The New Labor Movement

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Solidarity
United States

The Global Transformation of Labor

- Global in the geographic sense
- Global in the metaphoric sense, that is, affecting every aspect of labor.
- Driven by capitalist investment patterns, state policies and international trade relations.
- Changes the character of the economic and political struggles of unions and labor parties.

- Part 1 -The Old Labor Movement

- Transformation of Industry and Labor in 19th and 20th Centuries
- The artisanal working classes
- The old industrial working class
- The old service working class

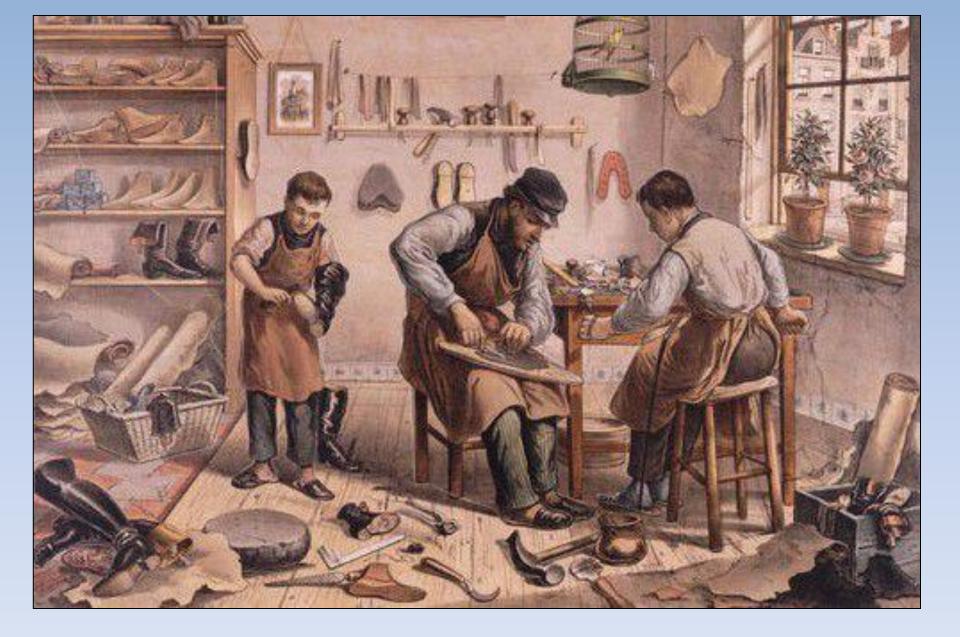
Origins of Capitalism

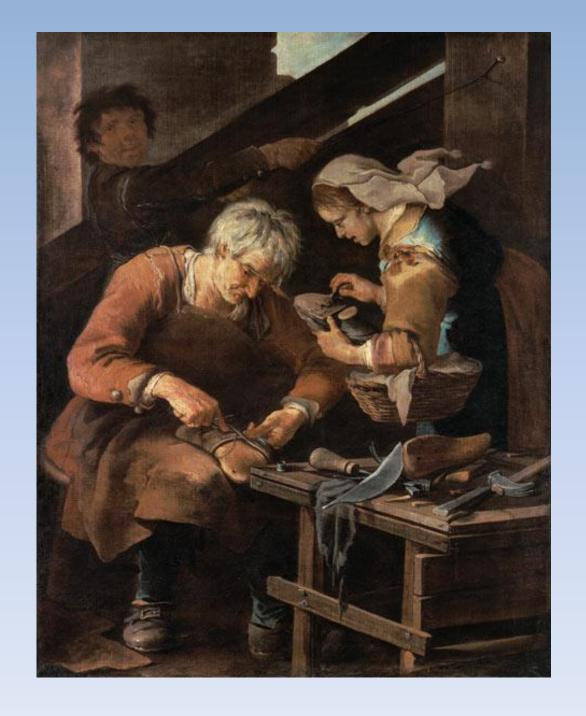
- Capitalism began in Europe, first in England.
- Spread to Western and Northern Europe, to Central and Eastern Europe, to the United States and Japan by 1900.
- The rise of capitalism created the capitalist class and the working class.
- The industrial working class was the most the center of the working class as a whole.

The artisan working class 1500 to 1750

- Capitalist production actually began in agriculture, but we will not deal with that.
- Craftsmen and craftswomen, skilled workers who produced a complete finished product.
- Male master dominated.
- Extended family enterprise: master, wife, children, apprentices.
- Collective and individual work.
- Guild, association sense of community.
- Ethic of skill, quality products.





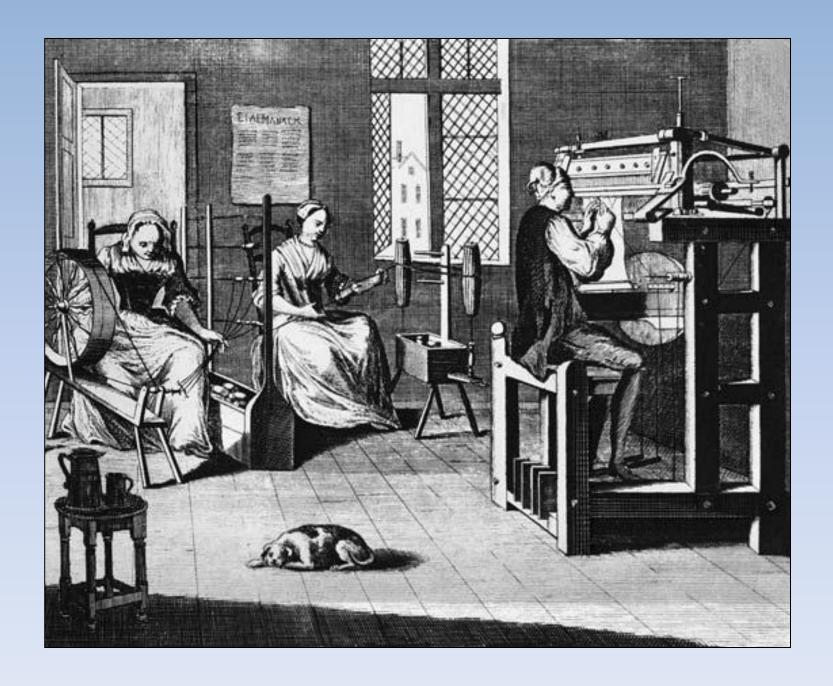


Manufactory – 1600 to 1750

- Cottage industry or the putting-out system
- Takes workers out of their home-shop into a workplace. Often women and children.
- Capitalist brings workers together into one building to have greater control.
- Tasks can be divvied up.
- Production can be intensified.
- Still no machines are involved.



Cottage Industry: Making Flax

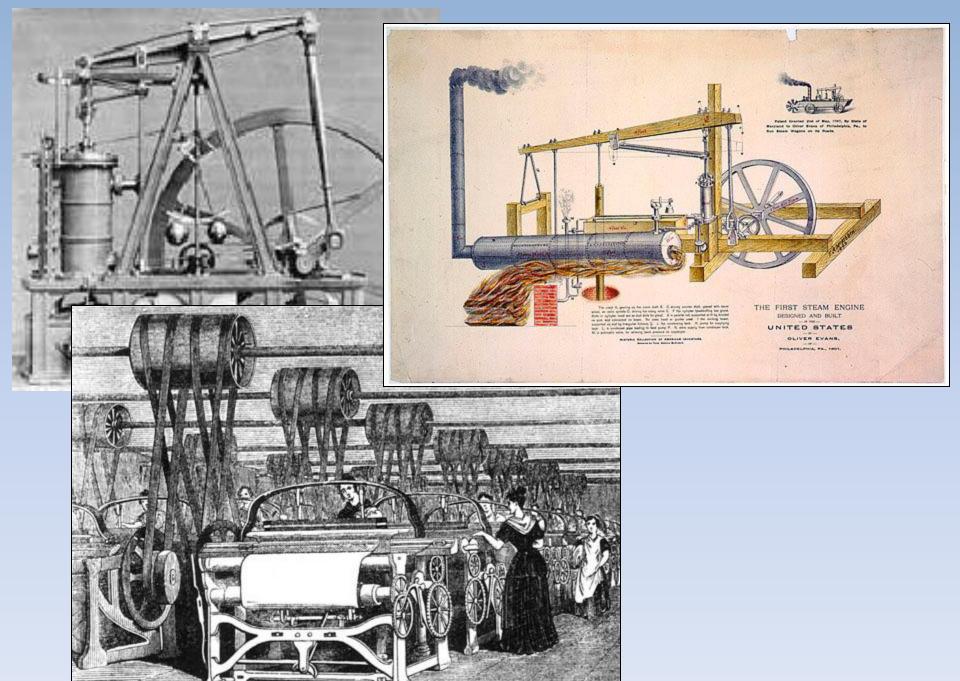






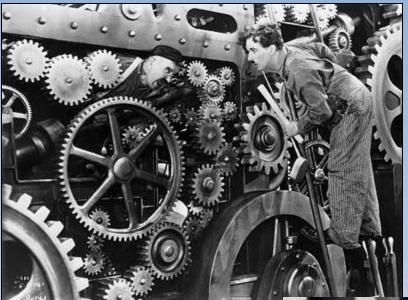
Machine Production – 1750 to 1980

- Merchant investor or wealthy master becomes transformed into a capitalist owner.
- Owner invests in machines in workplace.
- Oxen, water power, steam power.
- Power source, transmission, applied to tool.
- Introduction of steam power c. 1750, beginning of industrial revolution first in textile industry.
- Coal, iron, steel, railroads become most important industry.



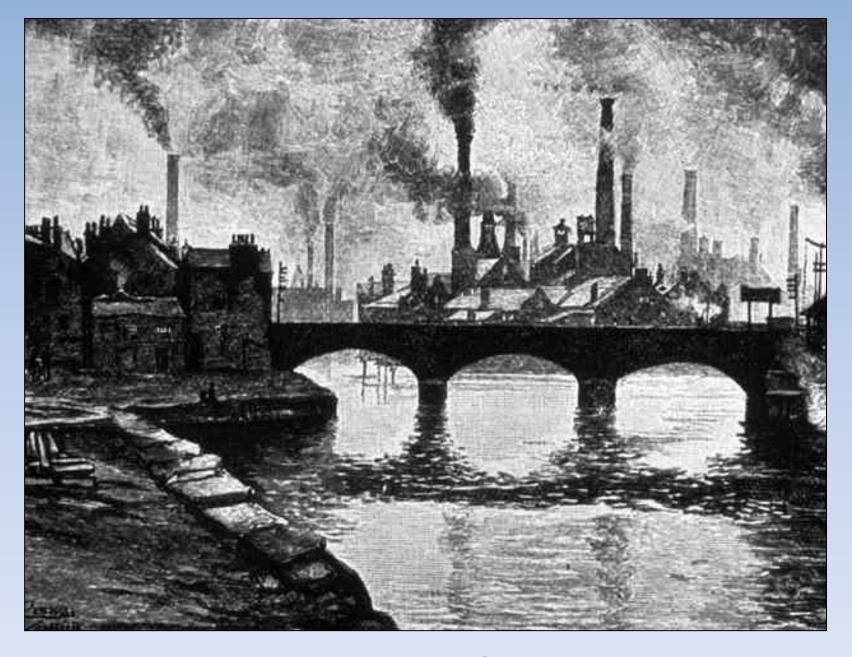
Machine Production: Impact on Workers' Experience

- Capitalist owns tools, workers have no tools.
- The tasks may be divided to require little or no skill; many workers have no skills.
- Women and children often employed.
- The machine establishes the pace of work.
- Workers become alienated from their work, from each other, from the final product.
- Higher productivity and more profit.



Marx's concept of alienation as portrayed by Charlie Chaplin.

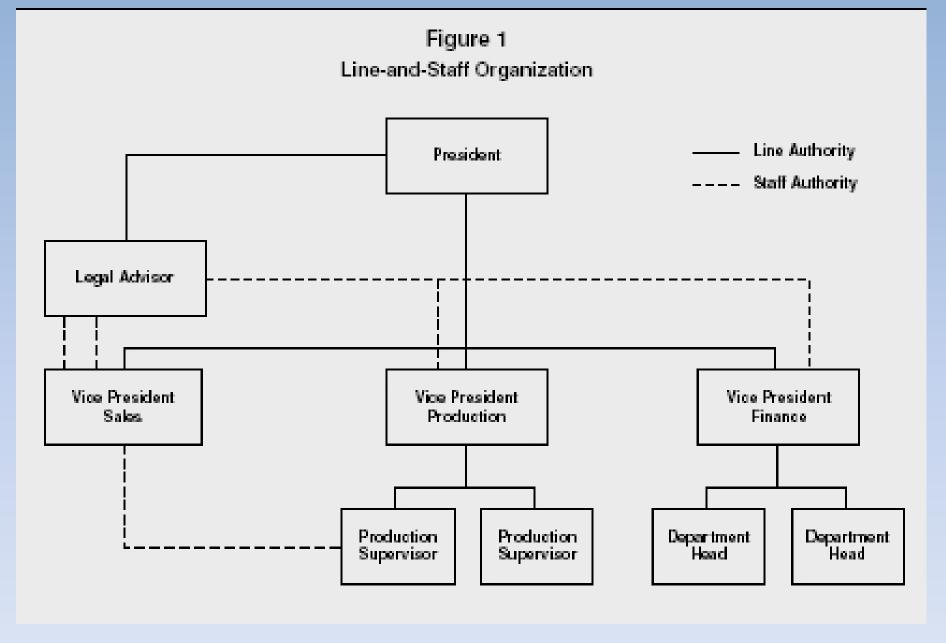




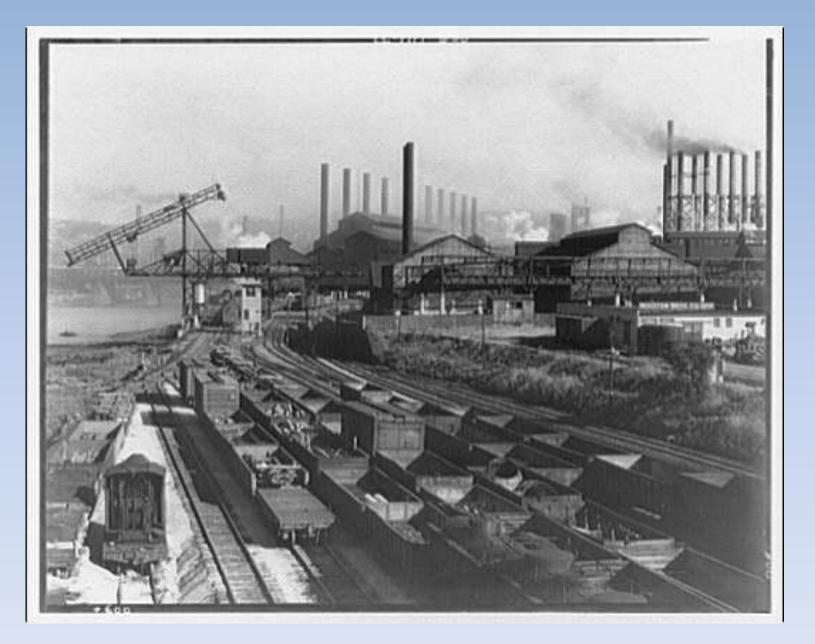
Industry in Nineteenth Century England

Impact on the Capitalists

- Industrial production requires more capital.
- Leads to the rise of the limited liability joint stock company. And the stock market.
- Industry and railroads lead to corporation, corporate organizational structure. Managers.
- Corporation leads to mass employment of professionals and office workers.
- Corporations lead to pools, cartels, mergers.
- Corporation in certain periods subordinated to finance capital.



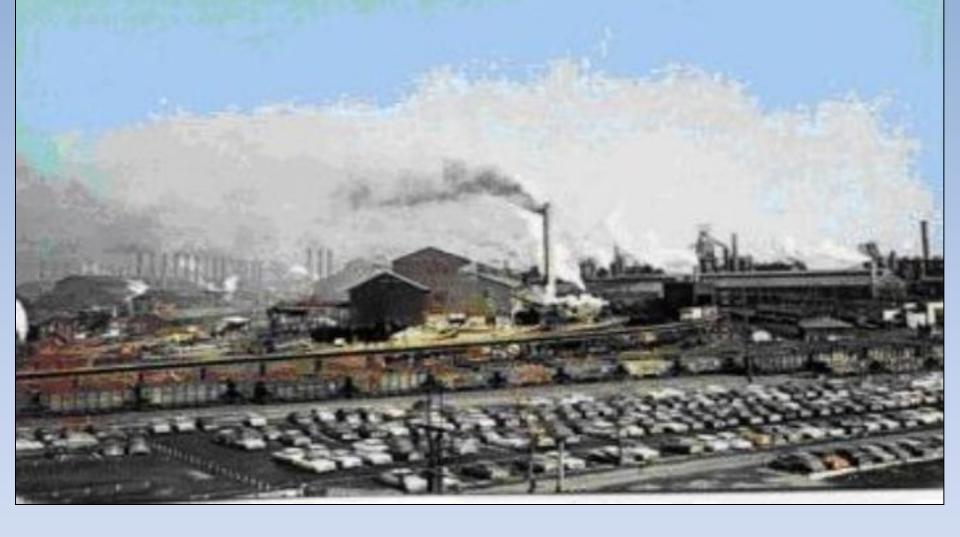
The rise of the corporation, especially railroads, gave rise to the line-and-staff organization shown in this chart.



American Steel Mill before 1970s.

Impact on Social Classes

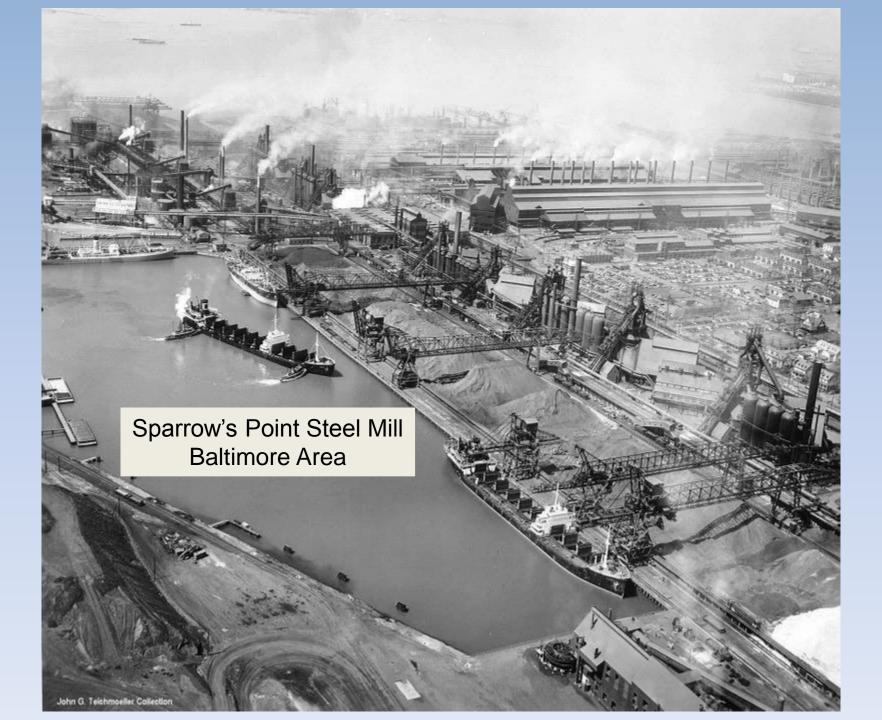
- Capitalist class becomes more important than the old landlord class.
- Petty bourgeoisie grows with industrialization, urbanization.
- Corporations created a new middle class of white collar workers and pink collar workers.
- Workers differentiated professionals, skilled workers, unskilled workers.
- Division of the employed and the unemployed.



U.S. Steel Gary Works, Gary, Indiana, USA. Ten miles long, a mile wide, 40,000 workers at peak in 1940s.

Social and Political Impact on Workers

- Workers brought together in large numbers.
- Workers subjected to factory organization and discipline.
- Workers urbanized and become literate.
- Workers engage in strikes, form labor unions.
- Workers form political parties.
- Workers engage in struggle for economic and political power.



Environmental and Workers' Health Impacts

- Coal and iron mining affect countryside.
- Coal and coke burning lead to air pollution.
- Industrial processes lead to pollution of water and land.
- All of these together change the ecology and affect the environment.
- Industrial processes lead to accidents and to industrial diseases (white lung, black lung, arsenic, mercury and lead poisoning, etc.)

Impact on Political Economy in the Capitalist World

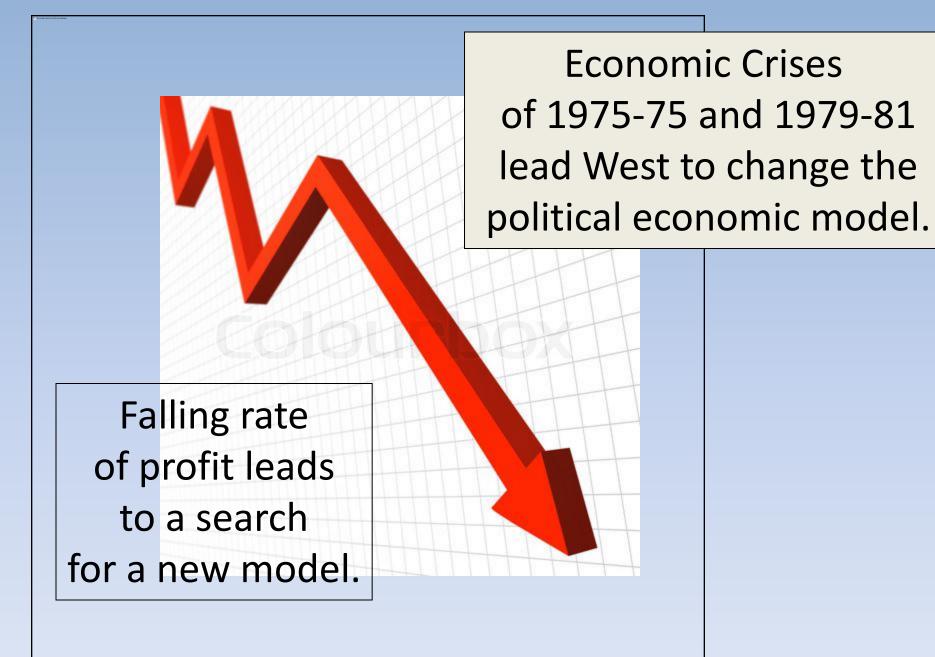
- Labor unions, labor parties, democratic and socialist revolution (Russia 1918) win reforms.
- 1910 to 1945 from laissez-faire to regulation, mixed-economy, nationalized industries.
- 1945 1980 Social Democratic parties win welfare state measures – retirement, health care, unemployment insurance.

- Part 2 -New Labor Movement

- Part A – The Political Economy

Post-War World

- Capitalist World
 - Keynesian Economics
 - Social Democratic Welfare State
- Communist (Stalinist) World
 - Centralist Planning State Industry
 - Communist Welfare System
- Third World
 - Post Revolutionary Aspirations to Social Welfare
 - Authoritarian Economic and Social Realities

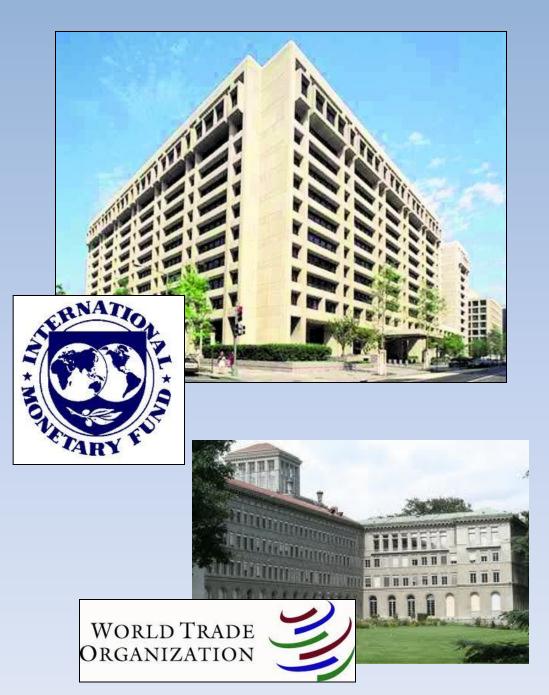




Ronald Reagan and Margaret Thatcher first developed the neo-liberal model.

Neoliberalism

- End of nationalist Import Substitution Industrialization model
- Deregulation and Privatization
- Open markets and foreign investment
- Reduction of social budget, health, education
- Tax cuts for corporations and wealthy
- Reduction in labor union power
- Land grab from peasants





Structural Adjustments

- IMF, World Bank, and WTO (GATT) make loans and grants dependent upon adoption of structural adjustments.
- Structural adjustments bring developing world into line with neoliberal policies.
- Developing nations frequently incurred greater debt.
- Economies became move dependent upon developed world.

- Part 2 -New Labor Movement

- Part B — The Material Basis

Material, Technological Bases of Neoliberalism

- Continuous process, computerization, numerical control, containerization, etc.
- Manufacturing robots.
- So-called Japanese management, "management by stress."
- Flexibilization de facto or by labor law reform.



NC, CNC, CAD, CAM

Numerical control (NC) refers to the automation of machine tools. The first NC machines were built in the 1940s and 1950s. In modern computerized (CNC) systems, end-to-end component design is highly automated using computeraided design (CAD) and computer-aided manufacturing (CAM) programs.



Continuous casting machines revolutionized metal processing.



Machine operator in a modern steel mill.



Auto manufacturing robots.

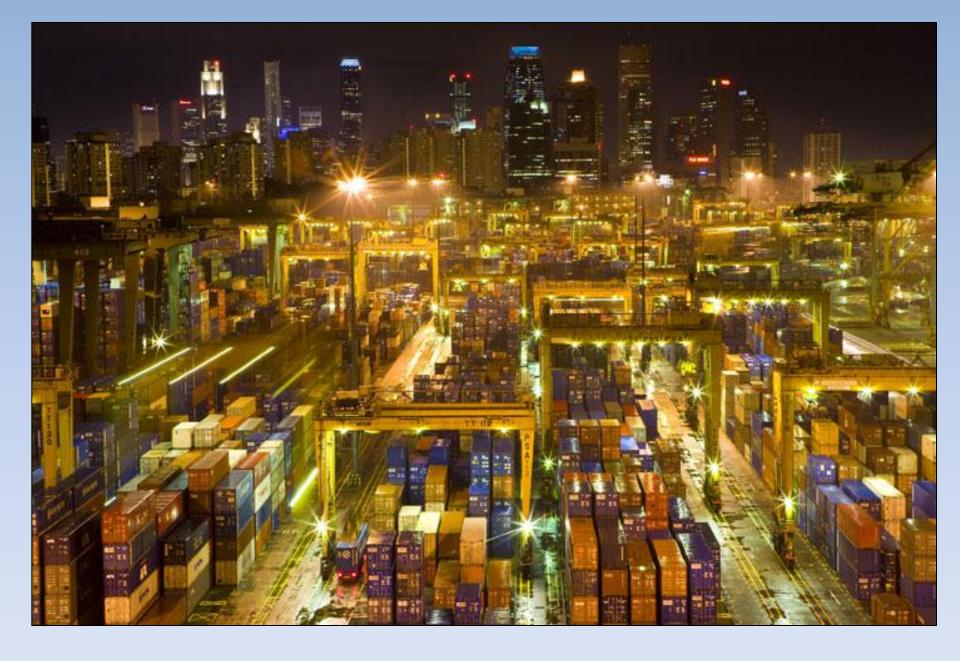


Toyota shop floor, assembly and final inspection.





Ship loaded with inter-modal containers.



Intermodal shipping containers on docks at Singapore.





Telecommunications becomes central.

Increasing Importance of Logistics



Corporate advertisement for logistics services.

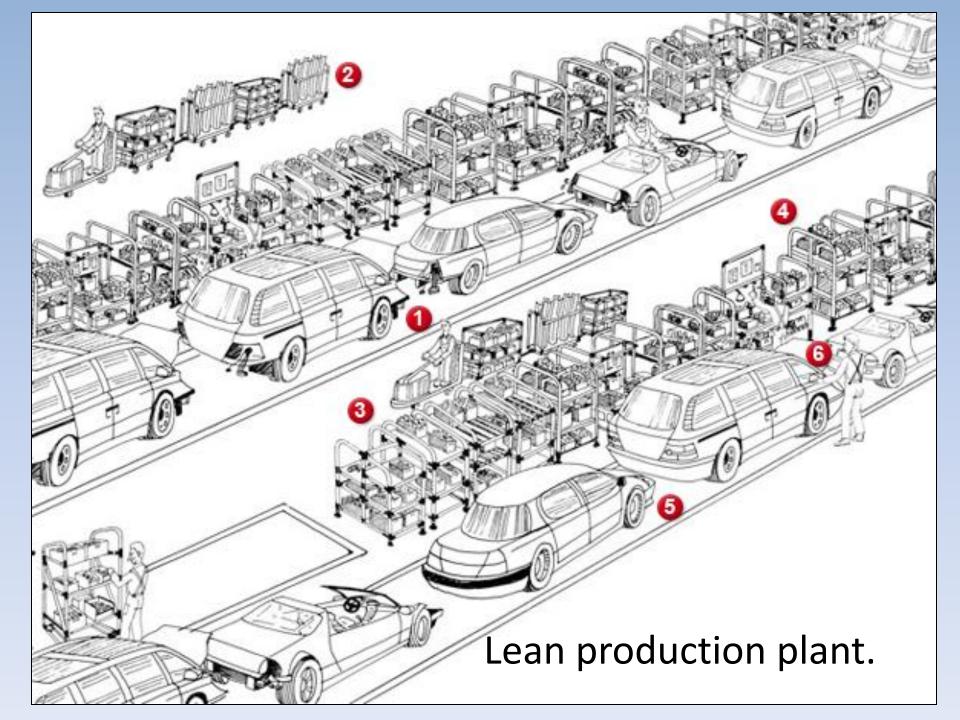
Global Supply Chains Apple iPhone

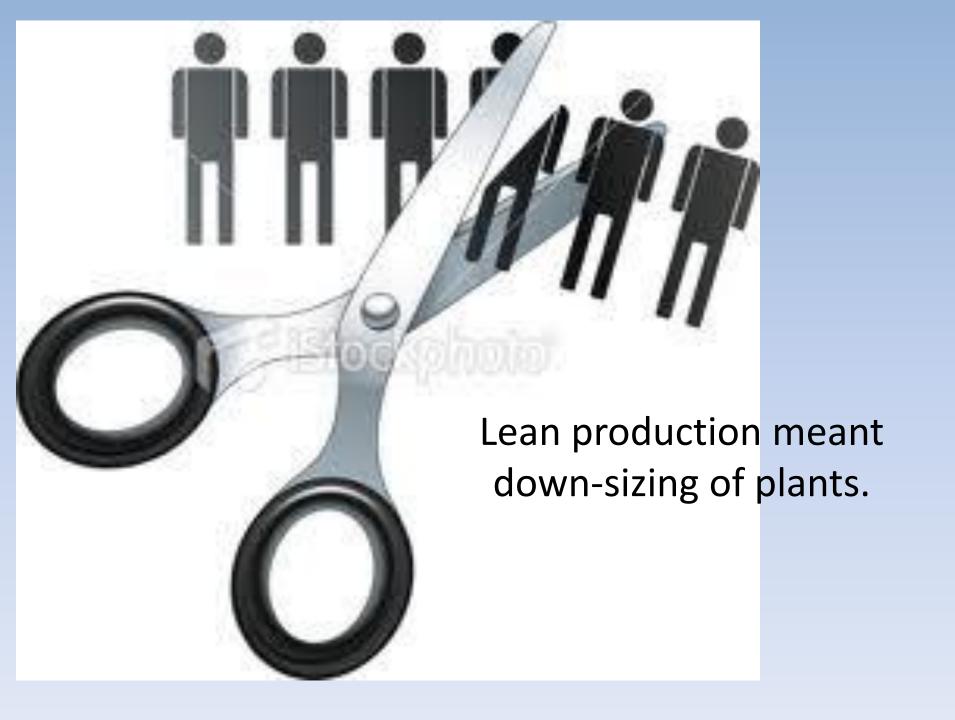
Parts from:

Toshiba, Samsung, Infineon, Broadcom, Numonyx,
 Murata, Dialog Semiconductor, Cirrus Logic.

Plants in:

- Japan, South Korea, Germany, United States
- Assembled in:
 - China at Foxconn in Longhu, Shenzhen factory
 - Plant of 300,000 400,000 workers
 - Pay US\$0.83 (83 cents) pen hour.







Corporations fought unions for control of the shop floor in the 1980s through new Organizational forms such as Total Quality Management and Team Concept. At left a corporate diagram of team leadership.



Work Force Organization

- Total Quality Management
- Team Concept
- Appealed to workers
- Competed with unions
- Management gains greater knowledge of work processes.
- Management intensifies production.

Precarious Labor

- Employer class strategy:
 - Lower wages and benefits
 - Weaken unions
- Often involves sub-contracted work
- Often unclear who is the employer
- Temporary, part-time work
- Dependent or bogus self-employment
- Youth, women, migrants

Contacting-Out or Out-Sourcing

- Employers, both public and private, contracted-out or out-sourced nonproductive, non-value added processes.
 - Security guards
 - Maintenance
 - Information Technology
- Work was generally contracted out to nonunion companies with cheaper labor costs.



Legal Changes Promote Precarity

- In 40 of 131 countries, a least 60% of the legal changes reduced employment protection through the following:
- increasing probationary periods.
- expanding the grounds for justified dismissal
- reducing severance payments and notice periods.
- weakening the remedies in the case of unfair dismissal.

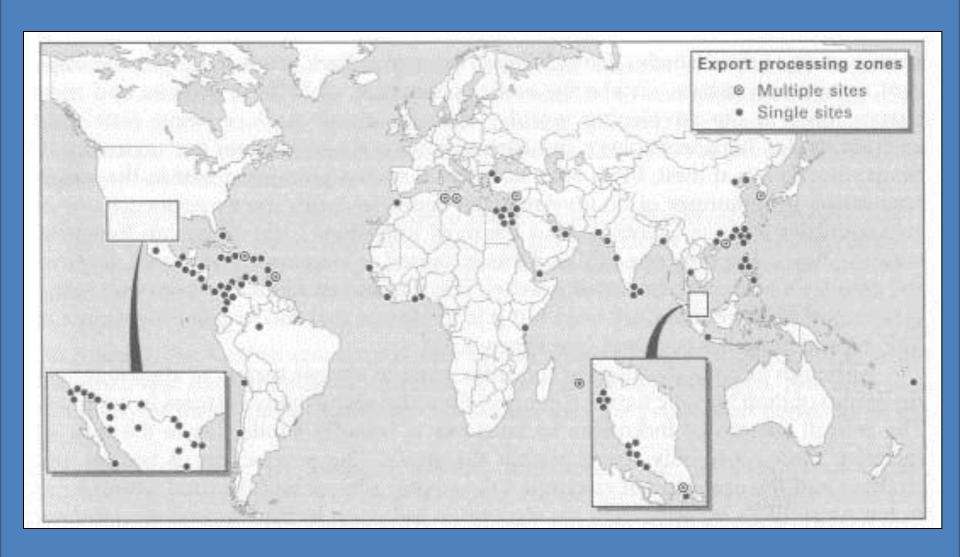
Some Geographic Trends

Financial Imperialism Gave Way to Globalization And World Production

- Metropolis commands manufacturing
- Multinational corporations
- Manufacture for export platforms
- Export processing zones
- Tendency toward manufacturing uniformity
 - Same machines, same work organization everywhere
- International Standardization Organization ISO

Export Processing Zones

- Often in authoritarian states
- No taxes or low taxes
- Government built infrastructure
- No unions or pseudo-unions
- Low wages, low benefits
- Intensive production
- Many women workers, former farmers, migrants



Export Processing Zones

New Industrial Regions

- In older industrialized countries and regions, movement of plants to new industrial areas, often less developed. (In U.S. to the South. In Mexico to the North. In Europe to the East.)
- Development in China of Guangdong Province as major industrial region, for example.

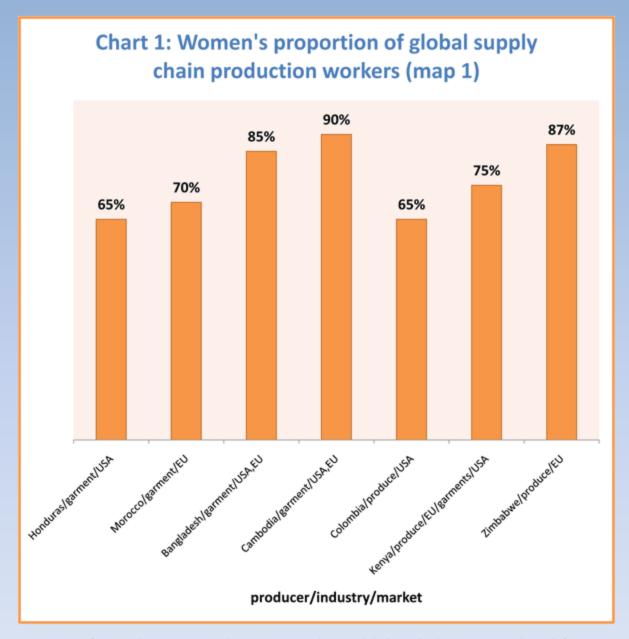
Women in the Workforce and in Struggle



Some 400,000 work in call centers in the Philippines, about 350,000 in India. Filipinos earn US\$300 monthly at entry level, Indians US\$250.



Call center in the Philippines.



Source: Oxfam, Trading away our rights; Women working in global supply chains, www.maketradefair.com

Women in Global Manufacturing in Some Select Countries

Women in Economy and New Labor Movement

- Legal and the clandestine economy.
- Work in agriculture, factories and in services.
- Continue to play the major role in housework and childcare, social reproduction.
- Sometimes quite active in the social movements in defense of community.
- Involved in labor unions and in left political movements.

The Political Basis of the New Labor Movement



Breakdown of State, Party, Union Relations

- Soviet and Eastern European Governments and Parties Collapse.
- Socialist parties in Europe adopt neoliberal programs.
- Nationalist parties in Third World adopt neoliberal programs.
- Parties detach from labor union federations and union base.
- Labor union federations split.

How Unions Were Weakened Under Neoliberalism

- Collapse of old ruling parties (USSR, Indo., Mex.)
- State and state parties turn on labor unions
- Labor bureaucracies fail to fight
- Labor confederations split (USA, Mex., Venez.)
- Collapse of national and pattern contracts
- Rise of enterprise unions (only at one plant)
- Gangster unions (Mexico)
- Murder of unionists (Colombia)

What did all of these changes, in political economy, technology, and labor organization and politics mean for workers?

- Less stable employment, fewer stable jobs
- Growth of informal economy
- Lower wages, fewer benefits, lack of pensions
- Speed upon on the job
- Many more precarious workers

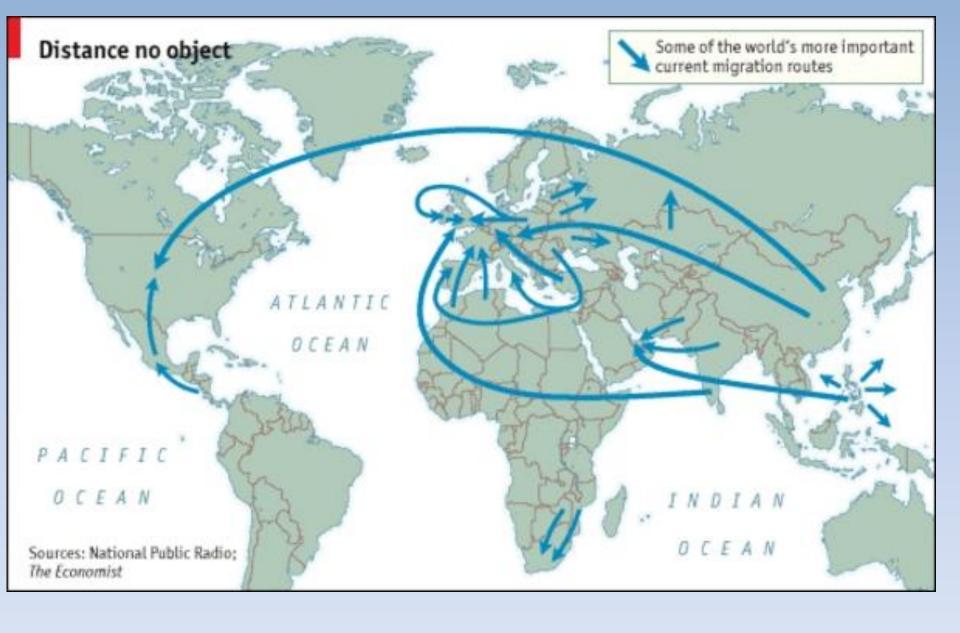
So, what is the "new working class"?

- New industrial workers in China, India, etc.
- New service workers as well everywhere.
- More precarious workers everywhere.
- More women, ethnic minorities, immigrants.
- Facing more practical and legal organizing difficulties.
- Enormous potential power but also huge challenges.

Migration

Migration

- Existed throughout history.
- Changed with the rise of capitalismr, industrialization, and the world market.
 Railroads, steamships facilitated mass migration.
- Varies according to the economic and political situation. Capitalism as a pump of migrants.



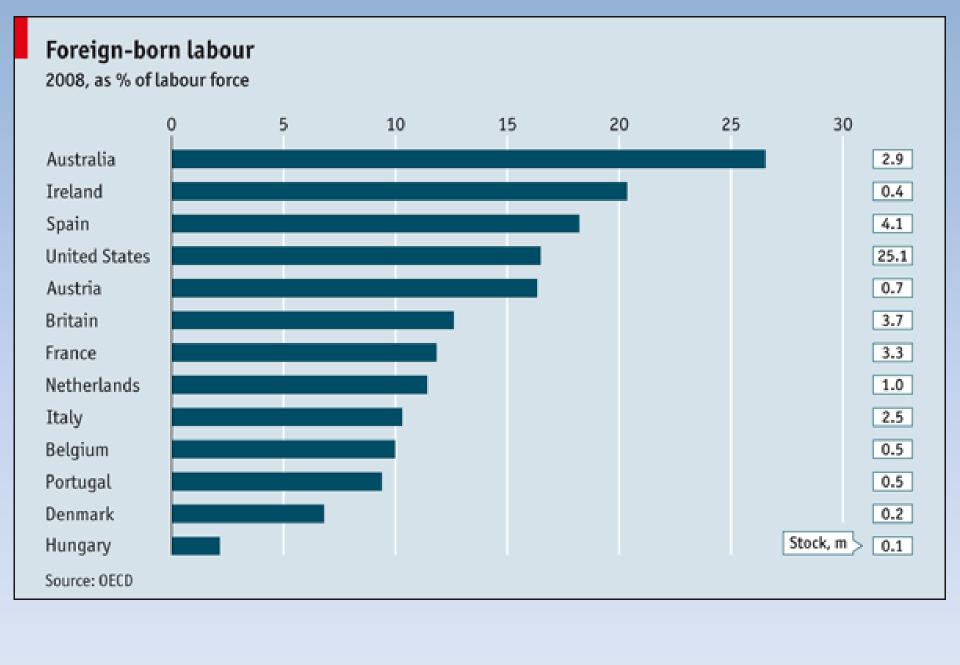
The World's Most Important Migration Routes Today

International Migration for Work

- In 2010 migrants numbered 214 million or 3 percent of global population.
- Women make up 50 percent of migrants.
- 90 percent of migrants migrate for work.
- Economically active migrants number 105 million in 2010.
- Mostly migration from developing to developed countries.

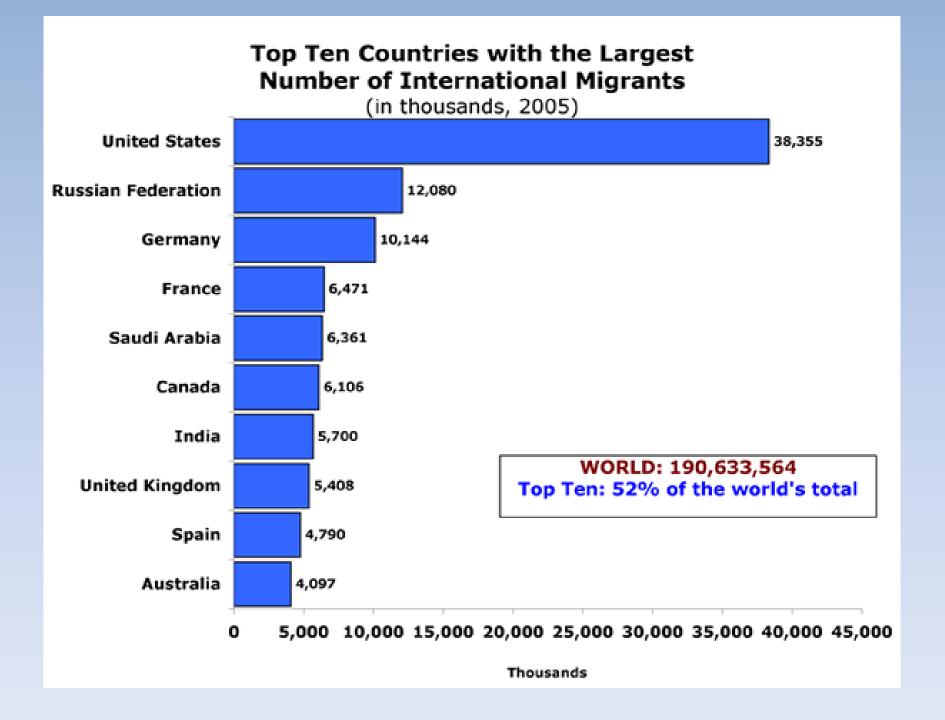
How Does Migration Take Place?

- Search for jobs, higher wages.
- Uneven development, national wage differentials.
- "Write if you get work."
- Chain migration, family, community.
- State-to-state arrangements.
- Commercial networks, smugglers.
- Human trafficking, forced labor.



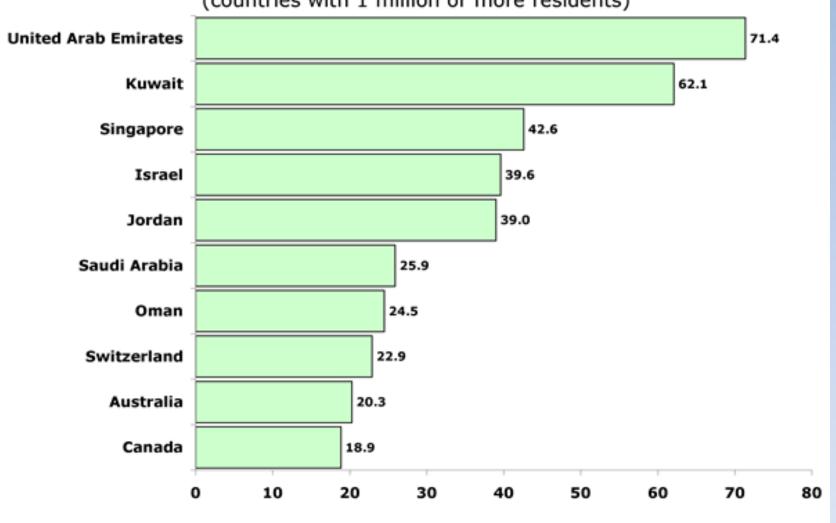
Migrants Impact

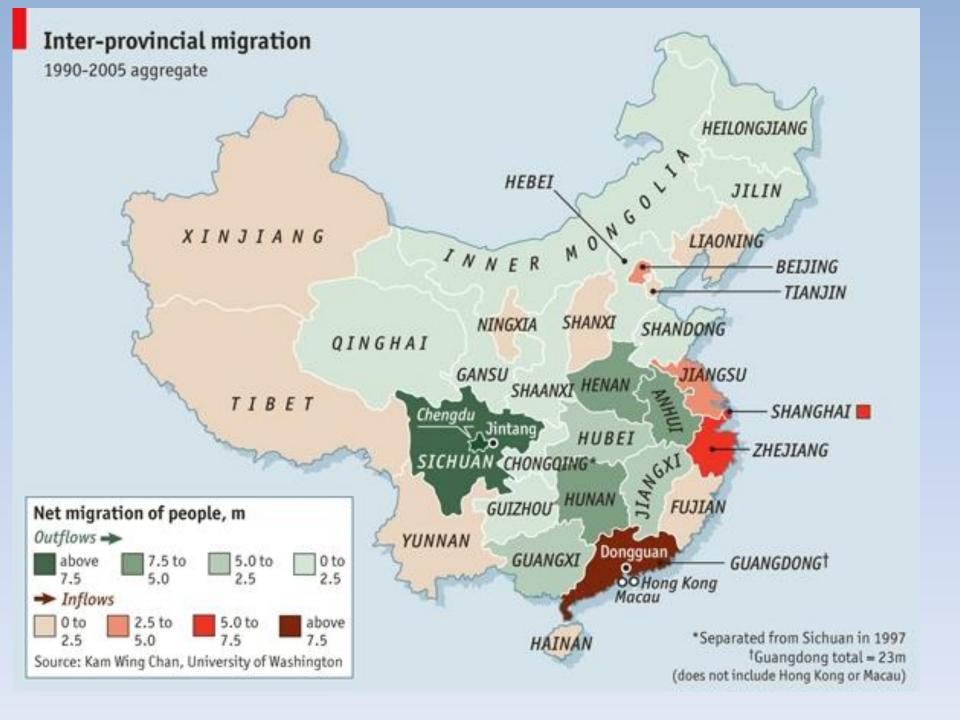
- Migrants build international networks to support migration, but also subject to commercial intermediaries.
- Migrants contribute their labor, their consumer spending and taxes to host country.
- Migrants send remittances to home country.
- Migrants often bring new knowledge and skills when they return to their homelands.

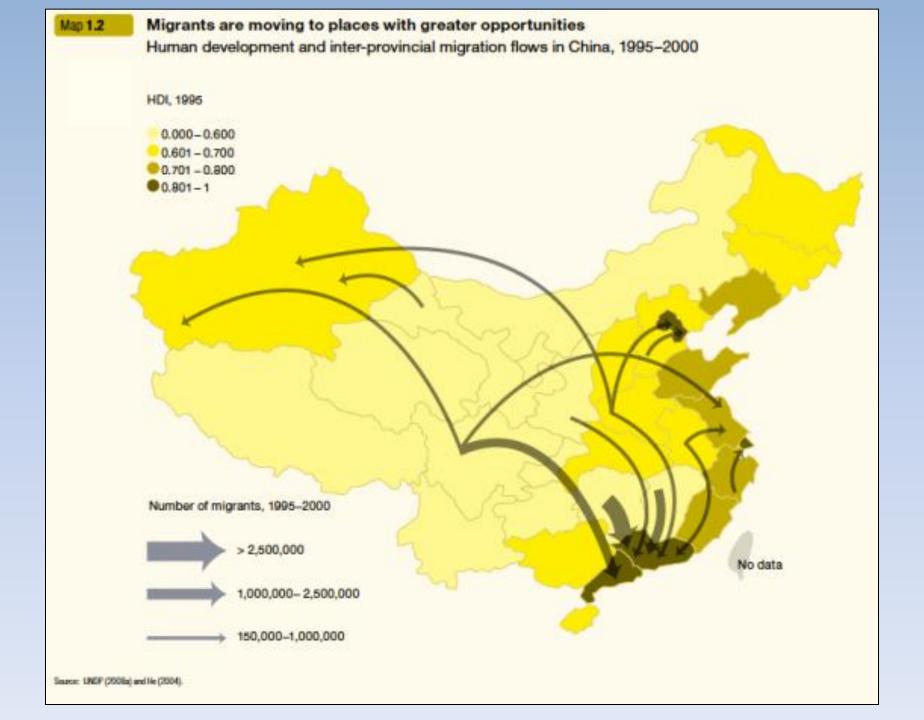


Top Ten Countries with the Highest Share of Migrants in the Total Population

(percentage of total population, 2005) (countries with 1 million or more residents)



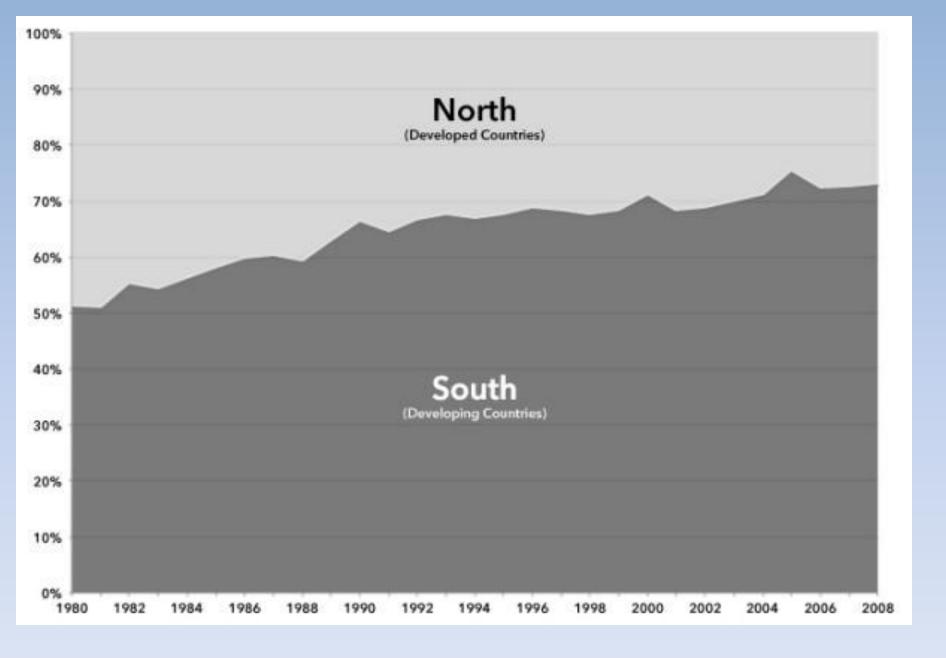




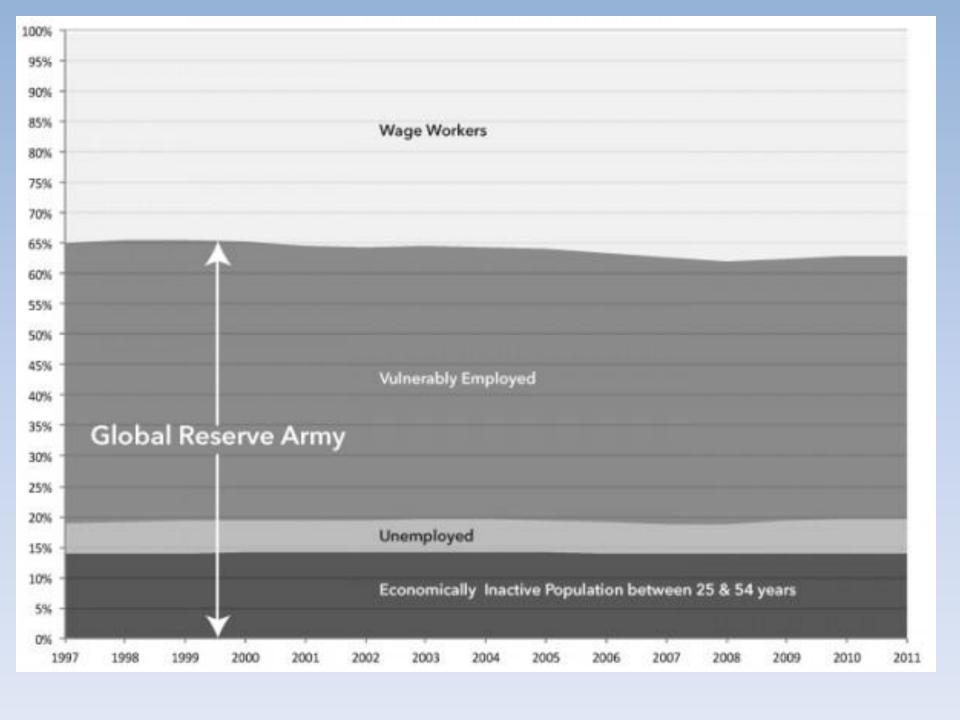
Migrants' Issues

- Question of legal immigration, papers.
- Question of knowledge of culture and language.
- Question of knowledge of customs and laws.
- Question of segmented or tiered workforce.
 - Most dangerous, dirty, heavy, etc.
- Questions of discrimination by race, religion.
- Migrants potentially subject to greater exploitation, to repression.

General Trends



Distribution of Industrial Employment, 1980–2008



Major Labor Factors

- Growth in Industrialization in Latin America and Asia.
- Decline of agricultural workers in many developing countries.
- Increase in women in the workforce.
- Rapid rise in service industry employment.
- Rise of both international and internal migrants.

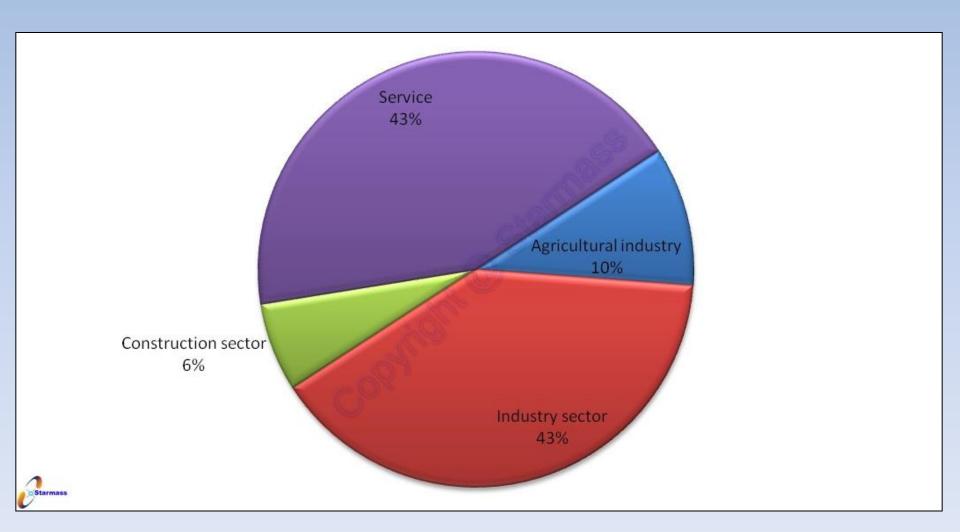
Changes in Politics

- Conservative governments (regardless of party), anti-labor parties.
- Decline of old left parties, mostly failure of new left party alternatives.
- Repression of labor union activists, legal and extra-legal. Especially in the developing world (China, Turkey, Mexico).

The Example of China



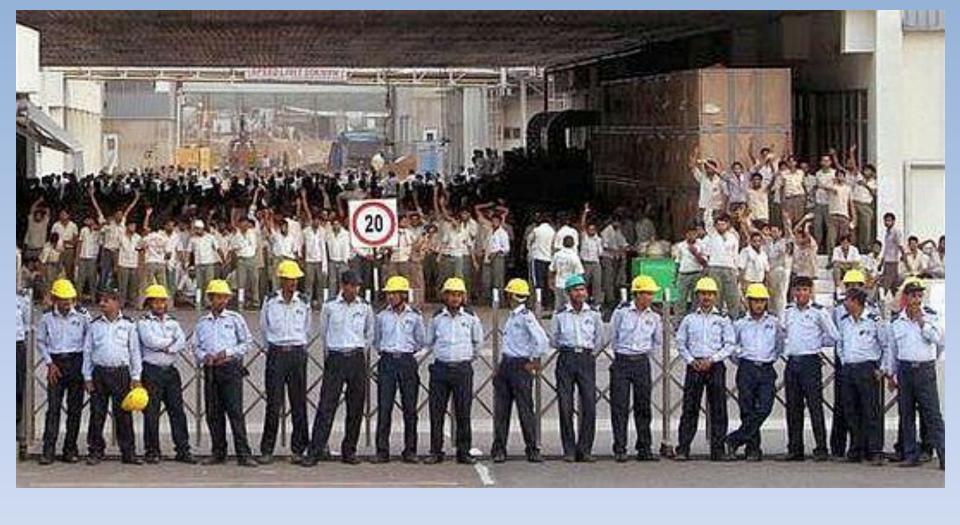
China's Economic Sectors 2009







Chinese Workers on Strike at Honda



Maruti Suzuki Manesar Workers End Strike after 13 Days

European Strikes and Protests

- Strikes in Southern European countries against the economic crisis, budget cuts, and austerity.
- National general strikes and violent confrontations with police.

Movements and Upheavals

- Tahrir Square Egypt
- Occupy Wall Street USA
- Javier Sicilia Mexico

What's Needed?

- Independent labor unions.
- Coordination of labor and peasant struggles.
- Figuring out relationship to the social movements and upheavals in some places.
- Development of working peoples' parties.
- Development of a revolutionary socialist movement and organization.



