Perspectives on Labour Markets and Movements: A Discussion*

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* *This paper discusses three papers which were presented at a conference on "NAFTA and the Future of North America: Trilateral Perspectives on Governance, Economic Development and Labour," University College, University of Toronto, February 7, 2005. These include: Kimberly Elliot, "Trade Agreements and Labor Standards: Mandatory versus Voluntary Approaches," Richard Roman and Edur Velasco Arregui, "Solidarity or Competition: Mexican Workers, NAFTA and the North American Labour Movement," and Greg Albo and Dan Crow, "The North American Labour Movement at an Impasse."*

Between the Kimberly Elliott paper on the one hand, and the Richard Roman and Edur Velasco Arregui and Greg Albo and Dan Crow papers on the other, we have two radically different approaches to understanding the challenges facing the North American working class in a period of neoliberal globalization. We have opposed statements of fact, methodologies and political commitments. I would like to divide my comments into first exploring the tension between these two perspectives, and then move on to the much more subtle differences between the approaches and the conclusions drawn in the Roman and Velasco Arregui and the Albo and Crow papers.

Elliott's paper is concerned with an impasse in the debate over the commensurability of globalization with labour rights, and the most effective ways of promoting labour standards within the terms of globalization. Neoliberalism is not explicitly mentioned, as in the other papers, but it is nonetheless here. The question for Elliott is not whether or how to combat neoliberalism, but rather on how best to adjust to the globalization of markets and how best to distribute what gains this process offers.

Elliott's contribution to this debate lies in her argument that labour rights and free markets, and hence also globalization and free trade deals, are complementary. Labour rights are conceptualized as market-enhancing institutions which serve to block potential obstacles to growth. In a survey of the literature, she finds little correlation between countries with high economic growth and countries where labour rights are suppressed. Many of the core labour standards as defined by the ILO would cost little if they were implemented, and in fact would most likely enhance long-term economic prospects. Unions which enforce these core standards can play a useful role, furthermore, in blunting the backlash to globalization and can serve corporations as a "cost-effective mechanism to respond to consumer demands that adequate standards are met." Elliott does recognize that core standards are being undermined in certain cases, particularly in less developed countries and in low-productivity sectors. Governments and corporations behave *as if* competition requires restricting labour rights. There is no good economic or competitive rationale for this behaviour; the suppression of labour rights is rather a result of state incapacity or policy mistakes arising from misunderstanding.

I think the other paper presenters would contest this argument, but let me make a brief critique.

Any union worth its certification is going to raise the cost of production and limit the authority of management. This is why they are resisted by capital. It may be true that banning forced labour, the most odious forms of child labour, ensuring that workplace exits are kept clear and well signed, allowing washroom breaks and putting an end to verbal and physical abuse by managers would cost little and could therefore be implemented within the framework of globalization. It bears mentioning that these demands are not new – we recognize them as the programme of labour movements in the mid-19th century. It is less clear that the other demands of these movements – the rights to association, collective bargaining and to strike – are today acceptable to neoliberalism. This leads to the following question: what is it about the way we are currently organizing our national, continental and global societies that has made the right to association and the right to strike, which were among the cornerstones of post-war liberal democracy, today radical, almost utopian demands? In Canada, governments have passed back-to-work legislation 40 times in the past 5 years. A recent Human Rights Watch report concludes that the right to association has been made effectively meaningless in the US.

In Mexico, attempts by workers in the maquila industries to unionize are defeated one by one.

The drive to undermine labour rights across the continent and globally has been too universal, long-standing and systematic to be explained by policy failure or state incapacity. Trade with less developed countries is perhaps not the most likely causal variable in this process. Indeed, the campaign against labour rights was initiated by the state and first targeted public sector workers, beginning in the early 1980s in both Canada and the US. The attacks on labour rights by the previous Ontario government, the southern US states and the northern Mexican states are expressions, if anything, of their increased capacity, not incapacity. The ability of states to prevent unionization in the US south and northern Mexico should be seen as great policy successes, not failures. As the ultimate destruction of trade unionism in the United States comes into view, it is doubtful that either the state or capital will now let up on their offensive.

The argument presented in the Roman and Velasco Arregui and Albo and Crow papers that we are experiencing a ratcheting down of labour conditions and wages in North America follows from their examination of the multiple processes of neoliberalism, not simply of globalization understood as an increase in international trade. Briefly, these are the increased mobility of capital and the threat of relocation, new rights afforded capital and intellectual property, the restructuring of corporations and the continentalization of production, macroeconomic policies described by Albo and Crow as "punitive austerity", the decline of manufacturing jobs relative to new, more precarious employment in the services sector, and privatization. The fundamental concern of both papers is with the strategies and forms of organization unions must develop to better contest neoliberalism.

These two papers are interventions in a debate that has been taking place since NAFTA on what is the appropriate scale – either the national or the transnational – for union organization and strategic orientation under neoliberalism. Both papers go about answering this question slightly differently and end with a difference in emphasis. Perhaps this difference would become more visible if the debate were to move now from the currently abstract to a more concrete, tactical level.

Albo and Crow address the different spatial scales in turn. They emphasize that labour's power is first and foremost based locally, at the point of production. Although local labour markets and labour processes form a part of the world market and the international division of labour, national differences in market structures remain decisive. Politically, the nation state also remains the site of labour regulation, legitimation and class formation. It is still at the national scale where the terms of neoliberalism are set and struggled over. The paper argues that unions ought to develop capacities and strategies at the continental and international scales, especially after the transformations wrought by NAFTA, but stress that building nationally is a precondition of effective international strategies.

Roman and Velasco Arregui begin with a similar view on the transformations occasioned by NAFTA and neoliberalism, according special attention to capital mobility and the effectiveness with which corporations are playing workers off against one another. They tend to see a process of downward harmonization, which by lessening uneven development in North America, is making a continental fight back increasingly feasible. They note that both the recomposition of the US labour force, which is

becoming more Latino, along with the loosening hegemony of bourgeois ideology over the working class, are also moving us in this direction. Their argument that the Mexican working class is itself becoming transnational, and thus has an important role to play in building bi-national linkages, is intriguing. The claim that North American labour movements will have to develop strategies which are simultaneously local, national and international, and indeed that any successful strategy to confront neoliberalism will have to be internationalist, is in some tension with Albo and Crow's perspective.

I find myself substantially in agreement with both arguments. My own feeling is that this debate has imposed the typology of scales too rigidly, often discussing local, national and transnational scales as mutually exclusive as opposed to overlapping. The transnational labour strategies that came out of NAFTA are operating at a scale above the national, but they are also more particularistic than international strategies have traditionally been. We are not talking about workers of North America uniting, not even of autoworkers of North America uniting, but of Ford or Dana workers of North America uniting. These are strategies which attempt to link labour close to where it is strongest, at the level of local plants and firms. Also, there continues to be enormous scope at the national scale for more internationalist or continentalist strategies. The leadership of the AFL-CIO doesn't have to leave the beltway to be more internationalist – the IMF, the World Bank and the Treasury, if not the Pentagon, are within walking distance of the national office. Also, it will continue to be true that different campaigns will require activity at different scales. The defence of health care and social security should be provincial and national struggles. But bargaining with continental employers can no longer be local and staggered.

Lastly, I thought both papers could have given more space to the question of labour's orientation towards the foreign affairs of their respective governments. The highest expression of labour internationalism has always been opposition to foreign wars. Roman and Velasco Arregui's paper notes that the alliance between American imperialism and the leadership of the American labour movement continues to erode. The rapidity with which the anti-war movement has grown within the ranks of the American labour movement in particular is without close historical parallel. It wasn't until 1972, eight years after the beginning of the Vietnam War, that anti-war activists within the US labour unions formed Labour for Peace and Justice. In contrast, local and state labour bodies have been in the forefront of the current anti-war movement and the AFL-CIO was moved to pass a motion in 2003 against a unilateral US attack on Iraq. This may be the most critical stand on a US war in the federation's history. On the other hand, the federations' activities in Venezuela, which are ambiguous at best, seem to harken back to its Cold War practices. As resistance to neoliberalism continues to develop in Latin America, it will become increasingly important for labour movements in Canada and the US to distance themselves from their governments' foreign policies. This will be a test of their internationalist trajectory.