveloped countries are residing in rural areas, 72.1 and 52.8 per cent respectively, whereas only 22.5 per cent of developed populations are in rural areas. It can also be deduced that underdeveloped countries, followed by developing countries, have the largest latent surplus – reflected by rural population figures and based on the assumption

	Rural 2007 (000s)	Rural 2007 (%total)	Urban 2007 (000s)	Urban 2007 (%total)	Rural 2025 (000s)	Rural 2025 (%total)	Rural (%change)	Urban 2025 (000s)	Urban 2025 (%total)	Urban (%change)
Developed	220451	22.5	759038	77.5	188721	18.0	−14.4	859209	82.0	+13.2
Developing	2576890	52.8	2308055	47.2	2502833	43.4	−2.9	3270043	56.6	+41.7
Underdeveloped	579484	72.1	224428	27.9	734242	61.9	+26.7	451912	38.1	+101.4
World	**3376825**	**50.6**	**3291521**	**49.4**	**3425796**	**42.8**	**+1.5**	**4581164**	**57.2**	**+39.2**

Figure 5. Rural and urban populations for 2007 and projections for 2025

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that they are mostly made up of small-holder farmers and landless peasants – whereas developed countries have virtually no latent surplus because their rural populations are of a different sort, engaged in advanced capitalist forms of agri-business rather than small-holder farming. Examination of 2025 projections foretells of massive growth in urban regions – a global increase of 39.2 per cent. It also shows that the extent of urban population growth will be greatest amongst underdeveloped countries. While a major factor in these increases will be natural population growth, the steep increases expected in urban populations can also be attributed to the continuing urbanisation of rural populations (UN Human Settlements Programme, 2010).

This data analysis strongly indicates an unevenly growing latent surplus population into the future, and accords with the paper's general theoretical explanation. That is, that the removal of trade protections and price subsidies is opening rural sectors in non-developed countries to direct competition with first world agri-business (McMichael, 2008). This imposition of global norms of necessary labour is rendering pre-existing forms of rural production non-viable, and land ownership and control is moving, often brutally spearheaded in response to movements of resistance, towards a capitalist form (Akram-Lodhi, 2007; Caffentzis, 2010). These new enclosures are forcing the peasantry off the land. And they, armed only with a non-industrial bundle of skills, move towards urban centres to join an already large relative surplus population – together confronting an industrial capitalist world driven by 21st-century global norms of competitiveness.

This rural exodus occurs unevenly according to each country's pre-existing state of industrialisation prior to neoliberal globalisation, and according to varying demographic dynamics. In turn, varying levels and types of economic competitiveness are central to a country's capacity to facilitate redeployment of the latent surplus population. Those non-developed countries best equipped to compete can engineer a movement towards comprehensive industrialisation, while others fail to varying extents because the global aggregate of the relative surplus population corresponds with an oversupply of labour relative to global capital. In underdeveloped countries in particular, subjugation to global productivity norms as an effect of international free trade renders local agriculture non-viable, but the latent surplus is subsequently confronted by little or no employment options within internationally un-competitive urban sectors (de Rivero, 2001).

Consideration of India and China as a 'twinned comparison', in the form of similarity to reveal difference, provides a clear illustration of the argument (Tarrow, 2010). China, with an RSP/AA ratio of 1.57, has been able to engineer a process by which the redundancy occurring as an effect of capitalist industrialisation in the countryside and downsizing of state-owned enterprises has been coordinated with redeployment in the newly arriving global forms of manufacturing capital (Huang, 2009; Hung, 2008). However, in India the brutal process of rural industrialisation driven by the imposition of global norms on non-competitive forms of agriculture, as well as forcible dispossession of the peasantry from its land, has not been matched by the growth of employment opportunities in the manufacturing sector (Walker, 2008), which is reflected in its higher RSP/AA ratio of 2.75.

More generally, ideal-typical profiles can be outlined across developed, developing, and underdeveloped countries. In underdeveloped or 'least successful' countries, in which a very low share of international capital has been secured, proletarianisation of the peasantry is incomplete, the welfare-state is minimal or absent and wages and levels of

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demand are lowest, the active army is the smallest and the relative surplus population is the largest and most desperate. In addition, higher birth rates in these countries further fuels growth in the size of their relative surplus populations because it does not correspond with equivalent increases in employment opportunity, which is dependent on attracting foreign capital and on external levels of demand. As a result of these factors, such countries are characterised by high numbers of vulnerable employed, many of whom will be faced with no other alternative but to engage in informal survivalist activity. This is reinforced in the data analysis by the high proportion, at 62.7 per cent, of vulnerable employed in RSP(15+).

The developed or 'most successful' countries are characterised generally by their larger shares of global capital, including a greater share of well-paid knowledge workers, middle-class professionals and high-skilled production workers, and no latent surplus. From the 1970s onwards, the shift of low-cost manufacturing to developing countries has driven redundancy amongst the core active army of manual production workers in the developed countries. However, as long as research, development, marketing, advanced assembly processes and major shareholdings are located in the developed economies, then the high-paid, high-skilled core productive workforce and the independently wealthy can continue to underwrite a much less desperate form and composition of the relative surplus population. Where a significant proportion of manufacturing workers in the active army has been made redundant, in its place has grown a much larger number of temporary, low-paid and low-skilled, but formal, jobs in the service sector either directly or indirectly employed by the active army (Gorz, 1994; Standing, 1997, Walters, 1996). As a base for higher levels of accumulation and demand, the active army can also maintain more advanced levels of welfare and social protection. This welfare state underwrites the high proportion of non-employed, at 79.4 per cent of RSP(15+), a significant portion of which is made up of elderly pensioners, sickness beneficiaries and students. Greater social protections and higher wages, allowing for higher accumulated personal wealth, also make viable living without paid work as a homemaker, a retiree or a discouraged job seeker for a longer period of time. Furthermore, in contrast to the rapid population increases in underdeveloped countries, developed countries are instead characterised by a slow-growing, aging population that can be adequately managed by the welfare state. Absolute growth of the relative surplus population is thus minimised.

Developing countries are typified by varying levels of success, as well as variation in the extent of the latent surplus and demographic composition. The data analysis supports this in revealing significant variation amongst individual developing countries' RSP/AA ratios and compositions of RSP(15+). In general, the more successful a developing country is in securing international capital and increasing local levels of competitiveness, the greater the size of the active army – which can directly absorb some of the relative surplus population – and the more opportunity strata of the relative surplus population have to find a source of demand for goods and services. Compared with developed countries, the active army is smaller, lower paid and comprises a greater share of low-skilled production workers and a lower share of middle-class professionals and knowledge workers. Nonetheless, higher accumulation rates in more successful developing countries can activate the struggle for higher wages and a welfare state that may further improve the conditions of both the active army and the relative surplus population, but at the risk of capital flight to lower-waged countries.

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Towards the future

Findings presented in this paper empirically indicate that the relative surplus population as a global aggregate is larger than the core productive labouring population, with a RSP/AA ratio of 2.47. We contend that this is inextricably linked to the underlying structural mechanisms of capitalism that have been unleashed globally by the neoliberal model of development. Capitalism's tendency to redeploy surplus labour as necessary labour conceals the redundancy effect as employment moves across sectors and towards a greater volume and variety of outputs. However, increased capital intensity driven by competition implies rising necessary labour norms, and market saturation implies labour's increasing redundancy. This tendency is intensified in the current era as rapid globalisation of the productivity imperatives of capitalism make vulnerable all labour performed below the global standard. The empirical evidence presented in this paper demonstrates that a clear majority of the world's labouring population is now relatively surplus to the functioning of capitalism. Of particular concern is that engineering increasing demand to stimulate the redeployment tendency is no longer a solution because it implies the escalating consumption and destabilisation of an already materially depleted and ecologically destabilised planet.

As long as the neoliberal model of development remains hegemonic, then unevenly equipped countries will continue to jostle for position in a changing league table of economic competitiveness, with flow-on effects for the distribution and composition of the relative surplus population. Under these conditions, it is hard not to envisage deepening polarisation between those countries that can provide optimal environs for capital and those failed countries whose circumstances will decline towards increasing despondency and catastrophe. Currently there are almost a billion people engaging in survivalist activity in the slums of the non-developed capitalist world (UN Human Settlements Programme, 2010). The continuing inflow of the latent surplus from the countryside to urban areas, the natural swelling of the general population and consequent growing pressure on already exhausted city infrastructure will together increase the size and desperation of this population. Ultimately, this trajectory is set to collide with the uneven consequences of ecological depletion and destabilisation, raising the spectre of humanitarian disaster on a previously unheard-of scale – especially where high population growth, ecological vulnerability and a high relative surplus population intersect.

Although the neoliberal model enjoys the active embrace of international capital and subordinates countries to its norms and imperatives, the playing out of its catastrophic trajectory *is* avoidable. An alternative mid-range future is dependent on the construction of a blueprint of transformation embraced by a counter-hegemonic global 'social bloc' that can bring together movements of resistance, nation-states and the labouring population. For the labouring population, the central challenge is to reconcile the fault-line divisions of circumstance and interest between the active army, the relative surplus population and the peasantry. In particular, such a project needs to articulate the interests of the declining core of formal and secure segments of the active army with the more urgent needs of the surplus population.

Conclusion

Rather than constituting an alternative theory of (un)employment, the approach outlined here builds concretely on Marx's account to provide a radical alternative to main-

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stream (un)employment theories. Instead of a narrow focus on the exchange relation, this approach is driven by an explanation of how the central productivity logic of unevenly developing capital accumulation drives the size and composition of the relative surplus population. By adding a vital missing component to existing radical labour market discourse, this novel alternative to mainstream (un)employment theory has the potential to bring together disparate radical accounts as a coherent, counter-hegemonic labour market paradigm.

More importantly, the empirical results graphically foreground how the uneven unfolding of capitalism's long-term contradictory labour-market dynamic is generating a massive relative surplus population, distributed in deeply unequal forms and sizes across the countries of the world. It is already larger than the active army, and is set to grow further in the medium-term future. While demand-side regulation could redeploy some surplus labour, such a strategy directly risks exacerbating over-reached ecological constraints. Without redress, the current trajectory of contemporary capitalism points towards ecological and human catastrophe, therefore highlighting the urgent need to build a global socialist project that can avert this descent towards the abyss.

Endnotes

1. Countries with fewer than 50,000 inhabitants have not been included.
2. These figures should be distinguished from the official unemployment rates, which were calculated as being 5.4 per cent for developed countries, 6.2 per cent for developing, 6 per cent for underdeveloped, and 6 per cent for the world.
3. Countries with fewer than 50,000 inhabitants as of 2007 have not been included.

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