

GLOBAL LABOUR STUDIES: THE CRISIS & AN EMERGING RESEARCH AGENDA

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Bieler makes this assessment of *Grounding Globalization* (GG): the book 'constitutes a significant contribution to our understanding of neo-liberal globalization, its impact on workers and the possible ways of resisting'.¹ Our rejoinder to the four interventions reflects on these three core issues to advance debate on the unfolding crises of neo-liberalism and the prospects this might herald for effective resistance. In so doing we identify priority research areas in the new field of global labour studies (GLS). In our view, a core aim of GLS is clarification of the underlying cause of the crises and envisaging alternatives to the free market logic. These questions foreground the strategic issue of what kind of movement is needed to successfully mobilize against neo-liberalism? Our book was published before the recent financial crisis and its fallout, which, on our view, underscores some of the issues we raised in the book, but also requires a fresh look at opportunities for transnational countermovement. Analysing the role of finance capital and the ongoing global financial crisis (GFC) is the starting point of this endeavour.

Finance capital: the missing link?

There is a need to analyse the connection between finance capital (private equity in particular) and capital accumulation (mergers and acquisitions), which propels ceaseless restructuring, the fragmentation of work and the concentration of capital (global corporations). A notable gap in GG is its failure to explore these links.

Such analysis highlights the *hegemony* of finance capital as a principle force driving intense corporate restructuring (closures, relocations, downsizing and casualization). Private Equity is at the cutting edge mobilizing trillions of Dollars in short term interventions in companies driving the share price upwards with every restructure, which is then inevitably followed by a sale, which a German trade unionist characterized as a process of 'buy it, strip it, flip it'. Companies are not viewed as a place of secure employment in the real economy, but rather as a bundle of assets to be manipulated. Through this strategy, Private Equity achieves remarkable rates of return on investment, averaging 20-25 per cent, with the biggest funds promising a staggering 40 per cent return to investors.²

Karen Ho's Wall Street ethnography, marshals data to demonstrate how corporate restructuring drives share market value.³ Record downsizings correlate with the profusion of precarious work. She

asks, 'how could it be that a time of record corporate profits and soaring stock prices could also be an era of record downsizings and rampant job insecurity?'⁴ The freedom of finance capital is driving this contradictory dynamic of extreme profits, volatile financial crises and ever widening inequality and insecurity. Free market ideology rationalizes this transformation of class relations. Following September 2008 GFC no institutions or persons have been held accountable for the calamity and the toxic products, such as Credit Default Options (CDOs), which played a cardinal role and which remain untouched, reappearing as a factor in the Eurozone debt crisis.⁵

Unlike the 1929 crisis, where political alternatives were alive, where society demanded those responsible be held to account and where Roosevelt took the political lead in advocating financial controls to build economic security, today's political leaders appear bereft of ideas, simply repeating mantra like platitudes, reflecting the deeply entrenched mental set - 'markets' are untouchable. Within the neo-liberal paradigm, global finance is a complex, technical issue beyond the political and social realms. Captured by this apparently iron clad ideology, imagination has withered, despite landscapes of desolation and suffering caused by the free market. However, society is showing signs of awakening through the *Occupy Wall Street Movement*. GG provided a window of insight into the worlds of insecurity restructuring produced, now amplified by the ever worsening GFC, which is accelerating these socially destructive forces. An outcome of the hegemony of finance capital is the extraordinary expansion of precarious work.

Precarious work

In discussing various forms of contingent work, Herod's intervention identifies a second GLS priority: the development of a more concrete understanding of how the process of neo-liberal globalisation is changing the nature of work. Standing argues the previous era of 'industrial citizenship' was built around industrial unions, where the notion of the working class 'shaped intellectual thinking, collective action and state policy'.⁶ Now, he believes, a new class structure is emerging, including a global precariat, alongside unsustainable insecurity and inequality. Although we analyse the reconfiguration of the employment relationship in the white goods industry – the growing casualisation of the workforce and their downsizing and retrenchment – our book is not about the precariat, namely, the working poor in temporary and part-time jobs. These categories of workers are labouring in call centres in sprawling cities such as Mumbai and Sao Paulo or mini-jobs paid by welfare in Germany. They include graduate student 'interns' working for little pay and doing petty office jobs. Or they could be undocumented immigrants working in clothing sweatshops in the inner city of Johannesburg. Standing estimates that at least a quarter of the adult working population are now in the precariat. This is not, he argues, just a matter of enduring insecure employment, of being in jobs of limited duration and with limited labour protection. In its essence, this is a process of being assigned a status which offers no sense of a secure occupational identity. For Standing 'once the world began to shift towards an open economy, there was no way the labourist model could be sustained'.⁷

But precariousness is not something new. Insecurity was integral to the origins of capitalism as a world system. Furthermore these 'new classes' are not fixed groups; they are in a constant state of flux as those in standard employment are either retrenched into the ranks of the unemployed or outsourced to labour brokers. Drawing a sharp line between those in the 'proletariat' and those in

the 'precariat' is to freeze the evolving class structure. Rather than dismissing traditional trade unionism and the industrial working class, it may be more useful to rethink trade unions as worker movements. This may require broadening their membership at the top and at the bottom of the globalised class structure. After all, it is , as we argue in our concluding chapter , only by bringing together wage labour and precarious labour that a new job creating and alternative developmental path could be built. The future of the labour movement lies in new forms of organisation that include those in 'informal work'. Such a venture requires a new kind of movement embracing those struggling under this changing character of work in a venture searching for new sources of power.

New sources of power

In GG we were interested in exploring not just how insecurity was manufactured, but also how workers responded to this. However, a focus on workers' agency without an analysis of power relations runs the risk of romanticising such agency. We return to our formulation of sources of workers' power in GG.

Neoliberal globalisation undermines traditional sources of workers' power in a number of ways. Erik Olin Wright draws a distinction between two broad categories of power – structural power and associational power.⁸ Structural power is related to the position of workers in the labour market (marketplace bargaining power), or in the production process (workplace bargaining power). The ability of firms to relocate production and expand precarious work weakens both these forms of power, since production can be allocated to competing subcontractors in the case of strikes or others forms of industrial action. Associational power refers to the ability of workers to organise collectively, either as trade unions, or as members of political parties or pressure groups that can influence state policy. Again, the reduction of state capacity to intervene in the economy brought about by neoliberal restructuring undermines this source of power. We do not argue that these sources of power are obsolete. Rather, we point to new sources of power used in association with these traditional forms of power, notably logistical power as an extension of structural power, and symbolic/moral power as an extension of associational power.

Herod's intervention on the transparency or opacity of landscapes points to the importance of workers' agency and these 'new' forms of workers' power. He draws on the rise of non-standard contracts of employment to illustrate capital's strategy of obscuring relations of exploitation. However, drawing on the work of Pierre Bourdieu, Jennifer Chun has shown how workers on the margins engage in classification struggles in order to claim their rights despite them not being included in standard contracts of employment.⁹ She also draws our attention to workers mobilising notions of social justice to frame their demands and refers to this as symbolic leverage. We refer to this 'new' source of power as symbolic or moral power. Herod also points to attempts by workers to map landscapes – new production chains – in order to understand the terrain of their struggles better. Such exercises often lead to workers targeting transport nodes (such as ports, roads, railway lines) for protest action. In such cases they take their structural power out of the workplace and onto the landscape, often in association with other social movements. Drawing on the work of Frances Fox Piven and Beverly Silver, we refer to this as logistical power.¹⁰ The following table illustrates how 'new' forms of workers' power relate to 'traditional' forms of power.

Sources of Workers' Power

	<i>Structural power</i>	<i>Associational power</i>
<i>'Traditional' forms of workers' power</i>	Marketplace bargaining power Workplace bargaining power E.g. the ability to disrupt production through strikes	Organisational power E.g. the ability to form unions and influence government policy through political processes
<i>'New' forms of workers' power</i>	Logistical power E.g. the ability to disrupt the flow of goods at ports, or actions such as the Occupy Wall Street Movement	Moral/symbolic power E.g. public demonstrations of immigrant workers

Source: Adapted from Webster, Lambert & Bezuidenhout (2008)

Thus far the implications of the above arguments are that a new kind of movement needs to emerge, which broadens its vision firstly from mobilizing workplaces in corporations to including challenging finance capital; secondly from organizing only permanent full time workers to finding novel ways of connecting with those in various forms of precarious work; thirdly, widening strategic power options to include logistical and symbolic power. In our view, only a radical political critique of neo-liberal globalization will inspire these changes. The current political vacuum and absence of imagined alternatives pre-empts such shifts. Hence GLS needs to prioritize researching the parameters of a new movement politics.

A Political Vacuum & Alternatives to Neo-Liberalism

Building an effective anti-globalization resistance movement necessitates utopian thinking, grounded in the evolution of concrete alternatives to the current order. This need arises out of the nadir of alternative thinking and collective action, highlighting the need for GLS to explore the prospects of the union movement at local, national and global levels filling the vacuum. However, for this to gain momentum as an alternative force union leaderships will have to reflect on the ways in which their minds have become dominated by a neo-liberal world view, often muting their responses to the deepening crises in contrast to the 1930s when in the midst of an economic collapse, political ideas were highly contested. Here Dan Clawson's critique of GG is pertinent. In the face of 'the total dominance of neoliberal thinking and the near total absence of a Left

alternative' there is a need to 'build a self-conscious, out-in-the-open, no apologies Left'. Clawson asserts, 'What we need is an organized left, and a widespread culture of the left to oppose the culture of neo-liberalism'.¹¹

Clawson speaks of the left, but what does it mean today – a “social democratic” compromise wherein neoliberalism stands at the centre of economic policy, where the only distinguishable feature from conservative politics is a greater emphasis on social programs dealing with the victims of restructuring and recognition of union rights? (Whilst these are small mercies, they are nevertheless important in keeping the potential of a counter structure alive). A similar politics is prevalent at a global level where the *International Trade Union Council* (ITUC) and a majority, but not all of the *Global Labour Federations* (GUFs) reproduce a politics of European social partnership at a global level.

The global South is a more promising terrain for the revitalization of a left movement of opposition to Neo-Liberalism. The *Southern Initiative on Globalization and Trade Union Rights* (SIGTUR), which is analysed in GG, is pressing national federations in the global South to begin a process of developing a clear left alternative to neoliberalism in all its manifestations. This commitment to utopian thinking is currently being contested within SIGTUR structures between a minority who stress a limited role for trade unionism and a politics of lobbying power elites much along the lines of ITUC and a majority, which emphasizes the need to fight for a yet to be determined alternative. Politics is only one aspect of utopian thinking: the other is envisaging a movement which might accrue the power through new forms of action to politically resist neo-liberalism, driven by an alternative vision of what is being fought for.

Beiler makes a valuable contribution to this important debate on alternatives when he exposes GG's failure to reflect on reformist interpretations of Polanyi, which focus on the redistribution of wealth, ignoring the contradictions of capital accumulation and combined and uneven development on a global scale. We appropriate Polanyi differently, but fail to develop this in the book. We would envisage movement pressure to expand social control from below, within production and within political institutions at all levels. This strategy differs from Serrano and Xhafa contribution, which envisage cooperatives emerging, creating space for a counter-consciousness to evolve. Whilst these initiatives are positive in that they reflect clusters of an active society and whilst there is much to be learned from attempts to transform capitalist enterprises into cooperatives, the key issue is their marginalization. Do these initiatives absorb energies in a manner which detracts from mainstream struggle which encompasses corporate strategy as a whole in a movement aimed at building the institutions of economic democracy?

There is a rich body of research and ideas on economic democracy and GLS needs to expand its research agenda to include a focus on democratising economic decision-making at all levels. In the seventies in Sweden the union economist Rudolf Meidner introduced the concept of wage earner funds. The essence of this policy was to establish collective employee ownership of part of the profits of corporate success, in the form of shares held in a fund under trade union control. This, it was envisaged, could provide increased workers control over strategic decisions in the dominant private companies in a capitalist society.

CONCLUSION

Movement building is slow, painstaking work. Unions in South Africa took care to build shopfloor structures before taking on battles on a wider scale. This took decades of experimentation and learning through failure. But they constantly innovated by taking on campaigns that they could win, thereby building confidence and experience. In the end, the strength of the labour movement was most probably the most significant reason for the demise and the eventual defeat of apartheid. Workers in South Korea had similar experiences. In both cases the labour movement interacted with intellectuals who supported their work, from within universities and other labour support organisations.

In our rejoinder to the four commentators we have tried to take account of their insights in order to go beyond GG to consider what a GLS research agenda could look like. We have identified key research areas: the role of finance capital, the changing class structure and precarious work, new sources of power, and alternative forms of economic democracy. We are currently working in these areas and in the conclusion to GG we invited our readers to join us in this venture.

The times are opportune for the continuing evolution of a *global community of committed labour scholars* to search for opportunities of linking research endeavours as public intellectuals connecting our intellectual labour to nascent movements. For example, the *Occupy Wall Street Movement*, which has brought together unions and the community, energizing society, clearly has potential to galvanize the movement we allude to in this rejoinder. Participants speak of the experience of the streets as being a 'democratic awakening', as they attack the citadel of finance capital ("thieves who have stolen from citizens"), framing the issues in class terms ("the exploited ninety nine per cent") and sensing their potential power ("the rich are few in number, we represent a majority").¹² Will this movement of potent symbolism globalize; will they mobilize new sources of power, or will they just burn out in the course of time? Or, more significantly, will this movement be different and draw in globalisations dispossessed, with no home and no proper job, hence joining in this action for the long haul?

Notes

¹ Bieler, 'Neo-liberal globalization...' p6.

² International Union of Foodworkers, *A Workers' Guide to Private Equity Buyouts*, Geneva, 2007, p5.

³ Ho, *Liquidated*.

⁴ *Ibid.*, p4.

⁵ Tett, *Fools Gold* for a detailed analysis of the genesis of CDOs and the role they have played and continue to play in the GFC.

⁶ Standing, p35

⁷ *Ibid.* p40

⁸ Wright, 'Working Class Power', pp962-963.

⁹ Chun, *Organizing at the Margins*, pp1-23.

¹⁰ Piven, 'Power repertoires', pp423-427; Silver, *Forces of Labor*, pp13-16; 170-173.

¹¹ Clawson, Neo-Liberalism not Globalization.

¹² The sense of exploitation is evident in statements of participants. 'All I want is a roof over my head, food on the table and the dignity of an honest pay check. Is this too much to ask?' See postings of NYCLAW (New York City Labor Against the War).

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