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A global movement has emerged to tie the wage floor to the cost of living. Traditionally the labor movement favored collective bargaining or statutory minimum wages to force up wages. Increasingly, however, the toolbox includes “civil regulation”, i.e., a voluntary decision by employers to tie their entry-level wages to a cost-of-living calculation. In their new book, Edmund Heery, Deborah Hann, and David Nash examine the living wage campaign in the UK, which now covers 13,000 employers employing 10% of the workforce.

I found the book difficult to skim because it provides such intriguing details about the campaign on every page. The UK campaign is now two decades old, starting as Alinsky-style community organizing, The East London Community Organization, which has evolved to become Citizens UK, and uses whimsical tactics to shame employers into paying a living wage. It adds a voluntary wage floor higher than the statutory minimum wage, which a Conservative government confusingly rebranded the “National Living Wage” in 2016. In early 2024 the “national” living wage for workers 25 and over is currently £10.42; the “real” minimum wage advocated by Citizens UK and allies is £13.15 in London and £12.00 elsewhere.

Citizens UK works with the Living Wage Foundation, a “movement of employers” that commissions research and certifies living wage employers, and its equivalents in Wales (Cynnal Cymru) and Scotland (the Poverty Alliance). The Resolution Foundation independently calculates the living wage, using a methodology developed by university-based researchers. A basket of goods is identified using focus groups, then expenditure data used to generate budgets for households with different compositions. Separate living wages are calculated for London and the rest of the UK based on an average of household types. According to the authors, this living wage is “real”, because – unlike the Government’s living wage number – it is based on a cost-of-living calculation.

To become accredited, employers agree to pay the living wage to all their employees aged 18 and over and make sure that certain contractors and self-employed people working on the premises also pay the living wage. After the annual announcement of the living wage number, employers have six months to increase the pay of those receiving the living wage. The employers who choose to do so are diverse. Nonprofits, universities, craft breweries, universities and law firms are overrepresented, but so are large cleaning and security companies and residential care facilities. They are concentrated in Glasgow, Edinburgh, Manchester, and London, due to the support of local politicians.

The campaign is driven by social justice campaigners who use often whimsical tactics to shame employers into doing the right thing. It is not driven by groups of workers organizing to force employers to make concessions they do not want to make. Although living wage advocates often discuss the business case, the evidence shows “expressive motivations” are more common than “instrumental motivations.” “The desire to act in accordance with organizational values, provide support to the living wage campaign, and behave as a good employer” trumps the desires such as those for “staff motivation and performance.”

Trade unions are not as deeply involved in the living wage campaign as readers might expect. The militant and secular vision of socialism that motivates many British trade unionists clashes with the conservatism of the religious groups that make up about half of the membership of Citizens UK. Also hard for many to take are the employer-friendliness of the campaign, the softness of its tactics, and its acceptance of outsourcing if a living wage is paid. This reluctance is in some cases related to union weakness. It is embarrassing that the lower rungs of collectively agreed pay scales are sub-living wage, and demanding the living wage tends to elicit employer demands for concessions in other areas in return. As the authors acknowledge, the campaign is not worker-driven or transformative, and that its redistributive effects are modest (£1.9 billion since the campaign began). Some unions use the living wage number to orient demands, but that others have upped the ante to £15.

This book is based on a solid mix of quantitative and qualitative data and a kind of deep knowledge only available to committed scholars involved in a campaign. Their sober discussion of the civil society organizations driving the campaign is particularly refreshing. Far from a series of spontaneous protests coordinated via social media, the authors show that Citizens UK and the Living Wage Foundation are methodical, concerned with organization building, and reluctant to confront bosses.

The authors rebut various potential lines of critique. Against political economists who depict employers as “unruly” and push for unilateral “discretion”, they identify employers volunteering to be bound by a wage standard higher than the legal minimum. Against “cynics” and critics of “woke capitalism” who claim that this is just window dressing, they show that employers are paying low-wage workers more based on a sincere belief that it’s the right thing to do. Against analysts of civil regulation who see it as crowding out collective bargaining or legal enforcement, they show that the campaign is part of a mix of regulatory forms. Against sociologists who only see “degradation of work” and “immiseration of workers”, they find benign neo-paternalism.

Heery et al’s book provides a rich, clear-eyed depiction of the living wage campaign. Its weakness, if it has one, is its lack of concern with the question of why so many workers make less than a living wage. The authors discuss the demographics of the low-wage workforce, reasons why sub-living wages are detrimental to workers and society, and reasons employers give for opting out of the living wage. Missing is a discussion of how austerity and profiteering by private capital that pushes up the cost of living, or of the welfare system and its methods of coercing the poor to accept whatever jobs are on offer, or the many other features of capitalist political economy that concern those of us concerned with how to combat the degradation and misery of low-wage work. The result is oddly rose-tinted.