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Ensuring a Decent Global Workplace:
Labor Rights Belong in Trade
Agreements

Lance A. Compa
Cornell University, lac24@cornell.edu

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Ensuring a Decent Global Workplace

Labor rights belong in trade agreements.

Linking workers' rights to international trade is an idea whose time has come and stayed, despite the best efforts of free trade ideologues to chase it away. In looming congressional debates about "fast track" negotiating authority, the Bush administration and Congress confront powerful demands from workers, trade unionists and a wider public for rules protecting human rights and labor rights, not just corporate investments, in trade agreements.

"That's protectionism" is a stock reply of government officials, international economists, multinational executives and many pundits trying to make a labor rights-trade link go away. Instead of engaging critics on the merits, their one-dimensional argument goes like this: (1) Expanded trade spurs investment, growth and wealth creation in developing countries; (2) after they can afford it, developing countries and companies operating in them will stop violating workers' rights and share the wealth.

The first proposition is plausible, leaving aside debates about long-term vs. speculative investment and sustainable vs. destructive growth. But the conclusion does not follow. After wealth has been created, respecting workers' rights and paying them fairly is still a choice, one that doesn't always depend on economics. Instead, choosing justice for workers is driven by organizing, bargaining and political action, increasingly on an international scale.

In Sri Lanka a few weeks ago, I met dozens of young women from factories in that country's fast-growing free trade zones who explained that the government's Board of Investment sets up company-controlled "worker councils" and gets rid of workers who try to form real unions.

China's economy has grown impressively in recent years, but workers attempting to

form independent unions there are dismissed, harassed and jailed. The rate of fatal factory fires keeps pace with the booming apparel export sectors of Bangladesh and Thailand. When Malaysia tried to pass a law allowing independent union formation in its burgeoning electronics sector, U.S.-based multinationals mounted a collective threat to decamp for Indonesia unless the law was reversed. They got their way.

In the rapidly growing export processing zones of Central America, owners trade blacklists of workers—those who weren't killed by death squads—identified as "agitators" because they ask for improved conditions. Wages are not exempt from outright suppression, either. In Mexico's expanding maquiladora sector, factory owners—many of them U.S.-based multinationals—fix wages far below workers' growing productivity levels. To hold wages down, employers install "protection" unions, so called because they protect owners from authentic unions that could bargain for higher wages reflecting workers' higher productivity. The new Fox administration, whatever other advances it makes in democratizing Mexico, has so far failed to address this problem.

Workers in poorer countries want decent workplaces. They do not seek U.S. or European-level wages, nor OSHA-level safety standards, anytime soon. They want fundamentally fair conditions, such as having freedom of association and not working in death traps. But so far the globalized economy is not delivering these basic social goods. It's no surprise that workers are not delivering political support for trade in return.

With a human rights dimension, more trade and investment are a potential source of great good for working people. Genuine comparative advantage for lower-wage countries is something the international commu-

nity can accept, if it helps poorer nations develop, if wages and conditions can rise and if workers have a voice in society. But artificial advantage based on human rights violations is something else that the international community should stop.

No country or firm should gain a competitive edge in international trade by jailing and killing trade union organizers, outlawing collective bargaining and strikes, ignoring life-threatening workplace hazards, exploiting vulnerable children, discriminating against women and minority groups or forcing workers to labor at the point of a bayonet. Neither should they gain from subtler forms of repression, such as systematically firing worker leaders, favoring government-run unions or deliberately holding wages below productivity levels. That's why working people have to keep pressing for the strongest possible social dimension in trade agreements.

Trade-labor links should start with dialogue, oversight, publicity, technical assistance, diplomatic chiding and other "soft" measures to promote respect for workers' rights. But at the end of the day, a social dimension in trade must be backed by hitting hard at the pocketbooks of governments and corporations that abuse workers.

Social justice is not a byproduct of economic growth. We have to choose it and build it into the architecture of trade and investment systems. Our elected representatives have to decide if they want their constituents to be objects of impersonal trade and investment forces, or if they want to make worker and human rights a priority for the global economy.

The writer teaches international labor law at Cornell University's School of Industrial and Labor Relations.