GLOBALISATION AND LABOUR

THE NEW 'GREAT TRANSFORMATION'

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CONTENTS

LIST OF TABLES vii

LIST OF ABBREVIATIONS viii

PREFACE xi

ONE LABOUR IN THE GLOBAL 1

Transformations 1
Global labour force 6
Global social movement? 13
Globalisation from below? 18

TWO THE 'GOLDEN ERA' 24

New model capitalism 25
Fordism and welfarism 31
New international division of labour 38
Crisis of the model 45

THREE THE ERA OF GLOBALISATION 51

Beyond the buzzword 51
Limits and contradictions 58
Labour centre stage 64
Matters arising 69

FOUR WORKERS NORTH 77

Flexible financial capitalism 77
Regionalism 83

ONE

LABOUR IN THE GLOBAL

Globalisation appears to be the new 'great transformation' of our time, a striking expression used by Karl Polanyi (Polanyi, 1957) to describe the massive dislocation caused by the rise of industrial capitalism. This introductory chapter examines some of the crucial aspects of the new great transformation, such as 'deterritorialisation' (the decline of the nation-state) and the 'Brazilianisation' (the rise of the informal labour sector) of the West. It goes on to examine the rise of a new global labour force, because we must stress that globalisation is productive, and what it produces above all are more workers. We need to consider whether this is giving rise to a global labour market, however, because workers are simply not as mobile as capital. A third section considers the emergence of labour as a global social movement. Has the labour movement 'risen from the ashes' of the defeats inflicted by neo-liberalism and begun creating a new transnational democratic force? Finally, we consider the prospects of a globalisation 'from below' to match that 'from above' run by the transnational corporations and legitimised by free-market fundamentalism. Could the power of solidarity post-Seattle create a countervailing power to that of global capitalism, as the perspective developing Polanyi's insights would lead us to believe?

TRANSFORMATIONS

Karl Polanyi wrote his neglected classic *The Great Transformation* (Polanyi, 1957) during the Second World War due to a deep concern (as much Christian as socialist) over the relationship between the market

and society. For Polanyi, the notion of a self-regulating market was a dystopia; it 'could not exist for any length of time without annihilating the human and natural substance of society', and if not controlled 'would have physically destroyed man and transformed his surroundings into a wilderness' (Polanyi, 1957: 3). Today, the free-market gospel of the World Trade Organisation (WTO) and the neo-liberal economists promoting 'freedom' for the market would do well to ponder Polanyi's warnings. Polanyi also believed, however, that society took measures to protect itself. This he called a 'double movement' whereby ever wider extension of free-market principles generated a counter-movement of social regulation to protect society. Against an economic system that creates 'a dislocation which attacks the very fabric of society' (Polanyi, 1957: 130) the social counter-movement is based on 'the principle of social protection aiming at the conservation of man and nature' (Polanyi, 1957: 132). More than fifty years after Polanyi developed this understanding of the dynamic of social transformation, it remains more valid than ever, I will argue. The 'Polanyi problem' of reconciling the demands for 'free' markets and the need for minimal social cohesion is a very current one for the global elites. Opponents of globalisation seem too pessimistic in their views if they do not recognise the contradictions posed by this problem highlighted by Karl Polanyi.

The 'great transformation' that Polanyi wrote about was the Industrial Revolution of the eighteenth century, which saw 'an almost miraculous improvement of the tools of production, [but] which was accompanied by a catastrophic dislocation of the lives of common people' (Polanyi, 1957: 33). What we may call the Globalisation Revolution of this turn of century is also characterised by a seemingly miraculous development of capitalism, but also by an equally profound dislocation of the lives of ordinary people across the globe. As in Polanyi's time, it is clearly the state which has itself created the so-called self-regulating market. Also as in Polanyi's time, a crucial counter-movement involves 'the most immediately affected by the deleterious action of the market ... the working classes ... using protective legislation, restrictive associations [i.e. trade unions] and other instruments of intervention as its methods' (Polanyi, 1957: 132). So we see that one of the fiercest debates at a global level is over the advisability of tying the free-trade principles of the WTO to a 'social clause' which would protect the basic rights of workers across the trading nations.

Today's international trade-union leaders seek to introduce a 'social clause' into trading agreements while protesting their adherence to free-market principles. They seem silenced by the neo-liberal economists who have argued since the 1970s that trade unions are 'protectionist' institutions which conspire against the free operation of the market. Yet Polanyi was able to see that labour was not a commodity like any other, as if it was it would have to be permanently on strike to achieve a better price. Polanyi is refreshingly blunt in arguing that 'social legislation, factory laws, unemployment insurance, and, above all, trade unions' had precisely the function 'of interfering with the laws of supply and demand in respect to human labour, and removing it from the orbit of the market' (Polanyi, 1957: 177). This is another theme we shall be developing: namely, the counter-hegemonic logic of the labour, ecology and other social movements' protests following the successful disruption of the WTO meeting in Seattle in late 1999. Of course, Polanyi can only provide inspiration; his times are very different from ours in at least two ways, which we shall now examine, namely 'deterritorialisation' (decline of the state) and the 'Brazilianisation' (informalisation) of the West.

Once upon a time the great corporations of capitalism were seen as 'national champions', inextricably linked with the national interest. It was not mere bravado which led Charles Wilson to declare in 1953 that for him 'What was good for our country was good for General Motors and vice versa' (cited in Reich, 1992: 48). This particular brand of economic nationalism was the dominant theme of twentieth-century governance, and the welfare state of the North was an unambiguous institution. Nations competed with nations and their workers were the foot soldiers in that war. Today the situation is different. Robert Reich (who went on to become US Secretary of Labor in the Clinton administration) argues that there is a worldwide trend whereby 'National champions everywhere are becoming global webs with no particular connection to any single nation' (Reich, 1991: 131). The much-vaunted 'American' corporation may be partially Japanese controlled and it is, at least, part of a corporate world-wide web, where its interests now lie. This basic economic transformation means that, put simply, 'national savings increasingly flow to whoever can do things best, or cheapest, wherever located around the world' (Reich, 1991: 133). Not only does the traditional notion of 'national competitiveness' lose its purchase but the very notion of a nation-state is itself drawn into question.

David Held and his co-authors have argued persuasively that, 'As economic, social and political activities are increasingly 'stretched' across the globe they become in a significant sense no longer primarily or solely organised according to a territorial principle' (Held et al., 1999: 27–8). Globalisation, in the shape of its prime economic agent the great corporation, does indeed cut across political frontiers in a way which leads to deterritorialisation. While corporations have headquarters in particular nation-states, they are effectively disembedded from these societies by their economic logic. It is, of course, in the 'financialisation' of contemporary capitalism, whereby financial transactions become autonomous from material economic processes, where this deterritorialisation is most extreme. The managers of money seek the best return for their investment wherever that may be, and its political ramifications are not their concern. However, as with many of the processes of globalisation, there are also counter-tendencies. The 'new' localism and the 'new' regionalism, whereby cities and regions are seen to renegotiate globalisation, are but one example of reterritorialisation. At a cultural level, as well, we have seen a resurgence of territorial ties and a return to the indigenous in the face of a cosmopolitan globalism.

Another widespread tendency created by the new capitalism is what is known as 'Brazilianisation', by which is usually meant the spread of production patterns and social relations typical of the South to the advanced industrial societies of the North. Ulrich Beck writes of how 'The social structure in the heartlands of the West is thus coming to resemble the patchwork quilt of the South, characterised by diversity, unclarity and insecurity in people's work and life' (Beck, 2001: 1). Beck bases his analysis on the spread of temporary, insecure and 'informal' employment in the cities of the North. This is seen to be the result of the neo-liberal free-market utopia unleashed by globalisation, which is creating great social disruption. By Brazilianisation we mean a turn towards the pattern of employment which has always been typical in Brazil and most of the South, namely a preponderance of 'informal' and precarious forms of work. Now this pattern has become generalised as capital turns the globe into one integrated labour market to be exploited at its pleasure. Brazilianisation can thus be seen as a 'Thirdworldisation' of the North.

I believe that while Brazilianisation is a powerful image and does reflect certain tendencies of globalisation, we must be wary in our use

of the term. First, it tends to operate with a fairly mythical view of full employment, jobs for life and general social stability in the North, which probably never existed. Second, it inevitably has a certain pejorative or negative view of the South, now seen to be 'infecting' the North. In general, the stress on insecurity is presented in a somewhat deterministic fashion. That is to say, the social transformations of the world of work currently under way are not always necessarily negative. For example, labour 'flexibility', while generally deleterious for workers, can be seen to have possible positive connotations. The diversity and lack of clarity to which Beck refers are not necessarily negative phenomena and may just reflect the decline of modernism as an organising principle for society. Work has always been unstable for the majority of the world's workers, and now this reality has become generalised due to globalisation.

Returning to Polanyi as inspiration we can start with his argument that 'only when the economy is re-embedded in society ... will individuals regain a sense of purposefulness which is rooted in the culture and creativity of the people' (Mendell and Sallé, 1991: xxiii). Indeed there is today considerable debate on the extent to which the transnational corporations (TNCs) are 'embedded' in society and not simply freewheeling economic agents. All the disparate social movements promoting a 'globalisation from below', as opposed to that from above created by the TNCs and governed by the WTO, also reflect the enduring dynamism of different cultures which refuse to be homogenised by the market. Polanyi's writing on noncapitalist societies (see Dalton, 1971) also shows him surprisingly attuned to today's concerns with indigenous knowledge, cultural creativity and sustainable development. We can see that there is, indeed, life beyond the 'competitivity' preached by the free marketeers and there is a need for economic institutions to be embedded in society if they are to lead to sustainable development. Certainly, the contradictions between market and society are even more acute today than in Polanyi's day precisely because of the almost total worldwide dominance of capitalist market mechanisms.

The enlightened globalising elite is acutely aware of the problem 'of adjusting the still nationally based political governance of world politics and society to the rapidly growing globalising economy' (Group of Lisbon, 1995: 121). They understand the need for global governance on a stable basis and the implications for social stability of a deepening 'Brazilianisation'. The requirement of good governance is

in direct contradiction to fundamentalist free-market ideologies. This dimension brings to the fore the workings of the 'double movement' whereby society seeks to protect itself from the dislocations created by the market. As with Polanyi's 'great transformation', the one being created by 'globalisation' is not a natural phenomenon as some of its more fervent supporters seem to believe. I would agree with Barry Gills, who seems to be in the spirit of Polanyi when he argues that 'globalisation is a contested concept, not a received theory' and when he goes on to reject 'the idea that neo-liberal globalisation is either historically necessary or inevitable' (Gills, 2000: 6). Polanyi, as Marx before him, leads us to historicise the great transformation of our time which we call globalisation.

I believe that labour and other social movements should be neither for nor against globalisation but, rather, see the issue as one of understanding the complexity of globalisation as a process of social transformation. At the level of global development theory, it was early in the 1980s that the World Bank signalled a decisive move away from development as a process of national economic growth to embrace a vision of development as equal to participation in and integration with the capitalist market. The globalisation project thus replaced the post-Second World War modernisation project in a paradigmatic shift with huge economic, political, social and cultural implications. At a political level it was of course the collapse of 'actually existing' socialism after 1989 which paved the way for neo-liberal globalisation as a new master narrative. Sociological pessimism had already led to widespread belief in the 'death of the working class' (Gorz, 1982) and now its strategy for social transformation had imploded on itself. For perhaps a decade, until Seattle 1999, it seemed that capitalist globalisation was, indeed, the 'only game in town', hegemonic in all respects. But what if, as Marx predicted in his own era, this dynamic new capitalism on a global scale was producing its own 'gravedigger'?

GLOBAL LABOUR FORCE

It is important to start off with a very clear understanding that 'Globalisation in its modern form is a process based less on the proliferation of computers than on the proliferation of proletarians' (Coates, 2000: 256). If capital is understood as a social relation (between the owner of capital and the proletariat) then clearly its

TABLE 1.1 GROWTH OF THE WORLD WORKFORCE

Region	1970 (million workers)	1985 (million workers)	2000 (million workers)	Annual growth rate 1985–2000 (%)
OECD*	**307.0**	**372.4**	**401.3**	**0.5**
United States	84.9	122.1	141.1	1.0
Japan	51.5	59.6	64.3	0.5
Germany	35.5	38.9	37.2	–0.3
United Kingdom	25.3	28.2	29.1	0.2
France	21.4	23.9	25.8	0.5
Italy	20.9	23.5	24.2	0.2
Spain	13.0	14.0	15.7	0.8
Canada	8.5	12.7	14.6	0.9
Australia	5.6	7.4	8.9	1.3
Sweden	3.9	4.4	4.6	0.3
Developing regions*	**1,119.9**	**1,595.8**	**2,137.7**	**2.1**
China	428.3	617.9	761.2	1.4
India	223.9	293.2	383.2	1.8
Indonesia	45.6	63.4	87.7	2.2
Brazil	31.5	49.6	67.8	2.1
Pakistan	19.3	29.8	45.2	2.8
Thailand	17.9	26.7	34.5	1.7
Mexico	14.5	26.1	40.6	3.0
Turkey	16.1	21.4	28.8	2.0
Philippines	13.7	19.9	28.6	2.4
South Korea	11.4	16.8	22.3	1.9
USSR	**117.2**	**143.3**	**155.0**	**0.5**
World*	**1,596.8**	**2,163.6**	**2,752.5**	**1.6**

* Totals include some countries not listed in table.

Sources: Johnston, 1991: 117. For OECD nations except Germany: OECD, Department of Economics and Statistics, *Labor Force Statistics, 1967–1987*; US Bureau of Labor Statistics; The World Bank, *World Development Report*, 1987. For developing nations and Germany: International Labor Office, *Economically Active Population, 1950–2025*; The World Bank, *World Development Reports*, 1987.

worldwide expansion will inevitably spell a global expansion of the working classes. This is not just a quantitative expansion; it also entails a series of qualitative shifts in the nature of work and the global labour force in both social and spatial terms, as we shall see in Chapters 4 and 5, on workers in the North and South, below. Globalisation has not just occurred because capital suddenly became more mobile in the 1980s. It also responds to the needs of the capital accumulation process not only to expand but to subsume more and more workers under the capital/wage-labour relation. The key ballpark figure is that the global proletariat doubled in numbers between 1975 and 1995 to reach 2.5 billion workers. It is the particular nature of this expansive process which we now need to examine to consider whether a global labour market *is* emerging.

It is interesting to see how the transnationalised corporate elite now argues that, 'Just as managers speak of world markets for products, technology and capital, they must now think in terms of a world market for labour' (Johnston, 1991: 115). A decade ago William Johnston argued categorically that 'The globalisation of labor is inevitable' (Johnston, 1991: 126). The logic was a simple one: to make the best of all resources, including 'human resources' (labour), wherever they might be. The underlying facts we need to consider to assess this argument are those of a growing world workforce, as outlined in Table 1.1.

Perhaps the most salient fact to be derived from Table 1.1, apart from the accelerated overall expansion of the labour force after 1985, is the differential between Northern and Southern expansion rates: while the Northern (i.e. OECD countries) labour force expanded by one-third between 1975 and 2000, that of the South (i.e. 'developing countries') nearly doubled over the same time period. This Southern workforce is much better educated and trained than it was twenty or thirty years ago and so more attractive to capital. It is also not necessarily trained in the ways of the 'old' industrial capitalism and is thus more able to adapt to the needs of the 'new' informatised capitalism. It is also, literally, a 'young' labour force compared to the 'greying' workforce of the North, where in 2000 only 40 per cent of the working population was under the age of 34, compared to 55 per cent for the 'developing regions' of the South.

The gender composition of the global labour force has also been changing rapidly with its expansion, as we can see from Table 1.2. We

TABLE 1.2 WOMEN IN THE WORLD'S WORKFORCE

Country or region	Working women* (million)	Female share of workforce (% of total workforce)	Female labour force participation (% of females age 15–64)
Developed regions‡	**156.5**	**40.9**	**58.6**
United States	53.9	44.1	66.0
Japan	24.3	39.9	57.8
Germany	11.1	39.3	51.3
United Kingdom	11.7	41.4	62.6
France	10.2	42.5	55.2
Italy	8.9	36.9	43.4
Spain	4.8	32.6	37.5
Canada	5.7	43.2	65.4
Australia	3.1	39.7	54.1
Sweden	2.1	48.0	79.4
Developing regions‡	**554.2**	**34.7**	**48.6**
China	267.2	43.2	75.5
India	76.8	26.2	32.3
Indonesia	19.8	31.3	38.0
Brazil	13.5	27.2	32.2
Pakistan	3.4	11.4	12.1
Thailand	12.2	45.9	74.8
Mexico	7.1	27.0	31.1
Turkey	7.3	34.0	47.4
Philippines	6.4	32.1	39.2
South Korea	5.7	34.0	42.2
USSR*	**69.2**	**48.3**	**72.6**
World†	**790.1**	**36.5**	**51.3**

* For developed regions, 1987 figures were used; for developing regions and the USSR, 1985 figures.

† Totals include some countries not listed in table.

‡ Developed and developing regions as defined by the International Labour Office.

Source: International Labour Office, *Economically Active Population, 1950–2025*, Table 2.

see that by the mid-1980s more than half of working-age women across the world were in paid employment. Women represented more than one-third of the total labour force, and considerably more in the North, although we may question the validity of the data on female paid employment in the South to some extent. The implications for the economy of an increased entry by women into the paid labour force are considerable. Johnston argues, for example, from a management perspective, that 'If other conditions are favourable countries with many women ready to join the workforce can look forward to rapid economic expansion' (Johnston, 1991: 118). From the point of view of women workers these economic transformations may have significant impact on their role in the wider gender division of labour in society. Of course, like any broad process of social transformation, what is referred to as the 'feminisation' of the workforce has a mixed impact. Thus, as Brigitte Young argues, 'The flexibilisation of the labour market has produced greater equality between educated middle class women and men while creating gender inequality among women' (Young, 2000: 315). For every professional female post there are probably quite a few more 'menial' female posts created.

Returning to the question of a global labour market we may now reconsider the verdict that we have a global labour market. Analysts such as Johnston seem to work with a fairly unilinear scheme whereby 'what was once a local labor market became regional, then national, and finally international' (Johnston, 1991: 123). This extension has been much more uneven than this modernising perspective implies, both in spatial and in temporal terms. That is to say it ignores, for example, the question of unfree and semi-free labour in the South (but in the North as well); nor can any but a small minority of today's lead sector workers be part of a truly global labour market. Manuel Castells is undoubtedly correct to argue that 'Labor markets are not truly global, except for a small but growing segment of professionals and scientists' (Castells, 1998: 93). Castells also goes on to argue, however, that 'labor is a global resource' in so far as corporations may go anywhere in the world to seek the labour they want, highly skilled labour will be imported from anywhere in the world by these same corporations, and, lastly, workers are driven by economic necessity, war and famine to seek work across the globe (Castells, 1998: 93). Maybe we *are* moving towards a global labour market.

What we probably can agree on is that globalisation sets new

parameters for the labour force today and that there is a tendency towards the creation of a global labour market. We live and we work in an increasingly integrated global economy. Certainly labour is not as mobile as capital, but the former is certainly not immobile and the latter is still embedded in national societies. The labour process is also increasingly part of an integrated transnational network, as are the corporations that create them and recruit workers to them. Some leading sectors of the labour market – for example, in information and communications technology (ICT) – are already part of a unified labour market. Others are increasingly affected by the operations of a global capitalism that constantly seeks to devalue labour power. This process has even in one key country, the United States, helped to break the national unity of US capital and US workers in pursuit of the imperial interest. A sensible conclusion on the global nature of workers' horizons is that of Mihály Simai, who argues that 'Workers and their unions ... have come to the understanding of the internationalisation of the main processes influencing employment, wages and conditions and social policies' (Simai, 1995b: 27). Gains that may have been achieved on the national terrain will, increasingly, be lost or maintained within the parameters of the global capital/wage-labour relation.

It is important to understand that a labour market is not simply an economic institution. Polanyi understood clearly that 'Not only conditions in the factory, hours of work and modalities of contract, but the basic wage itself, are determined outside the market' (Polanyi, 1957: 251). Labour is simply not a commodity like any other in so far as it reflects a human capacity. Its 'price' is determined socially and involves the state, trade unions and other public bodies in its regulation. The ideology of neo-liberalism behind the drive towards globalisation has portrayed its policy of 'free' market forces as one where capital is no longer restrained by government. In fact, what it has sought is to free capital from any social and public restraints, while at the same time removing any social protection for labour rights. We also need to understand, however, that the distribution of the social product also depends on the ongoing bargaining, conflict and compromise between capital and labour. The political economy of the labour market implies that another determinant of wages is what used to be called the 'class struggle' and is now politely dubbed the 'social contract'. The neo-liberal ideological offensive notwithstanding, this element has not disappeared.

More or less at random, if we look across the world, we see workers taking action to defend themselves from capital's continuous offensive. In the first few months of 2000 there were at least six general strikes against the effects of neo-liberal globalisation. Significantly, most of these were in semi-peripheral, semi-industrialised countries like Argentina, South Africa, South Korea, India, Uruguay and Nigeria. All occurred in different contexts and had different causes but they were unified in some way by globalisation. This indicates again, I think, the tendency towards a global labour market. It also points towards the integral element of labour resistance within capital's new mode of operating. Hardt and Negri point to how 'the globalisation of economic and cultural relationships ... means that the virtual centre of Empire [as they dub the new era of globalisation] can be attacked from any point' (Hardt and Negri, 2000: 59). As capital spreads its global networks so it becomes more vulnerable from the multitude of social forces it constructs and exploits. The 'virtual centre' of the new age of imperialism can be accessed anywhere, so that its strength is also its weakness.

Finally, in any consideration of the global labour market it is important to understand how much labour is part of international political economy. Antonio Gramsci recognised in the 1930s that international hegemonic regimes had an economic component (Gramsci, 1971b). Thus, a political regime if it is to be hegemonic (i.e. achieve consent and not just domination) needs to hold sway over the world of work. This perspective allows us to have an integrated analysis of how, for example, the global power of the USA rests on a particular politics of production in the USA, as well (of course) as military power and so on. Mark Rupert, in an interesting pioneering look at 'Producing Hegemony' (Rupert, 1995), shows how US global power was shaped by the way in which production was institutionalised within the workplaces of that country. So, mass production under the labour process known as Fordism (see Chapter 2) was an integral element in the expansionist neo-imperial US policy overseas. Likewise, today, as the era of Fordism gives way to an as yet unspecified post-Fordism, based on 'flexible specialisation', so a new role for labour in the system of global governance can be expected.

Much of the literature on globalisation, critical as much as adulatory, seems to assume that capital has all its own way and that labour can only negotiate the terms of its surrender. Capitalist triumphalism may,

however, be misplaced. As Richard Walker notes, 'it is misleading in so far as it partakes of the myth of capital's perfection and potency and says nothing of capital's limits and contradictions' (Walker, 1999b: 18). The common picture of capital's worldwide expansion as an unstoppable, if not benign, process ignores the profitability problems of most capitalist countries and the stagnant wages in most countries of the North (not to mention the South). The success stories of Japan and the Southeast Asian 'Tiger' economies have all been tarnished in recent years. Yet there is always somewhere else which is doing better. Once we begin to think of globalisation as a specific epoch of capitalism, perhaps, but still sharing all the problems of capitalism (as well as, undoubtedly, its technological dynamism) then we can see, as Polanyi did for the first 'great transformation', that there is always an alternative.

GLOBAL SOCIAL MOVEMENT?

From the International Confederation of Free Trade Unions (ICFTU) to the smallest local union, there is now an established understanding that globalisation represents one of the severest challenges to the labour movement since its inception. Yet workers' rights are now firmly on the globalisation agenda, which is not being fulfilled quite according to plan. At its sixteenth World Congress held in 1996, the ICFTU's main position paper argued that 'The position of workers has changed as a result of globalisation of the economy and changes in the organisation of production' (ICFTU, 1997a: 4). So, at the very centre of its strategic concerns was the question of globalisation and the need for transnational action, once the lonely call of far-left groups on the fringes of the labour movement. Now the ICFTU – still bureaucratic, but with a new post-Cold War identity – could state quite categorically that 'one of the main purposes of the international trade union movement is the international solidarity of workers' (ICFTU, 1997a: 51). Perhaps symbolically marking the entry of the ICFTU into the era of globalisation and the information society, the 1996 Congress also saw the launch of the organisation's own dedicated website.

'International solidarity must become a natural reflex throughout the union movement' was the bold proclamation of ICFTU general secretary, Bill Jordan. When Jordan, a cautious (not to say conservative) ex-leader of the British Engineering Workers' Union, states that international labour solidarity (not just on May Day) is the order of

the day, something has changed. I believe it is mainly that the objective conditions created by globalisation demand a concerted international trade-union strategy. Furthermore, in terms of the 'organisation of production' mentioned above, the ICFTU has become aware that the Western, urban male, full-time, permanent worker is no longer the only, or even the core, member of the trade unions. The ICFTU now proclaims a new orientation towards women workers and young workers. It addresses the issue of the informal sector, both in developing countries and in the advanced individual societies. The ICFTU has even begun to understand that it must work with far less traditional NGOs (non-governmental organisations) and campaigning groups on issues such as that of child labour. There are, of course, limitations to this sea change in traditional ICFTU policies and practices, but the shift is a comprehensive one.

The International Trade Secretariats (ITSs) have for a very long time played a strong international role. These organisations trace their origins back to the turn of the last century and embrace national unions in a particular sector – for example, transport, the food industry, mining. One of the ITSs, the International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM), has recently addressed the whole issue of globalisation and workers' actions in a comprehensive study (ICEM, 1996). The basic argument is that the dramatic level of internationalisation over the last decade or so now demands a coherent international labour strategy. The move towards international trade-union action should not be seen as a last resort (when action at the national level has failed); rather, 'action has to be planned on the international basis right from the start' (ICEM, 1996: 55). Fire fighting, or wheeling in the international dimension when all else fails, is simply seen as an inadequate trade-union response when capital has become so mobile in its activities. The ITSs are also keenly aware that their members, for example in the food industry, exist in commodity chains stretching from the supermarket through to the fields of the developing countries.

The ITSs also have their weaknesses, however, as pointed out by Dan Gallin, himself a former general secretary of an ITS, the International Union of Food and Allied Workers (IUF). Whilst Gallin believes that the ITSs are the most effective international trade-union organisation around, for him their weaknesses include: being based on national unions which think in national terms, their financial and

personnel constraints, and the fact that 'they hardly ever co-ordinate, do not communicate much and rarely co-operate' (Gallin, 2000: 7). In the past this lack of co-ordination was partly due to hostility between the ICFTU and some of its national affiliates who were jealous of what they saw as its lack of constraints on the ITSs. If the ITSs were now to join the ICFTU (a proposal made as far back as the 1920s), with its Cold War preconceptions behind it, these turf wars could cease. It is still important to remember that, compared to the resources of a TNC, the average ITS has a small contingent of fifteen to twenty staff members co-ordinating global strategy from Geneva, albeit with an increased outreach potential due to the communications and transport revolution of the last twenty years.

At the regional level, trade unions are increasingly beginning to develop a coherent joint strategy. This is necessary and not surprising given that one of the main effects of globalisation is, in fact, an increased regionalisation. The so-called Triad of the USA, the European Union and Japan has increased the importance of the regional dimension in all three areas. Thus in 1973, the once fervent Little Englanders and rejectionists of all things 'continental' in the British trade-union movement became enthusiastic supporters of the European TUC concept. There is, of course, considerable debate on the effectiveness of this body. For one it is dependent on the Commission of the European Union for three-quarters of its budget, which hardly augurs well for its independence. Likewise, the European Workers Councils initiative is highly questionable (see Wills, 2001). Yet even if a pale Europeanism based on semi-mythical notions of social 'dialogue' or partnership prevails over internationalism, there has been a significant cross-national union co-operation across Europe in the last decade.

In North America, there was a fierce trade-union debate in the USA, Canada and Mexico on how to respond to the North American Free Trade Agreement (NAFTA) in the 1990s. Nationalist responses by the three labour movements moved, albeit partially and hesitantly, closer to a common position in relation to this major step towards capitalist rationalisation. Establishing a community of interests among the workers of North America was not easy and it did not do away with particular national interests. The US union orientation towards 'upward harmonisation' of labour rights and standards in the region was by no means unambiguously welcome in Mexico, where different priorities might prevail. However, it is also noticeable that the Canadian

unions, which previously knew little about labour conditions in Mexico, developed a remarkably sophisticated and sensitive policy towards transnational co-operation with Mexican workers and unions. Careful study of this whole experience can help move us beyond the sterile counterposition between the globalisation blues and an abstract internationalism. Some of the ambiguity (and hopefulness) of the new transnational labour discourse can be discerned in the statement by American Federation of Labour – Congress of Industrial Organisations (AFL–CIO) president Lane Kirkland that 'You can't be a trade unionist unless you are an internationalist. You can't be a real trade unionist unless you think of workers wherever they happen to be, and unless you realise that substandard conditions and poverty anywhere in the world are a threat to good conditions and comparatively good standards anywhere in the world' (cited in French et al., 1994: 1). The conflictual but ultimately productive interaction between US, Mexican and Canadian trade unions over NAFTA may yet prove to be a watershed in terms of international labour solidarity, or, to be more precise, labour transnationalism.

National union centres are also changing under the impact of globalisation. The limitation of nationalist, economistic and corporatist strategies are plain to see. In Denmark, the General Workers' Union (SID) has not only expanded greatly to embrace around a quarter of the country's workers but has put forward a remarkable programmatic statement (SID, 1997). The Danish union calls for a bold 'new global agenda' which argues that 'We must use our global strength to force TNCs to have much more moral and ethical standards, to respect workers' rights, to have codes of conduct and to accept the establishment of international workers' councils' (SID, 1997). There is a keen awareness here of the pressing international political issues raised by globalisation. There is a feeling that this statement reflects more than just pious declarations, as many ICFTU statements seem to be. That is because the Danish union does not think in purely trade unionist ways and recognises, for example, that 'NGOs are an important voice in civil society. As trade unions we must be more open to enter into strategic alliances not only with our political allies, but with NGOs such as women's and youth organisations, social welfare, development and human rights, and environment and consumers' organisations who share our general objectives' (SID, 1997).

It is not only in social-democratic Denmark where these changes are occurring but also, significantly, in the United States within the once arch-conservative, pro-imperialist AFL–CIO. The new director of the AFL–CIO's International Affairs Department recently argued that 'globalisation is here to stay, but the neo-liberal model of globalisation is not pre-ordained. In fact, it is within organised labour's collective ability and responsibility to radically change the dangerous course we are now on' (Mantsios, 1998: 279). It would seem that the trade-union movement of the most powerful capitalist economy on earth is now seriously reconsidering its strategic political alliance with 'its' capitalist class. New AFL–CIO president John Sweeney has declared that 'Labour has finally awakened from a long deep sleep' (Sweeney, 2001). Its international strategy would be a litmus test of the new orientation. Yet we also see significant changes in domestic policy towards more open forms of organisation and an overdue orientation towards women and 'people of colour'. At the very least this reorientation should warn us against a historical view which does not recognise how the labour movement can change over time.

So the question now arises as to whether these labour organisations constitute social movement, let alone a global social movement. For Manuel Castells, in his authoritative three-volume study of the new capitalism, 'Torn by internationalisation of finance and production, unable to adapt to networking of firms and individualisation of work, and challenged by the engendering of employment, the labour movement fades away as a major source of social cohesion and workers' representation' (Castells, 1997: 354). The rest of this book will seek to demonstrate that while the challenges to labour are well specified, the prognosis is at the very least outdated. It ignores the way a social movement can, by definition, learn and change to meet new situations. It assumes that capital and labour live in two watertight compartments, one in real-time fluidity, the other on boring clock-time stagnation. This is clearly not the case. At the other end of the spectrum we have the 'inevitabilism' of those such as Brad Nash, who introduces an important electronic debate on labour internationalism with the words: 'Rapidly globalising capital obviously calls for the need for a global labor movement' (Nash, 1998: 1). That small word, 'obviously', points to a long tradition of 'necessitarian' social theory on the left, which sees the 'subjective' inevitably 'catching up' with the 'objective' conditions. This, again, is simply not the case.

What I think we can say, following Dan Gallin (ex-official of an important ITS), is that the global labour movement is a 'virtual reality' (Gallin, 2000: 5). For Gallin this is a negative prognosis based on his diagnosis of the ICFTU as an organisation which 'drifts along without an ideology, without a policy and without a program' (Gallin, 2000: 5). Today, this verdict is simply incorrect, whatever one may think of the effectiveness and even sincerity of the ICFTU's 'turn to struggle'. However, we can also make a more positive reading of the notion of a global labour movement as virtual reality. If, as I believe, globalisation can open doors as well as close them, then the transnational labour movement can move from aspiration to reality, from pious congress declaration to practical solidarity. Certainly it is virtual because it does not have, and possibly could never have, the institutional solidity of the big corporations. But the simple germ of the idea of 'global solidarity' can materialise and spring up across the world, however fleetingly and however mixed up with other motivations. I would also argue that there are many tendencies indeed impelling local, national and regional trade-union movements to develop a 'global outreach' perspective.

GLOBALISATION FROM BELOW?

It has now become commonplace to counter the dominant globalisation 'from above' with a popular or anti-capitalist globalisation 'from below'. But what precisely does this mean and how might it inform concrete struggles by workers and others? Jeremy Brecher and colleagues, in a forceful twenty-first-century 'globalisation from below' manifesto, declare that, 'Just as the corporate and political elites are reaching across national borders to further their agendas, people at the grassroots are connecting their struggles around the world to impose their need and interests on the global economy' (Brecher et al., 2000: 10). Thus globalisation from below is seen as a counter-movement beginning in diverse parts and around different issues. It could be 'global warming', the 'debt crisis', genetically modified food, consumer movements or identity politics which brought people into action against globalisation or, at least, its effects. Brecher et al. recognise that 'much of the convergence [between these movements] is negative' in so far as they face the same market-driven process, but argue that 'there is also a growing positive convergence around common values

of democracy, environmental protection, community, economic justice, equality and human solidarity' (Brecher et al., 2000: 15). Of course, this would need to be demonstrated in terms of post-Seattle anti-globalisation politics rather than just asserted, but the point is clear.

There is still a left orthodoxy that would deny almost any validity to the globalisation debate and even to the movements contesting it. Thus Ellen Meiksins Wood, in a special issue of *Monthly Review* celebrating labour 'rising from the ashes' in the age of 'global' capitalism, firmly rejects 'the assumption that the more *global* capitalism becomes, the more global the *struggle* against it would have to be' (Wood, 1997: 9). Keen to demystify the globalisation rhetoric, this orthodox Marxist perspective would take us back to standard nation-state-era politics. Rejecting the 'completely abstract internationalism' implicit in much anti-globalisation protest, Wood makes a plea for a return to the state 'as a target of anti-capitalist struggle' (Wood, 1997: 15–16). This is seen as a timely corrective to a mood on the left which would concede to neo-liberalism the inevitability of globalisation. This is a conception of solidarity as beginning 'at home' within the parameters of a given nation-state, and which ultimately refuses to give credence to globalisation as the parameter of current and future labour struggles. Its backward-looking nature and its almost reactionary nationalist and statist outlook make this particular form of orthodoxy a poor substitute for whatever sketchiness, exaggeration or polemical overstatement the globalisation-from-below approach articulates.

In considering the debates around globalisation and its contestation since Seattle we might start by questioning a hierarchy of strategies which assigns some special quality to action from 'below'. Globalisation itself would appear to be multifaceted and complex, even to some extent dissolving traditional conceptions of 'levels' in society and political processes. So, why would labour, for example, prioritise actions 'from below'? An intervention from 'above', say, in relation to the WTO can sit easily with a grassroots labour-environmentalist campaign, for example, against the Rio Tinto Zinc corporation. In between, the national 'level' would continue to be important in terms of dictating the level of the 'social wage', for example. Nor can we neglect the city as a framework for much labour activity and there are also vital regional and subregional repertoires of labour activity. These facets of labour action may combine in different ways and their interrelationship may not always be harmonious. But to assert a debilitating

binary opposition – globalisation 'from below' versus globalisation 'from above' – does not seem to be a credible basis for a transformative labour politics in the twenty-first century.

An underlying, not always explicit, assumption in the globalisation 'from below' arguments is that the key actors will be the 'new' social movements around environmental, gender and peace issues, for example. Brecher et al. are open in their belief that 'Globalization in all its facets presents new problems that the old [social] movements failed to address. That is part of why they declined so rapidly' (Brecher et al., 2000: 17). The 'new' social movements are seen to represent a qualitatively different form of transformative politics and, in embryo, a new societal paradigm. They stress their autonomy from party politics and prioritise civil society over the state. Power itself is redefined not as something to be 'seized' but as a diffused and plural element woven into the very fabric of society. The very notion of power is redefined and the limits of state politics are clearly exposed. However, we should not draw too stark a counterposition between bad/old social movements and good/new ones. While a certain type of trade-union and labour politics may well be defunct, the workers' movement has been at the forefront of many 'new' movements for change. Nor have the 'new' social movements, such as the environmental campaign, escaped the problems of routinisation and bureaucratisation which have bedevilled the labour movements at certain points.

W might also want to question the assumption made in many activist milieus that one is either 'for' or 'against' globalisation. At many conferences of labour and other social movements concerned with globalisation we find a simple 'for or against' choice. I, for one, think globalisation is an ongoing process and that to seek to 'halt' it is simply misguided and a strategic cul-de-sac. To understand this process critically, to demystify it, to seek out its contradictions and weak points is another matter. Certainly globalisation is more vulnerable than either its supporters or critics can see, if we take a Polanyian perspective. Furthermore, at a theoretical level the globalisation debate seems to suffer from what Roberto Mangabeira Unger calls 'necessitarianism' (Unger, 1998). That is to say, necessitarian assumptions imagine us as puppets in a social world constructed through law-like forces which are the inevitable and inescapable framework of social action. Certainly, as Marx showed a long time ago, we do not make

history in conditions of our own choosing, but we need to avoid a 'false necessity' approach that sees us with no choice when faced with a process like globalisation that is not law-like or a fact of nature.

For me, the basic dispute underlying the post-Seattle globalisation debates is, indeed, the very 'old' one between 'reform' and 'revolution' as strategies for social transformation. The 'revolutionary' strategy would suffer from 'necessitarianism' and is usually based on a 'deep-structure' social theory which 'treats the formative institutional and imaginative frameworks of social life as indivisible units, each of which stands or falls as a piece' (Unger, 1997: 83). The political approach taken by a positivist social theory will, instead, advocate incremental social reform. What Unger advocates from a radical anti-necessitarian theoretical perspective is a strategy of 'radical reform' as a type of transformative politics in which 'Reform is radical when it addresses and changes the basic arrangements of a society: its formative structure of institutions and enacted beliefs' (Unger, 1998: 18–19). A radical reform perspective might allow us to reimagine the presuppositions that are made about globalisation and the possible role people may play in constructing a different, more democratic, future. Better than an 'all or nothing' perspective – reflected in the 'fix it or nix it' slogan from Seattle – the revolutionary reform political outlook refuses binary oppositions and opens up exciting vistas of social transformation.

A better understanding of the 'globalisation from below' perspective might well start with a more nuanced understanding of the 'Battle of Seattle' itself. First of all we must question the durability or even depth of the labour-environmentalist *entente* established at Seattle and encapsulated in the slogan 'Teamsters and Turtles'. Not long after that, the US labour movement made its main campaign the exclusion of China from the WTO, as it returned to its traditional protectionist stance re 'US jobs'. Second, the governments of the South were not totally off the mark when they saw a common Northern agenda, uniting the protesters and the Northern governments, which excluded them from the WTO corridors of power. From a long post-war perspective the main issue has probably been the failure of the South and the labour movement to unite in an anti-systemic alliance. The main point, though, is that the events in Seattle should not be exaggerated or oversimplified to gain short-term advantage. The weaknesses and the limitations of the Seattle events should make us wary of any

prognosis that we are now entering a new golden age of anti-systemic movements on a globalisation-from-below course. If Seattle opened up a path to 'civilise' globalisation, that would be an achievement though.

We can go further, and argue that the struggle to democratise globalisation is considerably more complex than the slogan with 1960s' reverberations that we should seek to 'create two, three, many Seattles'. There is now a transnational democratic terrain infinitely more developed than when the United Nations was formed, for example. While it is easy to see how neo-liberal globalisation conspires against democracy, we must also recognise the openings it presents to transformative social movements. The negative features of a particular kind of globalisation have led to the 'democratic deficit', but stronger modes of regulation could make globalisation more 'democracy friendly', in my view. The growing economic/political/social integration of the world caused by the processes of globalisation also creates prospects for transnational processes of empowerment and democratisation. In some areas this new framework for social transformation is particularly clear. Thus in relation to human rights we can note with Anthony McGrew 'the extent to which the traditional notions of sovereign political space and political community are being reconstituted by the nature of the international human rights regime and the activities of transnational social movements in the human rights domain' (McGrew, 1995: 46). If the defence of human dignity knows no frontiers, the same may also become the case for labour rights.

What many of the pro- and anti-globalisation positions alike leave out is a proper understanding of the national diversity of contemporary capitalism. Globalisation, for its more fervent supporters such as Kenichi Ohmae, means we are now entering a 'border-less world' (Ohmae, 1990) which will obliterate national variations. Certainly neo-liberal globalisation has, as we shall see in Chapter 3, cut down on the space for manoeuvre by national states. However, as the 'new institutionalists' had shown already in the 1970s, 'the differences ... in the social organisation and the modus operandi of modern capitalist economies were of more than merely aesthetic interest' (Crouch and Streek, 1997: 1). While some convergence has since taken place, the debate on the different national 'models' or paths to capitalism continues. Workers and the labour movement are not disinterested in this battle of capitalism versus capitalism. Technologies and markets do not

overdetermine the social and political conditions we live in. There are meaningful alternatives within the wide band of societal forms possible under a 'market' society. In the same way that cultural globalisation has not led to a single 'global culture' (see Tomlinson, 1999), so we may expect that national variations will continue to play an important role in the uneven and combined development of capitalism worldwide.

Finally, while critical of much of the content of globalisation 'from below' approaches, I would like to relate their contestatory tenor to the Polanyian approach I have been seeking to develop. In his own day, Polanyi saw 'an unparalleled momentum to the mechanisms of markets' with the development of world commodity markets, world capital markets and world currency markets, but also 'a deep-seated movement [which] sprang into being to resist the pernicious effects of a market controlled economy' (Polanyi, 1957: 76). Today globalisation is probably an even more intense internationalising process, and the movements contesting it are more diverse. It is not just the labour movement, but a vast range of particularist, even 'fundamentalist', movements which seek to contest globalisation. For Polanyi, workers, representing as they did a large section of society, were 'the only available class for the protection of the interests of the consumers, of the citizens, of human beings as such' (Polanyi, 1957: 235). It is the task of this study to examine to what extent this assessment might be true today. Certainly, in terms of articulating a role for socialism today I find it hard to disagree with Polanyi when he argues that 'Socialism is, essentially, the tendency inherent in an industrial civilisation to transcend the self-regulating market by consciously subordinating it to a democratic society' (Polanyi, 1957: 234).