RÉSUMÉ

Travail et Mondialisation: Vers un nouvel internationalisme?

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L’une des facettes de la mondialisation et de l’expansion du capital conduit inévitablement à la conclusion selon laquelle le mouvement ouvrier est traversé actuellement par une crise profonde. Cependant, si nous l’examinons comme un processus contradictoire, alors il est possible de saisir cette relation avec le mouvement ouvrier seulement dans son sens transformateur.

Dans ce contexte, la baisse du nombre de syndicats dans les pays industrialisés et l’émergence de nouvelles formes de syndicalisme dans certains pays choisis du Sud, illustre la relation paradoxale entre le monde ouvrier d’une part et le capital d’autre part.

Selon Mark, l’expansion du capitalisme loin non seulement de remettre en question les anciennes formes d’organisation du mouvement ouvrier, participe aussi à l’irruption de nouvelles formes de résistance chez les travailleurs. De même l’argument de Polanyi qui tente de déconnecter l’économie (le retour au libre marché) du reste de la société est mis à mal par les forces sociales.
Labour and Globalization: Towards a New Internationalism?

P. Ramasamy

Abstract

A one-dimensional view of capitalism inevitably leads to the conclusion that labour is in a state of deep crisis. However, if we examine globalization as a contradictory process, then it is possible to regard its relationship with labour as a transformative one. In this context, the decline of trade union density in developed countries and the rise of new forms of trade unionism in selected countries of the South, illustrate the contradictory relationship between labour and capital. In accordance with Marx, capitalist expansion not only does away with old forms of labour organizations, but has the tendency to create new forms of labour resistance. Similarly, Polanyi argues that attempts to disembed the economy (return to free market enterprise) from the rest of society will be resisted by societal forces.

Introduction

This paper argues that whether labour is in a state of crisis or whether it has the potential to move in the direction of creating a new international formation will depend on how we interpret the phenomenon of globalization. If we think that globalization is something new and a totally unprecedented phenomenon, then it is logical to conclude labour is doomed. However, if we should generalize on the grounds of certain empirical developments about the possibility of a new internationalism, then there is a possibility we could have succumbed to one-sided narrow empiricism. A one-dimensional view of globalization is not only a historical, but highly selective enterprise that might not do justice to the nature of contemporary capitalist development. By borrowing some of the ideas of Marx and Polanyi about the nature of labour resistance, this paper will argue that globalization understood as a feature of late capitalism is basically a contradictory process.

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Labour-Capital Dialectic

For Marx, labour power is not a commodity; it is merely a “fictitious commodity”. Since labour is not a commodity, the capitalist finds out that if workers are exploited too much, they will develop the tendency to complain and resist. Capitalism is seen as producing both misery and growing proletarian power. The history of capitalist development is the history of the dialectic between workers’ resistance to exploitation at the point of production and the efforts of capital to overcome the resistance by constantly revolutionizing production and social relations. An understanding of Marx’s theory allows us to expect constant transformation of the working class and the forms of labour-capital conflict. Changes in the realm of production and social relations may disorganize and weaken some sections of the working class, but at the same time it allows for the rise of new agencies and new forms of demands and conflicts (Marx, 1959; Singer, 2003: 18).

Polanyi’s concept of “embeddedness” reveals that the economy is subordinated to politics, religion and social relations; in other words, market transactions depend upon trust, mutual understanding and legal enforcement of contracts. For Polanyi, the goal of a self-regulating market is a utopian project that could never be realized. The objective of turning human beings and the environment into pure commodities would lead to the destruction of society and the natural environment. He is of the view that a completely self-regulating economy cannot be achieved because people will resist such a tendency (Polanyi, 1944; Singer 2003; Block, 2001: 7-8). It is the distinction between real and fictitious commodities that determines Polanyi’s argument. Labour, land and money are fictitious commodities because they cannot be disembedded from the larger society. Attempts to disembed the economy from society will ultimately fail due to the strong resistance from workers. The move to disembed the economy from society and the counter-movement to resist is termed “double-movement”. According to Polanyi, the movement towards a completely self-regulating market needs the counter-movement to create stability (Block, 2001: 12).

Globalization is an ambiguous concept because of the many meanings attached to it. This paper will adopt the position that globalization is basically a feature of advanced capitalism. It will differ from the conventional market-centred perspective that
equates globalization with the inevitable integration of worldwide products and capital markets leading to the weakening of nation-states and their social-compact with labour (Eder, 2002: 170; Omhae, 1999). While globalization as an advanced feature of capitalism has brought forth new forms of capital accumulation as a result of changes in production and consumption, it is not certain that nation-states are weakening under its impact. Nor is there compelling evidence to indicate that all is quiet on the labour front. It will be argued that globalization as an advanced feature of capitalism is basically a contradictory process; while it has the tendency to weaken traditional forms of resistance, it has an inbuilt historical tendency to give rise to new forms of resistance. Marx’s argument about the constant transformation of the labour-capital relationship and Polanyi’s thesis that too much market penetration will tend to give rise to societal resistance will be very meaningful in exploring the real impact of globalization and how it has given rise to various forms of labour resistance.

**Globalization**

Most of the literature on labour and globalization posits the view that labour is a passive victim of global trends. While capital is seen as dynamic, mobile and aggressive, labour is seen as passive, reactive and immobile. However, recent global trends suggest that such a view can no longer be sustained. Given the fact that production is the heart of social and economic development, the labour-capital relationship figures prominently. While labour might have difficulty in organizing and mobilizing its members, this is temporary. The 1995 World Bank Report paints a positive picture of the globalizing tendencies, but at the same time provides some factual evidence about the nature of the growth of the global labour force. According to the report, the world’s workforce doubled in the last two decades of the 20th century. Estimates are that 99 per cent of workers projected to join the work force in the next three decades will be in low and middle-income countries (Munck, 2002: 66). There is further evidence to indicate that the global labour force is becoming increasingly intertwined as result of the transnationalization of capital. Capital might be on the ascendancy at present, but there are no indications that things will be quiet on the labour front in the coming years. Strikes in the 1990s in Europe, North America, South Korea, South Africa and the Philippines indicate that there
is growing labour militancy as labour prepares to challenge some of the assumptions of global capital and its die-hard supporters. Kim Moody talks optimistically about the role of social movement unionism as the future model of trade union internationalism. Trade union revivalism and the adoption of the principle of international labour solidarity by one-time conservative trade union centres such as the ICFTU (International Confederation of Free Trade Unions) and AFL-CIO (American Federation of Labour-Congress of Industrial Unions) show the extent to which some of the major labour centres are trying to go beyond their earlier narrow brand of trade unionism (Moody, 1997).

Social Compact

Following World War II and until the 1970s, economic and political developments in the developed world have been popularly described as the Golden Era of capitalism. During this period, the basis of Western prosperity was achieved through the implementation of the Fordist method of production and consumption. Fordism (the implementation of Taylorism, the scientific principle of the separation of planning and execution of tasks in mechanized plants of the Ford car assembly plants) can be seen in three ways. First, a general organizing principle of labour, Fordism by incorporating the principles of Taylorism sought to signify the strict separation between the organization of the production process and the execution of the standardized and formally prescribed tasks. It was deemed that the direct involvement of direct labour was not supposed to be necessary in carrying out the requirements of the technical office. Second, as the macroeconomic structure (or regime of accumulation), Fordism implied that gains in productivity resulting from this organizing principle would not only increase the financial investments from profits but also increase the purchasing power of labour. Third, as a mode of regulation, Fordism implied a long-term contractual wage relationship with controls over redundancy, and the monitoring of salaries and their links to productivity by the state. Moreover, the growth of state revenue ensured that there would be a permanent income for wage labour (Lipietz, 1997: 2).

It was Antonio Gramsci, an Italian Marxist, who popularized the concept of Fordism to refer to a new industrial lifestyle of the United States. Primarily, it was a post-war phenomenon, but however, by the early 1970s, as a result of the fall in profits,
growing unemployment and capitalist competition challenging the hegemony of the United States, Fordism began to experience serious limitations. The Fordist industrial democracy can also be understood by borrowing the two related concepts of the regime of accumulation and mode of regulation to describe the growth and decline of advanced industrial countries. Regimes of accumulation are periods of growth characterized by the compatibility between what is produced and what is consumed in an economy. For instance, under the Fordist regime of accumulation, production and consumption are characterized by mass standards. Production basically involves the churning out of standardized runs of cars, fridges, washing machines and the like that offer productivity gains, which in turn increases the purchasing power of workers. Wage is a critical element because it determines level of productivity and the share of profits to industry as well as shaping the overall level of employment. The wage relation provides the crucial link between production and consumption and thereby provides a distinctive shape to a regime of accumulation. It is this link that enables firms to commit their investment and production decisions on the basis that markets will not alter dramatically in the future. The labour process is equally significant; the use of mass technologies and highly specialized, semi-skilled and unskilled workforce boosts the productivity of the regime (Allen, J., 1996: 549).

A mode of regulation functions to provide support for growth regimes. It provides a kind of regulated network for firms, banks, retailers, workers and others to operate in a coordinated manner. It is this kind of regulated network that enables a particular regime of accumulation to develop in a particular direction in a more or less stable manner. Although the actual process of regulation is complex, the support framework includes a variety of cultural styles, political practices, popular aspirations, social expectations and calls for state interventions (politics of Keynesianism). Under Fordism, institutionalized expectations of stable growth, rising consumption levels and increased social welfare would constitute the “social cement” of the regime. It is the mode of regulation with its mix of social, political and cultural norms, values and expectations that provide the stability to a particular industrial era (Allen, J., 1996: 549).

The social pact between labour and capital (regulated by the state) under Fordism had wide applications but with several
geographical variations. It ranged from classic Fordism in the United States to primitive Fordism in countries like Malaysia, Bangladesh and the Philippines. For example, authors Tickell and Peck developed a typology of different Fordisms according to the geographical locations of the countries concerned (Tickell and Peck, 1995: 362). The social pact under Fordism provided the grounds for the state to undertake welfare measures in favour of labour, particularly those segments that were not organized within the working class-union structures. Wages and conditions of employment generally improved under the social pact. As a result of the social peace engendered by the social pact, regimes in Western Europe and the United States obtained massive support from the working class. Furthermore, the anti-capitalist and radicalized sections of labour became quite marginalized; it was the material gains of the Golden Era of capitalism that depoliticized and deradicalized the substantial sections of the labour movement in Europe. However, it is unthinkable that the social pact could have materialized had employers not recognized the strength of trade unions during the early stages of the post-war period (Wahl, 2004: 39).

The social compact between labour and capital was basically confined to the developed countries; labour in the Third World was not the recipient of benefits arising from the social compromise. However, it cannot be denied that the global expansion of capitalism resulting in the movement of capital and technology to some extent transformed the economic landscape of the Third World under the New International Division of Labour (NIDL). There were two phases related to the development of the NIDL; the first was the import-substitution industrialization (ISI) in the late 1940s, 1950s and 1960s and the second phase resulted in the establishment of export-led industrialization in countries such as South Korea, Taiwan, Hong Kong, Singapore and Malaysia. Export-led industrialization beginning in the late 1960s led to the establishment of free-trade zones (FTZs); it was estimated that were about 80 FTZs in 1975 and more than 50 were located in Asia (Munck, 2002: 41). The emphasis on NIDL led to the relocation of electronics and textile plants from the developed countries to the newly industrializing countries. While the relocation of manufacturing plants increased the size of the working class, there was no corresponding increase in union membership. In the case of Malaysia and many other developing countries, the
eagerness of the state to attract multinationals to their shores entailed among others the imposition of strict regulations to prevent the formations of national unions (Ramasamy, 2001: 183).

**Post-Fordism**

The social pact between labour and capital under the Fordist mode of production and consumption lasted for about 25 years. By the early 1970s, it was clear that the industrial organization that dominated the political, economic and social landscape of the developed countries began to experience crisis. The crisis signaled the end of the “Golden Age” of capitalism and the beginning of what has been termed the post-Fordist era. To use the language of the Parisian regulatory school, the crisis of Fordism was brought about by the incompatibility of the two arms of the regime of accumulation and regulation. Thus, when an incompatibility between accumulation and regulation occurs, one can speak of the start of the capitalist crisis leading to the breakdown of the system. Although there were a number of factors that contributed to the structural crises, there were two key factors. The first and most obvious reason for the crisis appeared on the “demand-side”. Competition between the United States, Europe and Japan led to the erosion of the US dollar as an international regulatory currency. Furthermore, the economic challenge posed to US hegemony led to an increased competitiveness fueling global instability and enhancing the prospect of recession. The search for economies of scale induced internalization of productive processes and of the markets between developed countries. Increased competition and the price increase of imported primary commodities increased the level of export competition. Thus, firms from Fordist countries increasingly sought ways and means to overturn labour regulations by moving production to non-Fordist countries, the ‘socialist bloc’, or the newly industrializing countries (NICs). The initial reaction of the international elites was clearly Keynesian (resorting to state regulations), but the steady fall in profitability foreclosed this option. The decline of profitability was contributed to by the slow-down in productivity, the growth of total labour costs, the deterioration of the capital/product ratio and the increase in the price of primary commodities (Lipietz, 1997: 3).

Exposure to internationalized competition impacted negatively on the Fordist model. Internationalized competition led to
the decline in profitability especially of firms in traditional sectors such as steel and machine tools. Further pressure was applied when profits fell while real wages and welfare payments continued to rise. Productivity slow-down was related to the inflexible nature of the Taylorist approach to work organization, which left little room for efficiency and flexibility. Given the decline in productivity and the difficulty in maintaining high wages that accrued as a result of the earlier compromise, firms started to reduce wages and raise the price of goods. However, during the initial period, workers met such moves with fierce resistance. Of course, workers as a result of better education and increasing awareness also began to oppose the Taylorist and Fordist principles of work. Alternatively, firms realizing the futility of Taylorist methods started taking steps to invest in new technologies to reduce variable costs such as wages and to remain competitive. These two steps led to an increase in unemployment in the 1970s, indicating a serious crisis with Fordism (Lipietz, 1997: 4).

How can one then describe the main distinguishing features of the present globalized/post-Fordist/restructured capitalism and its implications for labour (see Table 1)? We can broadly summarize some of the dominant features of the post-Fordist mode of accumulation under the headings of competitive state, flexibility, transnational bargain, fragmented labour market and the rise of a new consumerist culture and niche markets. Nation-states have moved away from a welfare state to a competition state. The state seems to be playing an important role in the deregulation of economies to promote the efficiency of market forces, to promote global competitiveness and the education that is appropriate to market demands. In the Third World, it has served international capital to implement uneven structural adjustment policies, opening up protected markets to the forces of global competition. These measures are designed to allow each country to gain their comparative advantage in a global system of free trade. Beyond this, the state, by tilting ideologically and politically towards capital, serves to curb labour and trade unionism through legislation and policies leading to the decline of trade unionism (Kiely, 2001: 6).

**Re-Structured Capitalism**

It can be stated then that the rise of the competitive state, flexibilization of production, transnational bargain and the bifur-
cation of the labour market both in the domestic and global sense have serious implications for the labour force. In the words of Castells (1997: 475), “labour is disaggregated in its performance, fragmented in its organization, diversified in its existence, divided in its collective action”. In 1995, there were 164 million workers who belonged to trade unions. In only 14 of the 92 countries union membership exceeded 50 per cent of the national workforce. Decline in union density was drastic in the last decade, with the exception of only 20 countries. Regionally, the decline in union density was sharpest in central and eastern European countries, about an average of 36 per cent, resulting from the obligatory union membership following the break up of the former Soviet bloc. The decline in union membership in Germany can be attributed to the drop in the former East Germany (ILO, 1997b).

Table 1 below provides an indication of the nature of union membership decline in selected countries in the regions of Europe, Asia, Africa, North America and Latin America.

In reference to Table 1, countries traditionally associated with high unionization rates registered sharp falls. As a percentage of total paid employees, membership fell in Australia, Canada, Germany, New Zealand, the United States and the United Kingdom. The situation in the Nordic countries was more varied. In the Asian region, trade union membership generally fell in almost all the countries surveyed in the report, with the exception of India, where it rose, along with a small rise in the Philippines. Japan and South Korea registered a sharp decline in union membership. It has been reported that countries not surveyed in the report such as Argentina, Poland, the Czech Republic, Hungary, Syria, Uganda, Venezuela, El Salvador, Ireland, Turkey, Syria and many others experienced trade union membership decline over the last one or two decades (Business Times, 11 September 1997).

**Union Decline in the Developed World**

The decline in union density in the developed parts of the world, Continental Europe, United Kingdom, Japan and the United States were invariably related to the nature of structural changes resulting from the transition to post-Fordist forms of production, consumption and the manner of state regulation. Demographic changes, cultural factors and the nature of capitalist
Table 1: Trade Union Membership in Selected Countries

<table>
<thead>
<tr>
<th>Countries</th>
<th>Yr and percentage of workforce</th>
<th>Yr % of workforce</th>
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</thead>
<tbody>
<tr>
<td>Australia</td>
<td>1980 (55 %)</td>
<td>1996 (31 %)</td>
</tr>
<tr>
<td>Canada</td>
<td>1980 (37.6 %)</td>
<td>1999 (30.1 %)</td>
</tr>
<tr>
<td>China</td>
<td>1980 (82.1%)</td>
<td>2000 (90.3%)</td>
</tr>
<tr>
<td>Denmark</td>
<td>1987 (93.6 %)</td>
<td>2000 (88.8%)</td>
</tr>
<tr>
<td>El Salvador</td>
<td>1986 (38.5 %)</td>
<td>1992 (21.7%)</td>
</tr>
<tr>
<td>Finland</td>
<td>1990 (88.1 %)</td>
<td>2000 (105.6 %)</td>
</tr>
<tr>
<td>France</td>
<td>1993 (31 %)</td>
<td>1994 (31 %)</td>
</tr>
<tr>
<td>Germany</td>
<td>1991 (34.8 %)</td>
<td>1998 (26.1 %)</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1988 (17 %)</td>
<td>1999 (21.5 %)</td>
</tr>
<tr>
<td>Iceland</td>
<td>1991 (87.9 %)</td>
<td>2000 (89.4 %)</td>
</tr>
<tr>
<td>India</td>
<td>1980 (16.7 %)</td>
<td>1997 (26.2 %)</td>
</tr>
<tr>
<td>Ireland</td>
<td>1988 (48.4 %)</td>
<td>1996 (43.6 %)</td>
</tr>
<tr>
<td>Japan</td>
<td>1980 (30.8 %)</td>
<td>2000 (21.5 %)</td>
</tr>
<tr>
<td>South Korea</td>
<td>1980 (21 %)</td>
<td>2000 (12 %)</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1992 (27 %)</td>
<td>1999 (29.1 %)</td>
</tr>
<tr>
<td>New Zealand</td>
<td>1985 (43.5 %)</td>
<td>1998 (17.7 %)</td>
</tr>
<tr>
<td>Norway</td>
<td>1996 (73.3 %)</td>
<td>2001 (70.6 %)</td>
</tr>
<tr>
<td>Philippines</td>
<td>1980 (27 %)</td>
<td>1998 (27.4 %)</td>
</tr>
<tr>
<td>Singapore</td>
<td>1980 (26.8 %)</td>
<td>2000 (18 %)</td>
</tr>
<tr>
<td>Slovakia</td>
<td>1996 (77.9 %)</td>
<td>2000 (59.8 %)</td>
</tr>
<tr>
<td>S. Africa</td>
<td>1988 (39.3 %)</td>
<td>1993 (58.4 %)</td>
</tr>
<tr>
<td>Sweden</td>
<td>1989 (96.1 %)</td>
<td>2000 (114 %)</td>
</tr>
<tr>
<td>Taiwan</td>
<td>1989 (38.6 %)</td>
<td>2001 (39.4 %)</td>
</tr>
<tr>
<td>Turkey</td>
<td>1984 (53.9 %)</td>
<td>2000 (56.8%)</td>
</tr>
<tr>
<td>U.K.</td>
<td>1982 (49.9 %)</td>
<td>1999 (29.5 %)</td>
</tr>
<tr>
<td>U.S.</td>
<td>1983 (20.1 %)</td>
<td>2001 (13.5 %)</td>
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development were also important in explaining the decline in union density. In Continental Europe, in the mid-1970s, the changes in the manner of production and the shift from the manufacturing to the service sector gave rise to mass unemployment resulting in the loss of union membership. Although unions in France and the Netherlands sought to introduce certain employment schemes, high costs associated with these schemes could not deter union decline. Feminization of the labour force also contributed to the decline in membership. In the 1970s, 1980s and 1990s, there was high female labour participation in employment in countries such as Germany, Austria and Belgium, but low levelsof participation in trade unions; women’s participation in continental trade unions remain at an average of 20 to 30 per cent. Furthermore, discrimination of women in employment, gender wage differentials, and the absence of women from the collective bargaining process provided little incentive for women to play a vigorous role in trade unions. The gender gap in employment and trade union leadership is particularly stark in the case of Southern Europe. Within trade unions, especially the established ones, the dominance exercised by pensioners in leadership and decision-making have prevented younger workers from joining trade unions. And not the least, the failure of traditional trade union leadership to mobilize and recruit young workers for unions has alienated a substantial portion of the young working population in Europe. Structural and cyclical factors such as a higher risk of joblessness, problems in finding apprenticeships, longer involvement in tertiary education, frequency of seeking part-time employment and the shift from white-collar to service employment have negatively impacted the younger generation of workers (Ebbinghaus, 2002: 14).

In Britain, trade union decline began from 1979 onwards as a result of the policies and programs initiated by the Tory government of Margaret Thatcher aimed at bringing about neo-liberal forms of development. Union power peaked under the labour government’s social compact in the late 1970s, but the British public’s dissatisfaction with strikes brought Thatcher’s conservative government to power. Under Thatcher, employers together with the Tory government launched a series of attacks against unions and their membership. Furthermore, mass unemployment, industrial closures and the concerted attempt by the government to weaken the trade unions demoralized rank and file member-
ship. Moreover, the passage of anti-union laws in 1980, 1982, 1984, 1988 and 1990 prevented unions from taking solidarity actions; unions that breached these laws faced heavy fines. The disappearance of the social pact between unions and employers, the absence of state regulation of the economy, the demoralization of unions under the Conservative government and growing unemployment were the main factors responsible for the decline of union strength. A labour force survey conducted between 1999 and 2000 revealed that industrial mergers and amalgamations, the feminization of the labour force, disinterest on the part of young workers in trade unions, the changing composition of the labour force and the lack of collective agreements were also responsible for diluting trade union strength in Britain (Sneade, 2001: 433-440).

In the United States, union density stood at 12.9 per cent in 2003; between 2002 and 2003, union membership fell by 369,000 members (U.S. Dept of Labour, 2003: 1). Unions in the United States have suffered membership losses over the last four decades, largely the result of structural changes in the U.S. economy. First, the shift from manufacturing to service industries resulted in the shrinkage of union membership in traditional sectors such as mining and manufacturing. Related to this were the shrinkage of blue-collar workers and the increase of white-collar workers. Second, the pressure of global competition and the need to reduce costs have made it rather difficult for unions to negotiate and determine their wages. Furthermore, the threat of plant closures has served to curb the militancy of many trade unions. Between 1983 and 1996, global competition and the internationalization of capital have served to reduce the wage premium in the private sector by 40 per cent. In addition to the structural changes mentioned, the significant shifts in the nature of employment and work and the demographic composition of the workforce have impacted the level of unionization. Perception of discrimination in employment amongst women workers and the lack of women in trade union leadership have prevented women from readily participating in trade unions. Union domination by older men and the non-appeal of seniority rights have militated against young persons joining trade unions in great numbers. The introduction of new legislation has made it easier for workers to challenge and correct unsafe working conditions, job discrimination, workplace harassment and unjust dismissals without having to be
represented by trade unions. And not the least, compensation provided through unemployment insurance and welfare benefits seem to have replaced some of the traditional areas of union function (Employment Policy Foundation, May 1998).

The mid-1970s represents a high point of union density in Japan; 34.4 per cent of workers were organized in unions. However, since 1975, a period associated with dramatic structural change to the capitalist system, union density in Japan declined from 34.4 per cent (1975) to 21.5 per cent in 2000. The decline in union membership basically reflected the nature of the industrial relations system based on enterprise unionism, long-term employment, intra-firm skill formation and the nature of the seniority system. Demographic and institutional factors played a role in the decline of union membership. Structural changes resulting in the shift from manufacturing to service contributed to the drop of 144,000 workers, the financial sector lost about 38,000 workers and the transport sector about 37,000 members by early 2000. A recent study points out that the trade unions’ loss of influence on the industrial relations system, the lack of job security, and the restructuring attempts by firms to cutback losses affected membership in trade unions. For instance, in the aftermath of the oil shocks, many companies took the opportunity to bring in part-time workers so as to balance them with full-time employees. Furthermore, the increase in part-time employees with no interest in joining unions, the increase in the proportion of white-collar occupations and their different expectations of union responsibilities, made it difficult for the functioning of traditional Japanese unions (Fujimura, 1998: 6).

In the 1990s, the Asian financial crisis, the rigidity of the Japanese business system, increasing global competition and the nature of its fiscal policy emboldened employers to not extend employment beyond the age of 55, bring in the skill component in wage determination, and re-locate production to cheap labour areas. As a result of these measures, Japanese labour suffered immensely and apparently one million jobs were lost in 1991. It was the job losses and insecurity in employment that forced Japanese labour to re-think new ways of stabilizing the economy and the political system. For example, the Japanese Trade Union Confederation (Rengo) has come to accept that workers in Japan should move away from the pre-occupation with seniority to a wage system based on merit. Additionally, Rengo also agreed to drop fu-
ture seniority-based wage demands and to opt instead to institute a system that will bring about a minimum wage for workers. These are some of the attempts initiated by Japanese trade unions to sustain employment and job security rather than pursue the traditional option of seeking to protect the seniority system of employment (Benson and Debroux, 2000: 114-132).

Impact on the Third World

Before the onset of globalization, the Third World has to pass through two stages of the international division of labour. The “old” international division of labour was centred around the social, economic and political reality of colonialism. Industrialized countries sought to control the Third World in order to extract its raw materials. Until the mid-20th century, major parts of the Third World were dependent on the colonial powers for limited forms of industrialization. However, beginning from the 1970s onwards, a “new” international division of labour (NIDL) emerged to undermine the traditional division of labour based on two global actors, the developed and underdeveloped countries. The NIDL contributed to the restructuring of production relations in large parts of the Third World with the emergence of a substantial manufacturing sector with the propensity to employ informal/casual and female labour. In 1975, there were 725,000 workers in the Third World engaged in the internationalized sector, of which 420,000 were in Asia and 265,000 were in Latin America and the rest in Africa (Munck, 2002: 107). The rise of the NIDL fundamentally transformed the economies of the Third World, but did not totally displace the old forms of industrialization. Thus, it was the combination of the two forms of industrialization in parts of the Third World that led scholars to characterize the production system as peripheral Fordism (basically in reference to car plants in Brazil, Mexico, South Korea, Indonesia and South Africa; see Munck, 2002: 108; Lipietz, 1997: 24).

The transition from the NIDL development model to a more global development process was a feature of the 1980s and 1990s. While the NIDL model was one based on national economic development, globalization slowly opened up the discourse on the liberalization of all domains of the political economy – opening of the world market, doing away with the central role of the state with profit as the ultimate determining factor. Globalization of the Third World economies involved the following as-
pects: a) an emerging consensus among policy makers favouring market-led rather than state-led development strategies; b) centralized management of the global market by the developed countries; c) implementation of the rules by the multilateral agencies such as the World Bank, the International Monetary Fund (IMF) and the World Trade Organization (WTO); d) concentration of market power in the hands of multinational corporations and financial power in the hands of transnational banks; and e) the subordination of the Second and Third World states to global institutional forces.

The passage from the NIDL to globalization meant that the majority of workers in the Third World would be closely integrated to the global capitalist economy in which the forces of the developed world and the various multilateral agencies would exercise superior power. In 1995, the World Bank estimated that the projected increase of one billion in the world’s labour force would occur in the low and middle-income countries of the Third World (World Bank, 1995:9). During the NIDL period, the majority of the world’s workers lived in some form of planned economies, but with the onset of globalization in the mid-1990s, only about 10 per cent was not integrated in the economic mainstream. Although globalization saw the introduction of flexible production methods such as the JIT (Just-in-Time), these features did not eliminate the old forms of labour exploitation. In fact, it could be stated that the introduction of modern technology and new forms of labour organization often co-existed with the traditional forms of exploitation and labour repression (Munck, 2002:110).

**Challenges to Trade Unionism**

It is accepted that globalization has negatively impacted the labour movement in general and trade unions in particular. Informalization of the economy, flexible labour utilization, feminization of the labour force, sub-contracting of labour and, not the least, the changed role of the state in favouring capital accumulation, have served to reduce trade union membership worldwide. An ILO study points out that between 1985 and 1995, trade union membership has seen major fluctuations in many countries of the Third World (see Table 2).

Trade unions face four main challenges from the globalization process. First, is the challenge arising out of the re-
organization of production and the development of new management strategies of capital. In the earlier period of Fordism, the labour movement was linked with the protectionist policies of the state to promote import-substitution industrialization. In many developing countries, protectionist policies of the state did benefit trade unions in the form of wage stability provided through the mechanism of collective bargaining with employers. However, with the arrival of the NIDL and the subsequent passage to globalization, the urgency on the part of international capital through the multinational corporations to conquer markets has led to the oppression of labour. New management strategies such as Toyotism, JIT, flexible production, and employment of contract labour have negatively impacted the independence and autonomy of the labour movement.

Second, under the impact of global capital, the labour movement has become very fragmented. As long as capital was organized nationally, the labour movement had some degree of homogeneity in relating to capital in a cohesive manner. However, the transition to global production and the search for wider markets have made it difficult for unions to organize and bargain with employers. The rise of the informal sector leading to the creation of a flexible labour force, the sub-contracting of employment and the use of female labour force has introduced serious divisions within the labour movement. Trade unions are finding it difficult to have a say about work and the nature of employment. The presence of the informal sector seems to be in a direct relationship with the decline of union density in many countries of Asia, Africa and Latin America.

Table 2: Trade Union Density

<table>
<thead>
<tr>
<th>Country</th>
<th>1985-95 Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>-9</td>
</tr>
<tr>
<td>South Africa</td>
<td>+130</td>
</tr>
<tr>
<td>Argentina</td>
<td>-42</td>
</tr>
<tr>
<td>Cuba</td>
<td>-30</td>
</tr>
<tr>
<td>Mexico</td>
<td>-28</td>
</tr>
<tr>
<td>Venezuela</td>
<td>-42</td>
</tr>
<tr>
<td>South Korea</td>
<td>+3</td>
</tr>
<tr>
<td>Philippines</td>
<td>+85</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>+34</td>
</tr>
<tr>
<td>Singapore</td>
<td>-18</td>
</tr>
</tbody>
</table>

(Selected countries of the Third World)
Third, while the state might have succumbed to the dictates of de-regulation of markets in withdrawing certain welfare provisions to labour, it is nonetheless a very active partner in the capital accumulation process. It is not that the state has become weak; it is rather that the functions of the state have considerably changed under the impact of globalization. Today it is a very active partner of global capital; it is not only under the great influence of global capital, but also seems to go along with policies and objectives of multilateral institutions like the IMF, World Bank and WTO. However, while the role of the state might have changed somewhat vis-à-vis global capital, it is still a force in trying to tame and discipline the labour movement. There are countless examples to show how the state has taken strict measures to seek the compliance of trade unions to the dictates of capital. In countries like Malaysia, Singapore, Indonesia and elsewhere, strict trade union laws and regulations have not only posed difficulties for the formation of unions but also the nature of industrial relations practices have constrained the recognition of unions. In Malaysia, the Malaysian Trades Union Council has taken up lack of union recognition and the issue of freedom of association not only with the state but also with international labour organizations (Ramasamy, 2001:183).

Fourth, in developing countries, globalization has imposed certain structural constraints on the operation and function of public sector employment. The need to reduce public expenditure, de-regulation and the move away from assuming welfare-related functions have inevitably forced the state to reduce the public sector. Such reduction has come by way of privatization exercises; many public service departments have been privatized either wholly or partially. These departments, which once enjoyed protection from the state have to fend for themselves in a strictly market environment. Jobs have been lost and sizeable portions of employees have lost their membership in trade unions. In some countries where privatization has been pursued, once strong national unions have lost their membership to the formation of company or in-house unions, apparently following the example of enterprise unions. In Malaysia, employees in the export processing zones have been long denied the right to form a union or become affiliated with national unions. Only with much pressure did the state allow the formation of a few in-house unions, who are without power and membership in contrast to the national un-
ions (Ramasamy, 2001: 183). In Indonesia, the state recognizes only certain unions and not others. In Singapore, the National Trade Union Congress has been long incorporated within the state structure with the formalization of tripartite negotiations structures (Hadiz, 2001).

Social Movement Unionism and New Labour Internationalism

Globalization might have succeeded in subduing labour to a large extent, however, it would be wrong to claim that all is quiet on the labour front. In fact, there is compelling evidence to indicate that globalization is very much being opposed by trade unions in a number of countries. Just as labour in the north is opposing and challenging the policies and programs of capital, similar developments are also taking place in developing countries. At this historical juncture, there might not be much international coordination between unions in the two regions of the world, but there are signs that labour centres such as the International Confederation of Trade Unions (ICFTU), the American Federation of Labour-Congress for Industrial Organizations (AFL-CIO) and the International Trade Secretariats are taking measures to bring some form of global labour solidarity. What is interesting is that many unions are slowly coming to the realization that capital cannot be fought along national lines, but an international dimension is really necessary. In this following section, some attention will be paid to how trade unions are responding to globalization in countries such as South Africa, Brazil and South Korea. These countries are chosen because of various reasons. First, union membership has increased in these countries over the last few decades. Second, trade unions, especially the independent ones, have proved to be very militant in strikes and demonstrations. Third, unions in these countries have gone beyond “business unionism” to establish links with other progressive organizations to question the nature and impact of globalization.

South Africa

In 1998, union density in South Africa was around 51 per cent with a total membership of 3,801,388. Of these, the Congress of South African Trade Unions (COSATU) had a membership of 1,713,555 and non-COSATU members 2,087,855. Contrary to the popular prediction that trade union membership would
decline under the impact of globalization, in South Africa, union density increased 18 per cent in 1985 to 51 per cent in 1998, over a span of 13 years. The growth in union membership in South Africa could be attributed to the successful organization of the four major sectors of the economy, namely, manufacturing, mining, the public sector and agriculture. It is these four categories that account for 82 per cent of all COSATU members (Bezuidenhout, 2000: 13, 35).

The rise of the independent labour movement leading to the formation of COSATU was within a larger context of opposing and ultimately removing the race-based apartheid system that dominated the South African economic and political scene for a long time. In fighting the apartheid system, COSATU forged an alliance with the Communist Party and the African National Congress (ANC) on the basis of a common Reconstruction and Development Program (RDP) emphasizing growth and redistribution. Before the 1994 general elections, COSATU can be credited for stopping the apartheid government from unilaterally restructuring the economy on the basis of neo-liberalism by broadly mobilizing democratic forces. Following the restoration of democracy, the government that took power was forced to announce the formation of the National Economic Development and Labour Council (NEDLAC), where proposed labour legislations and new economic policies had to be presented to the representatives of labour and business before being sent to parliament (Naidoo, Sept 2001).

The establishment of NDLAC provides an important site for the South African labour movement to bring changes to the conditions of the workforce. It is through participation in this council that labour has the space to oppose neo-liberal programs. While this council provides an important opportunity for labour to enhance its ties with other sections of the larger community, there is a fear that the council might ultimately defeat or co-opt members of the progressive groups. The South African labour movement in general and COSATU in particular are not without problems; the growth of income inequality and unemployment has caused much concern within union circles. Massive job losses have reduced the income of the poorest by 20 per cent in the last two years. Furthermore, the incomplete and often contradictory implementation of the economic agenda set out in the RDP has exposed weakness on the side of the union. Under global market
pressures, fiscal constraints have pushed the social concerns down the list of priorities.

Unions might be strong in South Africa; however, this does not mean that they can fully stop the liberalizing pressures faced by the national government. COSATU and other unions are experimenting with new formations to deal more effectively with neo-liberal tendencies. In 1996, COSATU set up a commission to consider a strategy for labour in the 21st century. The commission recommended that labour approach its new problems by building on the country's history of social movement unionism. Social movement unionism was defined as concerned with broad social and political issues as well as the immediate concerns of its members. In this respect, COSATU should aim to be a social force for transformation in the direction of democracy and socialism by organizing, mobilizing various affected segments of the society. Social movement unionism campaigns in South Africa include proposing alternative budgets for consideration by government, taking up sustained campaigns to reduce poverty and unemployment, organizing broad coalition of social forces, and emphasizing the welfare of citizens rather than profits (Naidoo, Sept 2001)

Social movement unionism in South Africa has changed over time. In the 1980s, it was very political in orientation, calling for the dismantlement of the apartheid system, but presently, this brand of unionism is more orientated towards the creation of jobs, diluting the impact of globalization, and the reduction of poverty. Although COSATU has been forced to take on a business kind of unionism at the shop floor in bettering the economic and social livelihood of its members, it has not forgotten its larger role of trying to create an emancipatory society alternative to the neoliberal project. In this respect, its relationship with other progressive organizations in the country is based on class analysis and the creation of participatory governance. Through the vehicle of social movement unionism, COSATU hopes to use education to mobilize wide sections of the society about the evils of the capitalist system. Thus, social movement unionism seeks to create space for other marginalized groups to empower themselves in the relentless fight against globalization.

Social movement unionism is not without its contradictions in South Africa. First, there is a fear that the emphasis on safeguarding gains in labour rights might predispose unions to
cease their recruitment drives in obtaining additional membership as servicing members will take top priority. Second, COSATU and its affiliates might have been successful in organizing workers in sectors such as mining, manufacturing, service and the public sector, but they are finding it difficult to organize casual workers. Moreover, the disenchantment of young workers with unions is another important worrying factor, especially in beefing union strength in the future. Third, while social movement unionism has the tendency to emphasize the broad goals of the progressive forces, unions are finding it difficult to deal with the problem of restructuring at the company level and attempts to move away from centralized collective bargaining. In this respect, unions have to come up with imaginative ways to deal with company-level restructuring. Fourth, there are contradictions in the formation of alliance and solidarity. COSATU has an on-going alliance with the ANC government in power. However, attempts on the part of the government to support neo-liberal economic policies have called into question the nature of this alliance and whether it is proper for COSATU to continue with it in the future (Bezuidenhout, 2000: 27).

Brazil

Brazil represents an interesting case of social-movement radical trade unionism. In the 1970s and early 1980s, independent trade unions operating within the fold of CUT (Central Unica dos Trabalhadores or Single Workers’ Central) launched a series of strikes and demonstrations in alliance with oppressed sections of the society to oppose the military authoritarian regime. In the 1980s, it could be said that the Brazilian labour movement was at its height in terms of the number of strikes launched comprising labour elements from different occupational categories. CUT emerged as a consolidated labour movement representing 89 percent of government employees, 51 percent of private national enterprise workers unions and 56 percent of employees in multinational enterprises. In the early 1990s, strikes peaked once again in Brazil as result of economic dislocation caused by hyperinflation. Participation in these strikes spanned workers, church clergy, students, peasants and economic leaders. However, as the government imposed monetary stabilization under the Plano Real, strike activity considerably declined. In fact, the average number of strikes went down to the level of the 1970s, that is the period be-
fore the launch of labour militancy. During that period, CUT was not able to keep up the strike momentum due to new socio-economic conditions created by the economic stabilization programme (Sandoval, 1999: 175).

In the mid-1990s and onwards, strikes declined despite the fact that CUT had the organizational and mobilizing capacity. Plano Real not only brought hyperinflation under control, but the Brazilian economy also underwent major structural changes. The decline in CUT’s militancy was due to structural changes. In the case of metal workers of the ABC region of Sao Paulo, there was a loss of jobs due to structural changes, a shift in employment from larger cities to smaller ones, a shift of wages from capitals to the interior, and a relocation of pre-existing industries. The attractions provided by local populations, municipalities and state government affected the support base of CUT; CUT was not in position to formulate a coherent policy in regard to industrial expansion. Furthermore, the loss of employment due to privatization also undermined the traditional support base of CUT; between 1991 and 1997, ten Brazilian steel plants were privatized (Sandoval, 1999: 179-182).

CUT, in alliance with the PT (Workers Party), remains a formidable force in the political landscape of Brazilian politics, despite having lost its earlier militancy, with the number of strikes declining considerably, and having lost support from its traditional occupational categories due to the economic stabilization program undertaken by the government. Monetary stabilization, privatization, technological innovations, mergers and other factors have reduced support for CUT and its relationship with other social and economic forces. Furthermore, the growth of the informal sector, the increasing feminization of labour, and labour market flexibilization have introduced further complications for CUT. While these neo-liberal programs have somewhat weakened CUT, they have at the same time provided the necessary conditions for the organization to re-think and reformulate its labour strategy. In this respect, CUT, in alliance with the PT, has embarked on a number of new strategies to revitalize the broad alliance of the working masses of Brazil. First, by including other categories of workers in the labour movement, CUT has sought to mobilize peasant movements to directly negotiate with the government, as is the case with the Movement of Landless Rural
Workers. Second, at the level of unions, CUT has proposed to introduce national sectoral trade unions that will be able to lead wage negotiations, to promote factory commissions, in all to promote those that have not been unionized. Third, CUT undertakes measures at the national, regional and local levels to articulate its position that globalization reduces employment, causes economic stagnation, and interferes with unionization. And finally, CUT plays an important role in the development of international strategies; it receives financial assistance from developed countries and is a member of the ICFTU; CUT also plays an important role in the promotion of labour rights in regional organizations and frequently engages in information exchange with members of COSATU and independent unions in Korea (Riethof, 2002: 11-20).

South Korea

South Korea, with a population of nearly 47 million, achieved remarkable economic growth since the 1970s. Since this period, the economy has witnessed GDP growth averaging about 8 per cent per year. Real wages grew at an average annual rate of 9.3 per cent between 1985 and 1994. Despite the economic slowdown during the first half of the 1990s, real wage growth was much higher than those of developed countries and higher than countries like Singapore, Taiwan and Hong Kong. Rapid economic growth in Korea has been associated with rapid urbanization and the rise of the manufacturing workforce. The economy’s high growth rate made it possible for the creation of nearly ten million jobs in the 1990s. However, despite rapid economic growth, the South Korean economy has not been able to hide its darker side. Long working hours and high incidence of industrial accidents continue to plague the economy. Even though working hours have been reduced in the country, they are still long, averaging about 46.7 hours per week, especially in the non-agricultural sector. Moreover, due to injury, 4283 workdays were lost per 1000 employees in the mid-1990s (Ho Keun Song, 1999: 1-6).

The slow-down of the economy in the 1990s has created problems for mid-career employees; many have been forced to accept “honorary” retirements. The currency/financial crisis of 1997 was hard on the Korean economy; when Korea approached the IMF for a rescue package, the Korea Won fell by nearly 50 per cent against the US dollar, leading to the near collapse of the
stock market. The financial crisis cost the jobs of more than one million workers in South Korea. The sudden decline in employment was attributed mostly to the bankruptcy of small and medium-sized firms arising out of credit squeezing applied by the banking sector. Moreover, re-structuring exercises imposed by the IMF has forced the state and employers to undertake economic adjustment programs such as downsizing, restructuring the big Chaebols, mergers and acquisitions. Such measures taken in the name of labour flexibility, competition and efficiency have been hard on workers.

Social movement unionism in South Korea developed in response to authoritarianism and later in opposition to the negative impact of globalization. The form of unionism sought to combine not only workers, but also a broad cross-section of society, particularly those who were been negatively impacted by the non-democratic politics and globalization. In the 1970s, a strong labor movement emerged to challenge management control over unions. However, in the 1980s, the union movement underwent a transformation by engaging with other sections of the society to oppose the authoritarian government. During that period, union membership almost doubled and the density rose from 12.4 per cent to 18.6 per cent. In 1987 alone, there were nearly 4000 disputes. In 1990, a militant and illegal national federation, the Korean Confederation of Trade Unions (KCTU) was formed; following the biggest strike in 1997, trade union law was revised to allow the KCTU to function as a legitimate union.

The Korean labour movement represented in the activities of the KCTU is actively developing strategies and action programs to defeat the neo-liberal strategies of both the Korean state and international capital. The most significant goal of the KCTU and its allies is the transformation of the Korean capitalist system. The trade union movement in Korea shares many similarities of social movement unionism as espoused by COSATU and CUT. The following are some of the objectives of the social movement of the Korean labour movement: development of the national economy, overcoming the IMF-managed system, reform of the big conglomerates, democratic regulation of large-scale enterprises, expansion of public firms and people-owned enterprises, public participation in the policy-making process, expansion of the social welfare system, freedom and other fundamental rights of people. Today, the KCTU has been pursuing these objectives
and strategies and has carried out a number of strikes to achieve its objectives. In 1998, it carried out two major strikes at Hyundai Motors to oppose the lay-off of workers (Keum-Soo Kim, 1998: 2). Throughout 1998, the KCTU also organized coordinated strikes involving more than 120,000 workers in other establishments to protest planned job and wage cuts as well as the privatization and denationalization of enterprises. Women workers have been an active force in the recent labour struggles in Korea, as they have been hardest hit during economic crises (Hart-Landsberg and Burkett, 2001: 423). On 4 July 2002, 90 per cent of the 65,000 bank workers belonging to the Korean Federation of Bank and Financial Labour Unions voted to set a strike deadline to protest government restructuring plans calling for the merger of three state-owned banks. The strike ended after one day when the government agreed to call off its merger plan (Hart-Landsberg and Burkett, 2001: 424). During the summer of 2001, the strike at Lotte Hotel was successfully concluded when the management agreed to union demands.

In the South Korea case, trade union struggles against IMF-imposed neo-liberal policies have fostered much solidarity among the working class. In the past few years, South Korean workers have demonstrated a great class-consciousness and fighting spirit. However, it is also realized that defensive struggles to oppose restructuring efforts might not help workers in the long run. Thus, in this context, the social movement trade unionism, as exemplified in the efforts of KCTU, seems to be developing and sustaining a counter-vision of society where there is need to build a broad-based left movement to promote greater labour solidarity. In other words, there are noticeable efforts on the part of the KCTU to encourage left-orientated workers, farmers, and non-governmental organizations to come together on a shared understanding of current economic and political issues. Moreover, in the last few years, the KCTU has sought to build up a kind of international solidarity with like-minded trade union centres around the world to develop a counter-hegemonic strategy against capitalism in general (Keum-Soo Kim, 1998: 2-3).

**New Internationalism?**

Social movement unionism and global social movements have been hailed as new forms of labour internationalism. It is being argued that these anti-globalization movements have a
greater potential to seize the opportunities presented by the contradictory effects of globalization. Moody (1997), credited for popularizing the concept of social movement unionism, argues that only this kind of democratic movement can best mobilize the strength of numbers in order to apply the maximum economic leverage against neo-liberal globalization. He finds that the militant unions in South Africa, Brazil and South Korea are democratic and left-wing unions based on the principles of militant struggle against employers and governments in pursuing anti-workers policies and rank and file control over union decisions. For Moody, the basic problem confronting workers is political – how to develop a well-defined ideology that provides a vision for the future. According to Waterman (2000), the new features of social movement unionism include the ability to struggle not only for wages but also for control over the labour process, to institute new democratic forms of work methods, relating to non-unionized workers, transforming social relations in a democratic and pluralistic setting, linking with like-minded political parties and establishing ties with fraternal organizations within and without. And finally, Munck (2002) thinks that social movement unionism, by engaging in strategic alliances (between labour, environmental and social justice groups), has cut across the boundaries of national/international, production/consumption and labour/community (154-173).

Global social movements (Seattle and beyond) are also considered new forms of anti-hegemonic movements against globalization, neo-liberal policies and corporate power. Epstein (2001) considers these movements as something different from earlier ones; they hold the hope for the revival of the left. The radical ideology that prevails among its core activists represents a soft form of anarchism, open to Marxist political economy, which prefers the development of small-scale communities and is suspicious of authority (13). Wallerstein (2002) considers these anti-systemic movements “rather different from those of earlier attempts” (36). By bringing together the old left, new movements, human-rights bodies, labour and others, this antisystemic movement poses a new challenge to globalization (37). Similarly, Graeber (2002), Klein (2001) and Green and Griffith (2001) think that global social movements are basically ideological and new organizational forms of global solidarity to oppose globalization. According to Graeber, “there is one striking contrast between this
and earlier internationalisms, however. The former usually ended up exporting Western organizational models to the rest of the world; in this, the flow has if anything been the other way around. Many, perhaps most, of the movement’s signature techniques—including mass nonviolent civil disobedience itself—were first developed in the global south” (66).

Social movement unionism and new global social movement is certainly a new feature of global anti-hegemonic solidarity against globalization. However, whether this movement can contribute to the formation of international labour solidarity or to constitute a new international remains to be seen. Despite the significant attempts to confront globalization at both the national and international levels, this movement has not shown any inclination of organizing a major global network or anti-globalization front. Social movement unionism, despite its appeal, is still confined to certain national boundaries. Whether other labour movements can emulate the example of social movement unionism is not certain. A recent study cautions us against accepting the model of social movement unionism because of its peculiar country-based features, which might not render it applicable to other national settings. “…So it is difficult to transfer the kind of union practices that emerged in the struggle against apartheid to Europe or the USA, with their long established democracy and the political incorporation of the working class” (Von Holdt, 2002: 299).

**Conclusion**

There are two aspects to our analysis of globalization. The first revealed how globalization, arising out the crisis of the social compact/Fordist model in developed countries, sought to subjugate labour with its emphasis on de-regulation, flexible production and the fragmentation of labour markets. By the 1980s and 1990s, the Third World also came to be incorporated within the globalization framework. The spread of globalization had serious implications for labour in both parts of the world. In developed countries, trade union membership generally fell as a result of changes to production, the shift in employment away from the traditional sectors, the use of flexible methods of production and the increasing participation of women in employment. Similarly, in the Third World, globalization of production leading to the fragmentation of the labour force, along with new management strategies and the employment of women and casual labour, con-
tributed to the weakening of organized labour and the decline of union density. The rise of globalization and its subsequent attempts to subjugate labour in the interests of global capital have been identified by Marx as the first phase in the trajectory of historical capitalism that is orientated towards the suppression of labour. Similarly, the spread of globalization on the basis of the primacy of market forces is what Polanyi termed as the single-movement that seeks to “dismemb” the economy from society.

Labour resistance/labour internationalism constitutes the second aspect of our analysis of globalization. Globalization’s market-centred bias is not something that is universally accepted. Data reveals social movement unionism in countries like Brazil, South Korea and South Africa and the recent struggles waged by global social movements represent new forms of labour/societal resistance against globalization. Unlike earlier forms of resistance, these have sought to form broad alliances with progressive groups and individuals in opposing globalization. Social movement unionism basically represents an alliance between the working class and other segments of society that have been affected by globalization. Similarly, global social movements have sought to combine a wide variety of participants to challenge globalization and its main institutions. The reality of labour/societal resistance against globalization confirms Marx’s position that the historical spread of capitalism invariably creates the conditions for struggle. Similarly, it confirms the prognosis of Polanyi that the penetration of market forces (single-movement) will be opposed by the development of societal resistance (double-movement).

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