

## **Labour movements in the global South: a prominent role in struggles against neoliberal globalisation?**

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### **Abstract**

*The age of global neoliberalism has created a crisis for traditional unionism, yet the belief that labour movements have been fundamentally undermined is spurious. Neoliberal globalisation has created a new operating context for labour, yet scholarship has commonly either emphasised the vast challenges this new context has created for labour movements or posited new social movements as the standard bearers of anti-neoliberal struggles – setting aside labour movements as the remnants of a bygone era. This action note questions such perspectives by evidencing the extent to which labour movements in the global south remain prominent forces in anti-neoliberal struggles, exploring how they have adapted to the challenges of informalisation and the rise of new social movements engaging in progressive causes beyond traditional union concerns. In doing so, this note outlines some general principles for southern union engagement with informal workers, new social movements and actors in the global north, which create opportunities for mutual benefits and the strengthening of shared struggles against neoliberal globalisation.<sup>1</sup>*

### **Neoliberal globalisation and contemporary struggle**

The wave of global neoliberalism that emerged in the 1980s has been described by Harvey as 'creative destruction', in that state sovereignty, 'divisions of labour, social relations, welfare provisions...ways of thought, and the like' (2007: 23) have been destroyed in order to create a neoliberal world of capital mobility, free trade, flexible labour and the market-compliant economic governance of the minimal state and international financial institutions (Munck 2004: 253). The recent financial crisis points to the failure of neoliberal globalisation as a strategy for economic growth (Harvey 2007: 34), and increasing inequalities and poverty reveal the subjugation of labour in recent decades, particularly within the global south (Chang and Grabel 2004). Yet despite this reality seeming ripe for labour discontent, neoliberal globalisation appears to have strongly undermined the labour movement. Neo-Gramscian scholars emphasise the existence of a transnational capitalist class, or 'historical bloc' (Stephen 2011: 213) which underlies the hegemonic power of global capital in its neoliberal guise, and is often considered a 'unitary, absolute power against which counter-movements are helpless' (Stephen 2011: 210). The neoliberal

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project has certainly had a strong impact upon labour, with de-unionisation and government hostility towards unionism, the casualisation of employment through flexible labour relations and the promulgation of the informal sector a ubiquitous phenomenon across the global south (Lindell 2010). In this reading, capital has 'outmanoeuvred' (Lambert 2001: 341) and fundamentally overpowered labour (Boswell and Dimitris 1997) and it is certainly undeniable that workers in the global south face immense difficulties in attempting to confront neoliberal globalisation (Lopez 2005).

The growth of the informal sector is of particular concern for labour movements in the global south, and its growing importance is argued to be undermining their resistance capacity. Informal workers engage in economic activities outside of formal employment, often avoiding or circumventing state regulations, and they account for a huge percentage of the workforce in the global south; the figure for India stands at around 95% (O'Brien 2000). Informal workers are therefore not unionised, and the number of people engaged in the sector has increased dramatically under neoliberal globalisation as public sector employment has contracted (Agarwala 2007). Equally, labour conditions have become more flexible and casualised, with many workers in the formal sector now also unable to be unionised (Barchiesi 2010). A clear example of casualised labour is provided by Export Processing Zones (EPZs); highly de-regulated enclaves of export manufacturing in which labour rights and unionism are actively suppressed. The International Labour Organisation (ILO) has now included these casualised workers within its working definition of informal workers (Barchiesi 2011). The dominance of informality in the global south makes effective labour movements appear unlikely, as the wide variety of employment relations makes for a 'multiplicity of class formations' (Lindell 2010: 209) - purportedly delaying the creation of a unified class consciousness - and governments actively curtail unionism under the panoptic eye of global capital. These realities of neoliberal hegemony have led scholars to question the ability of trade unions (TUs) to function within a world of growing informality and, indeed, many have questioned the ability of the growing number of informal sector workers to organise themselves at all in the struggle against neoliberal globalisation (Bayat 2000).

However, the idea that growing informalisation has fatally undermined the resistance capacity of workers in the global south is misleading, as resistance is clearly evident and frequently organised. Agarwala's (2007) research considers a plethora of informal worker organisations in India, and reveals how they have forced the state to enact welfare reforms and make employers recognise them as legitimate workers. Organisations emerging from and defending the rights of informal sector workers are evident across Asia, Africa and Latin America (Agarwala 2007; Lindell 2010), and their organisational scope has reached all the way to the international stage. StreetNet International is one example among many, representing thirty national organisations acting to protect the rights of informal street vendors (StreetNet International n.d.). Such agencies now engage with the ILO in order to put informal worker's issues onto the international agenda (Lindell 2010). It is evident that depictions of a

monolithic neoliberal hegemony are misleading, as collective forms of worker resistance are apparent even in the informal economy - the very phenomenon suggested to have undermined organised resistance. This reveals how neoliberal globalisation has both acted to undermine labour resistance, yet created new sites of struggle and new forms of resistance to its hegemony. It is therefore important to not conceptualise neoliberal globalisation 'as a monolith but as a complex, contingent and hybrid set of shifting social relations' (Munck 2004: 258).

Once the organised resistance capacity of an informalised global south is accepted, questions still remain regarding the utility of labour movements under neoliberal hegemony. TUs in the global south have suffered declining membership as the informal sector grows, and the new forms of resistance that have emerged often do so around issues and causes beyond the workplace, such as land, social and political rights, and even welfare demands (Agarwala 2007). The heterogeneity of the actors involved and the specific ends pursued by these groups clearly differentiate them from traditional labour movements, and a large number are considered new social movements which are reflective of, and better suited to, the heterogeneous class and employment relations of the informal sector. The Zapatista movement in Mexico, and the transnational peasants rights group La Via Campesina, are notable examples of dynamic and powerful social movements, engaged in struggles over issues which appear beyond the scope of labour movements (Khasnabish 2004; La Via Campesina, n.d.). Equally, the Egyptian Revolution represents perhaps the most resonant example of a mass social movement – or more accurately a conglomeration of social movements – struggling against not just political authoritarianism but also the disastrous consequences of neoliberalism for the Egyptian people (Joya 2011). All this has led some scholars (Castells 1997) to suggest that within the new context of global neoliberalism, it is these new social movements which represent the new core of resistance, with labour movements witnessing terminal decline as they are historically superseded by forms of resistance more suited to fighting the contemporary nature of global capital.

Whilst struggles against neoliberal globalisation are evident in the global south, it can be argued that labour movements will no longer play a significant role in these struggles. However, these claims do not appear well grounded. Whilst some social movements have proven themselves powerful centres of organisation and action these are exceptional cases, with social movements in general facing numerous problems and often lacking the capacity for sustained mass action (Friedman 2012; Moody 1997). South Africa is an example of a country in which the union movement retains a larger membership base than is found among the social movements, and the majority of the latter have failed to achieve concrete progress towards their goals (Friedman 2012). Equally, evidence from the Philippines suggests that labour movements have emerged within informal settings, even under the watchful gaze of vehemently anti-union governments, and provide a leading challenge to neoliberal globalisation in these contexts (McKay 2006). Importantly, labour organising in the EPZs of the Philippines indicates a labour movement evolving and adapting to the new

realities of the neoliberal hegemony and the emergence of new social movements. More established labour movements in countries as diverse as South Africa, South Korea and Brazil are also credited with laying the groundwork for a potential solution to the problems faced by both labour and social movements - Social Movement Unionism (SMU). Central to the idea of Social Movement Unionism (Moody 1997) is a labour movement that spreads union involvement beyond the immediate workplace, including civil society groups and social movements as part of a broad-church movement. This form of organisation is posited as being mutually beneficial for the parties involved, offering social movements access to the 'economic leverage and organisational resources' of the TUs, whilst providing unions with greater numbers and access to 'less well organised or positioned sections of the working class' (Moody 1997: 60). SMU also emphasises the need to forge cooperative networks from the local to the international level, enabling a multi-spatial response to the pervasive neoliberal hegemony (Moody 1997). SMU therefore offers the possibility of an anti-neoliberal movement that crosses numerous hitherto uncrossed boundaries, between labour and civil society, the formal and informal sectors, local/national/regional/international spaces and the global north and south, and offers a clear blueprint for the continued vitality of the labour movement in struggles against neoliberal globalisation (Waterman and Wills 2001).

### **Social movement unionism: problems and emergent solutions**

Unfortunately, Moody's specification of SMU is problematic both theoretically and practically. Moody frequently refers to TUs as central to mobilising and organising other sections of the working class deemed 'less able to sustain self-mobilisation' (1997: 59). Yet unions in South Africa have proven themselves ineffective in facilitating organisation in the varied class realities of the informal sector (Friedman 2012: 96) and TUs have tended to view social movements active within the sector largely as recruiting grounds; simply offering access to increased membership (Gallin 2001). Zambia provides an example how some TUs have aimed predominantly at the formalisation of the informal economy, attempting to co-opt informal workers and organisations into union structures and formal labour concerns (Heidenreich 2007). Union engagement with social movements and the informal sector thus appears geared towards amassing support for the union's agenda of formal workplace issues, to the detriment of social movement grievances beyond the shop floor (Amoore and Langley 2004). Furthermore, Bandy (2004) suggests that labour's focus on unionisation when working within broad civil society coalitions has led to a diminished emphasis on women's economic concerns, environmental problems and other issues which transcend those of the workplace. The minimisation of women's economic concerns is a particularly pressing problem for southern unions, as women constitute the majority of workers in the informal sector and EPZs; the very spaces in which traditional unionism is at its weakest (Gallin 2001).

Attempts by labour to encourage SMU across spatial levels have also encountered problems. The globalising tendency of neoliberal hegemony has created opportunities for transnational modes of resistance, but 'transnational civil society is home to great inequalities of material, political, and cultural capital' (Bandy 2004: 426). Ties between unions, social movements and NGOs in the global south and north can result in an unhealthy dependency, whereby the financial endowments of northern organisations allow them to impose their views on southern organisations, and hold a more powerful voice in joint decisions which undermines democratic principles and the voices of the poorest (Bandy 2004). Southern TUs themselves have endured financial reliance upon international, and largely northern-based, TU federations – raising accusations of northern agenda setting and subsequent lack of internal democracy (Moyo and Yeros 2007). It is apparent that in their attempts to transcend the divides between labour and social movements, formal and informal sectors and global north and south, labour movements have exhibited behaviours and structural weakness which suggest they may be ill-suited to forwarding the needs of the poor in the contemporary socio-economic landscape of the global south.

However, whilst the problems and challenges of resistance should not be downplayed, labour movements have also proven themselves adept at navigating these challenges and finding solutions; offering guidelines for a prominent and effective role for labour movements in anti-neoliberal struggles. Whilst some unions have attempted to co-opt social movements and informal sector organisations, others have established far more cooperative relationships with groups and movements whose aims coincide, if not mirror, those of labour. An example is the cooperation seen between the independent labour movement and the Zapatista movement in Mexico, in which 'neither movement becomes subordinated to the other...rather, their linkage and solidarity is a product of conjunction and coincidence as each sees the other as engaged in a similar, though by no means identical, struggle' (Khasnabish 2004: 273). Cooperation between labour and social movements, and an attempted 'synergy between organising styles and strategies' can provide mutual benefits for both parties, with labour movements in particular becoming 'more aware of the importance of organising outside the workplace, the difficulties which this presents and the approaches necessary to build strength in the society beyond the formal labour market' (Friedman 2012: 96). An acceptance of internal differences within shared struggles must therefore inform labour movement strategy, moving beyond rigid and homogenising understandings of a unified working class body, in order to gain from the benefits of mutual organisation. The Zimbabwe Congress of Trade Unions (ZCTU) has made noticeable progress in this regard, avoiding the failures of many union movements to engage with informal workers by facilitating the establishment of the Zimbabwe Chamber of Informal Economy Associations (ZCIEA) as a cooperative yet independent body (Chinguno 2011). ZCIEA has full access to ZCTU's research and lobbying apparatus and with a current membership of approximately 2 million informal workers, demonstrates the promising potential of formal-informal worker cooperation (Chinguno 2011).

Cooperative engagement with social movements and informal workers also helps ensure that broader political/social concerns are not subsumed under the agenda of formal labour. Commentators are cautiously optimistic that ZCIEA is acting to empower the women who make up the majority of informal sector workers, facilitating activism on the vital issues that concern them as part of a broader anti-neoliberal activism affiliated with the labour movement (Wilson 2010). Organisations for informal sector women are increasingly evident, and transnational organising assisted by WIEGO (Women in Informal Employment: Globalising and Organising) has seen informal sector women connected with unions, NGOs and researchers to advance their cause on multiple spatial levels (WIEGO N/D). This is reflective of the vitality of labour activism among women in certain parts of the global south, pushing acceptance of their issues into the labour movement and civil society more broadly. The greater integration of the problems facing informal sector women into the labour movement agenda is indicative of TUs moving beyond formal, shopfloor concerns and embracing the wider debates of social movement allies. Despite the potential problems noted, the increasing prominence of women's economic concerns demonstrates why this trend should continue to be encouraged and pursued.

Finally, it is apparent that to avoid the power inequalities and anti-democratic consequences seen when crossing the global north/south divide, labour and social movements in the south should seek strategic partnerships in the north whilst retaining a strong basis in local organisation. McKay's (2006) study of informal labour movements in the EPZs of the Philippines reveals the efficacy of this strategy, with a locally directed labour movement forging effective ties with particular international research bodies and NGOs, allowing them to play a strong role in a transnational civil society campaign that put pressure on European companies responsible for the mistreatment of workers in the Philippines. Benefiting from organisational synthesis with social movements and the informal sector, and pursuing strategically placed partners in the global north, labour movements can play a leading role in forwarding a resistance strategy that targets specific shared goals through both traditional union strategies of withdrawing labour and through connecting producers in the informal sector with consumers in the north, thus encouraging an ethical consumerism. Such a strategy serves to impact upon global neoliberalism from its necessities of both supply (through withdrawal of labour) and demand (through transnational civil society campaigns and ethical consumerism in the north).

## **Conclusion**

The neoliberal hegemony poses serious challenges to labour movements in the global south, yet through a brief analysis of informalisation and EPZs, the neoliberal hegemony has been found to be a far from monolithic power. Neoliberal globalisation creates opportunities for new forms of organisation and resistance, even as it attempts to undermine existing strategies. It is in this context that labour movements now operate, and with the emergence of new

social movements, SMU has come to represent the most viable strategy through which labour movements can retain their role in struggles against the neoliberal hegemony. Labour movements in the global south still face many challenges, not least of all the continued tide of informalisation, yet contemporary instances of labour movement practice offer the potential means with which to address these challenges. No suggestions of an emergent, counter-hegemonic bloc have been offered, as this action note has attempted to address the realities of internal division and inequality which face labour movements and the anti-neoliberal cause. Nevertheless, the adaptive and transformative power of labour movements has been emphasised, and through evidence of cooperative engagement and organisational synergy, the forging of shared aims whilst accepting difference, the increasing prominence of women and their particular economic grievances into the labour agenda, and through strong local organisation forging strategic networks and alliances across multiple spatial levels, labour movements in the global south exhibit why they may continue to play a prominent role in struggles against neoliberal globalisation.

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