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From Guest Workers to Guest Consumers

A Disposable Labor Force in the Age of Cognitive Capitalism

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The time of the *gastarbeiter* was one of a Europe during a peak of industrial capitalism, whilst also being at the brink of its decline. Soon afterwards, in the early 1970s, economic crises and transformations in capitalism itself, which helped to salvage those economies in crisis, eliminated the need for a surplus industrial labor force. Standing at the crossroads of their elimination and a whole panoply of transformations in European immigration policy, while being mobile, flexible, and having to adapt to the shifting needs of employers and the economy, *gastarbeiters* ironically provided a model for the type of workers needed later in a Postfordist economy. Furthermore, while the *gastarbeiter* is a figure of the past, it has been instrumentalized by recent government policies to criticize, manipulate, and shape migration today. In more ways than one, the figure of the *gastarbeiter* can help us to understand what is taking place with the so-called current "crisis" of migration in Europe. The following will thus attempt to do a brief mapping of where and how the figure of the *gastarbeiter* has transformed and where we may be able to find some of its traces in

the current European political landscape, in which we see a radical segregation of movement.

During the 1970s, major transformations were taking place, such as the digital revolution, an increased globalization of capital, an oil/resource crisis and its subsequent developing economic crises, and an emphasis on immaterial labor as a path out of economic crisis and away from material and resource limits, which began to creep into European economic policy. This emphasis on immaterial labor/production, among other reasons such as workers' protests, led to the formation of a Postfordist capitalism, and ultimately to a cognitive capitalism. Referring to it as a "third phase" of capitalism, in which the first is mercantile and the second industrial capitalism (Moulier-Boutang 2011, p. 50), Moulier-Boutang compares cognitive capitalism to the productivity of pollination in a beehive, rather than the production of honey alone (Ibid., p. 188). In other words, the networked knowledge produced in advanced capitalist economies today is considered to produce far more immaterial value than its material counterparts.

Knowledge has, thus, played a major role in European economies to this day – so much so that Europe has been aiming "to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth," according to the Lisbon Strategy, an economic action plan of the EU.[1] This aim of this plan is twofold. On the one hand, knowledge provides an immaterial, unlimited source of value for a knowledge-based economy with infinite, unexpected forms of productivity. On the other hand, the reduction of material production is viewed as providing one of the key resolutions to a plethora of crises in Europe today. From the perspective of sustainability policy, a knowledge-based economy is expected to help environment crisis, resource limits, climate change and pollution, economic

productivity, and various other social issues through developing social cohesion (e.g. European Commission 2010). In other words, knowledge and its immeasurable potential for value production is regarded as a panacea to crisis in present-day Europe.

In order to capture this value, various mechanisms have been implemented. These have placed an emphasis on the institutions recognized as producing knowledge – universities, research facilities, etc. – as well as agendas for harnessing the potential of lifelong, or "cradle-to-grave" learning. This wave of reforms and initiatives has formed what policy-makers are referring to as a "new Renaissance" in Europe (European Commission 2009, p. 8). In order to try and capture potential knowledge-based value in all spaces at all times, these reforms have been implemented on both intensive and extensive levels.[2] I refer to the institutional transformations – those visible effects of restructuring departments, implementing and raising tuition fees, reducing access to resources, limiting study times, cutting "unnecessary" courses or departments, and so on – as intensive transformations. These have been driven primarily by the Lisbon Strategy, Bologna Process (a wave of reforms from 1999–2010 in institutions of higher education), Ljubljana Process (a wave of reforms focusing on research), and a variety of programs under the umbrella of lifelong learning initiatives. However, these very reform packages have led to extensive transformations.

In other words, the Bologna Process had the ultimate goal of creating the European Higher Education Area. The Ljubljana Process has developed the European Research Area. And the initiatives for lifelong learning have been structuring a "European area of lifelong learning" (Commission of the European Communities 2001). These various "areas" indicate supranational spaces in which maximal mobility is promoted to knowledge

producers within their borders. These spaces also benefit from the brain drain resulting from incoming migrants. Similar supranational knowledge-based areas have been developing in other regions, for instance, Latin America, the Middle East-North-Africa region, or Australia-Asia Pacific, among other large nations such as Russia. However, Europe has developed the most aggressive approach, aiming to remain at the forefront of knowledge economy development. The following will outline how these extensive transformations have created a scenario in which education has become inextricably linked to the topic of migration in Europe today.

Differential inclusion

Mobility is regarded as a multiplier of the productivity and value of knowledge production.[3] The overlapping supranational knowledge-based areas in Europe have thereby contributed to establishing an "Innovation Union" in which freely moving knowledge should be the cornerstone for sustainable growth (European Commission 2010, p. 3). Comprised of various mobility programs for students, teachers, and researchers, this is supported by the four freedoms of the EU: the free movement of goods, services, capital, and people. There have even been various aims at trying to make knowledge the official *fifth freedom* of the EU (Potočnik 2007), but due to the intensive transformations that have created commodified and standardized units of knowledge – primarily within university programs – this new category is unnecessary, as knowledge/education can now fall under the rubric of goods, services, and capital. The remaining category of *people* is tricky, however, when it comes to the question of *which* people are included within this claim. These extensive transformations, while invisible on many levels, are the most visible in their consequences

on the lives of knowledge-based migrants. Furthermore, it is within the discrepancies in the movement of people where the divisions between desirable and undesirable movement becomes clear.

Participation in such mobility programs is filtered through mechanisms of differential inclusion.[4] While the supranational knowledge-based areas above may partially extend beyond the borders of the EU,[5] the overall governance architecture of the EU, the Open Method of Coordination (OMC), oversees and filters access to these programs and areas. Established as a Lisbon Strategy apparatus, the OMC implements soft law, fiscal discipline, and coercive competition among EU Member States. Therefore, each Member State can implement slightly differing versions of regulations, according to their needs, while adhering to the general approach. In recent years, many Member States have implemented regulations which indicate a shift towards knowledge-based indicators in filtering the movement and entry of people into the EU. Just like in the time of the *gastarbeiter*, filtration mechanisms exist today which focus on the needs of the market. The key difference, I will argue, is the shift from regarding workers in industrial capitalism as import commodities (Mezzadra & Neilson 2013, p. 102) to regarding knowledge-based migrants in cognitive capitalism as *export* commodities. Recent models for filtering migrant labor power have, in contrast to previous models, been based on "just-in-time" and "to-the-point" migration (Ibid. p. 138). One of the methods encompassed therein is points-based migration.

Neilson describes how the Australian government profiles migrants with the skillset necessary to fulfill economic needs, which has in turn substantially supported its knowledge-based economy (Neilson 2009, p. 49). This works in close concert with educational

institutions and programs, thus positioning them as “default migration agencies” (Ibid.). As points-based systems interrogate each applicant according to the needs of the market, with a focus on their education and knowledge-based skills, Mezzadra and Neilson assert that these structures are pivotal to supporting the development of cognitive capitalism (Mezzadra & Neilson 2013, p. 139). Neilson elaborates this, stating that “The situation is one in which education becomes the pretence for migration. There is a blurring of the categories of student and migrant. But the categories of student and worker also blur (in a sense other than the one in which studying can be identified as work)” (Neilson 2009, p. 50).

The UK has implemented a points-based system. Austrian Chancellor Sebastian Kurz has stated that he would like to implement a system based on the “Australian model,” a very cruel version of a points-based system. Donald Trump has also recently (2017) instated the RAISE Act, a bill that introduced a points-based system for immigration, which aims, on the one hand, to cut immigration in half, and, on the other hand, to reduce the immigrants entering the US to those who meet the needs of the economy by placing an emphasis on their level of education.[6] Furthermore, due to the OMC, it is rather likely that additional EU Member States will be coerced into following in the footsteps of the best-practice examples of states that have implemented points-based systems, such as the UK.

The UK’s points-based system is based on a five-tier visa system. Tiers 1 and 2 focus on “high-value migrants” with “exceptional talent” and “skilled workers” with an emphasis on fulfilling economic needs. Tier 4 focuses on students and is education-oriented. However, Tier 3 is “designed for low-skilled workers filling specific temporary labour shortages.” This caught my

attention, because while it seems that the movement of people today has been segregated into high-skilled cognitive workers and a mass of *sans papiers*, refugees, and precarious migrants, this led me to believe that perhaps the type of industrial work/ers remnant of the *gastarbeiter* tradition may still exist in one of the tiers of the points-based system, and that this problematic system may actually provide some possibilities for a diverse work force after all. However, after reading on, the Tier 3 visa is described with the following statement: "The Government has so far never allocated any visas under this scheme. Unfortunately, this means that you cannot apply for the Tier 3 visa scheme."[7] It seems that despite the smoke and mirrors, what we see in the EU today is the transformation of the *gastarbeiter* guest labor force under Postfordist conditions with the consequences of increasing the class gap in migrant labor.

One of the key factors in profiting from temporary knowledge-based migrants, and a pivotal element in defining the shift from identifying migrants as import commodities to export commodities, is the development of so-called *knowledge exports*. Knowledge exports stand at the juncture between intensive and extensive transformations. Different countries have different approaches and definitions of knowledge exports, with Canada, for instance, defining them as "the provision of educational products and services overseas [...] including distance education, twinning programs, offshore campuses, joint degrees, and franchised courses and programs" (Association of Universities and Colleges of Canada 2007, p. 1). Australia takes a somewhat less vague approach and simply describes them, stating that "In essence, export income from education services is the sum of income to the Australian economy generated from international students studying onshore in Australia" (Australian government 2008, *n. pag.*). In other

words, migrant students are export commodities in and of themselves by bringing money in through tuition and other fees – which are typically much much higher for foreign students – and leaving after their temporary stay. The financial profits from migrant students is so great that in Australia knowledge exports became the "third largest export industry on 2006–07 figures, behind coal and iron ore ($21.9 billion and $15.5 billion respectively), and the largest services export industry exceeding tourism ($11.5 billion)" (Ibid.). Therefore, recruitment centers for Australian universities are increasingly expanding abroad. These recruitment centers echo the recruitment centers for guest labor of the 1960s and early 1970s, and have an interesting position in clarifying the blurring between students, migrants, and laborers in cognitive capitalism today.

By targeting foreign students, Neilson claims that Australia has created a "structural dependence" on knowledge exports in order to supplement public disinvestment in education (Neilson 2009, p. 49). In other words, a crisis of the welfare state has been remedied through displacing the financial responsibility to the most vulnerable individuals contributing to the knowledge-based economy. Ben Rosenzweig refers to these migrant students as "guest consumers," clarifying that "The imperatives which generated these programs were not to find people who can be made to work, not to find hyper-exploitable labor, but rather people who can be made to pay" (Rosenzweig 2010, *n. pag.*). In the context of cognitive capitalism, being made to pay can take place on multiple levels – brain drain, tuition, visa fees, etc. However, on the simple level of tuition fees, much like their non-migrant counterparts, students become increasing buried under debt, unable to finish their degrees, with a whole new market developing around hedge fund managers investing in that very student debt (Dokuzović

2016, pp. 55–56). Furthermore, differentiating migrants as "skilled" and "unskilled" can help to support racist stereotypes surrounding "good" and "bad" migrants.

Segregated movement

In a recent G20 Insights paper on forced migration, the authors discuss the large influx of migrants and refugees in recent years and the importance of refugees gaining access to the job market for establishing their independence (Kadkoy et al. 2017). The authors claim, however, that "[a]ccess to the labour market [...] is the most politically charged, and therefore the most debated sphere of socio-economic integration for refugee populations" (Ibid. p. 1). With claims of "displacing" the local workforce, refugees are blamed for fueling negative sentiments towards them, and, therefore, "lead to the deterioration of social cohesion [...] especially under adverse economic conditions" (Ibid. p. 2). Remember, a knowledge-based economy should, among other things, support social cohesion – a major focus of EU policy today, according to the Lisbon Treaty – so claiming that refugees deteriorate this in a policy paper places them as diametrically opposed to knowledge-based mobility initiatives. As a proposal to this dilemma, the authors suggest that:

> The G20 should step in to mobilize the private sector in developing sustainable solutions for the global refugee crisis and endorse the establishment of Made by Refugees Special Economic Zones (MBR Zones) in refugee hosting countries. These would generate new jobs for both, refugees and locals. Here, MBR Zones are envisioned as multi-country, public-private partnership projects that involve host country governments, partner country governments, multinational

> companies, local firms as well as international donor agencies (Ibid. p. 4).

In other words, they suggest a path for integration in which those regarded as "unintegratable" should be quasi quarantined. Let us remember that Special Economic Zones refer to enclaves in which there is a suspension of local national laws in order for global corporations to have absolute freedom of production on foreign land. Traditionally, this exemplary model of neocolonial expropriation has led to the unregulated exploitation of laborers – most commonly in India and China, where Special Economic Zones are most prevalent. Placing refugee and migrant labor in Special Economic Zones, inhibiting them from integration as well as blaming them for destroying social cohesion in their host countries, would not least place "unskilled" migrants in a permanent state of exception.

As the needs of the economy rely on more specialized labor, the division between workers only grows. Mezzadra and Neilson correctly describe migrant workers today as "occupy[ing] different universes of migration" (Mezzadra & Neilson 2013, p. 137). In order to elucidate just how extreme divisions can become when relying on knowledge-based criteria, let's look at an example from India. On the one hand, we see one of the fastest growing economies in the world with extreme wealth and a strong emphasis on research and development and knowledge-based economic growth at one end of the spectrum. However, at the other end of the spectrum, we see people for which the emphasis on knowledge-based meritocracy does not necessarily only filter their access to visas, it filters their access to *basic rights and amenities*. In 2011, I spoke with villagers in the town of Singrauli, the so-called "energy capital of India," one of the most profitable and fastest growing areas in the country, who told me about how their

displaced and *adivasi* (tribal) populations were only granted access to electricity and water after proving they were literate or had an education. The higher the level of education, the greater their access to "public" amenities (Dokuzović 2016, pp. 172–173). Let us also remember that one of the main motivators for Paolo Freire's radical pedagogical practices was to grant voting rights to the illiterate, who were denied the right to vote in Brazil (Kahn & Kellner 2007, p. 435).

The irony – aside from the general horror – of this situation lies in the fact that in a knowledge-based economy, workers are regarded as producing profit even during times of unemployment. Referring back to Moulier-Boutang's definition of cognitive capitalism from the beginning of this article: "There is work and activity everywhere, especially because the activity of the unemployed person, who has a rich and pollinating life [...] is directly producing wealth" (Moulier-Boutang 2011, p. 165). This is supported in the European Commission report on lifelong learning, which states that: "Investment in human capital is important at all points in the economic cycle; i.e. skills, gaps, and shortages can certainly co-exist with unemployment" (Council of the European Communities 2000 cited in Kendall et al. 2002, p. 11).

In Europe today, migration is punishable by law, while, at the same time, we are also seeing an expansive amount of knowledge-based mobility programs that are supported by law. However, in the past, the figure of the *gastarbeiter* was able to bridge and contradict current discrepancies in forms of movement by occupying the spaces where their temporary labor was required as well as the temporal conditions and spaces from which they came simultaneously, whereas many contemporary migrants stand out of time and place, in a perpetual in-betweenness, precariousness, and state of exception.

From the time of the *gastarbeiter*, migrant labor was regulated according to economic need, crisis, and a reserve labor force: more need, more migrants; more crisis, fewer migrants; "too many" migrants and their very existence is called a crisis in and of itself in order to limit their numbers. This logic of balancing the reserve vs. the surplus has remained to this day, but now the conditions of economic crisis and the transformations of advanced capitalism – predominantly developed to handle a crisis that began unfolding in its current form in the 1970s – have changed, and the strategies for filtering migration according to the demands of today's knowledge-based economies have radically transformed as well, shifting an understanding of human beings from imports to exports along variable axes of economic need. We see a segregation so radical that it's sweeping its undesirable consequences to the peripheries – in some cases, this includes Made by Refugee Special Economic Zones at the peripheries of cities, and, in some cases, it means relegating industrial production to "developing" countries in the peripheries of Europe. Whereas migrant labor from the peripheries was exploited under *gastarbeiter* agreements, it ensured certain rights to workers, it remained visible and on the surface, and helped to shape the cityscapes of host countries for years to come, as opposed to the increasingly illegalized, invisibilized, and displaced forms of exploited migrant labor today.

Several years ago, from ca. 2008–2011, Europe saw a wave of university protests against many of the transformations outlined above.[8] Most of the protest actions, occupations, and demands focused on the intensive transformations caused by the Bologna Process, which concluded in 2010. This had the consequence of appealing to the majority of the students and focused less on the problems migrant students were and still are faced with. With the increasing number of migrants coming to Europe from abroad,

issues concerning the relations between knowledge production and migration will gain more and more importance in coming years. Therefore, the time is advancing in which we need to revitalize a struggle that identifies that the needs of the few are the needs of the many and that these issues are inextricably linked and will not go away any time soon just because government policies are sloppily attempting to sweep them into the peripheries.

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[1] http://www.europarl.europa.eu/summits/lis1_en.htm

[2] I borrow these terms from Sandro Mezzadra and Brett Neilson, who describe spatial and temporal transformations of recent decades through "extensive" and "intensive" axes respectively (Mezzadra & Neilson 2013, p. 68).

[3] See, e.g. European Commission (2010).

[4] I borrow the term *differential inclusion* from Mezzadra and Neilson (2013, esp. pp. 157–166).

[5] For a detailed breakdown of which nations are included in which ways in these areas, see: Dokuzović & Freudmann (2010).

[6] https://www.congress.gov/bill/115th-congress/senate-bill/354

[7] http://workpermit.com/immigration/united-kingdom/uk-five-tier-points-based-immigration-system

[8] Knowledge-based struggles – both university occupations and protests as well as struggles for access to education and rights based in knowledge – have been taking place around the world long before these protests as well as in their aftermath. However, they reached a peak when translocal spaces were able to unite in solidarity in a larger struggle that transgressed borders. For more information on this topic see (particularly part II of): Dokuzović (2016).