Women and Work in Globalising Asia

Edited by
Dong-Sook S. Gills and
Nicola Piper

London and New York

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One of the most important aspects of globalisation is the discord between the liberal ideology that drives economic globalisation and the politics of workers' rights. In the patriarchal societies of Asia it is often women who are worst hit by poor working conditions, long hours and low pay.

Women and Work in Globalising Asia is an attempt to shed light on the real experiences of women in these Asian societies, exploring the impact of globalisation through the changing nature of the labour of women, whether urban or rural, at home or at work.

The result is a comprehensive survey of women and work, using case studies and empirical data collected from throughout Asia – Japan, South Korea, India, Indonesia, Vietnam, Thailand, Malaysia and China – and from Asian immigrants working in the US.

This book should be an invaluable resource, accessible to both undergraduate and postgraduate students of women's studies, labour relations, international political economy and Asian studies.

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Preface

It is a pleasure to commend a book that fills a gap in what is rapidly becoming an overworked academic field. Before you sigh at yet another volume on globalisation, reflect for a moment on why it is that one half of the world's population does two-thirds of the work yet commands less than 10 per cent of its wealth and, despite its growing participation in the world's formal work force, suffers a declining share of political power. Around the world there are fewer women in democratic assemblies today than there were even twenty years ago. It is true that history has always been about *his* story rather than *hers*, but under conditions of globalisation women are being written out of the script with even greater determination, or so it seems, than before.

Why should this be? Feminist perspectives on political economy, while slow and long in coming, have been with us for some time and calculations of the effective costs of economic progress borne by women through their unpaid domestic labour are part of common academic parlance. It is also the case that many readers on globalisation have obligatory token contributions *by* women and *for* women, usually located in the latter part of the anthologies. But it is hard to find a book, most definitely a thoroughly researched book, that puts women at the centre stage of the unfolding drama that is globalisation.

It seems to me that one of the reasons, perhaps the main reason, is the evolution of feminist perspectives itself, from their early passion for participation in the progress of advanced countries, through the fragmenting flirtation with postmodernism, to the present confidently developing critique of the restructuring of the world economy under conditions of globalisation of which this book is a good example.

Postmodern feminism, while eloquent about 'bringing women back in', is stranded in the central critique of postmodernism itself, namely the contestation and rejection of all universal concepts and meta-narratives. The postmodernists' celebration of difference made them beg the question 'who are these women'? White middle-class women in the West, peasant women in rural India, black women in Britain, or women workers in the sweatshops of East Asia? The circumstance that all these groups were differently, and often oppositionally, inserted into the global capitalist system, undermined the search for common cause and common struggle.

The refreshing angle of vision in this book is that it argues and demonstrates with convincing case study material just how globalisation, with its emphasis on economic liberalisation and restructuring for international competitiveness in the national economy, ruthlessly draws in and reorders the complex mosaic of women's labour: formal and informal work, rural and urban, casual and permanent, capitalist and non-capitalist. In so doing, globalisation renders a hierarchy of tasks and rewards which deepens the exploitation and impoverishment of women instead of furthering their emancipation. While women's exploitation is central to globalisation, indeed is what makes globalisation possible, as it is argued in this book, the spinal fluid by which the chain of exploitative transactions is joined is patriarchy.

Patriarchy in Adrienne Rich's comprehensive definition is 'the Power of the Fathers: a familial-social, ideological, political system in which men – by force, direct pressure, or through ritual, tradition, law, language, customs, etiquette, education and the division of labour, determine what part women shall or shall not play, and in which the female is everywhere subsumed under the male'. The various contributions in this book are testimony to the diverse ways in which patriarchy is marshalled and utilised by the neoliberal forces of globalisation in the one region of the world where not only is patriarchy omnipresent but which itself is a pivotal zone in the transformation of an international economic system to a global one.

The contemporary experience of work by women in Asia, as narrated in this book, tells us two things: *first*, that for all the variety of specific domestic settings: cultural, political and ideological – and what could be more varied than fully-fledged free market capitalism on one hand, and continuing state socialism on the other – there are still overriding common experiences, and *second*, that these prove a fertile ground for common struggle.

Ankie Hoogvelt

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Acronyms and abbreviations

ACFTU	All-China Federation of Trade Unions
ACTWU	Amalgamated Clothing and Textile Workers' Union
ASEAN	Association of South East Asian Nations
CEDAW	Convention on the Elimination of all forms of Discrimination Against Women
CESR	Center for Economic and Social Rights
CNMI	Commonwealth of North Mariana Islands
CSWA	Chinese Staff and Workers Association
CTWTU	Chinese Textile Workers Trade Union
EEOL	Equal Employment Opportunities Law
EOI	Export-oriented industrialisation
EPZs	Export Processing Zones
FDI	Foreign Direct Investment
GAO	(United States) General Accounting Office
GATT	General Agreement on Tariff and Trade
GDP	Gross Domestic Product
IEAT	Industrial Estate Authority of Thailand
ILGWU	International Ladies' Garment Workers' Union
ILO	International Labour Organisation
IMF	International Monetary Fund
INS	(United States) Immigration and Nationalization Service
KEPB	Korean Economic Planning Board
KMFE	Korea Ministry of Finance and Economy
KMOL	Korea Ministry of Labour
KOPBUMI	*Konsorsium Pembela Buruh Migran Indonesia* (The Consortium for the Defence of Indonesian Migrant Workers)
KUHAP	*Komisi Pembaruhan Hukum Perburuhan* (The Commission for the Renewal of Labour Law)
LWHC	Lamphun Women's Health Centre
MAFEZ	Masan Free Export Zone in Korea
MFA	Multi-Fibre Agreement
MITI	Ministry of International Trade and Industry (Japan)
MNC	Multinational company
MTUC	Malaysian Trades Union Congress

MWWRAC	Migrant Women Workers' Research and Action Committee
NAFTA	North American Free Trade Agreement
NEP	New Economic Policy
NESDB	National Economic and Social Development Board
NGOs	Non-governmental organisations
NIC	Newly industrialising country
NLEG	Neoliberal economic globalisation
NRIE	Northern Regional Industrial Estate
PKK	*Pembinaan Kesejahteraan Keluarga* (Family Welfare Guidance Programme)
SEWA	Self-Employed Women's Association
SMEs	Small- and Medium-sized Enterprises
SOEs	State-owned enterprises
SP	*Solidaritas Perempuan untuk Hak Asasi Manusia* (Women's Solidarity for Human Rights)
SPSI	*Serikat Pekerja Seluruh Indonesia* (The All-Indonesia Workers' Union)
SSB	State Statistics Bureau of the People's Republic of China
TKW	*Tenaga Kerja Wanita* (women migrant workers)
TNC	Transnational corporation
UCL	Union for Civil Liberty
UN	United Nations
UNDP	United Nations Development Programme
UNITE	Union of Needle Trades, Industrial and Textile Employees
WTO	World Trade Organisation
WWF	Working Women's Forum
WWN	Working Women's Network
YASANTI	*Yayasan Annisa Swasti* (Independent Women's Foundation)

Neoliberal economic globalisation and women in Asia

Introduction

Dong-Sook S. Gills

Globalisation is a word that is on everyone's lips and that now appears in a large number of academic publications. There has been a growing body of literature that deals with globalisation and women in the South, including women's employment in export manufacturing industry and in relation to transnational corporations' production in the developing countries, as well as the experiences of women in agricultural production. However, to date, serious discussion of the issue of women's labour in the mainstream globalisation debate has been minimal.

The main theme of this book is the impact of economic globalisation on women's work experience in Asia and how women are responding to the changes. It begins with the theoretical debate concerning globalisation and its consequent counter-globalisation, in order to provide an overarching framework of globalisation and labour (chapter by Gills). For the analyses of labour and globalisation, Gills conceptualises globalisation as social change and emphasises the dynamic nature of globalisation as multi-dimensional processes in which various actors interplay and thus shape the outcomes. Within this framework, this book aims to show how 'women's issues' are not just concerned with women themselves, but directly ingrained in the processes of globalisation as well as of national development. By doing so, it intends to bring women, and especially the issue of women's labour, back into the mainstream of the globalisation debate.

While the visible part of globalisation-from-above draws our attention to global trade talks and the incessant flow of money and goods, the invisible part of globalisation resides in that suffering and struggle of workers on the sharp end of the industrial and economic reorganisation process. In Asia and many other developing countries, labour is still, in fact more than ever, one of the most important economic factors that both transnational capital and the state must concern themselves with.

As was the case in the recent history of the industrialising 'miracle' economies, such as the Four Asian Tigers, women's labour continues to play a crucial role in the contemporary liberalisation and restructuring of Asia's economies. Women are becoming increasingly active in both the rural and urban economy and their labour constitutes the ultimate foundation of international competitiveness of most Asian countries. They are the direct source

of cheap labour, especially in export manufacturing industries, as formal, informal, and casual labour. However, among the workers of the world, women are all too often the most vulnerable and the most exploited during the so-called 'adjustment' or 'restructuring' process. In this sense, the story of globalisation cannot be told without telling the story of the women who make this globalisation possible. The question of women's labour should be at the centre of the globalisation debate.

Why Asia? The rationale of choosing Asia in relation to globalisation is quite straightforward. Many Asian economies are universally recognised as being among the most dynamic in the world today, with tremendous potential and a record of unparalleled rapid industrialisation in the past few decades. Asia as a whole, now recovering from the crisis of 1997–8, seems to share in this prospect of further development and economic growth. The region continues to have a special position in the international system, wedged between Europe and America, which makes it both geopolitically and economically a pivotal zone. During the cold war era, Asia was a sharply contested territory, and clearly divided between opposing capitalist and communist camps. In the post-cold war era, the relations between Asia and the rest of the world are more fluid and changeable. Asia can now heal its internal divisions and concentrate on greater regional integration, which enhances the prospect that Asia will emerge as a more co-ordinated economic bloc in the future.

At societal level, Asia contains many commonalities that have given rise to much discussion of 'Asian values' or an 'Asian model' of development. Yet contemporary Asia is composed of very different societies, with different economic structures and political cultures, and the variances among them are manifold. Most notably, the Asian region is clearly characterised by a marked heterogeneity when compared to the economic and social conditions of other continental regions, such as Latin America or Europe. For example, the difference between Japan and Cambodia is not comparable to that between, say, Brazil and Chile.

Women's labour experiences in Asia reflect both these commonalities and diversities. Even though patriarchal norms, for instance, clearly act as powerful social constraints on women throughout Asia, this does not mean that even essentially similar patriarchal relations will be expressed in the same manner in different societies in Asia. Rather, they may be elaborated in different ways, according to the structural composition of the society and to the conditioning of material life (Gills 1999). In this sense, specific national case studies remain essential in order to understand the effects of globalisation on Asia.

Asia as an economic region is at the very forefront of globalisation. Much of the globalisation activities, especially by transnational companies, are concentrated in Asia, while most of the Asian governments are facilitating globalisation of production through their industrial policies. For these reasons, understanding women's labour experiences in Asia is another step forward to a better understanding of many different aspects of globalisation.

Analytical frameworks

One of the problems with the conventional frameworks of globalisation analyses is that they often tend to leave central social and political aspects of the globalisation process underinvestigated and undertheorised, though this is beginning to change. The mainstream debate over globalisation in developing countries, including those in Asia, usually focuses on the issue of achieving competitiveness. As such, it is mainly concerned with economic strategy including such issues as industrial policy, adaptation to rapidly changing world economic conditions, utilisation of new technologies, and liberalisation of trade, finance, foreign capital investment, and so on. There is a tendency to ignore a particular need to question the relationship between economic liberalisation, restructuring and structural adjustment, and the prospects for enhancing women's socio-economic position.

In terms of frameworks for analyses of women's labour, the conventional way to divide women's work is either by modes of production (for example, capitalist, non-capitalist, socialist), or by three sectoral categories: industry, agriculture, and services. These analytical frameworks are based on labour experience of women in the Western countries. However, this schema is not of great help in understanding the reality of women's work in Asia.

In practice, as we shall see, women's work in Asia cuts across many different modes and sectoral categories and reveals a complex mosaic of interwoven roles that defy both sectoral categorisation and strict dichotomies such as *capitalist* versus *non-capitalist*, *formal* versus *informal*, *casual* versus *permanent* employment, and even *rural* versus *urban* labour. The political economy of many Asian countries is such that the modes of production, types of labour, and mechanisms of exploitation are intertangled or mixed up in complex combinations, not necessarily predicted, categorised or sufficiently understood by existing models or textbook frameworks developed to explain women's labour in industrialised Western countries.

This volume is an attempt to redress these theoretical and empirical lacunae in relation to the role of women and their labour in the process of economic globalisation in Asia. The overarching framework of the analysis of women's labour in this volume is, therefore, one which explores the relationship between the national political economy and its position within the global economic system. Particular reference is made to economic globalisation processes and their impact on women's labour in the context of specific conditions of national development within the region. Accordingly, different aspects of the economic globalisation process are examined from Asian women's points of view in relation to their interests and experiences.

Export, market opening, and women's work

The common trends in the national economy in many Asian countries are its export-oriented industrialisation, and the extensive role of the state in promotion of economic growth and, more recently, of market-centred globalisation.[1]

One of the questions raised in this volume is to what extent government policies that are specifically derived from the export-oriented/globalisation model, promote or inhibit the general welfare of labour, and female labour especially. In all cases, it appears that export promotion tends to induce further suppression of labour rights, combined with low wages. In the absence of any substantial increase in domestic consumption via a higher wage structure, the export promotion policies primarily benefit business interests.

The complexity and contradictions inherent in the newly adopted 'socialist market economy' add yet further dimensions to women's labour experiences in Asia. The adoption of a free-market and export-oriented development strategy at the expense of the redistributional role of the state takes a contorted form in the case of the Republic of China and Vietnam. Their shift to an export-oriented market economy has engendered a new and rather perplexing term, the socialist market economy. By employing recent fieldwork, the chapters by Zhao and West and by Rosenthal illustrate the special conditions of female industrial workers in the state owned garment and textile industry in these socialist market economies. Women workers in these countries are exposed to unique mechanisms of exploitation in which both capitalist logic of accumulation and socialist state control are concurrently at work.

In other parts of Asia, as the pressures of neoliberal economic globalisation predispose more countries to become ever more export-dependent, with concomitant downward pressure in the wage structure and deterioration of labour rights, women's labour becomes more vulnerable to intensification of exploitation. Chapters by Crinis on Malaysia and Ford on Indonesia well demonstrate this trend. The Malaysian government has fostered the neoliberal economic globalisation agenda, translated as further opening of national borders to foreign trade and investment. Through its industrial policy under Vision 2020, the garment industry in Malaysia has been restructured and the production system within the industry has been differentiated by the level of technology and capital intensity. This new hierarchical stratification of the industry is not only marked by its organisation of production but also by geographical/regional divisions. Women typically provide their labour mostly to the low technology-based, labour-intensive section of the garment industry in Malaysia. This example corresponds to the general trend in which female employment in certain manufacturing sectors declines as capital intensity of production technologies increases, as in the case of South Korea (chapter by Cho). In other words, when 'jobs and wages improve in qualities, women tend to be excluded from them' (United Nations 1999: 10).

The transnational companies are the main agent that facilitates globalisation of production and they fully utilise the export-promotion policies of Asian countries. They are responsible for 80 per cent of foreign direct investment, and directly employ up to fifty million people within the so-called 'global factories' in more than 250 Export Processing Zones (EPZs) throughout the world. Women's labour has been central to the running of these export factories that produce or assemble the global products for the global market. This is evident in the fact that female employment in EPZs is significantly

higher than national average female employment in many Asian economies. In major exporting countries in Asia, for example in Malaysia, the Philippines, South Korea, and Sri Lanka, the share of women in employment in EPZs is over 70 per cent while women account for only 30–40 per cent of overall employment in these countries (Kasugo and Tzannatos 1998). The chapter by Theobald based on her fieldwork in the Northern Regional Industrial Estate, located in Lamphun in the north of Thailand, shows how women workers are positioned at the bottom of the employment hierarchy in global factories. Within these factories women typically work a 12-hour shift while existing social norms and hierarchy based on family, religion and gender are adopted and utilised to maximise productivity.

These empirical studies are not rare exceptional cases but represent the general pattern of national industrial development being sustained by a predominantly female labour force in many Asian countries. A pungent point in this phenomenon is that the distinctive political economies of Asian countries subject most women who are directly involved in the globalised production system to a particular set of social relations. That is, the ways in which these women's labour is adopted in industrial production in Asia, for example in global factories, is very distinctive from the situation in core developed countries.

Conventional wisdom says that foreign direct investment brings jobs and therefore prosperity and progress, including for labour and especially for women in the case of Asian countries. However, while the expansion of global factories does provide further opportunities to increase employment and export, it also involves excessive competition to attract and maintain foreign direct investment. The 'footloose' nature of foreign capital investment by transnational companies (i.e. globally mobile capital) tends to move away from the countries where wages and working conditions have improved, for example from South Korea, Hong Kong, and Malaysia, to less developed economies such as Vietnam, Sri Lanka, and Bangladesh. This, in turn, creates a tendency towards increase in a downward pressure on wages, as expressed in the 'race to the bottom' syndrome. Thus, the capital–labour relations for Asian women in the export manufacturing sector are becoming more exploitative and oppressive through liberalisation of trade and finance.

Global production, migration, and human rights

Global production is perceived mainly in the transnational organisation of production based on the fragmentation of the production process. With recent globally efficient technological advancement in information, communication and transportation systems, and the expansion of financial services, the manufacturing process can now be divided into separate segments and allocated to different geographical locations around the globe. What used to be an integrated composite of production is simplified into a number of uncomplicated processes that can be carried out independently and then assembled by unskilled labour. The allocation of different sections of production to different

localities is based on macroeconomic rationality of multinational companies, but usually follows the pattern in which the levels of technology and intensity of capital required for each segment of production coincide with the level of industrialisation of the production sites. In general, financial control, scientific and technological research and design, marketing, or complex and highly specialised production processes that require higher level of capital and skills are carried out in the core advanced countries, while other deskilled and fragmented production and assembly work for mass production is distributed mainly in peripheral countries with low wages, usually in EPZs.

One of the outcomes of globalisation of production is that, while the organisation of production of the twenty-first century is becoming more sophisticated via applications of hi-tech, the labour conditions of Asian women are retrogressing to those of nineteenth-century sweatshops. The intense competition inherent in global production generates an internal logic of chasing ever cheaper labour. This is clearly demonstrated in the chapter by Hu-DeHart. She argues that global capitalism has been a cruel hoax for women migrant workers from Asian countries who work in the low-paying manufacturing sectors, for example the garment industry. The garment factories owned by big brand name companies hire mostly women not only within the countries of Asia where they operate but also within the US territory, where Asian migrant women workers are increasingly common. Theoretically, the contract relationship between the factories and these migrant workers implies that these migrant women have become free wage labourers. Yet, the reality is more complex and underscores the degree to which Asian women migrant workers provide a kind of bonded labour, thus making the nature of their labour both à la feudal and proletarian at the same time.

This brings out the question of the precarious socio-economic and political position of migrant workers, both internal and international. In parallel to liberalisation of national economy in Asian countries, cross-border migration by women has dramatically increased in recent decades. Although this is a relatively new phenomenon in Asia, the nature and the conditions of these women's labour requires serious attention. Within the regional political economy of Asia, the countries that occupy the peripheral status with a lower degree of industrialisation and lower incomes tend to export cheap labour to those in the higher tier.[2] For example, at the lower end of garment and textile industries in Malaysia, a large number of workers are female migrants from the less developed neighbouring countries, including Indonesia, Bangladesh, Cambodia, and Thailand. Women in the poorer countries are also exported to other wealthier countries, not only as industrial labour but as domestic servants and 'sex' workers. Not only its increasing volume but also the fact that the labour conditions under which these migrant women work are largely ignored by both the originating and recipient countries justify the argument of 'commodification of female labour for export' (chapter by Ford).

The international migrant women in Asia are often illegal, working either in the private homes or in underground jobs without a legal employment

contract. The labour conditions of these migrant women in the informal sector are therefore particularly adverse as they do not have any legal protection either as a migrant or as a worker. In her survey of the Asian women migrants working in the underground, so-called sex industry in Japan, Piper reveals the specific conditions that affect these migrant women in terms of their vulnerability to a higher degree of exploitation. She argues that the problems of these female migrant workers involve not only labour rights issues but also the citizenship debate and universal human rights.

Proletarianisation and feminisation of labour

Feminisation of the labour force is a relatively new trend in the restructuring of the world economy that has been set in motion not only in the West but also in many Asian countries. However, the feminisation of labour in Asia is very distinctive from that taking place in the core countries. First of all, in Asia, the feminisation of labour is accompanied by a process of new proletarianisation of women's labour. Many of this new pool of Asian women workers engaged in industrial production are drawn from the non-capitalist sphere of production, in particular, subsistence farming. As such, many women wage workers in the capitalist economy are still a central part of a non-proletarian household economy. Second, compared to feminisation in the West, which is mainly located in service sector employment, the feminisation of labour in Asia is concentrated in the manufacturing and agricultural sectors. While the proletarianisation of women's labour in capitalist industries is a visible trend in most Asian countries, nevertheless a large proportion of Asia's women are still engaged in non-capitalist production.[3]

Non-capitalist production refers to all activities that do not involve capital–labour relations, but are nonetheless both economic and productive. This includes non-waged forms of work in subsistence agriculture, petty trade, community project work, exchange labour, and so on. Many women in Asian countries are involved in family farming, as well as in informal and casual economic activities, for example as street vendors, or in subcontracting piecework at home. They continuously carry out all types of work that fall outside the category of typical wage labour in the Western model of capitalist production. While some jobs in this category generate direct cash income, some do not necessarily remunerate women's labour in the money form. In short, one of the main aspects of Asian women's labour process is a large trend of feminisation accompanied by proletarianisation of women's labour combined with continued non-capitalist production, which is a very strange hybrid according to conventional wisdom of inherited categories.

Nevertheless, these kinds of women's work, both paid and unpaid, significantly contribute to maintaining the low cost of industrial and capitalist production. Even though women's labour is performed within the non-capitalist sphere of production, it is more often than not still fully integrated into the national economy, which is usually dominated by capitalist relations

of production. Empirical data analysis presented in the chapter by Degaonkar and Gills shows that, in India, the experience of village women in relation to trade liberalisation reflects the complex exploitative mechanisms operating between subsistence and capitalist commercial agricultural production affecting women. The greater flexibility that is being introduced in the 'underformed' (or 'undercapitalised') land and labour markets makes women's labour even more vulnerable to a higher level of exploitation. The commercialisation of agriculture has been accompanied by a decline in real wage rates, and the poverty of the rural poor, in particular of these village women, has been increasing. Thus, the process of proletarianisation of and feminisation of labour in Indian agriculture has been consistently accompanied by feminisation of poverty.

Increasing poverty among women has been clearly observed in the recent 'Asian crisis' of 1997–8. The Asian crisis represented both further integration and destabilisation of Asian economies in the international political economy. Indeed, the Asian crisis could be seen as a direct consequence of the process of economic globalisation in Asia (Gills 2000a; Hoogvelt 1999). According to the World Bank, the poverty level in Asia has sharply increased and disproportionately so among women and children during this crisis. This exposed the vulnerability of women workers to unemployment or increased rates of exploitation in both industrial and informal economic sectors throughout the Asian economies, and in particular in those countries most directly affected, such as South Korea, Thailand, and Indonesia.

The extra vulnerability of women's labour in the face of transnational mobility of capital in the era of economic globalisation has been manifested during the so-called 'IMF crisis' in South Korea (albeit the crisis was not of the International Monetary Fund, but of the Korean economy). Throughout the period of the drastic economic restructuring process since the 1997 financial crisis, women's labour has been further marginalised and impoverished in South Korea. In Chapter 3, Cho examines the IMF crisis and its effects on women's labour in South Korea, focusing on the ways in which global capital and the local gender relations interact in the restructuring process. Cho shows how women's labour has been truly 'adaptable' to different stages of industrial restructuring. For example, it has been typically the case that women workers are the first dismissed under the downsizing impetus of the most recent restructuring in both the private and public sectors. This process of restructuring and further victimisation of female workers is still ongoing in South Korea as the firms are firing female workers and re-employing them as temporary, part-time, and casual workers. Therefore, feminisation of labour is significant not because it means an increase in female labour participation but because it is directly related to flexibilisation of labour, which reads as undermining of labour rights.

A very similar trend can be observed in Bishop's chapter, which pays close attention to the changes in female employment in the process of economic restructuring (*risutora*) in Japan. In the case of Japan, as was that of Korea, feminisation of labour is strongly associated with flexibilisation of labour in

economic restructuring. Bishop suggests that Japanese restructuring has mainly been an attempt by business to reorganise the regular workforce by segmenting the labour market. Alongside a huge outflow of Japanese overseas investment capital since the 1970s, the Tokyo stock market crash of 1989, and a series of economic shocks in the 1990s, many major Japanese companies have increasingly turned to the employment of non-regular workers to reduce costs, in order to cope with cyclical fluctuation in the global economy. The segmentation and flexibilisation of the Japanese workforce means an increase in part-time (although the working hours can be longer than full-time), temporary, and contract work. Within this new model of Japanese employment, women are filling the jobs that are less stable and less well-rewarded than those performed by men. Bishop concludes that, in Japan, women bear a disproportionate share of the costs of globalisation.

Political responses to economic globalisation

Globalisation affects women not only in terms of the increasing number of women workers but also in terms of the quality of their labour conditions. The feminisation of labour occurs as a part of the process of flexibilisation of labour in which the existing gender hierarchy is fully utilised. Feminisation of labour based on flexible production and employment increasingly pushes women out of the core workforce into the peripheral group of workers, consisting of part-time, temporary, casual, and subcontracted labour. The direct and more immediate result of this process is economic marginalisation of the majority of women in Asia. In political terms, this trend of flexibilisation of labour may dampen what little exists of the socio-political movement of women in Asia and prevent any far-reaching improvement in their lives. Much empirical evidence presented in this volume indicates that neoliberal economic globalisation brings with it further exploitation and impoverishment of women, rather than emancipation.

However, the analysis of women's labour in globalisation should not simply be a description of suffering. There are two axes of analysis involved in women's labour and globalisation: one is of women as victims of the economic process; the other is the potential for women as subjects of the process, that is as a social force capable of acting in their own interest. Much empirical evidence indicates that, while neoliberal economic globalisation gathers pace in Asia, so do dissenting social and political movements, which resist the current trend of marketisation, privatisation, liberalisation, and deterioration of labour standards. This is why we should be concerned with our understanding of the relationship between the politics and economics of globalisation, or the dynamics of the political economy of globalisation (chapter by Gills).

Unlike labour movements within a national boundary in the past, however, social resistance to globalisation faces a new dimension of challenges. The ideology of neoliberal globalisation is manifested and implemented through various policies and in many different social arenas. In the complex milieu

of globalisation, neither the exact nature of oppression nor the precise identity of the oppressors are easy to identify. In the case of women's labour experiences, the complex ways in which gender hierarchy, national capital, foreign capital, and the state negotiate and adapt to the forces of globalisation expose women to diverse mechanisms of exploitation. Accordingly, women are responding to neoliberal globalisation in a wide range of ways and at different levels. As Ford suggests, the spectrum of actions taken against the exploitation of female labour extends from individual level, informal group level, and to formally organised group level. At the individual level, women attempt to gain control over their labour experience to a certain extent through 'everyday resistance', for example by slowing their responses to employer's concerns, returning late from holidays or by presenting 'false' images of themselves to exploit management's notion of the ideal worker (chapters by Ford and by Theobald).

Women's resistance at the informal group level includes various social networks based on workers' communities, dormitories, workplaces, or even through worldwide websites. Through these networks, women workers counteract their isolation by meeting with each other and talking about their work experiences. This type of activity can provide them with moral and material support as well as a foundation upon which collective consciousness and political action can develop. Such groups as the Union for Civil Liberty and Friends for Friends Group in Thailand, a number of women support groups including women's shelters in Japan, and various watchdog organisations in Korea represent different levels and channels of resistance. The activities at different levels can be closely linked; for example, the court case of the Agricultural Co-op in South Korea presented in Cho's chapter demonstrates how individual actions can promote socio-political actions involving formal women's organisations. In terms of organisational scale, resistant individual workers and small informal groups can create more effective formal organisations as in the case of the National Network for Solidarity with Migrant Workers and the Working Women's Network (chapter by Bishop).

As it is argued in Chapter 1, the forces of economic globalisation that 'depoliticise' the processes of social change gave rise to the necessity to 'repoliticise' them. Under the economic restructuring process and especially in the aftermath of the financial crisis in 1997–8, social movements towards increased labour rights for women have gained further momentum. As Crinis discusses, there has been an unprecedented level of increase in trade union membership over the last few years in Malaysia, while non-governmental organisations (NGOs) fighting for women's labour rights are receiving more public attention. In South Korea, new women's labour unions and organisations have been formed after the financial crisis in spite of the fact that the absolute number of females in employment has been reduced. Thus, it is apparent that, while the current neoliberal economic globalisation has been widely accepted as a hegemonic trend, there have also been various social actions that strengthen the counter-hegemonic movements against the neoliberal ideology and practices. In this regard, Karl Polanyi's notion that

the economy (read unregulated free market) cannot attempt to subjugate society without provoking political reaction seems particularly salient. In other words, the 'hyperliberal attempt to construct a deregulated global market' is at the same time creating 'the scope for other potential forms of political economy to emerge' (Cox 2000). This is the dialectic of the politics of globalisation (Gills 2000b).

To be effective, the counter-globalisation movements need to target their resistance at both national and international levels. This means, on one hand, that social resistance needs to be consolidated at the global level, for example through internationalisation of trade unions (Moody 1997). This also includes development towards transnational coalitions of grass roots movements, as in the example of the Maquila Solidarity Network, which promotes cooperation between labour and other social movements in NAFTA countries. On the other hand, however, without any concrete state policy towards redistribution and social justice, the scope of changes through civic movements is greatly limited. While women's non-governmental organisations are becoming increasingly active to a certain extent, the conflict between the interest of labour rights and the state's drive for capital accumulation remains the central issue. Therefore, the counter-globalisation movements need to be politicised at the national level. This implies resistance at state level with efforts to ascertain the state's power to control its internal social policies, for example employment, and redistributional policies. In Robert Cox's terms, this would be a reversal, to some extent, of the internationalising of the state (Cox 1987).

The reversal of the internationalising of the state is possible as 'states are definitely still playing a role and there are still choices to make about how they play it' (Went 2000: 120). Deregulation, liberalisation and privatisation, through which the states yield control to global capital, require at the same time active state intervention. In this sense, as Went argues, globalisation has been used as 'an alibi' for lack of political will and anti-social policies by governments. For example, while governments in Europe justified austerity policies with the Maastricht Treaty, they 'forgot too easily that they were the ones who drafted, approved and promulgated the Maastricht Treaty in the first place' (Went 2000: 4). After a few decades of the globalisation craze, many now share the view that it is clearly possible to halt the juggernaut of neoliberal globalisation and overturn the 'self-regulating free market' ideology.

Labour, and especially women's labour, is a great potential social force that can check the power of capital and oppose neoliberal globalisation trends. The process of marginalisation and exclusion of women's labour can be countered by social and political responses of greater inclusion and empowerment of women. Social norms and values determining women's social position are very much tied to the dominant patriarchal relations within the society. Any changes in patriarchal relations will not come about without an appropriate level of resistance by women to existing inequality. Rejection of gender hierarchy can only be effectively pursued via organised political action. Such

action implies a framework of democratisation of state, society, and economy. In short, the politics of inclusion.

Notes

1 Of course, there are exceptions, including recent changes in economic and fiscal policy in Malaysia.
2 Henderson (1989), for example, applies the concept of the semi-periphery in order to differentiate varying degrees of industrialisation, according to different levels of production processes, and different positions of national economies within the regional political economy of Asia.
3 The heavily urbanised and industrialised countries of Northeast Asia, such as Japan, South Korea, Taiwan, and the city-state of Singapore are exceptions. Elsewhere in Asia, from India, through most of Southeast Asia, to mainland China, peasant life still predominates.

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1 Globalisation and counter-globalisation

Dong-Sook S. Gills

One of the most important aspects of contemporary restructuring in the global economy is the discord between neoliberal ideology, which propels economic globalisation, and the politics of labour rights. With its renewed emphasis on the power of capital and its economic rationalism, the present model of globalisation demands a critical assessment of its impact on labour. A critical perspective on neoliberal economic globalisation should question the inevitability of any predetermined mode of social reorganisation.[1] It is important, therefore, to discuss the possible alternative social responses to the pressures of globalisation on the part of different societies and states.

This chapter sets out to critically analyse the concept of globalisation and the social and political implications of globalisation processes. It examines the primary tendencies of globalisation in relation to their effect on labour. It seeks to reinterpret the dynamics of the relationships between the state, capital, and labour in the context of economic globalisation. This requires us to use a combination of political economy and international political economy approaches, where politics and economics are taken to be inseparable. That is, there is no pure economic process that does not involve a political process. Moreover, the term 'politics' as used here encompasses more than mere electoral behaviour. Politics implies interactions that reflect social power relations between different social groups based on class, gender, ethnicity, religion, and so on, while it is concerned with the allocation of resources.

Second, the perspective of this framework is neo-structuralist. It analyses the national political economy, and the political processes of economic restructuring within it, in the context of influences emanating from the international political economy. However, domestic responses to these international influences are not assumed to be strictly predetermined by the global economic structure. The dynamics of social forces in the matrix of domestic politics also significantly influence the ways in which the national political economy interacts with the external environment. In other words, the dynamism between both structure–agency and internal–external operates in both directions and not one way or the other exclusively.

By the same token, in terms of our broad understanding of social change, we should not assume the outcome of globalisation to be complete convergence or homogenisation. The increased participation in the international

political economy does not mean that different societies all follow the same unilinear path, à la Marx or modernisation paradigm. Rather, we should accept their national specificity and the continuance of 'divergent trajectories' of development (Gills and Philip 1996). The historicity of national development is embedded in particular social configurations and practices. A society with its own distinct admixture of polity, level of economic development, and a wide range of sociocultural arrangements including religion, composition of ethnicity, and so on, induces a set of responses that is particular to that social formation. This is clearly evident, for example, in the different outcomes of the experience of colonialism in Asia despite some commonalities among different societies.

While remaining sceptical that universal development models truly exist that are transferable and replicable across time–space and culture differences, the countries in Asia face common challenges posed by globalisation processes. From the sociological viewpoint, every society undergoing development, be it 'civilisation', 'modernisation', 'internationalisation' or 'globalisation', is characterised by a high state of tension. This tension involves choices between the practices of the past and those of the future, and between the desire for indigenous authenticity and the pressures to adopt or emulate practices derived from external forces, both material and perceived. In this sense, globalisation poses new and particular problems within this historical dialectic. In order to address this problem, we shall begin with a discussion of the contending meanings of globalisation, with a particular focus on neoliberal economic globalisation and its socio-political tensions and challenges.

Globalisation as a concept of social change

At its most general, globalisation is perceived and defined as a process through which interdependence and interconnectedness among societies becomes further extended and intensified on a worldwide scale. Globalisation is commonly understood as a multifaceted process that occurs in all areas of social life from the economic, through the political and to the cultural (Ohmae 1990; Hoogvelt 1997; Giddens 1990; Rosenau 1997; Gills 1997; Robertson 1992). However, this makes globalisation an extremely broad idea that can encompass everything without being very precise, thus rendering it either meaningless, confusing, or singularly seductive to the unwary. In terms of its vagueness, which comes from its being all-inclusive, the concept of globalisation is comparable to that of 'modernisation' or 'development' as used conventionally in the past. As in the case of modernisation or development, a fortiori, globalisation remains a highly contested concept, not a single or self-evident theory or practice.

At the conceptual level, there are several key contending arguments. Some conceptualise globalisation, in spite of their different ideological positions or political tendencies, as a linear process that is guided by a singular, concordant historical logic whereby universalisation and homogenisation take place

(Ohmae 1990; Gray 1998; Hirst and Thompson 1996). In this view, taken by both Marxists and liberals, globalisation is, for example, organised by the logic of capitalism that leads all societies to the same destination through the market mechanism and worldwide competition. Therefore, globalisation is understood as an inevitable outcome of the development of Western capitalism as it becomes 'global capitalism'.

Second, there are those who deny the even trend of globalisation and assert that globalisation is only an illusory abstraction; one that rationalises the intensification of the process of accumulation by internationalised capital. From this perspective, so-called globalisation is merely a continuation of the process of internationalisation, which has a long history. However, there is no consensus on how long this process has been happening: opinion here ranges from a century, to several centuries, to millennia. These sceptics of globalisation argue that there is no empirical evidence that suggests that globalisation is a radically new process of social change, not only in qualitative terms, but even in quantitative terms (Wood 1997; Ruigrok and Van Tulder 1995; Hirst and Thompson 1992; Zysman 1996; Weiss 1998). It has been suggested by some writers who hold this view that the quantitative flow of global trade, i.e. multilateral trade involving different continents, has in fact decreased. They argue that world trade has been replaced by increased trade among the wealthiest countries in North America, Europe, and North-east Asia. They view the main trend as regionalisation, rather than its opposing trend, i.e. globalisation. In other words, there is no globalisation here but only further internationalisation among the most advanced economies. Therefore, globalisation, in this view, only exists in theory, not in practice.

In contrast, there are others who maintain a transformative thesis, regarding the significance of globalisation as comparable to that of the transformation from feudalism to industrial capitalism, if not more so (Hoogvelt 1997; Mann 1997; Held et al. 1999; Giddens 1990). In other words, the world we are in now is in the process of a radical qualitative transition to an unprecedented new historical epoch. They also tend to argue against the claims of historical determinism or unilinear progression. Taking a Weberian view of social change, they conceive globalisation to be a historically contingent occurrence, caused by a combination of multiple forces that just 'happened to happen'. In this respect, no ultimate direction or outcome can be predicted; and indeed, no society will necessarily follow the same trajectory of change. In short, globalisation is an 'historical accident', as was the rise of Western industrial capitalism in the first place.

The problem with this multicausal contingent explanation is that it does not provide us with a congruent logic of globalisation or identify organised forces that drive this historical change forward. The qualitative transformations that are presumed to move society beyond 'modernity' require a historical logic by which new societies can be formulated, organised and operated.[2] However there has been very little real explanation offered in this respect other than the fusion of information technology with telecommunication, as perhaps the

most notable factor. Thus, nothing else other than globalisation itself is provided as the driving force or organisational principle of the process of globalisation. This is an idea that is clearly tautological, for example, in the claim that 'globalisation is a central driving force behind the rapid social, political and economic changes that are reshaping modern societies and world order' (Held et al. 1999: 7). This means globalisation becomes the cause ('driving force'), the process ('changes'), and the result ('reshaping'), all at the same time. To put it simply, 'globalisation is caused by the globalisation process through which the world will be globalised' is the answer. This tendency to use globalisation to explain globalisation, i.e. to present 'it' as its own cause, simply amounts to circular reasoning.

While I accept that globalisation as a concept has been overstated by some enthusiasts, notably by neoliberals, I also reject the claim that there has been no significant qualitative change as suggested by the sceptics. There have certainly been noticeable changes in the ways in which contemporary societies are organised, especially in the wealthy North. These changes include the trend toward increasing market liberalisation, greater specialisation in production, higher mobility of capital (and labour to a lesser extent), and new forces of production backed up by new technologies. Most notably, such changes have altered labour relations, through, for example, the flexibilisation of labour.

Notwithstanding these changes, however, the claim of transformative change requires some cautious examination. This debate over the issue of transformative change is significant in the sense that it directly links to epistemological debates. If we accept that our society is moving into a qualitatively different epoch of history, then we will require a new framework of knowledge with a new set of methodological tools in order to understand the new world around us. One aspect of this discussion over the past several years has concerned the concept of 'fragmentation' and its meaning and relation to globalisation processes. From the 'hegemonic' point of view, fragmentation is bad, representing disorder, disorganisation and entropy, particularly of the running down of the state's capacity for governance. From the 'counter-hegemonic' viewpoint, however, fragmentation may be good, representing societal potential for resistance against established power and against new forms of oppression and exploitation. Finally, from a 'postmodern' angle, fragmentation is often 'celebrated' in an epistemological sense, representing the 'decentring' of the subject, the fluidity of 'identity', and the 'deconstruction' of entities like the national state.

If the world is no longer the modern world that we understood by the familiar 'old' modern ways of knowing, we must find 'new' postmodern ways to make some kind of coherent sense. The fundamental difficulty with this, however, is that, according to current postmodern epistemology based on the ontology of a fragmented world, the meaning of the word 'coherence' itself becomes problematic. Consequently one could become resigned to the conclusion that it is impossible to comprehend anything clearly any more. To put it another way, because of 'globalisation of fragmentation', our world

is becoming postmodern to the extent that concepts such as 'universal', 'coherent', and 'meaning' do not make much sense, and thus systematic understanding of the global world based on a coherent logic becomes almost inconceivable. This is indeed dismaying to those who still adhere to a set of universal values and advocate universal rights, since the relativists' removal of reference points seems to lead us to a world without clear convictions, except self-interest. The idea of the transformation of modernity into something new (be it postmodern, post-industrial, or whatever) also implies that old, and therefore 'modern' strategies and principles that acted as counter-forces (anti-thesis), for example the labour movement and organised trade unions in particular, are no longer very relevant.

To state my own position, I would argue that, although change has been profound in some respects, it does not necessarily constitute fundamental qualitative transformations that lead us straight out of modernity to a new epoch. I maintain that the logic of globalisation, as a set of social practices, is mainly derived from the logic of capitalism, not from globalisation itself, nor technology, nor merely a new ideology. The logic of capitalism seeks to maintain and expand the process of capital accumulation on world scale. In this sense, even if there is now an unprecedented level of global exchange and flows of materials, people and ideas, this can be accounted for and explained within the framework of theories of social relations based on capital accumulation. We do not therefore need to reinvent the wheel nor try to imagine an entirely new postmodern world as yet, and certainly not a 'globally postmodern' world, because the global logic in question is certainly not 'post-capitalist', as I shall explain below.

To a certain degree, the national economies are being restructured through the process of transnationalisation of capital, and economic space is expanding beyond familiar national geographical boundaries more rapidly than before. It is also true that, as an increasing number of people are becoming more reflexive of the world's events, the effects of these events are becoming more apparent, or vice versa. However, being more aware of the global environment and global events may be a necessary condition but is not a sufficient condition for the formation of truly new global social relations.

The idea and reality of interconnectedness between capital in one location and workers (or even peasants) on another side of the globe is likewise not new. That is, the power of capital operating in the international economy to impact on people's lives all over the world is not a new phenomenon created by globalisation. To a great extent the economic conditions of, say, a textile worker in India in the nineteenth century, were affected by the movements and activities of capital by the colonial powers, especially Britain. For example, the increase of capital investment in the textile industry in England in the early nineteenth century (e.g. Manchester and Lancashire) had a significant effect on the livelihood of Indian textile workers, where the industry steadily declined, though India had previously been the world leader in the sector. Even if the Indian textile workers had been fully aware of the

interconnectedness between English capital and their own livelihood, it hardly would have brought about any significant changes for themselves, simply through awareness alone.

Most importantly, the contemporary proposition that globalisation is propelling all societies to move beyond modernity and create new ones shaped by a new world order ignores the continuing and deep disparity that exists between the North and the South. The qualitative transformation towards a postmodern society, which forces a 'massive shake-out of societies, economies, institutions of governance and world order' has either not actually happened in most societies around the globe, or must be recognised as having occurred highly unevenly, or as being highly concentrated in the wealthy North (Held et al. 1999: 7; Giddens 1996).

The primary symptoms of globalisation, for example, such as integrated global financial markets, wealth accumulation via information and knowledge, high-tech communication networks including the Internet, satellites, and so on, do not yet encompass a large part of the globe's population. These symptoms of globalisation are not felt by a majority of people in the world, including the 'newly excluded' by the so-called process of implosion, for example people in the 'Fourth World' (Hoogvelt 1997).[3] It should be noted that there are those who have already long been left out, before the present process of implosion, most of whom are the poor in the South. These already excluded groups of people should not be used as evidence of implosion caused by globalisation today. Even if one accepts the notion of implosion, it hardly justifies the use of the term 'global', since the real effect of this implosion is further exclusion from globalisation.

Moreover, it is argued that this process (implosion and exclusion) replaces the single society class system with a new global class system (Hoogvelt 1997). Globalisation, thus, means that social and class relations stretch beyond communal, local, and national levels and are extended to regional, intercontinental, and global levels. In this new global social structure, it is argued that the boundaries of existing social formations are broken down along with their own particular set of social relations, and a new set of hierarchies comes into being that cuts across all societies in the world. As a result, the structural inequality between the nation states, or the North–South division, is therefore becoming irrelevant. Rather, the global social formation is all that matters and is stratified between those included and those excluded, regardless of their territorial locality. Thus, centre–periphery analysis likewise becomes a virtual irrelevance from this perspective.

In reality, however, the lives of most people in the developing countries are still very much defined by their territorial boundaries. Their economic, political, and sociocultural activities do coincide, to a high degree, with their geographical position. What most affects the life of a peasant woman in India, for example, would be her family background, her relationship with her husband, mother-in-law, landlord, local police, and local dignitaries, not the distant relationship with finance capital in Wall Street or the City of London. Her social, economic, and political space within which her social power

relations are organised is clearly defined by her locality, and in that sense individual social boundaries of a particular social formation clearly remain intact and immediately relevant.

This is not to deny that the trend towards the internationalisation of class relations is not happening to some extent, nor the existence of and increasing awareness of distant social relations, including global social relations. What I am trying to illustrate is the degree of 'over-globalisation' (to use the other meaning of the term), i.e. the claim that globalisation is 'reflected in all social domains from the cultural through the economic, the political, the legal, the military and the environmental' (Held et al. 1999: 27). Actually, for a large part of the global population, the production structure is predominantly that of the modern era or even the 'pre-modern', and certainly not yet of the 'postmodern' or 'post-industrial'. Therefore, the argument that globalisation is reflected in 'all' social domains, and implicitly in 'all' parts of the world, is obviously a Northern Eurocentric view, not a global view. It continues to ignore the reality of the large majority of humanity living in the South. Moreover, this claim of all-inclusive globalisation seems dismissive of the historicity of the imperialist nature of core capital from its colonial past to the present.

Globalisation in practice: neoliberal economics strikes back

At a practical level, globalisation carries many different images and ideas. Some think of McDonald's in Moscow, of a Chinese boy wearing Levi's blue jeans and listening to a Sony Walkman, of a world cup football match held in Paris beamed live via satellite all over the world, or of withdrawing cash from a bank account in London using an auto-till in Hong Kong. These are all 'symptoms' of globalisation. The symptoms of globalisation appear in multifarious ways, involving many arenas of society.

Some trace globalisation, as a set of multidimensional processes, in three broad arenas of social life: the economy, politics, and culture (Waters 1995). Cultural globalisation involves symbolic exchanges via 'oral communication, publication, performance, teaching, oratory, ritual, display, entertainment, propaganda, advertisement, public demonstration, data accumulation and transfer, exhibition and spectacle' (Waters 1995: 8). Symbols are easily transportable and thus symbolic exchanges are less restricted in spatial terms. Symbolic exchanges, for example through music, fashion, films and advertising, are also more visible and immediate to everyday life. In this way, the symptoms of globalisation are perhaps more visible in the cultural arena compared to the economic and political arenas.

In fact, such symptoms of globalisation are often (mis)taken for globalisation itself. It is such a perception that leads to the argument that globalisation is a comprehensive transformation of our lives. At the same time, a focus on these various symptoms generates a variety of different emphases in the debate on globalisation. For example, by presenting a symptom such as Jurassic Park in Delhi or rap music in Shanghai as globalisation itself the

debate on cultural globalisation may attempt to focus on the globalisation of mass-media images. Such an interpretation of globalisation, however, tends to ignore structural aspects of globalisation in favour of the symbolic. By contrast, the debate on economic globalisation, for example concerning the Asian financial crisis, can tend to focus on the economic structure and ignore agency as an important factor, as if the crisis does not have a direct relevance to the lives of ordinary people. It is therefore important to find a balance between emphasis on structure on the one hand and on agents (or people) on the other, and to avoid exaggerating the independence of the symbolic arena.

Globalisation processes in each arena are not independent of each other. For example, the globalisation of the 'Disney culture' entails the global expansion of trade in Disney films, Aladdin T-shirts, Lion King pencil cases, Mickey Mouse story books, and so on. The expansion of the world Disney market also involves globalisation of production. The 101 Dalmatians T-shirts are sewn by workers in Haiti for as little as 12 cents an hour (MacAdam 1998). Alternatively, the work could be subcontracted to a sweatshop in Los Angeles, which will offer competitive costs (even compared to Haiti) by employing illegal migrant workers at below the legal minimum wage. This economic globalisation of production, in turn, brings forward the question of human rights and international labour standards, which resides in the political arena. This illustrates how each of the three arenas is tightly related. However, the underlying structure of globalisation, even the 'cultural' manifestation, is revealed to be profoundly economic.

This economic globalisation involves many changes: for instance in the ways in which financial markets are integrated and regulated; the ever-increasing liberalisation of trade; the reorganisation of production through the New International Division of Labour; and the seemingly relentless expansion of the flexibilisation of labour. Clearly, these changes are supported by technological innovations, in particular in the area of information and communication technology, affecting the logistics and viability of these new practices. As the invention of the telegraph, railroads, and steamships supported the nineteenth-century production system, the Internet and satellite communications have a supportive function in the present economic reorganisation. However, these new technological advances should not be taken as overwhelming determinants of economic restructuring, only as its adjutants.

The real causes of neoliberal economic globalisation lie within the nature and the logic of capital accumulation. The rationalisation of economic globalisation has been provided by neoliberal economic theories of the free market economy. This perspective is presented with great scientific conviction, but, in fact, is one ideology contending among many. The neoliberal view of globalisation, like economic liberalism in general, expects a beneficial outcome in terms of economic performance when adjustment favours market mechanisms. Globalisation therefore supposedly offers benefits to all participants: even an age of prosperity and affluence for all.

Globalised free market economies, it is argued, create the good life for all citizens, since they promote the right of consumers to 'obtain and own the

best and the cheapest products from anywhere in the world' (Asia Monitor Resource Center 1998: 3). For all societies to participate and succeed in this new world of universal consumer culture, the universal adoption of the principles of economic liberalism becomes essential. This is, in Fukuyama's words, 'the ultimate victory of the VCR' (Fukuyama 1992: 108). This unilinear approach, however, ignores structural realities of uneven development, and echoes some earlier versions of functionalist theories of modernisation and economic integration. In effect, the only significant difference in the arguments is that the goalpost of 'modernisation' has been changed to that of 'globalisation'.

In this view, economic globalisation is an uncompromising process that not only forces all national societies to adjust to it, but allows virtually no alternative or variation in the manner of adjustment. In other words, there are only two options available: either you need to globalise in accordance with the principles of neoliberal economics or, by rejecting globalisation, gradually perish while others go forward, i.e. the 'globalise or die' corporate slogan. This sole option of globalisation is broadly associated with strategies and policies to flexibilise labour, deregulate finance, decentre global production networks, marketise and privatise, and either downsize the firm or engage in mergers and acquisitions.

When globalisation is rephrased as neoliberal economic globalisation (NLEG) its meaning can be rendered with more clarity. In practice, NLEG has tendencies to threaten any existing social redistributive systems while increasing the rate of exploitation of labour and destabilising the macroeconomic situation. This is because NLEG primarily protects the interests of capital and its expansion while excluding dissident social forces from political decision making. As an operating mechanism, NLEG promotes homogenisation of state policies that facilitate capital accumulation via the pursuit of 'socially barren trade policy' (Galbraith 2000). NLEG conceals the strategic choices that must be made by society as it responds to pressures for globalisation.

However, the economic ideal of the perfect global consumer society via global economic integration, the free market, and free trade, exists only in theory, not in reality. This liberal utopian vision can only be imagined if the reality of uneven socio-economic conditions, including those of labour, which prevail not only through continued geographical division but also through social and class division, are ignored. Another critical oversight of the NLEG thesis is that the inherent tendency of capital is not to maintain competition but rather to avoid competition. The recent upsurge of mergers, takeovers, and partnerships, among the large global companies illustrates this clearly. In the interim, policies in the pursuit of the free market and free trade have historically proved to have a tendency to disregard more equitable redistributional systems. Through the process of apoliticisation, there is a 'de-socialisation of the subject' accompanied by the 're-socialisation of risk' (Gills 1997: 12). In other words, the core tendency of NLEG is such that gain is individualised/privatised but risk is socialised on behalf of capital.

With the restructuring of the world economy since the 1970s, the governments of the South have been competing for the favours of transnationally mobile capital via engaging in the ever-intensifying race to the bottom. There has been an upsurge of Free Export Processing Zones and Free Trade Zones in which social and environmental standards are lowered while social subsidies to capital are increased, for example through offering financial and other investment incentives by the host governments (Kasugo and Tzannatos 1998; Thomas 1997). The outcome of this process has been an increase in the rate of exploitation of labour and it represents a general redistribution of wealth and resources from labour to capital. Through extension of both international competition and mobility of capital, the tendency of the increased flow of wealth and resources from labour to capital has been intensified, rather than that of trickle-down.

On this basis, NLEG can be characterised by increasing social polarisation between rich and poor, increasing marginalisation of vulnerable groups in society, and therefore increased social conflict. The emphasis on deregulatory measures represents a tendency to hinder social progress in terms of social justice, inclusion, and equity. The effects of deregulation need also to be considered along with the increasing scale of macroeconomic destabilisation, which now extends to the global level. For over twenty years, core capital has sought to adjust to global overcapacity and rising domestic costs of production by either relocating production abroad, that is, by disinvestment in the 'old' domestic economy, or by promoting the financialisation of capital, that is, disinvestment in production in favour of speculative or purely financial activities (Silver 1998).

All these point to yet further concentration and centralisation of capital at the global scale. Paradoxically, free market competition naturally tends to the creation of monopolies (Pfaff 1999). The abolition of the Glass–Steagall Act by the American Congress in November 1999 is one of the many examples of a recent event that represents the lust for 'global giantism'. The Glass–Steagall Act was originally established during the Great Depression era in order to curtail excessive links between commercial and investment banking activities. Further deregulation by breaking down the existing fire walls between various financial institutions, such as high-street banks, insurance companies, and brokerage houses opens the way for ever bigger financial oligarchisation.

The 1990s witnessed a huge eruption of mega-mergers and acquisitions of industries and that of megabanks financing these mega-mergers. Recent mega-mergers and acquisitions include: Midland Bank–Hong Kong Shanghai Banking Corp; Citicorp–ComTravellers (ComTravellers was the result of the previous merger between Solomon Brothers and Travelers Insurance and Stockbroking group); Morgan Stanley–Dean Witter; Daimler Benz–Chrysler; BP–AMOCO; Sandoz–Ciba; WorldCom–MCI Communications which then merged again with Sprint; and AOL–Time Warner, to name only a few. The annual number of cross-border mergers and acquisitions doubled between 1990 and 1997 with the total value of $236 billion (UNDP 1999).

In the midst of these activities was the idea of 'too big to fail', which has been fervently exhorted. However, to borrow Alan Greenspan's words, these 'complex entities create the potential for unusually large systematic risks in the national and international economy should they fail' (Safire 1999: 8). The failure of Daewoo in South Korea with its $50 billion plus debts did happen and it has threatened the whole financial system of South Korea. These processes have an important impact on developed and developing countries alike. Though the effects are uneven, countries both in the North and the South are increasingly vulnerable to bouts of macroeconomic destabilisation due to these economic/financial practices. Monetary instability is a particularly prominent problem, capable of destabilising almost any economy that shows temporary vulnerability, as well as those with long-term structural weaknesses, as the recent Asian crisis and global financial crisis of 1997–9 demonstrated.

Deregulation of finance and industry also mirrors the recent trend in which the separation of politics and economics is re-emphasised through rolling back the state from the economy. It is actually a process of the depoliticisation of social control over economic change. When the effects of economic globalisation and consequent social changes are viewed solely as economic imperatives for national survival, this does not leave much room for raising critical social and political questions.

The danger in NLEG as a philosophy of political economy is illuminated by the Polanyian critique of the 'self-regulating market' and its relationship with society. Rather than capital and the economy being harnessed to serve socially defined ends, in the model of NLEG capital and the economy are in charge of society.[4] Society comes to serve capital's need for accumulation and expansion. Without institutionalised mechanisms of social protection, the free market produces only a few winners and many losers. The dominance of this market ideology, further engendered by neoliberal economic globalisation, would therefore enlarge the malaise of capitalist society if it is not adequately challenged by social forces, in particular by labour.

It is a distinct aspect of NLEG that politics in general and democracy in particular should become increasingly formalistic and limited. In many developing countries, existing aspirations for democracy, social justice, and the complex but fragile social compromises on which they rest, confront a threat of growing social polarisation, conflict, and delegitimation. The dangers of undermining the state, especially in its redistributional role, and increasing the rate of exploitation of labour by capital point to 'traditional' problems in the relationship between globalisation and democratisation.

Democratisation, the state, and counter-globalisation

As a way of understanding social change, the neoliberal view of globalisation is historically naïve. There is no historical foundation that supports the argument that NLEG is necessary and inevitable. Methodologically, there is

an alternative to economic reductionism and technological determinism. Therefore, analytically, it is imperative to examine the socially contested, and historically open nature of all forms of political economy, globalisation included.[5] If this notion of the inevitability of NLEG is repudiated, then discussion of the practical responses, at both national and international level, to the current trend of globalisation becomes possible.

In the neoliberal view, the relation between the well-being of society and economic growth rests on the assumption that the free market and capital logic will automatically bring about the goal of equity and prosperity. In this sense, the exclusion of social forces from the state that might threaten this model becomes an important political condition for its existence. By taking politics as subservient to an unavoidable economistic logic, the process of NLEG exacerbates social division, exclusion, and depoliticisation. In the real world, however, it is not possible to impose a single determinant economic logic external to society, to the state, and to the political process. In fact, over the last few years, there has been vigorous discussion of the possibilities of social response to the current trend of NLEG, while the notion of the inevitability of neoliberal economic globalisation has been challenged by many, at different levels. This alternative approach allows us to bring people back in as conscious agents at the centre of historical change.

The depoliticisation element in NLEG has a direct bearing on democratisation, when democratisation is understood as a process of social inclusion. In today's context, democratisation is a form of political and social resistance to neoliberal globalisation. However, this claim depends upon defining democratisation in broad substantive terms, rather than narrow formalistic terms. Any definition should include formal political democracy resting on legitimate civilian government and the rule of law, but a substantive definition of democracy goes beyond this conventional understanding. Democracy is not constituted only by a formal 'competitive' electoral system. However, it equally needs to meet certain types of redistributive socio-economic criteria.

The concept of democracy as used typically in the liberal tradition emphasises the economic freedom or liberty of private property and capital, that is, their independence from public (state) control. The function of the state in this conceptual framework is confined to ensuring the individual freedom of capital and the optimum conditions of free market competition. Thus, the role of the state in the economy becomes minimal. It is also on this basis, according to liberalism, that the individual liberty of each citizen is best guaranteed.

However, the liberal insistence on the separation of politics from economics does not take into account the fact that both the representation of power and the competition among conflicting interests in the sphere of politics are conditioned by economic relations. For example, capital–labour relations are not politically neutral nor do capital and labour share an equal balance of power. Capital, by holding property, money, and wielding considerable expertise and organisational power, begins in an advantageous position vis-à-vis labour. That is, the unequal distribution of material resources under-

mines equal access to political decisions and the capacity to influence political outcomes. In this sense, the assumption of fair and open political competition and equal political rights, upon which formalistic notions of democracy ultimately depend, does not hold for everyone. In reality, due to underlying social inequalities, the political system operates largely in favour of capital rather than of labour (Cohen 1991: 42). Put another way, as Galbraith (2000) says, nothing so constrains the freedom of the individual as a complete absence of money.

Therefore, the concept of democracy via a minimalist state grants autonomy to those who already occupy an advantageous position, most notably holders of capital. In the absence of political resistance and state intervention, 'jobs, prices, growth, and the standard of living all rest in the hands of businessmen' (Sun 1999: 20). According to Charles Lindblom, the privileged position of business gives capital a louder voice than anyone else, not only on matters of economics but also of politics. The 'autonomy of the private corporation' thus becomes 'the major specific institutional barrier to fuller democracy' (Lindblom 1977: 356). The current neoliberal-led globalisation is driving towards precisely that goal, i.e. increasing the autonomy of the private corporation. Such a process results in the opposite of broadened social inclusion. The increased autonomy granted to private capital and corporations exacerbates the process of exclusion. The processes of corporate concentration, mega-merger, and oligarchisation of global capital occurring in the world today mean that more and more workers and ordinary people will be excluded as the pressure continues.

As a counter-trend to NLEG, the process of democratisation is understood as a process of broadening inclusion, rather than exclusion. The idea of the politics of inclusion is that prosperity for the majority can only be brought about by the inclusion of social forces and, in particular, labour into the state and its decision-making procedures. It also means focusing on redistributional economic policies that favour labour's interest (weak majority) rather than capital's (strong minority). The process of inclusion implies decreasing social inequalities and arresting and reversing trends toward increased polarisation and marginalisation. If the 're-socialisation of the subject' gains momentum, then a greater opportunity to make progress towards social justice and equity can be created (Gills 2000).

Democratisation, therefore, requires significant changes in the composition of power, allowing the inclusion of a broad spectrum of social forces into the state, or giving them access to influencing the state policy decision-making process. This includes labour, and not only organised labour but also unorganised and more marginalised labour, such as women's labour, children's labour, and migrants' labour. The problem of the creation and exclusion of the underclass also has to be dealt with within a more inclusive social-political framework. This involves states in attempting 'to resist the de-nationalization tendencies of globalization' (Hart and Prakash 2000: 105). Implosion is as morally and politically unacceptable as it is economically unsustainable in the long run.

In terms of actual meaningful change, there has been a tendency towards a co-optive strategy. It is characterised by the convergence of opposition programmes until there ceases to be any substantive difference between the alternative and the elite conservative position, be it called 'the Third Way' or some other expressions for neoliberalism. Such an ideology proclaims that capital–labour relations are no longer characterised by antagonism but rather by a harmony of interests. From this point of view, the class struggle is dead and is therefore an irrelevance in the new 'globalised' politics and social relations. In ideological terms, this means that, in the new globalised world, left and right are likewise no longer useful or relevant in political discourse, à la Giddens (1996). This position also implies that a single objective and technically masterable truth about globalisation can be ascertained by the rational and astute actor.

In the current context of globalisation, this co-optive strategy can be called 'globalisation with a human face'. Tony Blair's engineering of the British Labour Party's move to the centre-right and its adoption of many formerly conservative policies are good examples of this. In this way, the state both poses as and acts as the instrument conveying the interests of transnational capital on to national society. This is the process of the 'internationalizing of the state', to borrow Robert Cox's term, in which the state function is primarily to adjust domestic policies and practices in order to accommodate the functional requirements of the neoliberal global economy (Cox 1987: 253–65). In some cases, such a strategy has been important in maintaining the hegemony of the ruling elite.

In contrast, substantive democratisation via a 'politics of inclusion' depends on a decisive shift in the balance of forces in favour of the political inclusion of popular movements. It strives for expanding and enhancing the political centrality of a progressive programme, bringing about the empowerment of new social forces. They may, or may not, participate in electoral politics or even the party system, but the emphasis is on autonomy, self-determination, and direct action. An example of a new hybrid of these two approaches is the Brazilian Workers Party. Such democratisation demands the prioritising of social equity over economic growth or private commercial interest. It also requires the will of the state to accept public accountability for the role of protection of societal interests from the depredations of private capital and economic interests.

In the politics of globalisation the role of the state therefore becomes central. The state is a political actor that can facilitate social inclusion and overtly resist socially undesirable aspects of globalisation. In this sense, the state is not merely a neutral mediating institution nor is it powerless to act against the forces of neoliberal globalisation. Empirical studies show that national policy can significantly affect global market forces (Ashton and Maguire 1991). When the state takes the position that it shall retain sufficient leeway, it can exercise a powerful influence over domestic outcomes, such as unemployment for example, or even capital controls, as some governments in East Asia demonstrated during the Asian financial crisis.

Labour and counter-globalisation

Within the framework of Fordism, as the factory system of industrial production increased the rate of exploitation and control of labour, it also brought workers together and stimulated the trade union movement. Likewise, as the central trend of NLEG is the further intensification of the exploitation of labour, it began to stimulate new forms of organisation and resistance, in particular by 'globalised' social movements. Today's global factory and the new environment of global communications mean that global networking emerges as a more practical and powerful tool of resistance. This reveals the contradictions and the dialectic nature of trend and counter-trend in globalisation. That is, globalisation elicits counter-globalisation on a global scale. An effective politics of counter-globalisation depends upon the organisation and mobilisation of wide, popular, or majority social forces. The irony of globalisation is that, like many other social processes, it contains within itself its own antithesis. Although neoliberal globalisation apparently weakens and even suppresses dissenting social movements and their political assertions, this, in turn, tends to provoke further resistance. In other words, the forces of 'desocialisation' of the subject can be challenged by the forces of 'resocialisation' of the subject.

The dynamics in the politics of globalisation can be detected in the development of global resistance movements in recent years. For example, Sweatshop Watch and the National Labour Committee, two coalitions based in the US, represent one type of broad popular counter-globalisation front. They brought together various campaigners for labour rights, human rights, and legal rights, community and religious organisations and university students to battle against sweatshop labour throughout the world. The strategies employed by these two coalitions range from consumer action to Congressional testimony, and lobbying for new labour legislation. The focus is not only upon national practices in the US, but also concerns Third World sweatshops from Honduras to Indonesia (Hu-DeHart, in this volume).

Other coalitions operate on worldwide scale to address the protection of workers' rights and control the abusive practices of transnational companies. For example, the Maquila Solidarity Network promotes cooperation between labour and other social movements in NAFTA countries. It tries to develop strategies that link workplace and community development issues, health and the environment, and women's rights in the *maquiladora*. The International Centre for Trade Union Rights works specifically for the rights of unions and their workers worldwide, while Women Working Worldwide supports women workers through organising public awareness campaigns and networking efforts. It focuses on the impact of economic liberalisation on women in many different countries.

A 'complex globality' brings forth a 'complex solidarity' and the role of communications becomes central in creating global solidarity. As Peter Waterman argues, the new global communications media such as the World Wide Web represents a powerful new tool for resistance. The defeat of the

Multilateral Investment Agreement initiative in the late 1990s was widely attributed to the effectiveness of the Internet as a medium of worldwide networking and mobilisation among resistance organisations and social forces. There are many social organisations that are active in all parts of the world tightly connected by the Internet. For example, '50 Years is Enough Network' organises a global network of resistance with some twenty-five similar organisations around the world, including those in Nicaragua, South Africa, the Philippines, India, Senegal, Mauritius, Brazil, Macedonia, Pakistan, and Mexico. These organisational networks form the coalition of forces that educate, organise and resist the 'corporate globalisation'. They recognise the increasing centrality of this sphere and the potential for emancipatory movement and radical democracy it contains (Waterman 1988, 2000; Lee 1997).

In addition to new types of grass roots movements, the traditional union movement is also rejuvenating internationalism, for example via the International Confederation of Free Trade Unions, and the International Trade Secretariats. While these organisations bring together bureaucrats at the top of the organisational structure, others bring the grass roots unionists together for common action, such as the Transnationals Information Exchange (Stevis and Boswell 2000). Labour is organising worldwide in the 'era of globalisation' and as new models of solidarity and collective action emerge, they bridge old barriers between North and South (Munck and Waterman 1999).

The pioneering consciousness-raising and training workshops organised by the International Forum on Globalisation, based in San Francisco, has provided yet another set of forums for coordinating counter-globalisation movements in the second half of the 1990s. Such broad movements gained momentum as the decade approached its climax. The WTO ministerial meeting in Seattle in November 1999, intended to establish the agenda for a new round of global economic liberalisation, was confronted by tens of thousands of protesters from consumer, labour, environmental and other advocacy groups from over twenty countries. These groups include Jobs with Justice, Nicaragua Network, Global Exchange, Jubilee South Africa, Native Forest Network, Global Justice Center, Youth Counsel, Development Visions, Alliance for Global Justice, Campaign for Labour Rights, Mexico Solidarity Network, and Rights Action. Since then numerous public demonstrations and rallies have followed in different parts of the world, including Washington DC (April 2000), Prague (September 2000), Porto Alegre (January 2001), Davos (January 2001), and Quebec (April 2001).

These grass roots movements' immediate concerns are varied, ranging from labour issues and women's, to environmental issues. There is the problem of compatibility between the North and South, for example conflicting interests between the US labour unions and workers in poor countries. It is therefore difficult to conceptualise these grass roots movements under a single coherent 'ideology', such as the socialist movement in the past. However, given that the common goal and the organising logic of all these groups

is the movement towards social justice, they should not be dismissed as an ineffective assembly of disjointed groups. These protests oppose NLEG in general and demand strengthened labour rights and environmental protection, under the banner of 'global economic justice', thus leading to globalisation of political activism. All of these various types of resistance and protest against neoliberal globalisation show that globalisation is also a new opportunity to push forward the social agenda of redistribution, not only between the divided groups within a society but also between the nations in the North and South. Labour, and women within labour, have a pivotal role to play in this emerging politics of counter-globalisation.

Notes

1 To accept neoliberal economic globalisation as a predetermined mode of social reorganisation would be an error of the same magnitude as regarding the colonialisation of the Third World as a predetermined historical outcome based on rational western capital.
2 The term 'modernity' in this context is to mean both the historical epoch and its main features to include: a secular social system based on science and rationality; state system with bureaucratic organisation; ideology of individual rights and citizenship; and industrial capitalism.
3 Hoogvelt uses the term 'implosion' as a concept that conveys the process of expansion and growth of the global economy accompanied by exclusion of the mass.
4 Robert Cox uses the term 'hyperliberalism' to describe the renewed neoliberal impetus based on the idea of a self-regulating market as a utopian project (Cox 2000).
5 In this respect, I tend to agree with the argument put forward in 'the transformationalist thesis' by Held et al. (1999) as well as Cox's suggestion of 'intersubjectivity' in the context of 'civilizational differences' from which different forms of economic and social organisation emerge (Cox 2000).

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2 *Risutora* and women in the Japanese labour force

Beverley Bishop

The last few decades have seen growing cultural, economic and political interconnections and interdependencies between countries. Appadurai identifies five increasingly strong 'flows' that produce globalisation: flows of people; flows of images and information through the mass media; flows of central ideas, terms and images, facilitating the international dissemination of the ideologies; flows of technology and the increasingly rapid flows of international capital between national economies (Appadurai 1990). This is not to suggest that individual state policy is irrelevant in the face of these flows, but the *way* in which globalisation impacts upon groups or nations depends, at least partly, upon cultural or institutional factors. Japan, for example, has been very receptive to ideas and new technology and has been a proactive player in economic globalisation, while proving less receptive to immigration (see Piper, this volume), while the opposite might be true of, say, Saudi Arabia. This chapter will examine the impact of economic globalisation upon women in Japan, and the related penetration of other ideological and legal global norms.

Globalisation processes have profoundly affected the economies of nation-states, leading to changes in the types of work available and the way in which work is organised. Many of the manufacturing jobs that used to dominate the economy in the First World have been 'exported'. This has been accelerated by new technologies, and the liberalisation of financial flows has made it easier to organise production on an international basis. The result has been a decline in the proportion of semi-skilled and unskilled jobs available in First World countries. Furthermore, where the volume of outward investment of transnational corporations is very high, there have been adverse effects on the manufacturing employment in the domestic economy. The liberalisation of capital flows has also made national economies increasingly sensitive to cyclical forces. Employers have therefore attempted to cut back production costs and to make production more responsive to fluctuations in demand by introducing more flexible work practices and have been assisted in this by state deregulation of labour (Dicken 1998; Connelly 1996).

The discourse of neoliberal proponents of deregulation of finance and labour markets adopts a largely culture-blind and gender-blind perspective (Beneria and Lind 1995). However, since women have been segregated from

male workers – vertically as well as horizontally – changes in the structure of the labour market are bound to affect women in different ways from men. The structural transformation of developed economies has affected the proportions of men and women in the workforce, the types of employment available, the number of temporary and part-time jobs and the place of a paid job in women's work. Recent work by feminist economists and other researchers into gender and the economy has examined the impact of globalisation on women. The question commonly asked is whether global re-regulation restructures and/or reinforces women's generally segregated, unequal and tenuous place in the labour market (Bakker 1994: 1). At the same time, women workers are not homogeneous, thus the impact of globalisation on individual women is mediated by social and cultural factors, such as their ethnicity, class, education and/or national citizenship.

A useful starting point to the conceptual ideas developed here is represented by Connell who differentiates between *gender regimes* and the *gender order*. Gender regime refers to the state of play of gender relations in a given institution, i.e. for example state regulation and workplace organisation. The gender order is the relationship between different gender regimes or 'the current state of play in the macro-politics of gender' (Connell 1987: 20). The regime of the labour market both reflects and influences what happens in other spheres. The organisation of work and the demands made of workers affect what happens in the family and the education system; and

> in a more general way, the attitudes and principles and patterns of social relations found in the workplace are likely to have a certain congruence with those shown in other social spheres, simply because of the tendency towards consistency in individual personalities and sets of values.
>
> (Dore 1973: 280)

Furthermore, labour markets operate at the intersection of the productive and reproductive economies (Elson 1999). The productive economy consists of paid work, and by conventional economic analysis does not include the essential contribution made to it by the reproductive economy. The reproductive economy includes all those tasks, largely performed by women, that are essential to the economy, such as caring for and maintaining the labour force, bringing up and socialising the next generation of workers, and improving the interpersonal skills of workers. This is tempered by institutional arrangements, and state regulation. As Elson notes: 'labour markets are not only bearers of gender, they are also reinforcers of gender inequality. But different institutional configurations can give different results: some labour markets are more equal than others' (1999: 613).

In addition, institutional arrangements and state regulation change for both exogenous and endogenous reasons, e.g. social change can lead to demands for change from inside the state; and economic change in the world economy or international pressure from foreign groups can both necessitate legal or institutional change. In the case of Japan, as previously noted, the economic

consequences of globalisation provide a rationale for reorganising the workforce. However, Japan has also been affected by the second wave of feminism, the rise of the nuclear family, increasing further and higher education of women, and changes in work and leisure aspirations. The way these changes interact inevitably results in changes in the way the productive and reproductive economies interact. This has major implications for Japanese women's position in the labour market.

Using the framework of gendered political economy, this chapter looks at the position of women in the post-war Japanese labour force and how globalisation is affecting the Japanese gender order. As the diversification of employment due to restructuring is often presented as enabling diverse women to fulfil their potential in different ways (Koike 1995), it is important to gauge whether women feel this to be the case. To illustrate the gap between theory and practice, this chapter provides original fieldwork data in the form of comments made by Japanese working women who took part in a pilot study in 1996 and 1997, and those of women interviewed between October 1999 and March 2000. As personal introductions are very important in conducting research with Japanese respondents (Pharr 1981), the participants in the original 1996/7 survey were found through a 'snowball' technique. Initial interviewees were found through personal recommendation. I then asked these women to recommend others who would be willing to answer questions on their experience of work. This yielded 214 usable responses. While this method does not produce a statistically representative sample, the respondents did represent a reasonably wide range of ages, educational backgrounds and working situation. Respondents varied in age from 19 to 64. The mean age of respondents was 34.7 years, with a standard deviation of 10.33. Single women made up 51.6 per cent of the sample, while 39.4 per cent were married; 0.9 per cent cohabiting; 4.2 per cent divorced; 0.9 per cent separated; and 2.8 per cent widowed. Sixty-eight respondents (31.8 per cent) had children, of whom twelve (5.6 per cent) had children

Table 2.1 Educational background of respondents

Highest qualification achieved by respondent		*Frequency*	*Per cent*	*Valid per cent*	*Cumulative per cent*
Valid	Junior high school	3	1.4	1.6	1.6
	High school	44	20.6	24.2	25.8
	Junior college	40	18.7	22.0	47.8
	4-year university	71	33.2	39.0	86.8
	Postgraduate degree	10	4.6	5.5	92.3
	Professional qualification	10	4.6	5.5	97.8
	Other	4	1.9	2.2	100.0
	Total	182	85.0	100.0	
Missing	System	32	15.0		
Total		214	100.0		

Table 2.2 Employment status of respondents

Type of contract		*Frequency*	*Per cent*	*Valid per cent*	*Cumulative per cent*
Valid	Self-employed/freelancer	4	1.9	2.0	2.0
	Small business owner	7	3.3	3.4	5.4
	Full-time with job security	123	57.5	60.0	65.4
	Part-timer	36	16.8	17.6	82.9
	Freeter	6	2.8	2.9	85.9
	Working in family business	2	0.9	1.0	86.8
	Homeworker	4	1.9	2.0	88.8
	Other	23	10.7	11.2	100.0
	Total	205	95.8	100.0	
Missing	System	9	4.2		
Total		214	100.0		

under five years of age. The educational background of respondents and their employment status is recorded in Tables 2.1 and 2.2 respectively.

Outline of the problematic

Japan is a particularly apt case study. It has taken a very proactive stance in the globalisation of the world economy (Hasegawa and Hook 1998), which has had 'reciprocal dynamics' on Japan's domestic business management and labour. Following the 1985 Plaza Accord after which the yen rose steeply, Japan's low birth rate[1] and labour shortage not only encouraged Japanese companies to seek cheaper labour abroad, but also resulted in a considerable number of foreign workers from less advanced neighbouring countries entering Japan in search for employment in sectors that cannot be moved overseas (Piper, this volume; also Kim 1999). As East Asia's prosperity grew, it also became advantageous for Japanese companies to be situated near their new major markets for consumer electronics. Before its 1997 economic collapse, the Asian market accounted for nearly 45 per cent of Japan's exports (*The Economist* 1998: 17). The average proportion of Japanese transnational corporations' production manufactured overseas reached 19 per cent in 1996 (World Bank Japan 1997).

Cowling and Tomlinson argue that the *declining power of the state* over Japanese corporations is at the root of the threats to the Japanese model of employment. Since the 1960s large corporations have pressured the Ministry of International Trade and Industry (MITI) to be able to invest directly abroad, with the result that, from 1971, the Japanese government changed its previous policy of only allowing Foreign Direct Investment (FDI), which was in Japan's long-term interest, to allowing unlimited investments

abroad.[2] The diversion of production overseas necessarily reduces the investment in Japan; and, as outsourcing increases, there is a secondary effect as the small and medium-sized firms, which have traditionally supplied large companies, are losing the market for their products (Cowling and Tomlinson 2000).[3]

The *kudoka* ('hollowing out') of Japanese industry, i.e. the increase in offshore production, while downsizing at home, is likely to be unstoppable as economic liberalisation and political considerations encourage Japanese investment in the former Soviet Union and Eastern Europe and, following NAFTA, in Mexico. Factories in Japan are now operating at their lowest capacity since the 1970s. With the impact of 'Big Bang', the substantial deregulation of Japan's financial markets that came into effect on 11 March 1998, Japan's banking and financial services industry will also be subject to increased foreign competition from the likes of Merrill Lynch and Citibank (*BusinessWeek*, June 1997). To cope with the reciprocal effects of globalisation Japanese business has, therefore, pursued a dual strategy. It has attempted to reorganise the regular workforce by segmenting it to reduce costs, and to facilitate the use of non-regular workers, who have little job security, in order to increase numerical flexibility.

Restructuring or *risutora* has caused much disquiet within Japan. Companies such as Hitachi, Toshiba, NEC and Mitsubishi have all announced restructuring plans involving reducing the size of the workforce, while banks and financial institutions, having been major investors in Asia, have suffered badly from its financial crisis. As a result, they have increasingly turned to the employment of non-regular workers to cope with cyclical fluctuations. Japanese economic and political elites, then, are currently making a conscious effort to respond to the negative effects resulting from the globalisation of production on Japanese industry, such as the export of manufacturing jobs. This is exemplified by recent legal changes and changes in the organisation of the Japanese workforce, to which I shall return below. Furthermore one of the features of Japan's distinctive national model of national capitalism is one of the largest male/female income disparities of any modern industrial economy (Japan Statistical Yearbook 2000). This indicates a high degree of job segregation, which renders the gendered impact of changes to the Japanese model particularly apparent.

A positive aspect of globalisation for women in the Japanese workforce has been that the comparatively restricted career opportunities for Japanese women were brought to the fore. Takenaka and Chida note the phenomenon apparent among Japanese people of intense interest in foreign countries, and their concern about how Japan is seen by people from other countries (Takenaka and Chida 1998). The terms 'globalisation' and 'internationalisation' have certainly achieved popular currency in Japan (Menju 1999). Along with other globalisation processes, the United Nations Decade of Women and the International Women's Year (1975), for instance, stimulated much popular and media debate in Japan, and impacted upon public opinion (National Institute of Employment and Vocational Research 1988), leading

ultimately to legal change, in the form of the 1986 Equal Employment Opportunities Law and its 1999 revisions.

Women and the Japanese national model of capitalism

With its rapid post-war economic growth, increased importance in the world economy and its apparently low level of industrial strife, the Japanese model of national capitalism has stimulated much academic and government interest. The focus of most of industrial relations literature in English discussing the Japanese model has been on the organisation of work for core workers within large companies. Abbeglen and Stalk wrote of the way in which workers traded a guarantee of lifetime employment for loyalty to the firm (Abbeglen and Stalk 1985). Dore attributed the success of the Japanese model to 'flexible rigidities': the tendency towards oligopoly, tenured job security for core workers and the state's underwriting of capital actually made the Japanese system more flexible in that they engender co-operativeness, functional flexibility, the ability to bargain sensible compromises between capital and labour, and thoroughness of planning (Dore 1986). In actual fact, the well-known features of the 'classical Japanese model' – such as the firm as community, worker commitment and flexibility in exchange for employment security, the seniority-plus-merit (*nenko*) principle in pay and promotion, and enterprise unionism (Kato and Steven 1993) – are not to be found in small and medium-sized enterprises (SMEs). SMEs employ most contract workers, temporary, casual or day labourers, family workers, part-timers, agro-industrial workers, and homeworkers. The dependence of such a structured core workforce on these '*peripheral* workers' has long been recognised.

Women are not only more likely to be found in peripheral sections of the labour market, but are likely to have a peripheral position within the core. Even within the larger companies, supposedly permanent women workers would usually retire upon marriage or the birth of their first child. In this way, jobs were heavily segregated along gender lines. In white-collar jobs it was common practice for male employees to expect female workers to serve tea, clean the offices and even polish their shoes. As they were expected to retire upon marriage or the birth of the first child, they did not receive the same on-the-job training as their male co-workers. Being confined to routine work at low wages did little to encourage women to remain in the workforce. Firm and state policies, family structures and patriarchal expectations had the effect of making Japan the only country in the developed world where the female labour market participation rate actually fell between 1965 and 1975.[4] This is related to hardly any increase in social and welfare spending by the state between 1955 and 1970, so that it was the role of women to care for their families in place of social welfare (Fujita 1987). The expansion of a European-style welfare state, which was one of the main providers of jobs for women with some education in northern Europe, simply did not emerge in Japan.

For middle class women, urbanisation, industrialisation and the concomitant moves towards a nuclear family meant there was less help with childcare and housekeeping from relatives. The rapid rise in men's incomes also meant that it became economically possible for a family to manage on the wages of a sole breadwinner. There was also social pressure for married women to leave work. Working mothers became the focus of popular debate in the late 1950s, when the women's magazine *Fujin Kouron* (Women's Opinion) launched a discussion about whether women had the right to pursue a career other than that of wife and mother: the magazine's readership generally sided with arguments for the priority of motherhood (Buckley 1993). In addition, the long hours worked by male workers meant that they were very dependent on the reproductive labour of their wives – a phenomenon recognised in companies' provision of family allowances, housing allowances and company housing, as well as by the tax system. In 1960, only 8.8 per cent of all married women worked outside the home (Tanaka 1995: 297).

With regard to legal provisions, the post-war constitution guaranteed sexual equality and the 1947 Labour Standards Law did actually grant women six weeks' leave both before and after the birth of a child, as well as the right to request leave for childcare, paid menstruation leave, restrictions on overtime and a ban on night work. Despite this, the Labour Standards bureau of the Ministry of Labour took the view that terminating a woman's employment upon marriage did not breach the Labour Standards Law. Unions offered women little protection since, after the deflation of the 1940s, unions moved from including all non-managerial employees to a membership limited to those whose job security was assured. The corollary of this is that, as non-standard forms of employment have increased, the proportion of labour that is unionised has fallen: from around 33 per cent in the 1960s and 1970s to 22.4 per cent in 1998 (Rengo 1999: 5).

A series of court judgements from 1966 onwards formally outlawed the practice of companies requiring women to retire at marriage, but informal workplace culture meant that the tradition of leaving upon pregnancy continued. A respondent in her late forties wrote of her early job experiences:

> In my case, when I was pregnant, as I did not have a job-related skill, I had no choice but to retire, because around me no women took maternity leave. But later I often regretted that. I shouldn't have retired from a responsible job. So if my daughter-in-law hopes to work all her life, I'll help her.

Women's short tenure enabled firms to achieve numerical flexibility. The number of women employed in manufacturing fell rapidly in the first two years following the 1973 oil crisis and 'natural' wastage, as women left at time of marriage, made possible the continuation of permanent employment policies for company 'core' workers even in time of recession (Rohlen 1988).

However, in the more recent economic crisis in Asia, more women have actually been drawn into the workforce, albeit in insecure, non-regular

employment. This can be attributed to the way in which changes in Japan's gender order have interacted with the demands of Japanese business in an increasingly globalised economy.

Today, Japanese women participate in the workforce in numbers comparable to those of women in other modern industrial societies. In 1994 women accounted for 40.5 per cent of the working population of Japan and 50.2 per cent of women aged 15 and over were in the paid labour force (Imada 1996). This can be attributed to increased longevity, a declining fertility rate (the number of births per woman has fallen from 4.54 in 1947 to 1.34 in 1999), an increase in housing and education costs, the return of 'baby boom' wives to the labour market, and changing social attitudes about women's place in society (Whittaker 1990; Mohwald 2000).

The impact of economic restructuring on women in the Japanese labour force

Today Japanese women participate in the labour force to a similar extent as women in other countries at a comparable stage of industrial development. However, as elsewhere, they earn less than men (63.5 per cent of the male wage, compared to 80.8 per cent in France, 71.2 per cent in the UK, and 59.6 per cent in South Korea (Economic Planning Agency 1997) in the highly segregated labour market. Under these circumstances the effects of globalisation and the consequent economic restructuring in Japan are manifested in different ways in men's and women's employment.

One of the most significant effects of restructuring in response to globalisation is the increase in the use of non-regular workers, i.e. part-time, temporary and agency workers, and homeworkers, who do not have the benefits of security of tenure and seniority-based pay of regular workers. Between 1986 and 1997 the proportion of non-regular employees in the workforce grew from 16.6 per cent to 23.2 per cent, with the proportion of part-time workers increasing from 9.4 per cent to 12.9 per cent, temporary workers from 3.5 per cent to 6.2 per cent and other non-regulars rising from 3.7 per cent to 4.2 per cent (MITI 1998). However, this change had a disproportionate impact on female workers, who, as can be seen from Table 2.3, are over-represented in almost all forms of non-regular work.

Table 2.3 The sexual division of regular and non-regular employment (%)

			Non-full-time				
	Total	*Full-time*	*Total*	*Dis-patched*	*Part-time*	*Con-tract*	*Other*
Total	100	77.1	22.9	0.7	13.7	4.4	4.1
Female	100	61.4	38.6	1.2	28.6	5.1	3.7
Male	100	87.0	13.0	0.4	4.4	3.9	4.3

Source: *Diversified Types of Employment*, Ministry of Labour (1994) in Office for Gender Equality (1997).

Women are not only highly concentrated in the non-regular sector; their concentration is increasing. Between 1982 and 1992 the proportion of women in non-regular employment rose by 21.85 per cent, while men only registered a rise of 17.1 per cent (Gottfried and Hayashi-Kato 1998). In addition, women regular employees have also increasingly been assigned formally different positions from male co-workers in the restructured regular workforce. In both cases the use of these workers has been facilitated by legal changes to Japan's protective labour legislation.

Women in non-regular employment

The non-regular position of women is usually rationalised in terms of compatibility of work and family life. The prospect of economic slowdown and the subsequent desire to restrain public spending has led to the joint result that women could be used both as poorly rewarded, part-time workers and unpaid care givers, thus producing a change in the relationship between the productive and reproductive economies. This is reflected in the statement by the Ministry of Health, Labour and Welfare:

> In order for workers to lead a fulfilling career life through their lifetime amid the aging of the population and the declining birth rate, it has become extremely important to create an environment where they can make good use of their abilities and experiences while combining work with childcare and the nursing of family members.
>
> (Ministry of Health, Labour and Welfare 2001)

The 1995 'New Gold Plan' stressed the increasing role of family members, particularly women, in providing care to elderly relatives, and the 1995 Child Care and Family Leave Care Law permits workers to take leave until the child reaches the age of 1, and to care for infirm family members for a period of up to three months. While this is theoretically open to both men and women, in reality it is almost exclusively women who use this provision. Between 1 April 1995 and 31 March 1996, only 0.6 per cent of male workers took childcare leave following the birth of a child (Sato 2000: 3).

One of the main responses of employers to the unstable international economic climate created by globalisation is the increased use of part-time workers. Of 27 million female workers in 1999, 10.1 million were working part-time, compared to 23 million and 6.6 million respectively in 1983 (Statistics Bureau, Management and Coordination Agency 1999). According to Houseman and Osawa (1998: 246), only 6 per cent of the increases of part-time employment can be accounted for by changes in the industrial composition of employment (the growth in the retail and service sectors, which by their nature tend to have a higher share of part-time employment), while 92 per cent can be attributed to increases in the rate of part-time employment within industries. The Japanese term '*paato taimu*' seems in practice to mean merely that such employees do not receive the same fringe

benefits as regular employees. Many part-timers work long hours: in 1993 there were 5.65 million workers who were defined by their workplaces as *paato*, but who worked more than 35 hours per week (Wakisaka 1997: 144). The category of part-timer is, however, convenient for employers as part-timers receive few seniority raises and are unlikely to receive bonuses. As the bonuses of full-time employees are usually equivalent to several months' salary, there is a very significant difference in wages between full-time and part-time workers, regardless of their similar working hours.

Imada suggests that the increase in part-time work may have retarded change and institutionalised women's dual burden of productive and reproductive work (Imada 1997). If it is customary for wives to work part-time, this means there is less incentive for men to take equal responsibility for housework and the care of children and the elderly. A married part-time worker with adult children told me in an interview:

> When I returned to work I didn't like to see my husband's frowning face, but he has changed now. He is okay now, if I don't do too much – if I'm not excessive . . . [W]hen I'm very busy and I don't cook good food for him, he weeps. He acts. Usually he doesn't speak a lot. He is a quiet, very kind person, but one day, he made me a whiskey. He offered me a whiskey. He said, 'Why don't you drink a glass of whiskey?'. I thought something had happened, something serious had happened. And he said, 'Do you have any complaints?' I said, 'No' and I asked why, and he said, 'You have been ignoring the housework recently.' So he thought I had some complaint about him, or home. But it wasn't true: I didn't have any complaints.

State regulations and company practice add to the pressure for women to restrict themselves to relatively poorly paid positions in the workforce. If a second earner in a couple earns more than 1.3 million yen annually, valuable tax breaks are lost, and the primary earner may also lose their entitlement to company family allowances (Houseman and Osawa 1998). The average household income in 2000 was 6,731,448 yen (Ministry of Public Management, Home Affairs, Posts and Telecommunications 2001).

As well as part-time work, there has been an increase in other types of non-regular employment, such as employment agency and contract work. The 1947 Employment Security Law actually prohibited private employment agencies from supplying companies with temporary workers, to ensure employment security of workers and to break the hold of criminal gangs (*yakuza*) on the supply of casual manual labourers. The limited legalisation of temporary agencies in 1986 was therefore controversial, although an illicit worker dispatch industry had flourished since the late 1970s, mainly supplying white-collar female workers. This type of service grew rapidly, and the number of dispatched workers increased from 145,000 to 654,000 between 1986 and 1992 (Araki 1994: 1). By 1994 there were some 2,300 temporary employment agencies, mainly supplying workers for basic computer operating, filing

and general office work and accounting/finance (Hulme 1996). The Worker Dispatch Law originally limited worker dispatching to a very limited range of specialist activities and a Cabinet Order designated categories of such work. According to revisions effective from 1 April 1997, only seven occupations are listed which could *not* be carried out by dispatch workers. In other words, there has been a change from a positive list system, where only a few specialist workers would be hired for short-term specialist tasks, to a negative list system, where almost all types of jobs can be filled with temporary workers. Anecdotal evidence, however, suggests that the law was merely regularising what had been common practice for a long time.

One dispatch worker said:

> if they can't find [an] appropriate person within the company, then they can hire the temporary workers as skilled labour. But in reality they hire the workers without skills, without, you know, special skills. I mean, workers as a clerk. But if they call them clerk, it's illegal, so they call them 'operator' or . . . different names [. . .] When I worked as an assistant [. . .] in the document my position was 'Operator for English documents' or something. I was just an assistant, doing nothing particular.

The result has been a boom in the temporary job agency business, with the number of dispatched workers doubling from 1,140,000 in 1992 to 2,040,000 in 1997 (Rengo White Paper 1999: 77). Some banks, security companies, and trading and manufacturing organisations have set up their own agencies. Female regular employees are encouraged to register with the firm's subsidiary agency when they leave upon childbirth or marriage. In this way, experienced and skilled workers continue to work for the same firm, but no longer benefit from the *nenko* system, and employers replace female regular with non-regular workers (Nakura 1997). It has been suggested that the number of female non-regular workers employed in banking might be equal to that of female regular workers (Shiga 1990, cited in Nakura 1997).

There has also been an increase in directly employed short-term contract workers. The subsidiary of Japan Airlines provides contract workers on one-year contracts, renewable for up to three years. The income of these contract workers is approximately half that of their regular counterparts. In 1994, for instance, Japan Airlines announced a reorganisation of personnel. All regular workers would be assigned to international flights, while temporary workers on short-term contracts would work on domestic flights. Consequently many female regular workers, who had domestic responsibilities, left work, rather than be reassigned to international flights (Nakura 1997). Meanwhile, the annual working hours of regular workers increased from 840 to 900 hours.

One notable feature of the current re-regulation of employment is the expansion of the 'discretionary work scheme'. Article 32-02 Paragraph 4 of the current Labour Standards Law allows written agreement between employee and employee representative that stipulates that payment is to be made for a certain length of time, regardless of how long the task specified

in that agreement actually took. Initially this applied only to six types of jobs, largely in the media, design or research. From 1 April 2000 seven other 'specialist' jobs, such as certified public accountant, were added to the list. The Japan Federation of Employers' Associations (*Nikkeiren*) is campaigning for the list to be further expanded to cover jobs such as planning of business strategy, sales, finance and public relations.

An advertising copywriter complained:

> I have no time. Sometimes I can't control my time. My time schedule is controlled by other people, by clients. There is no limit to how long I work. I have to work overtime at short notice often. The payment for the job is one payment for one day. So some jobs I do one hour and others I work three days for one job. The price is the same. I get paid according to my idea. Sometimes I can get a good idea very easily and quickly, but sometimes I can't, so the payment is the same.

Women in the restructured regular workforce

One of the most significant examples of 'diversification' of the regular workforce is the tracking system that has been introduced in response to the 1986 Equal Employment Opportunities Law (EEOL).

After pressure from female members of the National Diet, women's groups and journalists raising the issue in the media (Hayashi 1996), the Japanese government agreed to ratify the UN Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) in 1980. The signing was also prompted by foreign criticism of the position of Japanese working women: Japan's economic success had stimulated outside interest in the Japanese organisation of production, and thereby raised awareness of the role of women within this (Kawashima 1995). In order to comply with CEDAW, the Japanese government needed to urgently enact legislation against employment discrimination (as most other industrialised countries had done by the mid-1970s). The EEOL had the stated aim of eliminating sexual discrimination in opportunity and treatment in all forms of employment.

Theoretically, this should ensure that those women, who do succeed in gaining the prized jobs with large companies, receive the benefits that accompany them. However the law only required employers to make voluntary 'endeavours' to treat women equally in recruitment, hiring, assignment and promotion. There were no punitive measures for firms violating the agreements on vocational training, fringe benefits, retirement age, resignations and dismissal. The law was revised in 1997 to actually prohibit discriminatory treatment against women regarding recruitment, employment, assignment, promotion, education and training, welfare programmes, mandatory retirement age, retirement and dismissal, and introduced the sanction that, if a firm consistently violates prohibitions, the Labour Ministry can publicise this fact.

However, as these revisions only came into effect in April 1999, it is

difficult to judge how rigorously they are being implemented. Furthermore, these revisions have been accompanied by a repeal of protective legislation, such as restricting night-work and overtime for women workers. These developments might in fact make it more difficult for women with childcare responsibilities to carry out paid work. A ruling of the Supreme Court has been reported according to which the dismissal by a company of one of its female employees who turned down a transfer due to the childcare needs of her 3-year-old child was lawful (*Japan Times* 2000).

However, within the workplace, ironically, the EEOL has helped to institutionalise the differential treatment of men and women. Many large companies reacted to the enactment of the law by introducing a dual track employment system for their employees consisting of a 'general clerical track' (*ippanshoku*) and a 'managerial track' (*sogoshoku*). Entrants to the *sogoshoku* are usually expected to do overtime and to be prepared to accept transfers. In 1990, 99% of men were on the management track, compared to just 3.7% of women (A Letter to Japanese Women Circle 1994: 40). In November 1992 Osaka Women's and Young Workers' Office decided that Sumitomo Mutual Life Assurance company's apparent failure to promote married women, while single women and married men could get promoted, did not constitute sex discrimination since there were no married men on the general clerical track with whom the women could be compared (A Letter to Japanese Women Circle 1994).[5]

The revision to the EEOL appears to have made little difference to the courts' conservative attitude in interpreting legislation. The NGO Working Women's Network (WWN) has supported six female employees of different branches of the Sumitomo corporation in their actions against Sumitomo for discrimination. In the 1960s Sumitomo Electric employed male graduates as managerial trainees, and women and male high school graduates as clerical workers. At a later date, the male high school graduates were promoted to the status of 'special clerical worker', while the women are even now employed as general clerical workers. The plaintiff, Ms Shirafuji, argued that the situation should have been rectified when the EEOL was passed, but on 31 July 2000, Osaka District Court ruled that, in the 1960s, at the time Ms Shirafuji was taken on, a gender-based division of labour was widely accepted in Japanese society, and therefore the company was not obliged to compensate her (Working Women's Network, personal communication, 4 August 2000). Nonetheless, WWN did manage to raise the profile of the case on the international stage, and has briefed the ILO and the UN Human Rights Committee on Japanese working conditions and lawsuits being pursued against major corporations.

One of the obstacles to women entering the management track is the different educational paths traditionally followed by men and women, in that only 40 per cent of women going on to higher education enter the four-year universities, graduation from which is a usual requirement for entry into career track jobs. This compares to 96 per cent of the men going on to further education. The remainder enter two-year junior colleges (Fujimura-Fanselow

and Kameda 1994: 46). The result is that the majority of women enter non-career tracks more or less automatically, and that this can be rationalised on the grounds of different qualifications. When asked if there was any difference between the way they and their male co-workers were treated, respondents replied:

> Women's wages are different and their duties are different from those of men. Training systems for the university graduates are different from those for junior college graduates. Male colleagues are mostly university graduates. In this sense, training for male workers is different from women.
>
> (Clerical worker employed by a radio company)

> Yes, especially because I graduated from junior college, my appointment, position, initiation and training were separate from those who graduated from a four-year university . . . The time of training is totally different according to your academic background. For example, if you finished university, you'll get training right after you join the company, but if you are a junior college graduate, it takes 6–7 years before you can have training.
>
> (33-year-old employee of multinational corporation)

Even those who had a four-year degree often find themselves in positions for which they are overqualified. Of the sixty-eight respondents to my survey whose highest qualification was a four-year degree, only thirteen were doing jobs for which this was a job requirement. Between 1982 and 1992, the most common career destination of women graduates from four-year universities actually changed from professional jobs to clerical and related jobs, although, among women engaged in professional jobs, those in technical jobs increased sharply (Imada 1994: 3), indicating that, for some determined women, the EEOL might have had the positive effects of opening up more diverse job opportunities.

It is often more difficult for women to enter the *sogoshoku* track. In fact the Ministry of Labour specifically made firms aware that they could still discriminate by publishing an official notice that stated that it is not a violation 'to employ workers according to a system of separate numbers of men and women to be admitted, such as 70 men and 30 women in the same job classification or recruitment' (A Letter to Japanese Women Circle 1994: 43). The duties expected of women who do succeed are the same as those expected of male management track employees, including those of long distance transfers and long hours. When the EEOL was promulgated, the Labour Standards Law was simultaneously revised and restrictions on overtime were declared not to apply to women in managerial positions and in fourteen jobs defined as requiring specialised knowledge or skill. In other words, women who were doing 'men's jobs' were expected to suffer the disadvantages of male 'core' workers, but without the support of a wife at home. In most sectors, career-

track employees do not record, or under-record, unpaid overtime hours (*sabisu zangyo*), which they do on top of the two or three hours of overtime that are allotted by the company per day.

A woman who had succeeded in entering the management track wrote that she worked from 9.30 a.m. to 3.25 p.m. seven days a week and disliked the amount of overtime she had to do. However she still believed that she had no possibility of promotion, explaining:

> I'm the only member of the management staff among the women . . . Trends are changing, but Japan is still a male-centred society. Women have to make an effort. I don't think it's possible to get a higher position in this company. Equal pay is only a façade. There is inequality in Japanese companies.

It is very difficult to combine the expectations of a *sogoshoku* worker with any domestic responsibilities, and women workers are unsure that they will be rewarded for the sacrifices they make. In this sense, it is not surprising that the high drop-out rate of women from the *sogoshoku* has recently become a topic of concern in Japan (White Paper on Labour 1996).

Women on the general clerical track (*ippanshoku*) may face pressure to follow a traditional feminine path. A 27-year-old employee of a multinational company, when asked whether her marital status affected the way she was viewed at work, answered:

> When they ask me 'You aren't married yet. How old are you?' It feels unpleasant.

A 32-year-old receptionist said:

> Very often the staff (especially men) tell me I should marry early and mention about my age. I feel it's mean to say 'Why don't you marry for your age?' (*sic*) . . . I am tired of that.

Although no questions were specifically asked about this, several women mentioned their dislike for the gendered tasks, which are an integral part of non-career positions in companies:

> My position as a medical clerical worker is lower than that of a pharmacist and I have to do chore work like cleaning the office. [My duties include] calculation, computer operation, remuneration of medical charges, work in the office (including serving tea, cleaning the office, taking care of the office plants).
>
> (25-year-old medical clerical worker)

> They treat me as a girl. They think serving tea is a woman's job.
>
> (Employee of non-profit-making organisation)

In 1995, the Japan Federation of Employers' Association (*Nikkeiren*) published an 'Employment portfolio' recommending a shift towards new Japanese-style management. They argued that the workforce should be divided into three types of labour power: the core workforce, which would, as now, receive all the benefits of security of tenure and seniority wages but would be much reduced in size; specialists who would be hired for short-term contracts and paid according to merit rather than seniority; and a third group that should be used for numerical flexibility. This is in line with the current trends in economic globalisation and its flexibilisation of the workforce. It has already been shown that women form the overwhelming majority of those groups without security of tenure. A greater proportion of women (13.8%) than men (11.3%) are also employed as specialists (Shinotsuka 1994), which is the second group consisting increasingly of contract workers.

While the formal provisions of the EEOL have been too weak in its implementation or even counter-productive for women, it does seem that the Law may have had a consciousness-raising effect about women's access to employment. This is also partly due to the activism of Japanese feminists. The Japanese Association of International Women's Rights (JAIWR) was formed to publicise CEDAW and developed a range of programmes for this purpose (Japan NGO Report Preparatory Committee 1999). The proportion of people believing that it was acceptable for a woman to continue working after giving birth increased from 16.1 per cent in 1987 to 32.5 per cent in 1995 (Araki 1998) and the number of employed women increased from 23.6 million in 1987 to 26.19 million in 1992 (Imada 1994: 2). Though indirect and informal discrimination continued, only 17 per cent of companies excluded female job applicants in 1987 compared to 41 per cent in 1986; and 78.9 per cent of companies offered equal starting salaries to men and women in 1987 compared to 31.7 per cent in 1975 (Watabe-Dawson 1997: 48).

Conclusion

Japanese capital has reacted to the economic uncertainties resulting from increasing international competition and liberalisation through globalisation by attempting to cut costs and make the workforce more flexible. This has been achieved by restructuring the regular workforce and making increasing use of non-regular workers. Labour markets have been 'bearers of gender' and so the positions women hold within them are to be expected to be both restricted by expectations of women's role in the reproductive economy, and shaped to some extent by the way men and women generally relate to each other in society at large. The 'gender order', however, is not static and responds to changes concerning women's aspirations and social attitudes. This coincides with demographic changes and economic pressures, leading to gradual changes in the relationship between work and family life.

To some extent, the activism of Japanese women's rights campaigners is being helped by the development of a global feminist network, and international organisations concerned with labour conditions. This is helping them

to put pressure on the Japanese government to reduce the more obvious aspects of sexual discrimination in employment practices, via legislation such as the 1999 version of the Equal Employment Opportunities Law. Meanwhile, employers are explicitly hoping to draw more of Japan's highly educated women into the workforce to 'make full use of women's capacities' ('*josei no nooryoku furu kasuyoo*'). However, as most women are constrained by the expectation that they work in the household as well, it is difficult for them to insist on entry to the same positions as their male colleagues. For a minority of highly skilled specialists, professionals, and totally dedicated *sogoshoku* employees, legal changes and restructuring may have some positive benefits. However, for the majority of women, restructuring and flexibilisation are increasingly segregating them from the core workforce and institutionalising gender inequality in the labour market. The main changes for most women are that they can expect to be in the paid workforce for longer periods of their life, but in less secure and more poorly-paid positions than those experienced by male core employees in the post-war Japanese national model of capitalism.

Notes

1 Japan has one of the lowest birth rates in the world. It underwent a sharp decline from 18.6 per 1,000 in 1974 to 10.0 per 1,000 in 1994 (Japan Information Network 2000).
2 As a result of government restructuring on 6 January 2001, MITI has been replaced by the Ministry of Economy, Trade and Industry.
3 One of the defining features of the Japanese organisation of production is the existence of business groupings known as *keiretsu*. These are groups of affiliated companies, with long-term, stable relationships based upon mutual obligation.
4 In 1945 the proportion of working women in the total population was arguably the highest of all developed nations, owing to Japan's large agricultural sector, based upon family farms.
5 Each prefecture has a government-funded Women's and Young Workers' Office. One of the responsibilities of these bodies is to provide assistance in the settlement of the dispute for claims made under the Equal Employment Opportunities Law.

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3 Global capital and local patriarchy

The financial crisis and women workers in South Korea

Uhn Cho

The subject of women workers in the global economy is not a new one. It evokes new issues and arguments as economic globalisation tends to utilise the local gender system to accelerate capital accumulation in various ways. The feminisation of cheap labour and the flexibilisation of female labour have become emerging trends across the world. These trends are closely related to the new liberal economic globalisation, which has led to the global erosion of labour regulations under the name of structural adjustment (Afshar and Dennis 1992; OECD 1994; Cagatay and Ozler 1995). As a result, women have suffered more in this transformation process, regardless of the type of change involved (Aslanbeigui et al. 1994; Standing 1999). More contentious questions and critique are raised against the impact of structural adjustment on women. Women in the Third World have confronted consistent inequalities, finding themselves caught between global capital and local patriarchy (Elson 1996; Tinker 1990; Chhachhi and Pittin 1996). Today the agenda is no longer concerned with proving the linkage between the two. Rather the emphasis is on how to tackle it and in what ways. Several studies acknowledge that there are close connections between the state, global capital and the utilisation of local patriarchy. This alliance has transformed the female labour force in many different ways across different societies (Sen 1996; Cerney 1995; Afshar and Dennis 1992).

Women workers in South Korea (hereinafter, Korea) currently confront a very complex situation, especially in relation to the governance of the International Monetary Fund (IMF) after 1997. Korea's involvement in the globalisation process is extremely recent, if the term 'globalisation' is defined in a strict sense as a move towards a global economy with free trade, open market system, and the emergence of suprastate global governance and so on.[1] However, Korea has been linked to the global economy through the New International Division of Labour, since the time the country began its export-led industrialisation in the early 1960s.[2] To some extent, the Korean economy has been an experimental site of global capitalism. In the past it has been praised for its rapid and successful transition to maturity (Leipziger 1988a). It has implemented industrial restructuring several times over the past three-and-a-half decades in order to survive in the global economy. Each period of economic restructuring has been closely related to the international

division of labour and capital mobility. Therefore, labour issues and fiscal policy were major focuses of the Korean economy during the period (Park 1988; Petri 1988; Allgeier 1988). Korean economic crisis is always related to those issues. The 1997 crisis was prescribed to move ahead with financial and corporate restructuring by the IMF and the Korean government followed it under the name of reform (Kim, D. 1999). Korean women were forced into the whirlpool of global restructuring. Most of all, Korean women workers have been under the direct impact of foreign capital all through the period of export-led industrialisation and thereafter. More recently, the impact of the IMF governance gave foreign capital direct influence over women workers. The Korean experience of the relationship between global capital and women workers provokes the question: should the relationship be conceptualised as either 'foreign investment' or 'foreign exploitation'? (Kim, S. 1999). The Korean obsession with rapid industrialisation has obscured some fundamental underlying problems of global capitalism and its impact on women in Korea. The linkage between mobile global capital and immovable local patriarchy, an important factor that explains women workers' experience in Korea, now needs to be reconsidered.

Industrial restructuring, capital mobility and women workers

Industrial restructuring has been prompted at least five times over the past 30–40 years since the Korean government adopted 'a strategy of economic development' in 1964.[3] At first, the export-led economic development relied on light manufacturing. This period continued until the early 1970s, transforming the national economic structure from an agricultural to manufacturing base. As shown in Table 3.1, the female labour force has been transformed very rapidly, from agriculture to manufacturing, then from manufacturing to service work. Since the period of export-led industrialisation, there has been a rapid increase in female waged workers, alongside the rising rate of female labour force participation.[4] In the light manufacturing period between 1960 and 1975, the increase in female workers was dramatic, outpacing that of males in the manufacturing sector. During this period, young, unmarried female workers with low educational levels were aggressively drawn into the labour market. In 1973, Korean industrial policy switched from light manufacturing to heavy-chemical industrialisation. Until then, industrial production workers formed the majority of waged workers among the female labour force. Structurally, the Korean economy managed to transform from an agricultural to a manufacturing one, and then from an assembly economy to a high quality export producer (Leipziger 1988b). With heavy-chemical industrialisation, female labour started to switch from production to clerical jobs, thus the number of female manufacturing workers began to decrease, while that of female white-collar workers increased.

The occupational distribution of males and females between 1965 and 1995 shows this transformation (Table 3.2). Substantial female labour moved from

Table 3.1 Working women by industry, 1960–95 (%)

	Agriculture	*Manufacturing (mining included)*	*Social service*
1960	85.6	4.9	9.5
1975	51.9	17.5	30.6
1985	27.7	23.2	49.1
1995	14.7	21.4	63.9

Sources: Korea Economic Planning Board (KEPB) and National Statistical Office, *Annual Report on the Economically Active Population Survey*.

farm to factory, and then from factory to office, which coincided with different stages of restructuring. In 1965, the ratio of female to male clerical workers was only one to ten. Between 1975 and 1985, female employment consistently increased at a faster rate than that of males and the increase was mostly due to the expansion of manufacturing industries. However, female employment started to decrease in the mid-1980s; the increasing rate of female production workers slowed down, while female clerical workers had increased remarkably. Accordingly, female employment started to decrease and the female employment structure was reversed, with service sector workers outnumbering those in the agricultural and manufacturing industries. By 1995, 64 per cent of those employed in the service sector were females and female clerical workers outnumbered males. The reduction of female employment was accompanied by the shift of young women from manufacturing to the service sector.

In particular, the female ratio in the largest enterprises decreased between 1987 and 1993, a period marked by management rationalisation. The group most affected by this phase of restructuring and downsizing were female white-collar workers. For male workers, on the other hand, regular employment continuously increased in the manufacturing sector, although at a slower rate. From 1980, the management rationalisation was emphasised, in an attempt to reduce management costs and inefficiency. At the same time, investment in finance and monetary companies increased and the privatisation of banks was expanded. In this period, the concept of 'industrial restructuring' instead of 'export-led development' was introduced as the Korean economy faced accumulation crisis. In 1986, Korean industries went through another rapid restructuring process in which companies began expansive relocation of capital investment abroad in order to avoid rising wages and land prices. The industrial restructuring of the 1980s was due to both internal labour conflicts and trading conflicts with advanced industrialised countries.

In 1995, service sector workers, most of whom were sales workers, made up 64 per cent of the female labour force. Since then, the increase of non-standard, part-time or contract jobs (so-called dispatched workers) and the decrease in regular jobs, became a critical issue for white-collar women workers. Part-time or contract workers increased at a faster rate in clerical,

Table 3.2 Occupational distribution of males and females, 1965–95

	Prof. and admin.	Clerical	Sales	Service	Agric.	Prod.	Total
Males							
1965	3.6	5.6	9.9	5.4	55.5	20.1	100
1975	5.4	8.4	11.0	4.6	42.4	27.1	100
1985	8.5	12.4	13.6	6.9	22.7	35.9	100
1995	19.9	10.1		15.1[a]	10.5	44.4	100
Females							
1965	1.4	1.1	15.6	8.6	63.8	9.3	100
1975	2.2	4.0	9.5	9.4	58.7	16.2	100
1985	5.4	10.2	18.3	17.0	27.6	21.4	100
1995	11.2	15.5		32.0[a]	13.5	27.8	100
Ratio of females to males							
1965	0.22	0.11	0.86	0.87	0.62	0.25	0.54
1975	0.27	0.30	0.56	1.33	0.89	0.39	0.65
1985	0.41	0.53	0.86	1.58	0.78	0.38	0.64
1995	0.38	1.03		1.43[a]	0.87	0.42	0.68

a The data of 1995 counted service work with sales included.

Sources: KEPB, *Annual Report on the Economically Active Population Survey* (1977, 1980); National Statistical Office, *Annual Report on the Economically Active Population Survey* (1986, 1991, 1996).

sales and service occupations. Women contract workers increased in manufacturing sectors although not as fast as those in the service industry. Before the financial crisis, it was estimated that there were 570,000 part-time workers, of whom 69.4 per cent were women in 1997 (Kim, T. 1999). The economic restructuring demanded by the IMF intensified this trend of casualisation and flexibilisation of women workers. By 1997 the level of female employment was only 73.3 per cent of that in 1985 (KMOL 1998).

The female labour market in Korea was clearly differentiated by the marital status of women from the early period of export economy (Cho and Koo 1983). The status of being 'married' was so important as to jeopardise their employment status. During the light manufacturing period, young single women with a low level of education were largely absorbed, while educated married women were left out. It was the heavy industrialisation period that began to pull in poorly educated married women to the paid labour force. The increase took place due to labour shortages beginning in the late 1970s. This was particularly the case for the manufacturing industries where the proportion of married women increased from 8.4 per cent of female labour in 1977, to 13.6 per cent in 1980 and again to 20.4 per cent in 1985. This jumped to 34.1 per cent in 1990 and further increased to 40.1 in 1995. Consequently, married women made up the majority of cheap workers in the manufacturing sector, mostly as casual workers.

While sales and service workers had been mainly married women, by 1995 the number of single women began to increase (see Table 3.3). In 1980, 51.8

Table 3.3 The proportion of married women among women workers by occupation, 1980–95 (%)[a]

	Prof. and admin.	*Clerical*	*Sales*	*Service*	*Agric.*	*Prod.*
1980	48.7	10.2	88.7	70.1	93.0	48.2
1985	47.1	14.1	88.5	80.6	98.2	64.5
1990	46.5	19.4	86.0	85.7	99.3	79.8
1995	47.3	27.1	83.5[b]		99.9	90.5

a 'Married' includes divorced and widowed.
b Sales includes service workers.

Sources: KMOL, *Yearbook of Labour Statistics*, relevant years.

per cent of female production workers were unmarried, which significantly reduced to just 9.5 per cent in 1995. This indicates that young females had largely shifted from production work to clerical, or to sales and service work. Though the proportion of 'married' women consistently increased in clerical jobs from 10.2 per cent in 1980 to 27.1 per cent in 1995, clerical jobs were still occupied disproportionately by single women.

In terms of employment status, women moved from unpaid (family workers or self-employed) to paid workers, though the shift was far slower than men's (see Table 3.4). The percentage of paid employees outpaced that of non-paid for females in 1980. For women's employment status, marital status is an important explaining factor. Young single women were pulled in to the manufacturing sector as waged workers, while married women were left in the informal sector.[5] More than 80 per cent of married women workers were employed in the informal sectors, with more than three-quarters of female wage earners employed in firms with fewer than ten people in 1995. Bigger firms usually avoid hiring married women (Kim, S. 1996; Cho and Cho 1994). The size of workplace varied with the age of working women; for those under 19, as many as 72 per cent were working in firms employing more than ten, but this fell to 58.7 per cent for those aged 20–24, 23.7 per cent for those aged 25–29, and less than 10 per cent for those over 30 (KMOL 1995). This implies that women tended to work in smaller firms when they reached the age of 25 and older.[6] The age specific distribution of women's employment status reveals the way in which women's labour is utilised in the labour market.

Korean women workers were under the influence of foreign capital from the very start of the export-led industrialisation. Korea's initial period of industrialisation relied heavily on foreign capital in order to mobilise cheap labour, mostly in the light manufacturing sector.[7] As discussed above, during the first two decades of industrialisation, the increase in females outpaced that of males in the manufacturing sector. Up to the late 1970s the leading female industries such as textiles, clothing, ceramics, electricity assembly and precision machinery were major export industries. The 'feminisation' of export industries was the direct result of Korea's export-propelled

Table 3.4 Males and females by employment status, 1960–98 (%)

	Non-paid			*Paid*	
	Employers	*Self-employed*	*Non-paid family*	*Regular employees*	*Daily and casual*
Males					
1966		49.9[a]	14.0	21.4	15.2
1975	3.7	35.9	13.2	30.1	17.1
1985	8.2	25.6	4.1	53.5	8.7
1995	10.3	23.3	1.6	56.7	8.1
1998		35.3[a]	1.8	55.5	7.4
Females					
1966		21.0[a]	55.7	12.7	10.0
1975	1.2	15.9	52.2	17.5	13.2
1985	2.3	19.0	30.6	37.2	10.9
1995	3.4	16.2	21.3	49.2	9.9
1998		19.5[a]	22.5	47.6	10.5

a Employers are included.

Sources: National Statistical Office, *Annual Report on the Economically Active Population Survey*.

industrialisation strategies. Free trade zones such as Masan Free Export Zone and Kuro Industrial Complex were created to attract foreign capital in exchange for cheap female labour.[8] In 1980, 70.7 per cent of women in the manufacturing sector were employed in those export-oriented female industries (KMOL 1980). Following a deep recession and high inflation of nearly 30 per cent in the late 1970s, the government began to utilise 'liberal' policies incrementally, allowing more foreign direct investment and technology transfer. In 1981 local financial markets gradually opened to foreign investors.[9] Foreign investment in finance and the monetary sector increased as the privatisation of banks expanded (Kim and Yun 1988). As a consequence, there was almost a fifteenfold increase in female workers employed in white-collar jobs, while the rate of increase in female production workers slowed down during the 1980s.[10]

At the same time, Korean companies started direct overseas investment in the manufacturing sector. This was targeted at the primarily labour intensive female manufacturing industries, with Southeast Asia being the highest investment region.[11] Korea's overseas investment in manufacturing had direct effects on women workers. For example, as large-scale manufacturing industries, which were heavily reliant on women workers, began to move towards cheaper labour, female production workers started to lose regular jobs; in particular their numbers declined in big firms. As mentioned earlier, the shift of young females from production to white-collar jobs thus coincided with the decreasing rate of regular employment for females, while married women began to replace young single women as a result of the relocation of Korean manufacturing industries.

Table 3.5 The trend of Korean direct overseas investment

	Number	*Capital ($ million)*
1968–85	433	461.0
1986	31	158.3
1987	59	320.1
1988	141	156.6
1989	246	392.4
1990	316	809.2
1991	420	1,027.0
1992	463	1,097.3
1993	681	1,261.5
1994	1,482	2,299.0
1995	1,301	3,068.0
1996	1,431	4,220.2
1997	1,268	2,964.6
1998	519	3,442.0
1999	959	2,074.3

Sources: Bank of Korea, 1993; KMFE, *Financial Statistics Bulletin* (1998, 2000).

Up to 1985, Korean industries' overseas investments were negligible (Table 3.5). From 1968 to 1985, the total investment numbered only 433 cases, and the capital movement amounted to only $461.0 million. However, since 1986 these numbers have rapidly increased. By 1991, the country's overseas investments outperformed foreign direct investments in Korea (KMFE 1998). In 1991 a large number of foreign immigrant workers began to replace cheap labour, mostly in the manufacturing sector.[12] The average amount of direct overseas investment jumped to $2,100.1 million per year in the period 1992–96 (Table 3.5). Korean overseas investment continued to increase from $3,068 million in 1995 to $4,220.2 million in 1996, although it dropped to $2,964.6 million in 1997 as a result of the IMF crisis. It again rose to $3,442.0 million in 1998, only to fall again to $2,074.3 million in 1999.

The trend of FDI in Korea demands closer attention. Up to 1976, foreign capital investment was negligible compared to government loans and other international funds. Since 1981, the direct investment has consistently increased in amount while investment sectors shifted from manufacturing to service industries (Table 3.6). By 1990, the ratio of manufacturing to service investment was reversed in terms of amount of capital. As the Kim Young Sam government's globalisation policy allowed foreigners to invest in Korea's financial markets, though limited in scope, foreign investment flooded into the service sector, reaching $1,057.4 million by 1995. It was almost doubled in terms of investment numbers and 1.5 times in terms of capital amount. It rose to $4,568.0 million in 1997, a significant increase

Table 3.6 Foreign direct investment in Korean industrial sectors

	Manufacturing		*Service*	
	Number	*Capital ($ million)*	*Number*	*Capital ($ million)*
1962–76	1,070	908.0	87	223.2
1977–81	191	482.2	39	232.1
1982–6	450	931.0	100	830.0
1987–8	594	1,517.0	102	822.1
1989	194	729.4	141	359.3
1990	135	583.3	159	219.0
1991	108	1,069.2	178	326.0
1992	81	647.0	151	245.3
1993	80	527.0	192	517.3
1994	136	402.0	277	915.0
1995	195	884.0	359	1,057.4
1996	196	1,930.1	398	1,254.2
1997	186	2,348.0	444	4,568.0
1998		5,735.3		2,938.0
1999		7,129.3		8,358.6

Sources: Ministry of Finance, *Finance and Monetary Statistics* (1994); Ministry of Finance and Economy, *Financial Statistics Bulletin* (1998) 2/4.

compared to the previous year. At the same time, investment in the service sector reached almost 2.5 times that of manufacturing, while the amount of capital increase was more than three times that of the previous year.

Foreign direct investment in the service sector appeared to have increased employment opportunities for women, though it was hard to estimate by how much. The increase of female employment in global chain discount and department stores showed how global capital utilised local gender systems. It is certain that many women workers, specifically married women, came to have more employment opportunities in those global chain stores. As many as 56–7 per cent of employees were females in global chain discount stores, where married women were not discriminated against (Lee, S. 2000). They were preferred as they were expected to exert influence on their neighbour consumers. They were also preferred because they easily became casual labour. The casualised workers were unable to organise labour activities. Under the umbrella of 'deregulation', it was global companies, rather than local firms, that were able to casualise the female workforce more effectively and in legal ways. In addition, the global firms tended to keep a higher proportion of female managers than local ones. At first this gave the impression of discriminating less against women workers but it turned out to merely reflect the strategy of putting somewhat larger numbers in higher rank to discourage union activities. The global firms in Korea did not apply the labour standard practised in their mother companies.

The currency crisis and female workers: IMF bail-out

The arrival of global pressure represented by the IMF had immediate effects on women's employment. Almost all companies laid off employees to reduce inefficiency and to lower their debt-liabilities rate under the name of 'IMF restructuring'. Restructuring was easily translated into downsizing and lay-offs. As many as two million workers were made redundant between the period December 1997 to October 1998. Women workers were far more vulnerable to redundancy than males. According to the Presidential Commission on Women's Affairs (PCWS) report (1999), male employment decreased by 5.3 per cent, while for females the figure reached 8.2 per cent between July 1997 and July 1998 (see Table 3.7). The change reflected the initial impact of the IMF crisis on the employment of males and females. In the later period between July 1998 and March 1999, the rate was 7.9 per cent for males, while it was 10.8 per cent for females.

The reduction of male workers was due to the decreased number in production workers in the initial period, but the decrease in the number of female workers was consistent in almost all occupations. In the beginning of the IMF restructuring, the reduction rate of female production workers was not as high compared to other sectors because workers in this sector had already faced significant cut-backs prior to the IMF bail-out. In the second phase of restructuring, clerical jobs became affected by downsizing; however, the rate of reduction for males was far lower than that for females. For instance, the redundancy rate of female clerical workers reached as high as 18.4 per cent in the first period, and 21.1 per cent during the second phase, compared to 6.9 per cent and 7.5 per cent for males. One out of five female white-collar workers lost their jobs between July 1998 and March 1999. Only professional and administrative jobs remained unaffected by the IMF restructuring.

Table 3.8 shows the changes in regular employment between December 1997 and December 1998. Over this one-year period, female workers were reduced by 20.9 per cent, while the figure was 12.9 per cent for male workers. For manufacturing production, the reduction rate for males was 13.1 per cent,

Table 3.7 The change in rate of employment by occupation, 1997–9 (unit = thousands, %)

	July 1997–July 1998		*July 1998–March 1999*	
	Male (%)	*Female (%)*	*Male (%)*	*Female (%)*
Total occupation	–5.3	–8.2	–7.9	–10.8
Professional, admin. and managerial	0.1	1.2	2.9	0.0
Clerical	6.9	–18.4	7.5	–21.1
Service and sales	2.4	–6.5	–1.0	–4. 9
Agriculture and fishing	5.5	3.2	–12.9	–33.1
Production	–15.3	–14.8	–14.6	–5.6

Source: The Presidential Commission on Women's Affairs (PCWS) Report (1999).

Table 3.8 The reduction rate of regular employees in manufacturing industry during the IMF bail-out, 1997–8

	Number of employees (thousands)	*Reduction rate*	
		Male (%)	*Female (%)*
Total manufacturing	2,402.2	–12.9	–20.9
Production	1,487.2	–13.1	–18.9
Clerical	914.9	–12.5	– 25.3
Food	159.8	– 6.7	–18.9
Production	94.9	–15.3	–18.0
Clerical	64.9	–18.1	–21.5
Textile	204.7	–15.0	–17.8
Production	152.6	–16.0	–18.3
Clerical	52.2	–12.8	–15.5
Clothing apparel	133.6	–18.2	–25.0
Production	82.3	–13.3	–18.7
Clerical	51.3	–21.3	–41.2
Chemicals and chemical products	160.1	–9.7	–10.9
Production	78.4	–4.4	–11.5
Clerical	81.7	–14.6	–10.2
Rubber and plastic products	121.1	–10.6	–16.6
Production	82.0	–10.2	–18.1
Clerical	39.1	–11.2	–13.0
Non-metallic mineral products	112.5	–18.8	–19.1
Production	69.7	–21.0	–22.4
Clerical	42.8	–15.3	–13.8
Fabricated metal products	54.4	–13.2	–16.6
Production	102.5	–12.9	–22.6
Clerical	52.0	–13.7	–5.5
Other machinery and equipment	265.7	–17.8	–22.7
Production	154.3	–21.6	–19.3
Clerical	111.4	–12.2	–26.2
Other electric machinery	130.6	–11.3	–22.5
Production	81.1	–11.2	–21.6
Clerical	49.5	–11.3	–25.7
Audio-visual and communication	256.1	–0.3	–8.6
Production	157.4	–6.8	–6.0
Clerical	98.7	–6.8	–18.6
Cars and trailers	204.7	–4.3	–3.1
Production	135.3	–1.8	–6.2
Clerical	69.4	–9.1	–19.8

Source: The Presidential Commission on Women's Affairs (PCWS) Report (1999).

Table 3.9 Gender differences in reduction of regular employees by firm size, 1997–8

Size	*Number of employees (thousands)*				*Reduction rate*	
	Male	*Female*	*Male*	*Female*	*Male (%)*	*Female (%)*
10–29	857.9	361.2	845.9	349.4	–1.4	–3.3
30–99	969.9	405.9	932.0	352.9	–3.9	–13.0
100–299	765.7	279.1	736.9	249.5	–3.8	–10.6
300–499	257.6	96.9	235.8	88.2	–8.5	–9.0
Over 500	913.3	303.8	803.2	252.6	–12.1	–16.9
Total	3,764.4	1,446.9	3,553.8	1,292.6	–5.6	–10.7

Source: The Presidential Commission on Women's Affairs (PCWS) Report (1999).

compared to 18.9 per cent for females. In the case of female clerical workers, the figure was 25.3 per cent. In almost all industries the reduction rate for women was higher than for men. The only exception was car and trailer industries, where female employment was negligible. On the other hand, female lay-off rates are higher in bigger firms. As shown in Table 3.9, the discrepancy of lay-off rates between genders tends to be larger in bigger firms, including those that belong to chaebol (conglomerates). In big firms employing over 500, the lay-off rate for females was almost 1.5 times higher than that for males. The chaebol were prompted to make widespread, massive lay-offs, disadvantaging women workers more. The pattern of lay-offs during this restructuring period reveals that gender discrimination is more severely practised against younger women. It has been shown that women workers aged 25–29 were most vulnerable to lay-offs, next to the 20–24 age group. These two age groups comprised as much as 52.3 per cent of female lay-offs. On the other hand, lay-offs were more widely ranging across the age groups for males.

Female workers were forced to be laid off because they were not regarded as primary breadwinners. It was not taken into account whether or not they were efficient workers; women were made redundant for the sake of 'male primary breadwinners'. Under the restructuring programmes, women of all occupations were subjected to this type of gender discrimination; from insurance saleswomen, computer marketers, hospital workers, to even research staff. In this way, Confucian patriarchal ideology was utilised in order to justify the discharge of women from the labour market (Cho, S.K. 1998a, 1998b). The dynamics of gender-specific discrimination worked in subtle and various ways. As soon as the IMF bail-out started, newspapers, broadcast and television programmes were eager to start the campaign to restore husbands' *ki* (energy or self-esteem). The purpose of the campaign was to raise men's diminished *ki* due to unemployment or other economic stress. Employers openly said that it was unavoidable to lay off women workers since they were not primary breadwinners. In reality, women were pushed into the labour market at lower wages on behalf of unemployed husbands.

It even raised the issue whether the women workers pushed into the labour market on behalf of laid-off husbands would disrupt or not the patriarchy at family level (Shin 2000). The IMF bail-out economy in Korea reconfirmed how economic recession worked with the ideology of patriarchy in subtle ways to get women back home and make their labour casual and cheaper. Pregnant women were on the list of 'Priority No. 1' to be laid off, followed by married women. Some women workers postponed their planned marriages, as married women were laid off first. A new local slang 'IMF *chonyo*' (IMF maiden) was coined to describe the predicament these women faced.

The case of Agricultural Co-op (hereinafter, Agri Co-op) represented a good example of how global restructuring under the name of the IMF bail-out could utilise the local gender system in Korea. Korean Agri Co-op was one of the largest public enterprises employing more than three thousand. As soon as Agri Co-op was forced to enter 'restructuring', it located 762 working couples in the Co-op and asked them to choose which spouse should leave their job. The wife was called in first by the supervisor or branch director and asked to leave the workplace for the sake of her husband. If the woman was reluctant to leave the job, then her husband was called in.[13] As a result, as many as 91.2 per cent of the lay-offs in the Agri Co-ops turned out to be women. Out of 762 couples, 752 wife workers were laid off as of January 1999. The Agri Co-op insisted that wives 'volunteered' to leave their jobs when they were given the 'choice'. Agri Co-op claimed that it never forced women to leave and it was a joint decision between husband and wife. The female workers who refused to leave were sent to remote regional offices, so that wives and husbands were separated in order to keep employment.

While lay-offs were spread across all sectors, the Agri Co-op case received widespread publicity, as it was brought into court by the enraged workers to get their jobs back. Two of those forced to leave their jobs filed the suit with the help of women's movement organisations. Besides the two litigants, twenty-eight women professors and activists joined in the suit as complainants. The Agri Co-op chose one of the largest law firm groups in Korea, and the court decided that Agri Co-op was not guilty of gender discrimination. The court stated that 'under the IMF era', it was necessary for a major public enterprise to ask employees of 'relatively stable livelihood' to leave the workplace. Women employees of double-income households were automatically categorised as 'those of relatively stable livelihood'. The case was also lost because Agri Co-op and Dairy Co-op were merged into one enterprise during the period of the lawsuit. The merging of two co-ops was justified by IMF bail-out for restructuring. The Agri Co-op case started exerting influence on other similar cases involving the dismissal of women. Women's organisations filed an immediate appeal against the court's decision, still awaiting the decision of higher court.

The case of Agri Co-op is only one example and there have been many other public and private firms that forced female employees to leave the workplace under different labels such as 'honourable retirement' or 'early retirement with incentives'. For example, Korea Dacom, a well-known

communication information company, laid off 314 women workers between March 1998 and January 1999. It forced women workers employed more than twenty years to accept 'early retirement with incentives'. They were mostly operators. It persuaded female operators to retire early as their jobs were declining due to technological development. However, five months after the lay-offs, the firm recruited 519 new women operators, out of whom 357 were those who had previously been laid off. These operators were re-employed on temporary contracts. This diminished the employment rights of these workers, as their status was changed from regular employees to temporary ones.

One stock company laid off 100 out of 140 women workers under the name of 'honourable retirement'. The company had 365 employees of whom 140 were females. It started downsizing two months after the IMF crisis and asked employees to volunteer for early retirement. The company offered an incentive of a premium retirement pension in cash for those who volunteered. Out of 100 women workers who took honourable retirement, 64 were re-employed as contract workers just two days after their 'retirement'. In the same month, the company recruited 140 female workers, but 95 of them were contract workers. Some of those re-employed were laid off again as soon as it was known they were pregnant. In the above cases, labour unions agreed to the lay-offs of women workers in order to save 'male breadwinners'. The male-dominated unions bartered away female workers for the interest of male workers.

Global capital, the state and gender politics

Third World economists and feminist scholars have problematised the gender dimension in the global economy in new ways (Berneria et al. 2000; Howes and Singh 1995; Elson 1995). Current studies now recognise the adverse impact of pro-market economy on labour and the limit of the state in alleviating the labour conditions for women (Sen 1996; Sparr 1994). They pay more attention to the dynamics between globalisation and local gender politics, rather than examining the role of the state (Cerney 1995; Hopkins 1996; Berner and Korff 1995). Reconceptualising gender and development in an era of globalisation is required, as global capital collided with the state as well as the local gender system (Mitter 1994). While the state is usually expected to intervene in the linkage, however, it should not be assumed that its interventions have necessarily been positive for women. The Korean experience of female workers showed that the role of the state had been very ambivalent, if not negative. The government intervened conspicuously over the three decades of industrialisation since the 1960s, but state intervention took a new turn during the IMF restructuring stage in the late 1990s, as it followed a laissez-faire policy under the name of 'deregulation'.

All through the period of light manufacturing and heavy-chemical industrialisation, the Korean government adopted a low wage policy with strong labour controls – as some label it, 'hypermasculine state' (Han and Ling 1998). For example, the state banned trade unions until the reform of the

trade union laws in 1987. The reform was brought about by the mounting demands for the democratisation of society and massive public protest in the late 1980s. Although the state intervention in labour control and low wage policy was not limited to female workers, the low wage policy and the ban on labour union activities in export industries had a disproportionate effect on female workers as they were more concentrated in this sector.[14] Consequently, industrial conflict was most severe in those female industries in the late 1970s and the early 1980s. In the late 1970s, major labour conflicts took place in female industries and labour movement activism was initiated primarily by female factory workers. They were at the forefront of industrial labour activism, protesting against exploitative working conditions (e.g. poor wages, hazardous work environments, violation of human rights, etc.) and repressive labour policies (Lie 1998; Kim, S. 1997). The Y-H Incident was a good example. Female workers in the Y-H textile factory staged a large-scale overnight strike, asking for better working conditions and a wage rise, which eventually led to larger protests against the regime of Park Chung Hee.

Until the late 1980s when labour shortages became serious in Korea, state policy towards female labour force participation was literally non-existent. The Sex Equality in Employment Act (1987), the Employment Security and Promotion Act (1989), The Mother–Child Welfare Act (1989) and the revised Family Law (1990) were all enacted in the late 1980s. These were mechanisms designed to encourage women with children to participate in the labour force in the situation of labour shortage. In spite of the rapid increase of working mothers, the state had not prepared any policy for them until several left-alone children were victimised and the non-profit voluntary community childcare movement started. In 1987, the Korean government opened the first two model nurseries for working mothers in factory zones. Nevertheless, the Korean government seemed to have been in a dilemma regarding the female labour policy, whether to make use of female labour with the provision of day care centres or to pull in cheap foreign immigrant workers. In 1995, a comprehensive plan to support childcare for working mothers was introduced. However, the policy was more tuned towards attracting foreign workers, including female foreign workers thereafter.

The role of the Korean state has been ambivalent at best, and its response has differed depending on the different stages of development. The Korean government adopted a globalisation policy within the neoliberal brand of globalisation and, consequently, it has not confronted global capitalism to protect women workers. It is becoming evident that the position of women is governed by the global pursuit of flexible low cost labour, which has encouraged industrial enterprises everywhere to reduce their regular workforce in general. It is female workers, especially those in developing countries, who are seriously affected by this trend (Pyle 1994; Scott and Lee 1994; Holt 1994). The experience of women workers in Korea clearly supports this argument. The relationship between global capital, the state and local gender systems needs to be reappraised and particular attention should be given to the fact that global capital is mobile, while local patriarchy is not.

Korea is forced to face the pressures of globalisation in several different ways. Korean women workers come to realise that they should invent new strategies to counteract new forms of patriarchal control and subordination. They cannot rely on the government alone. Local gender politics become increasingly important in contesting marginalisation of female labour. The labour union has been hardly supportive of improving women's bargaining power in the labour market. It is one of most male-dominated organisations in Korea. Women's labour union participation rate has been generally lower than men's. Further, it declined during the recent restructuring period, due to the decrease of regular employees. In particular, the decrease of female production workers has weakened the female labour movement. However, by the middle of 1999, after the experience of massive lay-offs in the IMF era, female workers started to organise women's independent labour organisations. In addition, some women's labour movement groups began to form various watchdog organisations to protect women workers. In this new environment, a new agenda can emerge in terms of how women workers could empower themselves to counteract the tripartite relationship of the state, mobile global capital and an immovable local patriarchy.

Notes

1 The Kim Young Sam government (February 1993–February 1998) adopted *Saegyewha* (globalisation) as a catch phrase of his administration, which signified New Liberal Economic Globalisation in Korea. Before that, Korea was hardly based on the open-market principles of global economy. Under pressure from global regulators such as the IMF, the Kim Dae Jung government is more directed towards neoliberal postures in the economy.

2 Most accounts of South Korean development depict the 1960s as a watershed decade; however, it is argued that the success of export-oriented industrialisation was not the result of the government's economic planning and that the credit lies with the integration into Japan-centred regional division of labour and the growing US involvement in Vietnam (Lie 1998: 43, 73).

3 In 1964, the state devalued currency by half and facilitated exporters by giving credit incentives and granting import licences. In 1969, it promulgated the Foreign Capital Inducement Law, which included tax incentives, simplified administrative procedures, waivers of the Free Trade Union Organisation Law, and other inducements for foreign investors.

4 Female labour force participation rate has rapidly increased: in 1960, it was 26.8%, in 1970, 37.7%, in 1980, 36.8%, in 1990, 47.0%, and in 1995, 48.3%. It reached a high of 49.5% in 1997 and dropped to 48.5% as of July 1999. Out of the female workforce the proportion of waged workers was less than 20% in 1960. It rose to 35%, then 45% in 1980.

5 The informal sector is defined either as self-employed or employed in small companies employing fewer than four workers. Informal sector workers are not provided with health insurance or unemployment insurance etc.

6 As of 1985, nuptiality for women aged 25–29 is 82.6% and 95.7% for those aged 30–34, implying that women aged 25 and older are to get married and be pushed into the informal sector.

7 It is well known that the export-oriented industries depended on female workers. In the early 1970s, textile production accounted for 40% of all exports; women

workers accounted for 70–80 per cent of the textile industry workforce. In 1970, the state established export-processing zones to attract foreign capital. In those export-processing zones, as many as 70% of workers were females.

8 MAFEZ was established in 1970 as part of the export-oriented development plan. Initially MAFEZ was extremely attractive to foreign investors and, by 1975, there were 101 companies operating factories there. (Kim, S. 1997).

9 The reform can be traced back to the announcement of the Comprehensive Measures for Economic Stabilization (CMES) in April 1979 (Scott and Lee 1994: 146).

10 As of 1985, the ratio of female production workers to their male counterparts was 0.38%, and in 1995, 0.42%, while that of female clerical workers to males was on consistent increase. In 1965, female clerical workers were composed of only about one-tenth of male clerical workers. As the export-led economy expanded, the former reached 0.30% of the latter in 1975. In 1985, female clerical workers reached 0.53% of males and outnumbered male workers in 1995.

11 As of 1995, more than 50% of overseas investment went to Southeast Asian countries.

12 In 1991, about 40,000 Chinese Korean were admitted to Korea as immigrant workers officially, but the real number should be larger. From then on immigrant workers have increased substantially, though exact official statistics of foreign workers are not available. It is roughly estimated that more than 200,000 foreign workers were pooled in cheap and labour-intensive industries just before the IMF crisis.

13 One 25-year-old female clerk whose husband was also in the Agri Co-op witnessed the story. When she protested, her boss retorted, 'then is it OK that we let your husband go?'

14 On average, the female wage used to be less than half that of males until 1989. In spite of the increase of females in the labour force and the rising level of their education, wage differentials between males and females have not been accordingly narrowed. In 1989, the average female wage rose to 50.2% that of males after the equal employment law was passed and the minimum wage law enacted in 1987.

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4 The economic reform and feminisation of labour in agriculture

The case of rural village women in India

Chaya Degaonkar and Dong-Sook S. Gills

The neoliberal economic policy adopted by the Indian government in 1991 as a part of the Structural Adjustment Programme was a radical departure from the previous economic policy pursued since Independence in 1947. The Indian state had resisted the opening up of the Indian economy to the international market for a very long period. This resistance was justified by the need to protect the interests of labour and to promote equity and the welfare of the mass of the population. Nevertheless, India too eventually became engaged in 'globalisation' due to internal contradictions and failures, as well as the pressure exerted by external forces. Over the last decade the gradual shift in power from the state to the private sphere, and from domestic capital to global capital, has altered the relationship between the state, labour and capital in India today. This chapter focuses on these changes with particular reference to rural women and agriculture.

The imposition of a global capital superstructure over India's domestic capital base has brought significant changes in the production structure within India and also in the social relations among different groups of people who are associated with this process. The traditional Marxian tools of analysis address only a particular national social formation and class structure. They need to be modified and take non-class relations into consideration in order to extend their application to the new political and economic processes that globalisation is bringing in India. These new aspects of globalisation include the changing relations among different labour groups, including their gender relations, as well as the configuration of relations between labour, capital and the state in both agricultural and non-agricultural production spheres.

The neoliberal labour market policy introduced in India since 1991 emphasises competitiveness and comparative advantage, which can be achieved by cutting down labour costs. The feminisation of labour in the process occurs through the increased employment of female labour, in visible as well as invisible work, and through the substitution of male labour by female labour (Shaha et al. 1994; Banerjee 1997). The feminisation of work itself entails

new social relations that have evolved from neoliberal economic globalisation. The new structure of production and the new institutional arrangements, which in this case facilitate the decentralisation of production in the form of small units and home-based production, have given rise to flexibilisation of labour contracts, free from state regulation. These institutional arrangements have strengthened the power of capital for the further appropriation of surplus value, while undermining workers' rights and spurring on the feminisation of work.

This chapter examines the extent of feminisation of labour and its effects on women in rural India, including data from fieldwork carried out in rural villages in Kanartaka in 1998–9. It aims to assess the significance of the feminisation of labour in relation to the recent economic liberalisation and commercialisation of agriculture in India. In our view, the overall impact of the Green Revolution on village women since the late 1960s has been largely negative, especially for those women from the lower strata of peasantry. Through the Green Revolution women became marginalised into subsistence farming while employment opportunities for women diminished. Examination of this process provides an insight into the ways in which changes in the production system interact with gender relations. More recently 'the Reform' instituted in India since 1991 has brought about further privatisation, commercialisation, cash-cropping and export production in agriculture. The impact of the new wave of these changes on rural women's work has been uneven, depending on the region, the production sector, and the class position of a woman. However, in general, the 'new' changes appear to follow the 'old' pattern of gender processes. That is, the gender hierarchy is redeployed in the reorganisation of the production system, which further marginalises women in the labour market as well as within the household economy.

The cheap, flexible and dispensable female labour that arises from the new form of gender processes is further supported by the political process engendered by globalisation through its new flexible production structures. The feminisation of labour in rural India, therefore, may be identified as one part of the new mode of exploitation of labour supported by patriarchal gender relations. In a transitional stage of an economy such as India's, where a capitalist economy is not fully established, the employment of women does not necessarily mean the empowerment of women, especially as most of their work does not entail regular or secure employment generating an adequate income. On the contrary, the feminisation of labour in India is closely associated with the feminisation of poverty and an increase in exploitation (Hirway and Unni 1990; Ghosh 1996).

Nevertheless, these same processes of change in the class and non-class positions of women are also giving rise to new forms of resistance. There is clear evidence that people do not accept the current neoliberal globalisation as the only option. It is only the option for capital, mainly Western capital, imposing itself on the developing world. The oppressed groups always hold the power to resist such an imposition. In the present situation, this seems

to be a monumental task, but the grass roots movements in the past have successfully resisted both internal and external constraints. The independence struggle against colonial rule is only one example of past resistance movements.

The implementation of the so-called 'second generation reforms' has been rather slow due to persistent popular resistance, although some policy-makers and elites in India have been strongly advocating such policies. Many newly formed grass roots movements, including women's collectives, have been active over the past few years in India. Although they may not be directly targeting 'anti-globalisation' as such, they are involved in reforming the political structure of decision-making and are actively engaged in redistributive politics. These movements in both informal and formal politics play a significant role in implementation of various policies and provisions by the government in furthering the empowerment of rural women in India.

The past model of development: in pursuit of self-reliance, equity and welfare

Soon after Independence in 1947, India adopted strategic economic planning in order to promote national development. State control over production and distribution was accepted as a policy protecting the interests of the poor majority in society. The second five-year plan clearly stated the adoption of the socialist principle within the framework of a 'mixed economy'. The public sector, covering all the fundamental economic activities, was expected to be the effective means to achieve economic development with equity. State control over the domestic market was brought into force through varied legislation. This legislation included the Industrial Development Policies (1948 and 1956), the Industrial Licensing Policy Act (1951), Implementation of Land Reforms (1952), Nationalisation of Commercial Banks (1969), Monopoly and Restrictive Trade Practices Act (1969), and Growth of Public Enterprises (1956). These policies enabled the state to reserve much control over the management of the domestic economy. The interests of labour were protected through a partial scheme of social security. Such legislation as the Employees State Insurance Act (1948), the Minimum Wages Act (1948), the Industrial Disputes Act (1947), and the Bonus Act (1965) represent state efforts to protect labour rights.

State control over foreign trade and the entry of multinational corporations was regarded as essential to create a suitable environment for the development of domestic industries. The trade strategy was 'inward'-oriented import substitution in which incentives were given in favour of production for the domestic market. The import control and import substitution strategy combined with export promotion measures were designed to protect the interests of the domestic industry. The control over equity capital of multinational corporations in the Foreign Exchange Regulation Act (1973) indicates that the Indian government was determined to protect its domestic production

from global competition. India pursued the goal of self-reliance not merely in terms of reduced dependence on foreign aid and capital but also in terms of building up industrial capabilities to reduce dependence on imports in strategic commodities.

Thus, state control over labour and capital through rigorous planning was exercised for over four decades in the pursuit of self-reliance, equity and welfare. Two remarkable achievements attained during this period include self-sufficiency in food and the growth of capital goods industries. Yet complete self-reliance proved to be elusive since India has been dependent on oil imports, and reliance upon foreign capital and technology has been unavoidable. In the long run, the state-led growth strategy in India came into crisis. Through the 1980s, India encountered growing deficits in government budgets and balance of payments, while the burden of interest on both internal and external debt was increasing, along with high rates of domestic inflation. To face the crisis, a stabilisation programme to correct these imbalances to facilitate a return to a moderate rate of inflation and a stable fiscal position and balance of payments was perceived as being an essential measure. Structural reforms were demanded to tackle the problems on the supply side of the economy. India had to turn to the International Monetary Fund and was left with no choice but to accept a Structural Adjustment Programme.

Globalisation and the new economic policy

Globalisation in India emerged as a component of the Structural Adjustment Programme and the conditionality aspect imposed by the IMF. The resort to such 'market friendly' policies was recommended as necessary to improve productivity and economic efficiency. The New Economic Policy, which was introduced in 1991, marked a radical departure from the earlier set of policies as discussed above. The state's domain in the economy, previously so important, was to be substantially reduced through yielding its control to the private sector. The basic components of the new policy can be divided into two parts. First, the *stabilisation policy*, which aimed at correcting the balance of payments problem and reducing the rate of inflation and increasing exports. Second, the *structural adjustment policy*, which includes import liberalisation, privatisation (i.e. shifting resources from the government sector to the private sector), and marketisation (i.e. increasing the reliance on the market through changing the structure of institutions and incentives). The New Economic Policy also involves some major changes in the financial sector. The reforms here include the deregulation of interest rates, privatisation of the commercial banks, measures to improve the operational efficiency of commercial banks through loosening controls on credit distribution, and opening the domestic capital market to foreign investment.

Globalisation in India is thus a part of the New Economic Policy popularly labelled as 'the Reforms'. In rhetorical terms, the main objective of the Reforms is to bring improvements to the quality of life of the people through growth in productive employment, to increase consumers' choices, and to

expose producers to both domestic and global competition. Globalisation thus operates through the liberalisation of foreign trade, by removing controls on imports and the flow of foreign capital and technology. The New Economic Policy in 1991 allowed the foreign equity participation rate to rise to up to 51 per cent, and thus permitted the more or less free entry of multinational corporations into India. The other specific policy measures in this direction include the full convertibility of the Indian rupee on current account, and exchange rate adjustments through the devaluation of the rupee in 1991. Modifications to the Foreign Exchange Regulation Act also threw the doors wide open to foreign investors. In addition, India became a founder member of WTO in 1995.

However, the process of the Reforms has been rather gradual. The policy changes that have been introduced as a part of the liberalisation and globalisation of the Indian economy have been slow although steady. For example, agriculture, still the main sector of the economy, was not brought into the process of economic liberalisation until 1994. The move to withdraw support to agriculture in the form of subsidised inputs is also planned to take place in a phased manner. In this sense, the impact of globalisation is not yet in full swing. Nevertheless, it is certain that trends for future change have been set on the path of neoliberal economic globalisation.

Female employment in the Indian labour market

Women constitute about half of the human resources in India. More than half of these women are illiterate (only 39.2 out of 100 females are literate) and many women are mainly engaged in unpaid work. Outside the domain of the household, they are seen as unskilled labour, either as self-employed or casual labour in the unorganised sector, mainly in agriculture.[1] Their official work participation rates have been very low compared to those of males (see Tables 4.1 and 4.2).[2]

The proportion of the female workforce is only about a quarter of the total female population compared to the male workforce, which is more than 50 per cent. In terms of changes in labour participation rates, Table 4.2 shows a positive trend of increase of the male workforce both in rural and urban areas. In contrast, the workforce participation rates for rural females has been on a declining trend. This decrease in female participation rates can be attributed to both economic and non-economic factors. The non-availability of work, lack of skills, and sociocultural biases provide a partial explanation. In addition, difficulties in quantifying and in incorporating women's work into statistical data means that a large part of female work remains unaccounted for. On the other hand, the distribution of the female workforce across the categories indicates their concentration in low-paid jobs in unorganised sectors especially in agriculture in rural areas and in the service sector in urban areas (see Table 4.3).

As Table 4.3 shows, the proportion of women employed in agriculture has remained almost constant between 1981 and 1991, with nearly 90 per cent

Table 4.1 Percentage of workers to total population, 1981 and 1991

		Males			*Females*		
		Rural	*Urban*	*Total*	*Rural*	*Urban*	*Total*
1981	Total	53.8	49.1	52.6	23.1	8.3	19.7
	Main	52.6	48.5	51.6	16.1	7.3	14.1
	Marginal	1.2	0.6	1.0	7.0	1.0	5.6
1991	Total	52.6	48.9	51.6	6.8	9.2	22.3
	Main	51.9	48.6	51.0	18.8	8.2	16.0
	Marginal	0.7	0.3	0.6	8.0	1.0	6.3

Source: Census of India (1992).

Table 4.2 Workforce participation per 1,000 persons (usual status)

	NSS rounds				*Percentage change over previous round*		
	(1983) 38th	*(1987–8) 43rd*	*(1993–4) 50th*	*(1997–8) 54th*	*38th–43rd*	*43rd–50th*	*50th–54th*
Rural male	517	539	553	531	4.3	2.6	–3.9
Rural female	340	323	328	299	–5.0	1.5	–8.8
Urban male	512	506	520	518	–1.2	2.8	–0.3
Urban female	157	152	154	139	–3.1	1.3	–9.7

Source: National Sample Survey Organisation (NSSO) (1996) and (2000).

of rural women being engaged in agriculture. In urban areas, they are mainly found in economic activities within the service sector (40 per cent), followed by agriculture, manufacturing, and trade and commerce. While there is some diversification of economic activity in urban areas, women mainly depend on agriculture for employment in both rural and urban areas.

Women work in segmented labour markets. Women's pattern of work preferences and their partial commitment to the labour market reflect their household responsibilities and reproductive roles. At the same time, a lower level of skills and low literacy rates among women in India push them into low-paid 'dead-end' jobs. The operation of a gender segmented labour market in India is very visible. In particular, the rural labour market is clearly divided by the sexual division of labour in agricultural production (see Table 4.4). There is a strong ideological support for the sexual division of labour and segmentation of the labour market. For example, in agriculture, a taboo prevents women from touching the plough.[3] A 'man's job' is not generally accessible to a woman and men generally do not move into 'women's jobs'.

Women in the organised sector are also concentrated at the lower end of the ladder. In 1996 only 15.84 per cent of women workers were employed in the organised sector, while most of them occupy the lower end jobs as

Table 4.3 Percentage of workers in various industrial categories, 1981 and 1991

Sectors	*Male*		*Female*	
	1981	*1991*	*1981*	*1991*
Rural				
Agriculture and livestock	81.7	79.8	89.1	89.5
Mining and quarrying	0.5	0.6	0.3	0.3
Manufacturing	6.7	6.0	5.9	5.3
Construction	1.2	1.3	0.6	0.3
Trade and commerce	3.3	4.0	1.1	1.0
Transport, storage and communication	1.4	1.6	0.1	0.1
Other services	5.2	6.7	2.9	3.5
Total	100.00	100.00	100.00	100.00
Urban				
Agriculture and livestock	11.7	12.1	23.1	22.3
Mining and quarrying	1.1	1.2	0.7	0.7
Manufacturing	30.2	25.7	25.0	21.7
Construction	4.3	5.3	3.1	3.3
Trade and commerce	21.3	23.7	8.9	10.0
Transport, storage and communication	10.0	9.2	2.2	1.9
Other services	21.4	22.8	37.0	40.1
Total	100.00	100.00	100.00	100.00

Source: Census of India (1981 and 1991).

Table 4.4 Gender division of labour in agriculture

Nature of operations		*Work carried out by*
1	Field cleaning	Both
2	Ploughing	Male
3	Sowing	Both
4	Transplanting	Female
5	Manuring	Female
6	Application of fertilisers	Male
7	Pesticides sprinkling	Male
8	Weeding	Female
9	Watering	Male
10	Harvesting	Both
11	Transport	Male
12	Processing and storage	Female

Source: Primary data from field survey in two villages in Karnataka.

teachers, nurses, clerks, and sales women in the service sector.[4] Although this trend prevailed in the previous protective and welfare-oriented policy period, with the recent 'opening up' or liberalisation of the Indian economy, both the situation in the labour market and the employment conditions for women have become worse. There has been a tendency towards an intensification of the exploitation of women. This intensification of exploitation has come about through casualisation, marginalisation, the withdrawal of subsidised food, and budgetary cuts in health and other social expenditures, implemented as part of the Reforms.[5]

The Green Revolution and women in agriculture

The Green Revolution in India and the consequent shift towards the capitalisation of agriculture has accentuated class differentiation among the peasantry.[6] The process of proletarianisation of labour has been accelerated by the Green Revolution. Small peasant households are pushed out of agriculture, thus transferring them from being self-employed to being wage earners or for some, unemployed. In its initial stage, the Green Revolution had a positive impact on female labour. The new cropping pattern brought about by increases in paddy field size demanded more female labour. However, the subsequent mechanisation of farm operations led to the displacement of labour and, in particular, of female labour (Nayyar 1989; Partha Sarathy and Nirmala 1997). The technological changes in agriculture in rural areas have driven women further out from certain jobs as the existing ideas of gendered work prevent women from having equal access to acquisition of the necessary skills.

The impact of the Green Revolution has been more significant in sowing, harvesting and post-harvest work. It has had a double effect on women. First it pushed many women into unemployment. Second, women were affected in terms of their food security, which had been mostly gained through harvest and post-harvest work. The peak level of employment was normally reached during the harvest season and immediately after the harvest. The months of March, April and October offered a very high level of employment to both male and female agricultural workers. The workers were normally paid in kind (i.e. grain) and hence a worker's family could be comfortable as far as staple food requirements were concerned. However, this situation has changed with the introduction of harvesting machines, whereby women are more excluded than was previously the case, thus depriving them of their direct source of food acquisition.

In a field survey carried out in Hadnoor and Mattirnadu villages in Karnataka (1998–9), it was observed that women workers were deeply disillusioned by the mechanisation of the harvesting process. Jawar and red gram are staple grains, which form the main part of the diet in these villages. A family with three to four workers used to get four bags of jawar and about half a bag of red gram during the harvesting season. This usually met the basic minimum food requirements of a family of five to six members. Today

a single combine harvester can harvest about 100 acres of crop in three days. Because of the efficiency and speed of the machine, even small farmers are now finding it viable to get their crops harvested this way. It also relieves them from the trouble of finding necessary extra labour during the harvesting season, when labour is usually more scarce. For a majority of landless poor women, however, this means unemployment and even starvation. In addition, the traditional custom in the villages during the harvesting time, in the form of pre-harvest and post-harvest festivals, including festival dancing, has begun to gradually disappear.[7]

The introduction of the paddy transplanter in rice fields has also had adverse effects on women's employment. Transplanting has traditionally been a woman's job, as was the case of harvesting in paddy farming as mentioned above. Weeding has likewise typically been women's work. The use of herbicide resistant plant varieties has led to the substitution of chemical herbicides for manual weeding. These types of changes, mainly led by the multinational companies, and often tied to the supply of seeds for the new strains of grain under cultivation by mechanised agriculture, are fostering massive displacement of female labour in rural India (Nayyar 1989; Mencher and Saradamani 1992; Ahmad 1994).

A strata differentiated analysis of the Indian peasantry is required to capture the real effects of the changes in production methods. This is because the workload and the type of labour relations vary according to the class position of a peasant woman.[8] In the peasant household economy, women's labour and income make varying contributions to the household income. Thus the withdrawal of female income has different effects on women as well as on their households. For example, for women from the medium and large landowning families, it could mean that they are relieved from hazardous tasks and can comfortably return to performing domestic household tasks. For landless women, however, the mechanisation of farming operations has a substantially negative impact. Given the fact that women's income contributions to the maintenance of the family are more significant in households with a low level of income (e.g. near-subsistence and below-subsistence), mechanisation of agricultural production and the subsequent un(der)-employment of these women leads them to pauperisation. In other words, mechanisation of agriculture has resulted in an increase and feminisation of poverty among the lower strata of peasantry, rather than to overall improvement of the living standard of the rural population.

The new production process created a male-dominated production chain that has replaced the traditional chain in which women were actively involved in various forms of labour, both paid and unpaid. One of the significant impacts of the Green Revolution has been the externalisation of knowledge related to agricultural practices. Peasants in India had relied on their own traditional agricultural knowledge system, which was common property shared by both men and women. The Green Revolution destroyed this traditional knowledge system. The new technological know-how became private property and this was largely appropriated by the male community through

training and information systems. Women were denied access to this new world of knowledge. This externalisation of knowledge thus drives women out of the formal production process and marginalises them. In the former subsistence peasant economy, women formed an important part of the food production and consumption cycle, which was also more 'nature friendly'. For example, India's peasant women participated in various activities including selection and preservation of seeds and storage of food based on the natural production cycle.

Another key task performed by women in the past was to fertilise the fields with organic manure derived from farm animals, which contributed directly by increasing the fertility of the soil as well as indirectly through supplying food to the earthworms, which helped to maintain the fertility of the land. Shiva argues that these activities of peasant women helped to maintain the ecological cycle, but they have been made invisible and undermined by Western agricultural technology (Shiva 1988). The introduction of industrial inputs such as laboratory seeds and chemical fertilisers has made the knowledge of women redundant while the new changes in the cropping patterns, and the destruction of the traditional crop rotation system, has broken the natural production cycle.

The case of Laxmibai illustrates how the shift towards commercial cash-cropping alienates women from the decision making process in agricultural production. Laxmibai is the wife of Basavanagouda and lives in Kolkur village. The family has 11 acres of land and she worked hand in hand with her husband on the family land when the farm was under production of food crops such as jawar, millet and red gram. She participated in the selection and maintenance of seeds, selection of crops, sowing, manuring, weeding, harvesting and storage of grains and seeds. However, in the mid-1980s, they switched over to cash cropping of oil seeds (sunflower seeds) and sugar cane. This cash cropping required the use of hybrid seeds and chemical fertilisers, which reduced Laxmibai's participation in farming production. In the late 1990s Basavanagouda decided to start the cultivation of horticultural crops using drip irrigation, and the cultivation of fruits for export. The new varieties of crops and new technologies required new knowledge and training. However, opportunities to acquire this new knowledge and information have not been made available for Laxmibai, only for her husband. As a result she does not participate in family farming as much as before, thus often being excluded in decision making in farming production.

In addition, the destruction and appropriation of communal resources such as forests, pasture and water by private capital has increased the burden of women. For example, the Wasteland Development Schemes and the Flood Control Schemes initiated by the government have led to the privatisation of the 'Commons'. This has increased women's work, as they have to go a longer way in search of fodder, fuel, and water (Agarwal 1986; Nadkarni 2000). The lack of fuel wood for cooking sometimes even leads to starvation, despite the availability of food grains.

Globalisation and feminisation of labour

The steady feminisation of labour in agriculture can be observed in southern India (Kapadia 1992). The new jobs generated under new cropping patterns created by commercialisation and export crop farming, especially in horticulture and floriculture, are largely taken on by women. The expansion of banana and sugar cane production, for example, has increased the demand for female labour. In the Gulbarga district of Karnataka State, horticulture crops such as papaya, pomegranates, grapes, lemons, chillies and mangoes have been adopted as new export crops. Women are employed as regular labour for a longer period compared to their labour patterns in traditional agriculture. The farmers in Karnataka reported that they employ more female labour for various tasks, such as cutting and pruning, watering, and picking fruits. The main reasons given for hiring women include: women's labour is cheaper and docile; the nature of the work is less strenuous; and the sincerity and honesty of women workers. Male labour is employed only for digging, if deeper pits are required. For all types of work the wage rate for women is 20 rupees per day. Only during the short picking season, when the demand for such labour is high, does the wage increase to 25 rupees per day.

Floriculture is also a labour intensive production, and it creates a potentially high demand for female labour. Women are employed in a number of activities such as watering the plants, applying fertilisers and pesticides, removing weeds and stones, harvesting the flowers, and packing and storing the flowers in cool rooms (Panini 1999). Likewise, vegetable cultivation creates a high demand for women's labour (Kashyap 1999). According to a field study conducted in Hudgi village, Bidar district, the specialisation of the production of cauliflower, cabbage and green leafy vegetables in the village has offered more employment to women (Sharma 1998).

However, this trend towards feminisation of labour is not uniformly observed in all cases of cash crop production. Elsewhere the demand for female labour has actually been reduced. For example, the increased demand for fish and prawns has led many individual farmers in Andhra Pradesh in the districts of East Godavari, Nellore, and West Godavari to convert their rice paddy fields into fish or prawn farms. In this new production system, it is mostly men who carry out various tasks such as spraying of feeds, fertilisers and pesticides, digging of the tank, putting the seed into the tank, and harvesting the fish or prawns. These jobs are usually carried out on a contract basis. Women peel prawns, catch fish and prawns from the sediment left in the tank and clean the moss from the tank. These women work on a daily wage basis. The transfer of paddy field to fish or prawn cultivation made women workers lose their previous employment under the food crop production system. In this new production structure, the role of women – i.e. peeling the prawns and cleaning away the moss – is very marginal (Padma 1999). The wages of women workers vary but usually fall between 20 and 25 rupees per day. While a law exists for other agricultural workers, there is no Minimum Wage Act covering fish/prawn cultivators.

Table 4.5 Percentage distribution of usual status workers by status of employment in rural and urban areas (NSS rounds 38, 43, 50 and 54)

Category	*38th (1983)*	*43rd (1987–8)*	*50th (1993–4)*	*54th (1997–8)*
Rural males				
Self-employed	60.5	58.6	57.9	55.3
Regular employed	10.3	10.0	8.3	7.0
Casual labour	29.2	31.4	33.8	37.7
Rural females				
Self-employed	61.9	60.8	58.6	53.4
Regular employed	2.8	3.7	2.8	2.4
Casual labour	35.3	35.5	38.6	44.2

Source: NSSO (1996).

Table 4.6 Percentage of workers by employment status (NSS rounds)

	Rural male		*Rural female*	
	Weekly	*Daily*	*Weekly*	*Daily*
All ages				
1977–8	51.9	48.8	23.2	19.4
1983	51.1	48.2	22.7	19.8
1987–8	50.4	50.1	22.0	20.7
1993–4	53.0	50.4	26.7	22.0
Age group 15–59				
1977–8	87.1	81.5	37.7	31.4
1983	85.4	80.2	36.4	31.6
1987–8	84.0	83.5	35.3	33.2
1993–4	85.1	80.9	42.0	34.3

Source: NSSO, Government of India Sarvekshana Special Number (1996).

In short, although the broad trend is that more women are employed in various jobs, their employment patterns have not generally improved. Women are still concentrated in low-paid, unskilled and irregular jobs, and their wages in existing jobs have not increased. The new employment of women is mostly casual, irregular and insecure, as reflected in the various National Sample Surveys (see Tables 4.5 and 4.6).[9]

At the macro level, this decline in the condition of work for women is also proven by the percentage of workers we find in different employment categories. The casualisation trend is clearly supported by the data shown in Tables 4.5 and 4.6. The growth rate of employment for all men and women of all ages is increasing more in weekly and daily categories (i.e. temporary/casual) than by the normal category of regular employment (see Table 4.6). The proportion of casual employment (i.e. weekly and daily status) for women workers in the weekly status category has increased from 35.3 per

cent in 1987 to 42 per cent and from 33.2 per cent to 34.3 per cent in the daily status category. In contrast, the percentage of self-employment and regular employment of women declined during the period between 1983 and 1998. Therefore, the increase in overall employment for women is clearly due to an increase in non-permanent, casual, and irregular types of employment.

Although some women may experience an increased demand for their labour there is also no improvement in the level of wages for women workers. This becomes clear by the fact that no significant decline in the gap between male and female wage levels can be observed (see Table 4.7). This means that rural women suffer from increased insecurity of both income and permanent employment.

In recent years, the export of livestock products has been increasing with great potential for futher expansion. Apart from livestock products, other various non-crop production activities including dairy, poultry and animal husbandry also present potential for producing exports to the global market. However, the available data show that, during the period of liberalisation, employment in these sectors has declined (see Table 4.8). Yet again, the decline of employment in these areas has been more significant for women workers (from 15.3 to 13.8) than for men (from 26.1 to 25.9) (see Table 4.8).

The ratio of females to males has declined from 0.59 to 0.53 in non-crop production activities while it has increased in crop production activities. This decline may be partly due to a decrease in non-crop activities caused by the cuts in government subsidies in the sector. This is particularly true for casual and subsidiary female workers, where growing incidence of poverty can be clearly observed (Swaminathan 1997). At the farm level, the poultry and dairy activities where women used to have substantial control over production are now in the process of marketisation in the absense of government subsidies. The new marketised sales and distribution chain is dominated by

Table 4.7 Female:male wage ratio in agriculture (male = 1)

Name of the state	*1977–8*	*1983*	*1988*	*1990*	*1993*	*1994*	*1995*
Andhra Pradesh	0.67	0.72	0.68	0.76	0.71	0.63	0.69
Bihar	0.90	0.78	0.92	1.00	0.82	1.00	1.00
Gujarat	0.92	0.83	0.93	1.00	1.09	1.00	1.00
Haryana	0.88	0.75	0.73	–	0.81	0.78	0.72
Karnataka	0.70	0.88	0.71	0.94	0.67	0.61	0.64
Kerala	–	0.68	0.80	0.73	0.69	0.70	0.73
Madhya Pradesh	0.75	0.86	0.83	0.90	0.89	1.00	1.00
Maharashtra	0.60	0.67	0.64	0.57	0.81	0.61	0.86
Orissa	–	0.78	0.83	0.73	0.67	0.76	0.79
Punjab	0.64	0.50	0.40	0.65	–	–	–
Rajasthan	0.71	0.55	0.93	0.65	–	–	–
Tamil Nadu	0.62	0.70	0.67	0.53	0.46	0.46	0.5
Uttar Pradesh	0.76	0.63	0.76	1.00	0.78	0.89	1.0

Source: Computed from Unni (1997).

Table 4.8 Distribution of workers in food crop farming and non-food crop farming, 1972–3 to 1993–4 (NSS rounds) (%, male = 1)

	1972–3	*1977–8*	*1983*	*1987–8*	*1993–4*
Food crop farming					
Male	83.2	80.6	77.5	73.9	74.1
Female	89.7	88.1	87.5	84.7	86.2
Ratio of F to M	1.08	1.09	1.13	1.15	1.16
Non-food crop farming					
Male	16.8	19.4	22.5	26.1	25.9
Female	10.3	11.9	12.5	15.3	13.8
Ratio of F to M	0.61	0.61	0.53	0.59	0.53

Source: NSSO (1996); Partha Sarathy and Nirmala (1997): 476.

men. In this way, the remunerative economic gains arising from the expansion of poultry and dairy production through commercialisation have benefited men much more than women. Women are thus further marginalised from their previous central role in animal husbandry as this sector is becoming integrated into the market.

In the agro-industries sector, there has been a rapid growth of technical and financial collaboration between Indian and foreign companies since the late 1980s. The number of such joint ventures nearly tripled between 1985 and 1993. The 'soft' areas of luxury products such as alcoholic beverages, soft drinks, chocolates and confectionery are moving up fast next to marine products and seeds (see Table 4.9). In this trend, standardised food processing by the multinational corporations poses a severe threat to the present Indian small scale and cottage enterprises. The modern automatic plants with large capacities that process food via 'not touched by hand' methods do not create more employment opportunities. Rather, they tend to replace the traditional labour intensive production process, thus reducing the level of employment in this sector. This adversely affects women who have been engaged in large numbers in traditional manual food processing industries (Goyal 1994).

In summary, empirical evidence does not strongly support the argument for the 'feminisation of work' in the so-called 'globalisation period' in India to date. The feminisation of labour in India has been patchy, since women's employment opportunities have diminished in some areas while there has been a trend towards feminisation of work in other sectors. However, increased female employment in certain areas has not been beneficial to women, as it has not been accompanied by better wages or more secure jobs. This explains why on average women's income has not increased in spite of the trend towards higher female employment rates in certain sectors. On the contrary, as reviewed above, women in general appeared to become more vulnerable to a higher level of exploitation through privatisation, marketisation, and export promotion, pursued via the New Economic Policy in India since 1991.

Table 4.9 Number of foreign collaborations in agro-industries (by product)

Product		*Technical*	*Financial*	*Total*
1	Marine	25	60	85
2	Seeds and tissue culture	22	14	36
3	Fruit and vegetable processing	4	16	20
4	Alcoholic and soft drinks, etc.	6	12	18
5	Plant and machinery	11	4	15
6	Chocolates, confectionery, etc.	6	5	11
7	Vegetable oils	3	8	11
8	Spices, food flavours, etc.	2	8	10
9	Soya preparations, excl. oils	3	7	10
10	Mushrooms	2	7	9
11	Poultry	3	4	7
12	Flowers	2	2	4
13	Dairy	2	1	3
14	Packing	2	1	3
15	Herbs and preparation	1	1	2
16	Others	12	37	49
Total		106	187	293

Source: Goyal (1994): 260.

It is evident that women's work in India is in a continuous process of further marginalisation. Subsistence food crop production is in transition towards export-oriented and commercialised agricultural production. The proletarianisation of women's labour is accelerated by the growing burden of poverty at the household level, mainly brought about by the neoliberal economic globalisation process. Women's labour in this process is subject to multiple levels of exploitation. In addition, women, especially those from low-income households, are exploited through the 'feudal' or traditional family and gender social relations within the household and also through the capitalist relations at the workplace.[10] Their low levels of earnings do not empower them, not enough even to overcome their disadvantaged position within the household.

Opposing neoliberal globalisation: grass roots movements in India

As discussed in Chapter 1 in this volume, neoliberal perspectives present globalisation as an inevitable path to development. To a certain extent, the dominant neoliberal view misleads many to believe that there is no alternative path to national or local economic development. People in everyday life witness the serious consequences of economic globalisation as led by neoliberal ideology. Any sense of helplessness in the face of these changes might be perceived as being more in the minds of the people than as objective reality. However, the hegemony of neoliberal globalisation is not going unchallenged, as the discontent of the oppressed is becoming more apparent

in India today. For example, the voices of resistance raised by the Indian farmers through farmers' rallies, and the Bundhs protest organised by political parties at times of policy changes have effectively slowed down the pace of neoliberal globalisation in India.

There are many other examples of the people in India in various popular movements, collectively resisting projects that threaten their livelihood. The Chipko movement in Maharashira State saved the forests upon which many poor families' livelihoods depended. In some other states, the Van Panchayats have been active in restraining the indiscriminate use of the forests, and the Pani Panchayats have been established to manage the water resources. The Save Narmada protest led by Medha Palkar is also a good example of such resistance. All these movements indicate that the poor rural community is conscious of its own welfare and that the people are prepared to resist and counteract the power of vested interests. It seems in fact inevitable that destructive projects vis-à-vis both nature and people will be countered by these communities of resistance.

In this sense, the economics of exclusion induced by neoliberal globalisation strengthens the counter-movement for 'the politics of inclusion'. The marginalisation of female labour by the neoliberal economic process produces an intervention through the political process, i.e. through democratisation movements and through the principle of inclusion. At grass roots level, women's collectives or informal 'self-help groups' are engaged in reforming the political structure of decision-making and seeking the redistribution of power.[11] The political process is therefore under constant movement and change. These political movements in turn reshape the power relations in the economic arena, for example as these women's collectives reclaim resources from private capital. Although they are loosely organised, these informal self-help groups are able to get access to credit and resources and are thus empowering themselves to cut through the barriers established by the power of big capital.

Many village women in India are also seeking assistance under various poverty alleviation programmes, for example via the Development of Women and Children in Rural Areas, and the Integrated Rural Development Programme. The root cause of the emergence of these new collectives is the continuous deterioration of rural women's economic status, as they have witnessed their access to economic resources worsening. Poor village women are one of the groups most affected by the expansion of cash-cropping, accompanied by a large scale of deforestation, and by the expansion of agribusiness during the new Reforms in the 1990s. These changes necessitated the call for ecologically sustainable income-generating activities in which women uphold the essential skills.

There are a number of successful cases of women's grass roots movements. Through the Pudukottai Collective, for example, women obtained their lease to quarries in Tamil Nadu. In a village in Bihar, women's collectives have completely taken control over the community assets. Women's collectives in Andhra Pradesh have rooted out alcoholism. In Gujarat they have

participated in water management schemes, which have helped them to prevent the misutilisation of water resources (Ahmed 1999). Swayam Shikshan Prayog in Maharashtra, Prerana Swasti, and Mahila Samakhya in Karnataka, and many others all over India, are actively engaged in building women's capacities to move from the position of marginality to one of centrality in the decision-making process. Through these various women's self-help groups and collectives, women are developing their skills in negotiation, communication and articulation as well as expanding their capacity to cooperate with each other, to gather information and to plan economic activities to empower themselves. The Self-Employed Women's Association (SEWA), Working Women's Forum (WWF) and Annapurna have been able to establish themselves as global models.

Non-governmental organisations are serving as a link between the state and the new collectives. The agenda for the empowerment of women in formal politics has also been pursued at local and state levels, which have already altered political processes in India and implemented various provisions in favour of women. The amendment to the constitution to provide 33 per cent reservation to grass roots organisations of local self-government such as Panchayats; the establishment of National and State Commissions for Women; The National Alliance of Women's Organisations; and the National Policy on Empowerment of Women; all represent such efforts at state level.

Resistance to globalisation in its current form is thus taking shape through various people's movements, and especially by women. Women's socio-economic and political movements check the balance between macro-economic necessity and women's empowerment in the processes of economic globalisation. These social movements also help to generate a growing awareness that the current direction of globalisation may not be in the real interests of the majority, and that a better course of action by the people and for the people is possible. An 'environment friendly' and distributive development strategy is in the interests of everyone, including the dominant. A broad network of the grass roots organisations may thus bring about political resistance to the pressures of globalisation and make the presently dominant groups realise that the perpetuation of their hegemonic position is not at all guaranteed.

To date, the countermove by women in India usually takes the form of informal grass roots organisations. The main aims include to decentralise capital and to seek the empowerment of women through control over resources and through participation in decision-making processes. Though small and locally organised, it is beginning to appear that this type of movement can effectively challenge the age-old gender relations of rural India and facilitate women's intervention in the political process. They also attempt to prevent further destruction of nature and eco-diversity in the process of capital accumulation. As much of traditional women's economic activities are closely linked to nature and the maintenance of the ecological system, preservation of nature means prevention of the marginalisation of women.

However, there is an essential need for a lucid vision and effective strategy for a better future that will bind the loose structures of small, scattered movements together. The agenda for women in India is very clear: to adopt determined action towards addressing the problems of neoliberal globalisation, not to accept its inevitability, and to organise for the empowerment of women.

Notes

1 According to the National Accounts System in India the unorganised sector refers to the household sector whose activity is not regulated under any statutory act or legal provision and which does not maintain any regular accounts. The enterprises that do not employ more than twenty workers (without power) or ten (with power) producing for the market or for their own final consumption are included in the household sector.
2 The Census rounds in India are carried out every ten years. The recent Census data is available from the 1991 census. The National Sample Survey (NSS) rounds collect data regarding many economic variables once every five years. The most recent data available are for 1993–4, i.e. the 50th round.
3 In agriculture, sowing and ploughing are considered as 'male' activities and activities like carrying and weeding as 'female'. These are culture-based constructions and believed to be 'God given'.
4 Organised sector includes all public sector and private sector establishments employing more than twenty (without power) and ten (with power), which are registered units and are regulated by legal provisions of the Factory Act of 1948, and which maintain regular accounts.
5 Casualisation of labour relates to a process of change in the contractual conditions and status of work. It is characterised by an irregularity of work, lack of legal protection, job insecurity and low levels of earnings, etc.
6 Green Revolution refers to the application of modern inputs and technology in agriculture. The application of improved seeds, fertilisers and technology led to a substantial increase in output, hence it is termed as the Green Revolution. It refers to a period after 1968–9.
7 Festival dancing is a celebration of joy in the village community where people in the village join together to chat and dance.
8 The classification should be in terms of women's labour and contribution of their income to the household. Marty Chen's classification as 'surplus', 'subsistence' and 'below subsistence' households within the peasantry may be accepted as subclassification within the peasantry (Custers 1997).
9 In India the National Sample Survey Organisation measures employment in three dimensions: first 'the usual status' indicates a continuous type of employment, as the activity status is determined with reference to a longer period, i.e. one year, preceding the time of survey. In comparison, the 'weekly status' and 'daily status' consider the activity status of a person with reference to a period of a week or a day before the survey. These last two categories indicate the irregular status of employment.
10 This is expressed as 'triple exploitation' of rural women through articulation of modes of production and partriarchal relations. See Gills (1999) for further discussion of the triple exploitation model.
11 Self-help groups are informal organisations of rural women. The membership varies between 10 and 20. They pool their marginal savings together and also raise loans from the banks to start income-generating activities. They have been successful in bringing women together to organise various activities with the assistance given under various programmes for the development of women.

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5 Responses to changing labour relations

The case of women's NGOs in Indonesia

Michele Ford

The feminisation of factory work and increases in female labour migration are two widely noted effects of globalisation on the work of women in developing countries in the late twentieth century. While factory labour and domestic service overseas may seem to have little in common, in both cases women experience a degree of commodification of their labour not found in most other sectors of the economy. In Indonesia, while a majority of women continue to work in subsistence agriculture and the informal sector, the number of women working in the manufacturing sector and as migrant domestic workers overseas has increased significantly in recent decades. Numerous accounts have been written about the parlous living and working conditions of both Indonesian female factory workers and migrant domestic labour.[1] Yet, while it is important to document the hardships faced by women whose patterns of work have been affected by the global economy, it is equally important to focus on those same women's attempts to mediate their work experiences, and the effects of globalisation on those processes of mediation. This chapter argues that the initiatives of local, middle-class non-governmental organisations (NGOs) have an important effect on the ways in which factory workers and migrant domestic workers formulate their own strategies of resistance.

Changes in Indonesian women's work

Changes in the structure of the labour market, as a result of Indonesia's internationally supported decision to liberalise its economy in the mid-1980s, brought fundamental changes in the realities and perceptions of Indonesian women's work. However, women workers had been affected by international capitalism much earlier when a monetised, Westernised sector of the economy – catering to the international agricultural commodity market – was established by the Dutch in the early nineteenth century.

In the traditional indigenous economy, as in the traditional economies of many other Southeast Asian countries, women had a relatively high level of involvement in remunerative activities through agriculture, cottage industry, and trade. Although there were significant regional variations, it was not unusual for aristocratic and wealthy women and the wives of bureaucrats, as

well as peasants, to be involved in a range of economic activities (Rahardjo 1975: 81–2). The relatively high rate of female participation in non-domestic labour in colonial Indonesia was reflected in the writings of the period: British observers in the early nineteenth century, for example, were surprised by the 'special position' of women in the workforce and in society in general on Java (Boomgaard 1981: 6–7).

The early period of the Dutch colonial rule in Indonesia had little impact on the indigenous economy of the Indonesian archipelago. In the nineteenth century, however, there began an 'ever deepening penetration . . . [of] Western government and Western economy', as part of which a cash economy was introduced in conjunction with the establishment of sugar factories employing Indonesian labour (Wertheim 1959: 90–3). This process accelerated in the late nineteenth century, when Sumatra and Java, in particular, were opened up to foreign investment in large-scale agricultural commodity production and as a market for cheap, mass-produced, imported goods.[2] As Booth observes, these developments 'drew many millions of Indonesians into increasing dependence on the world economy for their livelihood, either as employees of foreign estates or as smallholder producers of export products' (Booth 1990: 274).

While growing modern sector employment opportunities outside agriculture were not directly linked to the international economic system, they, too, were products of the Dutch colonialism, which, in turn, was part of the global phenomenon of imperialism. By the time the 1930 census was taken, almost 14 per cent of the 34.4 per cent of the population 'gainfully employed' were involved in industry, the professions or government service (Table 5.1).[3]

It is not clear from statistics collected in the census how many of the 10 per cent involved in industry in 1930 were women, or where those women worked. However, the number of women involved in industrial waged work did increase in the following decade as a result of the government's push to industrialise (Elliott 1997a: 158).[4] In Java, where the colonial presence was strongest, the work of women that remained in the agricultural and informal sectors in the late nineteenth and early twentieth centuries was also indirectly affected by the Dutch emphasis on export commodity production. As cash crop production absorbed male labour, women were forced to undertake agricultural tasks traditionally performed by men, while imported products put pressure on traditional cottage industry (Elson 1997: 180; Boomgaard 1981: 12–16). In most other parts of Indonesia – with some notable exceptions, such as in North Sumatra – women's work was affected later, and to a much lesser extent, by the colonial economy.

The most remarkable change in women's work in the post-independence period has been the rapid shift from the traditional forms of remunerative activity – in agriculture, trade and household industry – to waged work (Rahardjo 1975; Benjamin 1996: 81). As in industrialising economies in general, rapid growth in export-oriented light manufacturing has been the main focus of analyses of the effects of globalisation on Indonesian women's work. The extensive development of light manufacturing industries from the

Table 5.1 Number of persons in the Netherlands Indies reporting an occupation, 1930

Occupational classification	*Total*		*Native persons*	
	Number	*% Total*	*Number*	*% Native*
Production of raw materials	14,363,846	68.8	14,193,158	70.0
Industry	2,208,851	10.6	2,105,129	10.4
Transportation	316,191	1.5	290,740	1.4
Trade	1,293,316	6.2	1,090,868	5.4
Professions	169,520	0.8	150,227	0.7
Government service	516,176	2.5	491,911	2.4
Other occupations	2,003,150	9.6	1,957,609	9.7
Total	20,871,050	100.0	20,279,642	100.0

Source: Statistics from the 1930 Census quoted in Pillai (1947: 171).

mid-1980s, in particular, brought many rural and urban women into waged work for the first time in Java (which is the traditional centre of manufacturing and the location of most export-oriented industries), in North Sumatra (where export-oriented industries are also in high concentration), and on the tourist island of Bali (Manning 1998: 254).

On the whole, the urban female labour participation rates in contemporary Indonesia have been lower than those of neighbouring countries (Jones 1984: 26–7). These low female participation rates are partly explained by Indonesia's relatively late industrialisation.[5] In the post-independence period, the development of the manufacturing sector was delayed by the economic chaos of the late Sukarno era, 1957–65. While manufacturing grew at an average annual rate of 13.9 per cent between 1953 and 1957, industrial output first stagnated then declined in the early to mid-1960s (Booth 1998: 66).[6] After Suharto seized power in 1966, his New Order regime placed a high priority on economic development in general, and the development of the private sector in particular (Poot et al. 1990: 4–5). In 1966, the entire 'modern sector' (medium-large enterprises and government service) only accounted for 10 per cent of the total workforce of 39 million (Manning 1998: 55–6).

Light manufacturing continued to be a low priority during the oil boom of the 1970s, during which employment was characterised by slow growth in the agricultural sector and high growth in the urban informal sector. In the economic slowdown of the early to mid-1980s, agricultural employment experienced stronger growth, while the urban economy stagnated (Manning 1998: 100–1). After the shift to export-oriented industrial policies in the mid- to late 1980s, however, the labour-intensive light manufacturing sector began to grow. As a result, the share of manufacturing employment as a percentage of the total workforce increased dramatically. Although the proportion of the overall labour force involved in manufacturing remained small, the number of workers in the manufacturing sector rose from 4.7 million in 1980 to 11.5 million people (13 per cent of all employed persons) in 1999 (see Table 5.2).

Table 5.2 Employed persons over 15 years of age by main industry, 1999

Main industry	*Workers*	*Percentage of total employed*
Agriculture, forestry, hunting and fishing	38,378,133	43.2
Mining and quarrying	725,739	0.8
Manufacturing industry	11,515,955	13.0
Electricity, gas and water	188,321	0.2
Construction	3,415,147	3.8
Wholesale trade, retail trade, restaurants and hotels	17,529,099	19.7
Transportation, storage and communications	4,206,067	4.7
Finance, insurance, real estate and business services	633,744	0.7
Community, social and personal services	12,224,654	13.8
Others	–	–
Total workforce	88,816,859	(99.9)
Total 15+ population	141,096,417	(62.9)

Source: National Labour Force Survey (1999) (http://www.bps.go.id/statbysector/employ/).

An important aspect of factory work has been the relative balance of men and women employed in the manufacturing sector. Of the 8.2 million workers employed in manufacturing in 1990, 3.6 million were women (Hull 1994: 5). As Hull points out, the female to male ratio in manufacturing is not as unbalanced as the female to male ratio of the total workforce, which, in the same year was 25 million women to 46 million men (1994: 5). It is important to remember, however, that the extent of women's participation in non-domestic work in general – and in the industrial sector, in particular – has varied from region to region, both historically and in contemporary Indonesia, according to the structure of local industry and local cultural norms.[7] Manning has found that many historically poor provinces with a traditionally high level of female labour market participation maintained those levels throughout the New Order period (1966–98), while the historically low participation rates of Sundanese and Betawi women in non-domestic work at least partly explain the unusually low contemporary female labour participation rates in the Greater Jakarta area, despite the rapid expansion of female-dominated export-oriented industries in that region (Manning 1998: 240).

Proletarianisation and women as export commodity

Factory work has not been the only sector to absorb large numbers of women over recent decades. Opportunities in traditional agriculture have decreased as a result of new farming technologies and population pressures, and competition in the informal sector has become increasingly fierce. As a result, many poor, rural women have sought waged employment as domestic servants in

the cities, or abroad. The imperatives of global production and consumption systems have also encouraged the expansion of women's work in professional and white-collar service sector occupations, as well as bringing growth in many other types of 'unskilled' waged labour. These include the traditional putting-out sector, where women take work from the factories into their homes, and the growth of waged work in the tourism-related service industries (Crinis et al. 2000).

In contrast to work in the factories or as domestic 'help' abroad, however, home work and waged work in the informal service sector do not require fundamental changes in everyday life or in the identity of the women who perform it. As a result – like women's work in the unwaged, informal sector – these types of 'unskilled' work tend to be unacknowledged because women themselves tend to represent their economic activities as a part of their home duties (Djamal 1996: 232–3). In contrast, the work patterns of both factory workers and overseas migrant domestic workers define their relationships inside and outside the workplace. Consequently, factory and overseas domestic work have been a particular focus of attention in Indonesia.

Proletarianisation?

By 1990, while almost 50 per cent of Indonesian women were still employed in agriculture and close to one-quarter of economically active women were involved in trade, over one-third of waged women workers outside the agricultural sector were employed in manufacturing (Manning 1998: 242–3). Their participation in non-agricultural, waged work had doubled between 1971 and 1990 (Table 5.3).

The Indonesian literature about women and factory work is concerned primarily with the question whether or not women have benefited from the opportunities for factory work brought by the growth in export-oriented manufacturing. It echoes international debates about the effects of factory employment on women workers in industrialising economies (Horton 1996; Ong 1987; Pearson 1998).[8] Some authors argue that women workers in Indonesia have been factory-fodder for footloose multinational corporations (Mather 1983; Hancock 1998). Others argue that factory work is inherently ambiguous, since women are both oppressed and empowered through their work (Wolf 1992; Andriyani 1996; Saptari 1995).

Regardless of whether they focus on the negative or positive aspects of female factory labour, the work of the overwhelming majority of scholars and activists writing about women workers in Indonesia is concerned with the paradigm of proletarianisation. While the pace of feminisation of light manufacturing labour has resulted in an important shift in the nature of many women's experiences of work, the extent to which this expansion of the industrial female labour force represents the development of a 'new proletariat' in Indonesia is difficult to determine, because the idea of an Indonesian proletariat itself is problematic. Western concepts of work are not easily transferred to the developing world. For example, in the Philippines, the urban

Table 5.3 Female employment by major sector and work status, 1971 and 1990

Work status/sector	*Share of female employment (%)*		*Sex ratio (male = 100)*	
	1971	*1990*	*1971*	*1990*
Agriculture	**65**	**49**	**49**	**54**
Waged workers	14	7	47	47
Non-waged workers	51	42	49	54
Non-agriculture	**35**	**51**	**52**	**61**
Non-agriculture/waged				
Waged workers	6	14	30	47
Rural waged workers	6	10	30	41
Total waged	**12**	**24**		
Non-agriculture/non-waged				
Urban non-waged workers	5	10	56	61
Rural non-waged workers	18	17	103	89
Total non-waged	**23**	**27**		
Total	100	100	49	56

Source: Adapted from Manning (1998: 243).

experience of work calls the 'conceptual distinctions frequently made in reference to the labour force in third world cities between the working class and the urban poor' into question (Pinches 1987: 103). In Indonesia, too, 'the concept of the "working class" applies to people whose work is organised in particular ways . . . [and] many of the classic definitions are only roughly applicable to contemporary realities' (Hull 1994: 2).

Hadiz (1997) argues that the development of export-oriented industries has, by its very nature, encouraged proletarianisation in Indonesia. However, in reality, the causal relationship he posits between the experience of industrial work and the growth of workers' consciousness is far from automatic. Some complicating factors are demographic in nature. As indicated earlier, the industrial sector in Indonesia continues to employ a small minority of Indonesians despite its rapid growth from the mid-1980s to the mid-1990s. For many of those employed in factories, patterns of circular migration and the often short-term character of their experiences in factory work mean that the development of a self-identifying working class is undermined by other, possibly more meaningful, facets of their identity, such as ethnicity, religion and place of origin. Age and life expectations are particularly important in the way women interpret their factory experiences. Despite the hardships of factory work, many women regard their factory employment as an adventure; an experience of economic and social freedom before marriage (confidential interviews, March 2000).

Other factors affecting the development of an Indonesian proletariat are political. Since the mid-1960s until the fall of President Suharto in May 1998,

state rhetoric and the structures of industrial relations actively discouraged workers from developing a collective class identity. Suharto's New Order regime promoted organic concepts of the state in which workers and management were seen to share common interests. Its industrial relations system was based on formal, tripartite institutions that were divorced from the workplace, and while most workplaces were not unionised, even workers in workplaces in which the government-sanctioned union had a presence received very little return on their (compulsory) membership dues (Ford 1999).

While it is difficult to identify a clear process of proletarianisation, the importance of factory work and the widely publicised experiences of women worker-activists who have led strikes and demonstrations have brought images of the female factory worker into the mainstream of Indonesian perceptions of women's work. The feminisation of the factory-based labour force has not only affected the young women employed, but their families and friends – most often in the villages from which they migrated in order to find work, or in which they continue to live. Factory work is generally well-regarded in the villages because it offers continuity (usually, where there is high labour turnover, workers choose to leave, often to work in another factory), income certainty (compared with work in the informal sector), and 'clean' working conditions (compared with work in the paddy fields). As most female factory workers are the first generation to work in a 'modern' enterprise, their work is very different from that of their parents. Consequently, it carries with it a certain mystique, despite its obvious hardships.

Women as export commodity

There are two faces of international Indonesian female labour migration: the legal export of women's labour through authorised migrant labour programmes and the desperate attempts of women to migrate illegally in order to secure a better economic future. Together they represent a major trend in women's work in Indonesia, which, as Robinson notes, is part of a global trend of increasing international labour migration over the last two decades (Robinson 2000a: 249).[9]

While there has been some labour migration to neighbouring Peninsular Malaysia and to Saudi Arabia in the past, it is only relatively recently that Indonesia became an important source of migrant workers to the Middle East, East Asia and to wealthier countries within Southeast Asia. Department of Manpower statistics show that labour migration increased thirty-eightfold between 1974/9 and 1989/94.[10] Within this overall increase in migration, the ratio of female to male labour migrants grew even more dramatically, with female labour migration increasing 116-fold from 3,817 women in 1974/9 to 442,310 women in 1989/94 (Krisnawaty 1997: 292). This trend continued in the late 1990s. As illustrated in Table 5.4, the number of legal female migrants was almost double that of males between 1995 and 1998.

In contrast to the range of opinions expressed in analyses based on factory work, accounts of the conditions of Indonesian migrant domestic workers

Table 5.4 Gender distribution of Indonesian migrant workers by major destination, 1995–8

Country	*Female*	*Male*	*Total*	*Females/ males (ratio)*
Saudi Arabia	295,038	24,406	319,444	12.1
Malaysia	187,218	220,993	408,211	0.8
Singapore	65,355	20,853	86,208	3.1
United Arab Emirates	19,044	626	19,670	30.4
Hong Kong	10,513	443	10,956	23.7
Brunei Darussalam	5,205	1,134	6,339	4.6
Taiwan	4,958	17,598	22,556	0.3
South Korea	4,012	22,266	26,278	0.2
Total	591,343	308,319	899,662	1.9

Source: Adapted from *Kompas*, 5 January 1998 (cited in Keban 2000: 223).
Note: This table refers to workers who have gone through legal channels to obtain work abroad.

tend to focus predominantly on the threats and privations facing women working abroad (Bethan 1993; Robinson 2000a; Robinson 2000b). These accounts resonate with local public perceptions of female migrant labour working overseas. In Indonesia, the plight of TKW (*Tenaga Kerja Wanita* – the common term for women migrant workers) has been a subject of public controversy for decades. A large proportion of legal female migrant workers work as domestic servants, a fact reflected in the overall occupational distribution of Indonesian migrant workers (Table 5.5).

The risks facing female domestic migrant workers have been extensively documented in the press and elsewhere.[11] They include agents' unregulated charging of registration fees; long periods in barracks awaiting placement; employers refusing to pay wages; sexual harassment and abuse, sometimes resulting in pregnancy or death; and even the sale of domestic workers in receiving countries (Ananta 2000: 38; Krisnawaty 1997: 293).

The conditions of Indonesian domestic workers in Saudi Arabia, where women migrants have exceeded 50 per cent of all labour migration since 1984, have been a particular focus for public concern (Robinson 2000a: 253–4).[12] According to a press release from *Solidaritas Perempuan*, one of the women's non-governmental organisations discussed later in this chapter, the number of Indonesian migrant domestic workers who reported having experienced violence in Saudi Arabia increased from 59 cases in 1995 to 484 cases in 1999 (*Solidaritas Perempuan* 2000). Yet, when faced by widespread criticism of treatment of domestic workers in Saudi Arabia in the mid-1980s, the Indonesian Manpower Suppliers' Association accepted no responsibility, while the Minister for Manpower at the time reportedly denied that a problem existed at all (Robinson 2000a: 258–9).

When Soeramishono, the head of *Antar Kerja Antar Negara* – the Department of Manpower agency regulating overseas migrant workers – was interviewed in 1993, his responses demonstrated that little had changed in the government's defensive attitude towards reported abuses of Indonesian

Table 5.5 Occupational distributions of migrant workers from Indonesia by sector of employment, 1984–94

Sector	*1984–9 (%)*	*1989–94 (%)*
Domestic services	70.2	60.2
Agriculture	11.8	22.3
Transportation	14.2	13.8
Construction	1.5	0.1
Electricity	0.3	1.0
Other	2.0	2.6
Total	100.0	100.0
Number of migrants	292,262	652,272

Source: Ministry of Manpower statistics quoted in ILO (1998).

migrant women workers. When asked whether women were put at risk by undertaking domestic work abroad, and in the Middle East in particular, he claimed that, while it is difficult to regulate the treatment of workers outside the formal sector, respect for women depends less on their employment position than their personal morality (Bethan 1993: 121–2).

The issue of female migrant labour is a vexed one. The lack of well-paying jobs for low-skilled workers in Indonesia has meant that there is no shortage of women who are willing to work abroad as domestic help. While the risks of migrant work are well publicised, so, too, are its possible rewards. The attraction of opportunities to work abroad is reflected in the number of unofficial migrants, which has increased dramatically since the oil boom of the 1970s and is estimated to outstrip official migration levels. In Malaysia alone, some 146,800 illegal immigrants – 78 per cent of the total arrested between 1992 and 1995 – were from Indonesia.[13] A further 402,508 illegal migrants from Indonesia during the same period were allowed to register as legal foreign workers (UNESCO-MOST).

Women's responses and NGO intervention

Given the sharp increases in the numbers of women involved in factory work and overseas domestic service, it is unsurprising that they are the focus of campaigns for improvements in women's working conditions. Trade unions worldwide have often failed to consider and meet the needs of female workers. In New Order Indonesia, *Serikat Pekerja Seluruh Indonesia* (SPSI), the only officially sanctioned union after 1985, failed not only to represent women workers, but workers in general.[14] As a result, responses to the different issues faced by female factory workers and migrant domestic workers abroad took place almost exclusively outside the formal, institutional sphere.

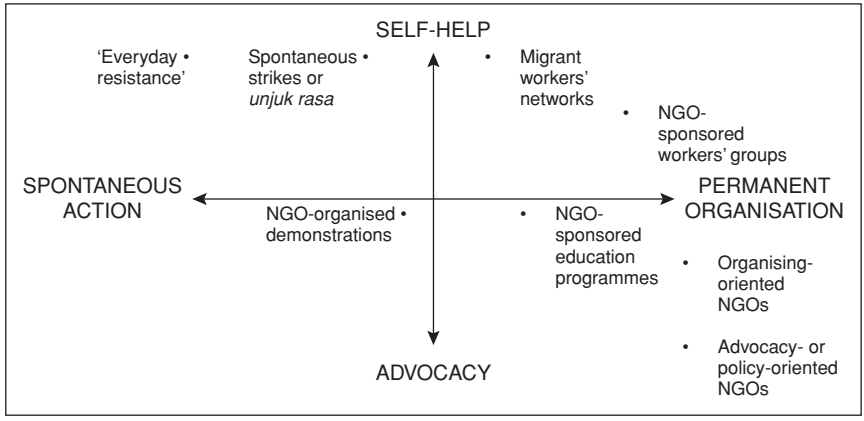

Figure 5.1 Schema of attempts to mediate the commodification of female labour.

Women's responses to their experiences of work in factories and abroad can be conceptually located on a plane on which a continuum between spontaneous action and the formation of (relatively) permanent organisations can be imagined as intersecting with a continuum between 'self help' (actions by the workers themselves) and advocacy (actions by middle-class activists without the direct involvement of the women affected on their behalf) (see Figure 5.1).

As indicated in Figure 5.1, there are at least four major types of self-help that can be identified as part of women's attempts to mediate the impact of the commodification of their labour in factories and in foreign households. The first – acts of 'everyday resistance' – refers to women's daily, unorganised responses to the conditions under which they work. Much has been written about the 'everyday resistance' of women factory workers in Indonesia, which include absenteeism, frequent visits to the toilet and product theft or sabotage (Andriyani 1996; Smyth and Grijns 1997; Tjandraningsih 1995; Wolf 1992). Interviews with women who have worked abroad confirm that, although migrant domestic workers are subject to closer scrutiny and stronger forms of control than factory workers, they employ comparable strategies, such as slow responses to employers' concerns, late returns from holidays and even running away from their place of employment, in an attempt to exert control over their experience of work (confidential interviews March 1999, February–March 2000).

The second form of self-help identified in Figure 5.1 is the staging of spontaneous strikes or *unjuk rasa* (demonstrations of feelings). By its very nature, this form of response is more common to women employed in industrial settings than to migrant domestic workers. The close conceptual relationship between these more organised modes of protest and acts of 'everyday resistance' has been demonstrated by Laine Berman's work on the process through

which Indonesian women's individual and collective acts of self-help have produced changes in their discourse of labour relations. Using recorded conversations as evidence for her argument, Berman claims that women develop a vocabulary and mindset that make collective action conceptually possible through everyday acts, such as complaining about the workplace or participating in in-factory incidental sabotage (Berman 1998: 135–59).

The most organisationally developed and permanent type of self-help available to women workers in late New Order Indonesia was an NGO-sponsored workers' group. The formation of such groups was generally initiated by middle-class activists, who usually established contact with workers. One instance in which the demand for such a group developed out of acts of everyday resistance and spontaneous strikes, without direct intervention from an NGO in the first instance, is documented in Andriyani's study of women activists in Greater Jakarta (Andriyani 1996: 106–31).

The final major form of self-help identified in Figure 5.1 is the informal migrant workers' network. Although such networks share some characteristics with the informal groups based around factory workers' communities or workplaces, these networks are generally formed on the initiative of the migrant workers themselves. Research conducted by Noorashikin Abdul Rahman amongst the approximately 50,000 Indonesian domestic workers in Singapore documents the ways in which migrant women workers have created such informal networks as a means to (partially) counteract the isolation they feel in their places of employment (personal communication October 2000). These networks contribute to migrant women workers' ability to mediate the worst features of their workplaces. By meeting and talking about their workplaces, they, too, can develop an alternative vision of what work should be like. Furthermore, they can provide moral and material support should particular difficulties, such as sexual advances by an employer or other forms of physical violence, occur in the workplace.

As indicated in Figure 5.1, women workers' organised responses have been predominantly facilitated by non-governmental organisations (NGOs), a number of which are specifically women's NGOs. Advocacy on questions of women's conditions of work has a considerable history in Indonesia. In the 1950s, some parts of the union movement and some women's groups (such as Kowani) focused specifically on issues such as equal pay and the poor conditions of women workers (Elliott 1997b: 148). These earlier mass organisations were, however, disbanded or co-opted under the New Order government's policies of single-vehicle interest representation, the 'floating mass' and depoliticisation. Thus, although women's organisations are not a new phenomenon in Indonesia, the current generation of organisations were established within the final two decades of the twentieth century (Rahayu 1996; Taylor 1997).

Indonesian women's NGOs are characteristically involved in advocacy, skills development and organising activities (Nadia 1997: 279–80). Like other NGOs, dealing with issues ranging from identity and the environment to land and labour rights, this most recent generation of women's NGOs emerged

as a mechanism through which affluent, educated, middle-class Indonesians could become involved in political and social activism in the 1980s.[15] At first, these organisations couched their aims and activities in the language of development, as demanded by the political and legal contexts of the time. Following the economic liberalisation of the mid–late 1980s and the ensuing period of *keterbukaan* (political 'openness'), less oppressive conditions at home and connections between international aid, trade, and human rights, allowed politically-oriented NGO activists to be increasingly direct about their agendas.[16]

Reychman's survey of Indonesian women's organisations provides a useful framework for distinguishing different kinds of women's NGOs. In her study, she distinguishes between state-sponsored mass organisations (such as *Dharma Wanita*) and state-sponsored NGOs (such as PKK – the Family Welfare Guidance programme) on the one hand and independent feminist NGOs on the other. Her study divides the latter into three categories: Muslim feminist organisations, secular feminist organisations and solidarity feminist organisations (Reychman 1997: 27–33). While there are different types of women's NGOs involved in labour issues, the remainder of this chapter focuses on two feminist NGOs that have dealt almost exclusively with female labour issues for a number of years. Both these organisations, *Yayasan Annisa Swasti* (YASANTI) and *Solidaritas Perempuan untuk Hak Asasi Manusia* (SP, Women's Solidarity for Human Rights), fall into Reychman's second category of secular feminist organisations, which she describes as 'mostly Moslem, but less orthodox' than Muslim feminist organisations (Reychman 1997: 30).[17]

YASANTI and SP have essentially similar philosophies: both see those they seek to help as women first, then workers; and both see the members of their 'target groups' not only as victims, but as potential activists. They have, however, offered two very different responses to the commodification of Indonesian women's labour. The account of each organisation's aims, philosophy and activities that follows is based mainly on interviews I conducted with activists from YASANTI and SP in 1999 and 2000, and from publications prepared by the NGOs themselves.

YASANTI: 'empowering' women factory workers in Central Java

Yayasan Annisa Swasti (or Independent Women's Foundation) – the first of Indonesia's contemporary feminist NGOs (Rahayu 1996: 31–2) – was established in 1982. YASANTI began working with rural women in 'traditional' developmental activities such as skills development and the provision of micro-credit. From the late 1980s,YASANTI focused its attention on industrial workers in rural Central Java in response to the increasing involvement of rural women in factory work. YASANTI concentrates on three subprogrammes: grass roots organising, publishing and networking (interview 19 March 1999). At the grass roots level, it seeks to raise awareness of workers' rights, to encourage workers to be critical of their situation, and to

establish a pattern of routine meetings amongst small groups of workers. YASANTI's tabloid, entitled *Annisa: Suara Kaum Perempuan* (*Annisa: the Voice of Women*) focuses on issues such as the history of workers' organisations in Indonesia, patriarchy and its effect for women workers, the role of women in unions, women's reactions to *Reformasi*, empowerment of women, and women's and human rights.[18] It also publishes volumes that provide extensive details of the living and working conditions of women workers (YASANTI 1996; Juliantara et al. 1998). Although YASANTI tends to keep a low profile, it has been involved in a number of national cooperative initiatives focusing on women, labour or both women and labour. These initatives have included two important labour committees: FORSOL Buruh (the committee set up over the issue of military involvement in labour relations after the death of Marsinah, a female factory activist), and KUHAP (a committee set up to review the controversial draft version of Manpower Law No. 25/1997).

While YASANTI is one of the few women's NGOs that have focused primarily on industrial labour, women's organisations are not the only NGOs that have attempted to improve the conditions of female factory workers in Indonesia's export industries. Of some twenty labour-oriented NGOs I visited in 1998–2000, only three were specifically women's organisations, but almost all had 'gender equity' or 'women's issues' as part of their wider labour programmes. There is, however, a fundamental difference in focus between women's NGOs, which deal with labour issues, and labour-oriented NGOs, which deal with 'women's issues'. Labour NGOs tend to view women as an important sub-group of the wider category of workers. The women's NGOs that deal with labour issues, as Amin Muftiyanah (the director of YASANTI) has indicated, focus on work as a part of women's overall experience (interview 24 February 2000).[19]

Understandings of the word 'work' in a more general sense also differentiate YASANTI from the majority of Indonesian labour-oriented NGOs. While many NGOs have programmes in the informal sector, most labour-orientated NGOs accept the traditional 'Western' understanding of the division between work in the formal and informal sectors. YASANTI, on the other hand, understands the term 'buruh' (labourer) in a very wide sense to include groups such as shop assistants, petty traders and porters – a definition that is often not accepted by industrial workers or other labour-oriented NGOs. This is reflected in YASANTI's programme, which, while it includes initiatives involving shop assistants working in Yogyakarta and other working-class women, concentrates on industrial workers in Ungaran.

Solidaritas Perempuan: *advocating the protection of Indonesian women working abroad*

Indonesian NGOs dealing with migrant labour issues have concentrated on domestic and international networking, policy advocacy, casework and the organisation of women awaiting placements abroad or returning domestic

overseas workers. *Solidaritas Perempuan*, which was officially established in December 1990, is the women's NGO with the highest profile in migrant labour issues. From its inception in 1990 until 1998, it focused exclusively on migrant women workers. The issue of migrant workers was chosen because, in 1990, no organisation was dealing with migrant work – which SP considered to be a significant site for the systematic exploitation of women.

While *Solidaritas Perempuan* diversified its focus in 1998 after the fall of President Suharto, it has continued to seek to strengthen migrant women workers' resistance to oppression. At the base level, this organisation continued to take on individual cases where workers have been abused; to provide training and set up programmes for migrant workers and their communities; and to run a shelter for women migrant workers who have been subject to violence. *Solidaritas Perempuan* also organised a number of demonstrations by female migrant workers in Jakarta streets, which were well-covered in the print and electronic media.

Unlike YASANTI's low-key grass roots approach to the organising of industrial workers, *Solidaritas Perempuan* has chosen a high profile, advocacy approach at the national and international level. Domestically, it is involved through KOPBUMI (The Consortium for the Defence of Indonesian Migrant Workers) in networking with approximately sixty other domestic NGOs who deal with migrant workers.[20] Internationally, *Solidaritas Perempuan* has been heavily involved in networking through both the Global Alliance against Trafficking in Women and the Migrant Forum of Asia. It also has direct links with NGOs in receiving countries, such as *Tenaganita* in Malaysia, and the Asian Migrant Centre in Hong Kong.[21] Unlike a number of Filipino women's NGOs dealing with migrant labour (Law and Nadeu 1999), however, *Solidaritas Perempuan* (and most other Indonesian NGOs concerned with migrant workers) have not established offices in recipient countries.

Implications of the Asian crisis

In international terms, the Asian economic crisis of 1997 is now receding into history. The dramatic chain of events it set off in Indonesia, however, has had far-reaching, irrevocable consequences for every aspect of Indonesian society, including women workers and the NGOs that seek to empower them. Evidence from the immediate post-crisis period indicates that the crisis intensified the commodification of female labour as factories further feminised and casualised their workforces and conditions forced more women to seek domestic employment overseas (AKATIGA 1998).

Factory workers were perhaps the most visible victims of the crisis. The industrial sector shrank by 15.6 per cent in the fiscal year ending March 1999 (Ahmed 1999), and an estimated 1,333,345 industrial workers were dismissed in 1998 alone (ILO statistics quoted in *Kompas*, 21 September 98). Those who remained in work had to contend with the drastically reduced purchasing

power of their wages and the constant threat of retrenchment. Female factory workers' experiences of the crisis were filtered through its complex effects on the manufacturing sector. While many domestically-oriented manufacturing enterprises were forced to close, not all manufacturing sub-sectors were adversely affected by the crisis. In fact, demand for the products of most large-scale export-oriented factories actually grew (AKATIGA 1998). According to both AKATIGA and another labour-oriented NGO, *Lembaga Informasi Perburuhan Semarak* (LIPS), the opportunity to restructure that the public acceptance of 'hard times' brought was used not only by companies adversely affected by the crisis, but also by companies that were doing quite well (LIPS 2000).

AKATIGA's research shows that restructuring affected women in two important ways. First, companies changed the status of many of their employees from permanent to contract workers. Second, they used the opportunity to further feminise their workforces by retrenching male workers and replacing them with young women (AKATIGA 1998).[22] Although women were not perhaps as hard hit as men by retrenchments, many lost their jobs in the textile, garment and footwear, electronics and food-processing industries. In addition, all women factory workers had to contend with the financial difficulties that the crisis imposed on marginal households.

Quantitative data indicates that the crisis reversed Indonesia's increasing trend towards wage employment (Ahmed 1999). Qualitative research suggests, however, that the shrinkage of industrial employment opportunities did not lead to a directly proportional shrinkage in the number of people who identified as waged workers. In-depth interviews conducted by AKATIGA indicate that men and women retrenched from this sector were reluctant to become involved in agricultural work or the informal sector (AKATIGA 1998) because, although unemployed, they still considered themselves factory workers. As a result, although the absolute number of women employed in this period may have decreased, the pool of women whose labour had been commodified by their experiences of factory work continued to grow, as new women were recruited in factories and women retrenched from the manufacturing sector continued to see themselves as (unemployed) factory workers.

Migrant women workers experienced both positive and negative effects from the crisis. While press coverage on the formation of new industrial labour unions and the activities of labour-oriented NGOs declined considerably in the early post-Suharto period, issues surrounding migrant women workers, and government responses to their concerns, retained a prominent place in the nation's newspapers.[23] This continued exposure in the new atmosphere of political openness could eventually bring about improvements in the conditions of legal migrant workers both before they leave Indonesia and in their receiving countries, as the government responds to public pressure. One such case was the government's highly publicised attempt to implement a new agreement with the Saudi Arabian government promising better protection for Indonesian female domestic workers in Saudi Arabia, which failed because of resistance by the Saudi government (Robinson 2000b: 152).

On the negative side of the ledger, the number of women seeking work overseas increased as a result of the crisis. According to a report in late 1998, demand for legal female migrant worker placements had jumped 35 per cent since the onset of the financial crisis (*Kompas* 24 November 1998). Unfortunately, this dramatic increase in numbers of women seeking work overseas worsened the situation for women who attempt to migrate illegally. The impact of the Asian economic crisis in receiving countries also affected migrant workers; large numbers of Indonesian migrant workers in Malaysia, for example, were repatriated as a means of cushioning Malaysian nationals from the effects of the crisis.

In Indonesia, NGOs' increased freedom to act after the political crisis that followed the collapse of the rupiah, was accompanied by new challenges in the early *Reformasi* period.[24] Labour-oriented NGOs in general experienced a crisis of identity. The members of many of their workers' groups lost their jobs and their previously high media profile was eroded, as the dominance of issues of good government and sectarian violence made it more difficult for NGOs to keep labour issues in the public mind (Ford 2000, 2001).

The women's NGOs that focus on labour issues fared better than most other labour-oriented NGOs. Their relatively smooth transition in the post-Suharto era can be at least partly attributed to their primary identity as women's organisations rather than labour organisations. Many of the international organisations that financed Indonesian labour NGOs during the Suharto period redirected their funds after President Habibie reformed government policy on trade unions (Ford 2000). This did not affect organisations such as SP and YASANTI to the same extent that it affected the NGOs that had concentrated on filling the gap left by trade unions during the New Order period. Yet, although their external funding remained relatively secure, both SP and YASANTI re-evaluated their programmes in response to the changes in the political structure and the new problems faced by workers as a result of the economic crisis. They continued, however, to deal with their established constituencies and were confident of maintaining a role in women's labour advocacy in the medium to long term (interviews February–March 2000).

Conclusion

Globalisation has wide-ranging implications for the work of many women in Indonesia. Although not all women have been directly affected, two major trends associated with the globalisation of production and consumption have led to the increased commodification of women's labour since the mid-1980s. The first of these is the rising number of women working in light manufacturing; the second, the dramatic increase in the number of Indonesian women working as domestic labour in the Middle East and other parts of Asia. Despite the differences between work in medium- and large-sized factories and informal sector employment in the homes of wealthy Arabs or Asians, there are important similarities between the experiences of migrant domestic workers

and female factory labour. Unlike women who continue to view waged work as an additional part of their home duties, work has become an integral part of the identity of female factory workers and overseas domestic labour.

Indonesian women working in these sectors face many difficulties, but they are not powerless. They seek to mediate their experiences of work as individuals and in small groups. In addition, their interests are the focus of a number of middle-class, feminist NGOs, which emerged in the 1980s and 1990s. These organisations have been shaped by international concepts of feminism and influenced by the funding priorities of international NGOs and aid donors. Although their activities touch only a small proportion of women whose work is affected by the global economy, their efforts have succeeded in raising domestic and international awareness of the conditions in which women work in Indonesia.

The Asian economic crisis of the late 1990s altered Indonesia's political structures and dramatically shifted its citizens' economic expectations. At the micro-level, the negative effects of the crisis on the material conditions of women workers were severe and far-reaching. Although in no way alleviating the distress caused to women by the crisis, changes in Indonesia's political system in the immediate post-crisis period provided a more open context in which women workers and women's NGOs could act. At a structural level, intervention by the International Monetary Fund and bilateral donors in response to the collapse of the Indonesian economy has increased international leverage over Indonesia's domestic policy and furthered Indonesia's integration in the world economy. This trend will encourage the further commodification of Indonesian women's work, but it also increases the efficacy of international pressure for basic labour standards and global NGO networks' access to Indonesia.

The relationships between the increasing commodification of female labour, women's responses to that commodification and the imperatives of the global economy are complex. In Indonesia, women's NGOs have been one small, but important, part of that puzzle since the mid-1980s. Their efforts have both material and symbolic significance. In addition to their practical efforts to assist factory workers and migrant domestic workers in Indonesia, they are part of a global web of women's organisations that attempts to mediate to the dominance of international capital**.** As such, they represent an aspect of what Kaur, amongst others, calls the 'international conveyor belt' that often escapes the attention of scholars (Kaur 2000).

Notes

1 There is no doubt that women working in Indonesian factories or abroad are not only poorly rewarded for their work, but are poorly treated in the workplace. See, for example, YASANTI (1996), Bethan (1993), Juliantara (1998); Kusyuniati and Kemp (1993), *Solidaritas Perempuan* (2000) and Tjandraningsih (1995, 2000).

2 It should be noted that these processes were not uniform across Indonesia. See Booth (1990) for a detailed account of inter-island differences in export commodity production.

3 It is interesting to note in Table 5.1 that (remembering many indigenous people would not be listed as 'employed') the occupational distribution of indigenous persons who identified themselves as 'employed' broadly mirrored the distribution of the wider population.
4 Historical records of Indonesian women's work are not good: Elliott cites a number of sources noting a pattern of under-enumeration of women's work in census records (Elliott 1997a: 157).
5 Statistics on female labour participation rates tend to underestimate women's economic participation because women's work is often cross-sectoral, and difficult to categorise according to the occupational labels used on population and industrial censuses. Women's non-domestic work is also socially undervalued. As a result of these factors, female participation in remunerative employment is potentially seriously under-represented in Indonesia's official figures (Benjamin 1996; Hull 1994; Manning 1998).
6 Declines in output were mirrored by declines in employment share. According to the 1961 census, the percentage of employed persons working in the industrial sector was only 5.7 per cent (Biro Pusat Statistik 1963: 4). The largest numbers of female factory workers were employed in the tobacco, clothing, textile and food industries (Elliott 1997a: 168).
7 White argues that we should speak of the '*re*-industrialisation' of Java in the 1980s–1990s, because, by 1990, the level of manufacturing employment as a proportion of all employment had surpassed 1930s levels for the first time (White 1993: 129). In other parts of Indonesia, however, industrial production is relatively new or non-existent.
8 Teri Caraway argues that, while there is a strong connection between labour intensity and the employment of women in manufacturing, there is no indication that export-oriented labour-intensive firms have a higher percentage of female employee ratio than labour-intensive firms producing for the domestic market (personal communication 9 March 2001).
9 According to Hugo, historically '[t]here is nothing to compare with the current movement' in Southeast Asia (quoted in *The Far Eastern Economic Review*, 23 May 1996).
10 Department of Manpower is the official, English-language translation of *Departemen Ketenagakerjaan Republik Indonesia*.
11 See the *Problema* series of labour-related press clippings.
12 Robinson's micro-study of 400 case files of new Indonesian labour migrants in 1984–5 revealed that all of the 78 per cent of migrants who were female were working as housemaids (Robinson 2000a).
13 When the financial crisis hit Asia in 1997, one of Malaysia's primary strategies was to expel Indonesians working illegally.
14 Ironically, perhaps, the women's division of SPSI was considerably more active than its 'mainstream' (industrially-based) departments. See Ford (1999), Ford (2000) and Hadiz (1997) for details of SPSI's failure to represent workers.
15 There were development NGOs in Indonesia as early as the 1950s, but politically-oriented NGOs only began to emerge in the 1980s.
16 Internal and external critiques of Indonesian women's NGOs have also echoed criticisms made of NGOs in general. These criticisms include claims that their organisational structures are exclusionary, that they rely on foreign funding (and thus may be influenced by external policy priorities) and that their memberships are seldom representative of the groups whose causes they advocate.
17 As Reychman notes, the members of these secular feminist organisations commonly have a university degree, and perhaps even postgraduate qualifications from abroad (Reychman 1997: 30).
18 See various editions of YASANTI's magazine, *Annisa*. See also Juliantara et al.

(1998) for a detailed account of the history of YASANTI and its activities with women workers.

19 Hadiz recognises this difference when classifying labour-oriented NGOs on a continuum between corporatist reformist and radical orientation. Having noted the important work of 'specifically women-oriented organisations' involved with factory workers, Hadiz allowed himself a special caveat because they were 'particularly difficult to categorise' (Hadiz 1997: 141).

20 KOPBUMI and its member organisations lobby the Department of Manpower to improve regulations dealing with migrant workers through the media and through direct contact.

21 It is interesting to note that SP has no links in Saudi Arabia because Saudi Arabia has no NGOs (interview 23 March 1999).

22 Research conducted by Teri Caraway in 1998–9 suggests that although there are instances of increased feminisation as a result of the crisis, many firms implemented hiring freezes, whilst some textile firms actually masculinised their workforces in the early months of the crisis.

23 See the *Problema* series of press clippings.

24 The plunging rupiah precipitated a series of protests against the Suharto government. Some participants in a protest staged by wealthy students from one of Jakarta's elite private universities were killed when the security forces intervened in the demonstration. Soon after, under increasing pressure from many parts of society, President Suharto resigned, appointing the then Vice President Habibie as his successor. Although Indonesia has since held a democratic election, uncertainty has plagued Indonesian politics since Suharto's resignation.

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6 Facing a new revolution in Vietnam

State textile workers in the post-reform economy

Mila Rosenthal

Economic reform in Vietnam and the subsequent impact of its expanding relationship with global capital has proceeded at an erratic pace over the last decade. The passage of the *doi moi* (usually translated as 'renovation') policies by the Congress of the ruling Communist Party in 1986 ended a period of intensive collectivisation of agriculture and opened the way for some forms of private enterprise and the beginnings of state owned enterprise reform. The withdrawal of Vietnamese forces from Cambodia in 1989 led in the early 1990s to the resumption of World Bank and other multilateral aid agency lending to Vietnam, and to the lifting of the United States' embargo on trade and investment. This in turn was followed by a sharp increase in foreign investment, led by Asian investors from Hong Kong, Taiwan, South Korea and Singapore.

Annual commitments of foreign direct investment rose steadily in the early 1990s, to peak at around $8.6 billion in 1996, before tailing off sharply as a result of the Asian economic downturn, and growing frustration with business conditions in Vietnam, reaching just $1.5 billion in 1999 (IMF 2000: 28). A large part of this investment (39 per cent in 1997) was directed towards establishing heavy industrial projects, as well as export-oriented manufacturing and processing operations in the south of the country, taking advantage of the country's low-cost workforce (IMF 2000: 31). The majority of export-oriented investment has been directed to the south of the country, around the economic hub of Ho Chi Minh City, reflecting its historically higher level of industrialisation and better infrastructural links.

In the 1990s, Vietnam became a major international exporter of garments and shoes, which accounted in 1997 for 14.8 per cent and 10.6 per cent of the total value of exports worth $9.1 billion, surpassed only in importance by oil exports (IMF 2000: 28). Vietnam is the largest exporter of shoes to the European Union. Similar growth in exports of textiles and shoes to the United States can be anticipated following the expected ratification of a trade agreement with Washington.

Since the state has retained considerable economic control, however, Vietnam has not shifted to a fully capitalist economy resembling that of its Asian Tiger neighbours. The Vietnamese system, like the current Chinese

one, may be described as a 'socialist market economy' that allows some private trade and foreign investment. It has also drastically reduced state welfare provision from the relatively high levels of the socialist era. According to the Party's political report to the Ninth Party Congress held in April 2001, the 'path forward' for Vietnam involves

> the transitional development to socialism bypassing the capitalist regime, that is, bypassing the establishment of the dominating position of the capitalist production relations and superstructure, but acquiring and inheriting the achievements recorded by mankind under the capitalist regime, especially in science and technology, to develop rapidly the productive forces and shape a modern economy.
>
> (CPV 2001: 9).

Following its traditional ideological support for state ownership, the Communist Party of Vietnam continues to stress the importance of the state sector, which accounted for 49.3 per cent of total industrial production in 1996, reflecting the dominance of major enterprises including Vietnam National Post and Telecommunications, Vinacoal, and Vietnam Airlines. The remaining output was split between the foreign invested sector (26.7 per cent) and the Vietnamese non-state sector (24 per cent) (IMF 2000: 12). State-owned enterprises (SOEs) continued to be given preferential treatment by state-owned banks, consuming a disproportionate share of bank credit in comparison with the private sector. In the 1990s, the SOEs were also still benefiting from preferential access to export quotas, affecting garment and shoe exports and rice exports. Additionally, SOE debt remained a heavy burden on the banking system. In 1996, just over 3.1 million people worked in the state sector out of a total workforce of 35.7 million. Of these, 1.8 million worked for SOEs, or roughly 5.2 per cent of the total workforce (IMF 2000: 14).

According to the international community and what are labelled the 'reformers' within Vietnam's Communist Party, a key part of economic opening is the privatisation of state-owned enterprise, and the closure of loss-making enterprises. The object is to free the banking system from the costs of supporting the SOEs' debts, and to increase access to bank credit for the private sector, while developing internal private financial markets to fund future development. However, at least up until the Ninth Party Congress in 2001, progress was slowed by disputes over the privatisation process, reflecting both political resistance from party traditionalists, and difficulties over arranging sell-offs to management, workers and, in a very few cases, foreign investors.

The first round of SOE reforms took place during 1989–94 and the second round began after the middle of 1998. The first round reforms were effective in reducing the number of SOEs as well as their output and employment share. Over the last ten years, the number of SOEs has been reduced from around 12,000 in 1990 to around 5,300 in 2000, with the government initially

closing down, or in a few cases privatising, small-scale, loss-making enterprises. Most of this reduction took place by 1994, but around 450 enterprises were privatised (officially called equitised) between 1998 and 2001. The share of SOEs in total industrial output fell from 62 per cent to 42 per cent between 1990 and 2000, and SOE employment fell from 2.5 million to around 1.6 million (World Bank et al. 2000: ii.12).

In the context of this partial economic liberalisation and marketisation, Vietnam has experienced both the symbolic and structural effects of globalisation. Foreign products and their accompanying ideologies of free trade, economic competition and status-linked consumption are becoming more and more available throughout the country. Access to these goods for some people is made possible by the decreasing regulation of internal and international trade. On the other hand, Vietnam's unwieldy bureaucracy and other infrastructural limitations have kept foreign investment far below initial expectations and, as of 1999, foreign aid had exceeded investment as a percentage of the national budget (Pierre 2000: 71).

The opening of Vietnam's economy has allowed the visible emergence of a tiny wealthy elite and a small urban middle class, with a growing wealth disparity between these privileged few and most of the rest of the country, including farmers who constitute the majority of Vietnam's population (around 80 per cent). According to the World Bank in 2000, around 30 million people (37 per cent of the population) were living in poverty, and around 25 million (60 per cent of the labour force) were either underemployed or unemployed (World Bank et al. 2000: i.9).

Transnational investment and *doi moi* had most evidently transformed areas in the south of Vietnam, around the economic centre of Ho Chi Minh City (HCMC). New industrial zones were created during the 1990s in the corridor between HCMC and Bien Hoa, leading to the creation of foreign-managed plants producing shoes, garments, electronics and other products for export, using a mostly female and mostly young workforce. The Tan Thuan export processing zone, for example, located a few kilometres to the south of the centre of HCMC, was approved in 1991. By the end of 2000, it had attracted 153 foreign-invested companies, 38 of them in the textile sector, and was employing more than 30,000 workers (Tan Thuan Zone 2001). The tensions associated with these developments were graphically highlighted by the problems encountered in 1997 and 1998 by Nike, the United States-based sports shoe and apparel company, following a series of disputes involving Vietnamese workers and Nike's South Korean and Taiwanese subcontractors.

But during the 1990s, *doi moi*, and the resulting exposure of Vietnam to global market forces, also brought less obvious but still significant changes on the lives of hundreds of thousands of workers in the old Vietnamese state-owned industries. For urban and industrial women workers, conditions in the existing state-owned enterprises and in the newly established transnational factories have some important similarities and differences; so far, very few have found in these jobs the opportunity for any class mobility. While workers at the foreign factories experience the downside of flexible labour

demands and competitively low wages, workers at state-owned enterprises have suffered both a precipitous drop in status from their previous roles as 'vanguards of the revolution' and great difficulties competing in the new market economy in providing for the new economic, social and educational needs of their families.

This chapter examines the effects of these macroeconomic changes on the women workers in one state-owned enterprise, the Eighth of March Textile Factory, focusing particularly on the generation of workers in their forties and fifties. These women, who have worked in the factory for more than ten years, have lived through the end of the period of socialist mobilisations and the introduction of market reforms, over which time they have experienced multiple shifts in the social and economic relations in the factory and in the factory living quarters. This chapter relies especially on ethnographic data from an extended period of fieldwork in 1998 and 1999. The chapter will begin with the history of the factory and these workers during the early high socialist days of the factory, followed by their work and family life in the factory and factory community in the recent post-reform days. In looking at what has and what perhaps has not much changed, I consider the experience of these women workers in relation to the socialist state, through the social institution of the factory, comparing discourses about gender and productivity in the socialist past and the new economically competitive present. The ways in which new economic pressures have influenced social patterns affecting these women's relationships with their managers, husbands and children will be examined. Finally, it is concluded that these women workers have not reaped much benefit from globalising economic reform but for the most part have been considerably disadvantaged by the changing economic and social context of post-*doi moi* Vietnam.

The socialist past of the Eighth of March Textile Factory

The Eighth of March Textile Factory is a state-owned integrated textile and garment factory on the outskirts of Hanoi. The separate sections of the factory begin with raw materials of cotton and polyester, spin thread, weave it into cloth, dye and pattern it, and sew it into garments. There were about two-and-a-half thousand shop-floor workers, most of them women, in 1999, with about nine hundred managers. The factory was in production twenty-four hours a day, with three shifts from 6 a.m. to 2 p.m., 2 to 10 p.m., and 10 p.m. to 6 a.m., and most workers scheduled into a rotating shift pattern such as one morning shift, two afternoon shifts, and three evening shifts in a week. Except for the newest recruits in their twenties, most of the older workers live in the factory's nearby collective living quarters, *khu tap the* or *khu*.

When North Vietnam achieved independence from the French in 1954, its economy was based almost entirely on small-scale agriculture. The Party Congress in 1960 decided that socialist industrialisation was the most important economic aim in the north and the first Five Year Plan (1961–5) specified

extensive investment for state-owned industrial development (Beresford 1989: 166). Vietnam's state planners were keen to develop self-sufficiency in the production of key goods in light industry, including thread, cloth and garments, and planned to establish a new textile factory in Hanoi. From its official opening in 1965, the Eighth of March Textile Factory became the most politically important textile enterprise in North Vietnam. Named after International Women's Day, the factory was intended to create new roles for women as well as produce goods for the revolution.

The Eighth of March Factory was the main supplier of fabric to the state sector and the army, making it a priority operation and attracting unwanted American attention during the bombing campaigns of the war. Until *doi moi* in 1986, the March Eighth factory's main export markets were the Soviet Union and the Eastern Bloc countries. The factory was built with the help of Chinese advisers according to Chinese architectural design. All the original textile equipment and machinery was of Chinese origin, installed by Chinese engineers who worked with Vietnamese workers and cadre who had been sent to southern China for training.

Despite the state's professed intentions of absorbing an existing urban female labour force for March Eighth, most of the original women workers had agricultural backgrounds. The Party tried to build an urban proletariat from the rural young people who were recruited into factories such as the Eighth of March. In order to create a self-identified proletariat class, to foster grass roots socialism, and equip these new workers with proper 'industrialisation and modernisation' orientations, the state and the Party promoted extensive political socialisation within industrial settings. Factories in northern Vietnam were significant locations for the implementation of revolutionary policies. The March Eighth Factory fit Walder's thesis that: 'The state-owned factory in a communist economy is less an economic enterprise than a social institution' (Walder 1986: 28). Through this socialisation, the Party and the state hoped to create a dedicated workforce that was inspired by political belief, with a productive ethic of socialism.

Most of the March Eighth workers were women and some had already served in the Volunteer Youth Brigades of the Army. They came mainly from poor farming families, often ones with a revolutionary past. In some cases, they had been volunteered for the Youth Brigade by fathers who were protecting only sons against military conscription. Tinh, a woman worker in the thread spinning (*soi*) section, talked about joining the Youth Brigade:

> My family had seven of us, one brother and six sisters. I entered the Volunteer Youth Brigade in 1972. The commune took me in place of my brother. I was still pretty small, and my father had to persuade them. I was seventeen years old, but because my older sister had just gone to marry her husband, only I in the family was big enough. Because my family had enough girls, my father said 'stop' and asked to defer my brother and send a girl in his place. For a boy to go was not lucky if he dies. That year there were a lot of deaths and then if a boy dies in the

> family you lose the bloodline. But if a daughter dies then she just dies herself. So I went instead of my brother, and the commune agreed.

Some of the original workers had kin connections to urban cadre who arranged their recruitment. Thuy, for example, a 58-year-old retired worker from the weaving section, told me:

> I first came here to work in 1960. I had a cousin working in the Politics Ministry. He brought some of his relatives here to work. I lived in the village at that time. He said they were going to build a factory here and it was suitable (*phu hop*) for girls, so he brought me here.

Tam, from Ha Tinh province, followed her husband to Hanoi and was later recruited into the factory from a state-owned construction company, where she had been awarded a 'distinguished worker' certificate. She said of March Eighth recruitment:

> They took only distinguished workers. My former company allowed the better workers to leave and join the factory so I went. In this way the factory recruited people. It wasn't done in a natural way, I mean they didn't recruit workers by chance.'

Tam says she was also told the factory was 'suitable for women'. There is interestingly contradictory evidence in the stories that workers tell of the recruitment policies: that to get a job at the factory, women had to have political connections or accomplishments, or had to be disposable because they were girls. These examples are inconsistent with socialist policy that recruitment, like all political action, be impersonal and egalitarian. The agreement of commune officials to send girls instead of boys for the war effort contradicted state efforts to eliminate gender hierarchies and eradicate son preference. These contradictions persist throughout the history of the March Eighth factory in the official and unofficial views of the roles and importance of women workers. The pre-revolutionary social norms on the pre-eminent role of women in the garment and textile industrial labour force define the sector in Vietnam today.

Thus, some elements of pre-socialist social relations persisted and were reinvented in the March Eighth Factory in the ways that women and men accepted and rejected elements of the socialist campaigns on gender equality, and even in the way the state unevenly encouraged and enforced these elements. As discussed in the following section, son preference, for example, is still widely recognised; housework is still very much women's work; men still get the best jobs. As the gender differentiation in the allocation of jobs in the factory has remained much unchanged in the years since its establishment, so has the salary differential that accompanies this differentiation. Although the equality of women was a professed value of the Vietnamese revolutionary state, this did not include a radical rethinking of a pre-existing

gender division of labour in industrial production. According to the workers in the factory, textile and garment labour is seen as naturally women's work, suitable for women. Women have always done most of the production jobs in the factory, but men are assigned to jobs that are defined as heavy, dangerous, or highly skilled. In the shop-floor jobs, men comprise about 3 per cent of the workforce, including heavy lifting and loading jobs in the packing and sewing sections and most of the jobs in the dyeing section, which is believed to be dangerously toxic. Industrial textile production in capitalist contexts often imposes the same division of labour on dyeing work, as Mills in her work on Thailand (1999) and Wolf in Indonesia (1992) have described. Men also run the power plant sections and most of the engineers in each section are men. While worker salaries for women averaged 450,000 Vietnamese dong (VND) a month (about $30), men's salaries averaged 600,000 VND (about $45).

In shop-floor management, many of the lower level jobs are held by women, at the level of shift boss and production leader, jobs that retain a direct production component. Of the office jobs, though, including section heads and their deputies and the vast management structure that is housed in its own separate buildings, the majority are held by men. The historical inequality in the allocation of management jobs to men is usually attributed to a pre-socialist gender inequality of educational access, although now, after forty years of successfully egalitarian socialist educational policy, this is an unconvincing argument. The persistence of this inequality is more a reflection of access to political patronage, which is still clearly dominated by men.

Most of the workers in the factory until economic reforms lived in the collective living quarters, the *khu*, of the factory, a set of large apartment blocks down the street from the main factory grounds that were provided for workers and around which an entire small village community has grown. The *khu* was also built according to Chinese models for collective living, with communal toilets and kitchens and public dining halls. The rooms were designed to be dormitory housing for single women to share, but, as the women workers began to marry, they became one-room family flats. Since women from the countryside were granted Hanoi residence permission (*ho khau*) and this was transferable to their husbands, they were especially marriageable and many married men from their home town, often without permission or arrangement from their parents. This meant that their husbands came to live with them, departing from Vietnamese customary arrangements in which women went to live with their husbands' families and came under the domestic supervision of the mother-in-law. In this revolutionary living arrangement, therefore, the *khu* was not only uxorilocal (residence defined by the wife rather than the husband), but was characterised by an absence of the parental generation. The state intended these new arrangements to enable women to enact new roles at home according to socialist egalitarian principles, including a more equitable division of domestic labour between husband and wife, although the latter effort has been quite unsuccessful.

The attempts to encourage new kinds of family relations were part of the overall state and Party intentions to create diligent socialist workers and promote 'New Family Culture' (*gia dinh van hoa moi*). The communal design of the living quarters and the public attention to domestic roles were all part of this attempt. The mass mobilisations and political education campaigns that were carried out in the *khu* and the factory promoted egalitarian and communal values as well as productive ones. From the establishment of the factory in the early 1960s until reunification in 1975, these campaigns attracted many workers to join the Party and the mass organisations and received enthusiastic support from at least some of the workers.

These campaigns also established the pattern of extreme state involvement in the personal and domestic life of the March Eighth workers. These state campaigns were embraced and pursued by many workers and cannot easily be characterised as purely coercive, but they did represent the politicisation of many kinds of social behaviour. The mass organisations and the Party structure in the factory and the *khu* assumed a role of promoting, monitoring and enforcing these codes of behaviour. For example, responsibility for approving marriages shifted from parents to the factory's Party cells and Trade Union, which had nominal authority over marriage choices of the workers. As part of their pastoral duties, cadre from the factory Trade Union were sometimes even involved in trying to persuade workers' families to accept the workers' marriage choices. One now retired Trade Union official from the early days in the factory described his experiences of travelling across the northern provinces, surreptitiously visiting families who had threatened to disown their daughters for marrying strangers. He assumed disguises and identities and pretended to be variously a failed suitor of the worker, a friend of the fiancé, or a manager in the factory. Also replacing the family in the role of wedding planner, the Trade Union or local Party cells in the *khu* were responsible for arranging the wedding ceremonies, which were resolutely secular and simplified, in accordance with state policy on ritual reform.[1]

The mass organisations and management of the factory were also responsible for protecting public morals and enforcing the rather chaste attitudes of Vietnamese communism. Male workers accused of seducing unmarried women workers, or married workers of either sex suspected of having an affair were brought before their local work cells and neighbourhood block units for self-criticism and scolding. Women workers were discouraged from having children too soon, as it would interfere with the production process, especially with so many men away fighting the war. One large-scale campaign that promoted this, for example, was the 'Three Delays for Women' campaign: to delay falling in love, to delay getting married, and delay having children. In an integrated system of surveillance and enforcement, a woman worker's Trade Union cell would grant her a brief leave if her husband had a visiting pass from the army; the Women's Union would supply her with condoms; the management board of the *khu* would give them a private room for the few days of her husband's visit; and the Trade Union cell would check

later that she was not pregnant and, if she was, give her two days' leave and official permission to have an abortion. This level of micromanagement of workers' personal lives can be read as paternalistic and parallel to the policies adopted towards women workers by managers in transnational capitalist factories elsewhere in Asia.

Productivity, ideology, and women workers

With political activity promoted as a priority, productivity in the factory during the period of socialist mobilisations was successfully portrayed as a patriotic pursuit. Training was once seen as an unparalleled opportunity for advancement into and within the factory. All workers entering the factory in the early days trained from six months up to two years in their production section. In the early days, this included political education as well as basic skills training. Workers were expected to be familiar with the work of other sections as well as their own and to be mobile between sections. This training period was lower-paid than normal, but included the same subsidies and benefits as regular work. This attitude towards training established an initial pattern that persists now, but disadvantages newly recruited younger women workers.

The biggest problem with production in these early days was the wave of American bombing campaigns in the north, which led to the factory being entirely evacuated twice, in 1965 and 1972. The various production sections were dispersed to different outlying areas of Hanoi, from where, in a prodigious feat of organisation, coordinated production continued to partially function, with thread rushed across town from one site to the weaving machines in another site (unfortunately, the contemporary result of this once-inspiring effort has been a further deterioration in the efficiency of the machines that were disassembled and moved several times). Self-defence brigades were organised in the factory, made up almost entirely of women workers, who went above-ground during air raids to try to shoot down American planes and to put out fires started by the bombing.

For all these reasons, worker morale is described as very high during the early days of the factory. Women workers were well aware of their increased status and privilege and, during wartime, factory production benefited from the unifying effect of fighting a common enemy despite the hardships endured in the process. The mobilisations and political campaigns helped to whip up enthusiasm for factory work, and the rewarding of individual innovations and demonstrations of expertise encouraged workers to participate actively in the production process. This is how these older women describe their experiences, when they were young and had a sense of purpose about their work. They had been successful in their involvement in the factory and viewed its patronage as a positive virtue, revealing sometimes nostalgic and idealised versions of this recent past.

The enthusiasm that is attributed to the early days of the factory waned quickly after the end of the war. General economic conditions that affected

the Eighth of March workers worsened with the difficulties that accompanied national reunification in 1975, the occupation of Cambodia and the resulting border war with China in 1979. There was widespread over-reporting of production output and a precipitous drop in worker morale. The quality of the fabric produced at the factory was said to have fallen to the point that it barely held together. Even so, as the only commodity to which the workers had access, the fabric was also a tempting target for theft and resale on the black market. This further limited output, both from petty pilfering by workers and larger-scale fraud by managers.

During this time, after reunification, a war economy was still imposed, and many workers at the Eighth of March began to work outside the factory in part-time and casual labour (*lam them*, literally to 'work extra') to supplement their meagre rations. This was a widespread problem in state-owned enterprises in Vietnam at the time, with productivity falling as 'moonlighting' became commonplace. March Eighth workers carried on outside work such as tailoring, cooking snacks for sale in street stalls, setting up small tea stands, and trading in rationed goods and food on the black market. Besides taking time away from their shifts to 'work extra', workers at this time also had to dedicate large parts of their days to standing in queues to trade their ration tickets for staples such as rice, cooking oil, charcoal, and meat.

The market economy and the effects of *doi moi*

The problem of queuing and shortages began to change quite quickly with the introduction of *doi moi* economic reforms from 1986. By 1998, the *khu* was abuzz with private entrepreneurial activity, with well-stocked food markets and shops offering imported consumer goods. At the same time, the decline in state provision of social services increased the financial demands on workers to contribute to healthcare costs and particularly children's education, which was seen in turn as the only opportunity for a family's economic advancement. The only way that March Eighth workers could compete in this newly visible arena of consumer display and class aspiration was by pursuing sources of wealth outside the factory. However, with the factory's ostensible interest in the management techniques of capitalist enterprise, attendance for workers was re-enforced. Workers could no longer sign in and then wander off back to the market or home; they were required to stay, and work, for the duration of their shift. Now, workers must still work extra to make up the difference between their state salaries and market prices, but they must also fit this extra work in after regular shifts. This adds to their complaints about being 'always tired and always busy', which is how most workers describe themselves. This is one reason why they see themselves as having suffered under economic reforms.

Besides the economic context in which March Eighth workers now have to provide for themselves and their families, standards of productivity and expectations of work in the factory have also changed since *doi moi*. SOE reforms have affected the workforce at the Eighth of March factory in various

ways. There is much confusion about how the factory should operate if it is not a traditional state-owned enterprise, which reflects a wider confusion in state policy and folk interpretations of economic reforms. March Eighth managers are now told to pay more attention to productivity and market competition, but the ones I knew either admitted outright or implied that they were unsure of how to achieve this. Vietnamese communist orthodoxy has even prevented the word 'privatisation' from being applied to SOE reforms, a process that is officially known as 'equitisation'. Most of the workers I talked to had never heard the official Vietnamese word for 'equitisation' (*co phan hoa*, which literally means 'splitting into parts'). The situation was the same contradictory one as described in a Chinese setting, where the state encouraged factory managers to adopt capitalist methods but then criticised them for not having proper socialist spirit (Rofel 1989: 246).

Exacerbating the anxiety about market competition was the dire state of the factory machinery, most of it the original almost forty-year-old Chinese equipment, with some later additions from other countries. The factory suffered an immediate drop in demand for its products after *doi moi*. This was due to the collapse of the Soviet Union and Eastern Bloc, its main export markets, as well as a drop in domestic demand due to competition with an increasing flow of smuggled cheap textiles and garments from China. In addition, the factory had a disastrous financial year in 1998–9 and, like many state-owned industries, was only surviving with massive state loans (total Eighth of March debt was $10 million in 1998–9).

The factory has maintained a limited export market through privileged export quotas, through which state-owned enterprises maintain an unequal competitive advantage against private and foreign firms. However, this backfired when the factory had problems meeting the demands of the export market. Twice in the months of my research in the factory, I encountered angry foreign buyers complaining about the quality of the products they had ordered. In one instance, I was in the folding and packing room of the main sewing section, where a set of resort wear for a Taiwanese company was rolling off the production line. The outfit was a polyester ensemble of elasticised black-and-white striped shorts and an aquamarine blue kimono jacket embroidered with the legend 'Valentino Coupeau – Paris'. Two Taiwanese men in sharp suits, bellowing at their interpreter, were snatching the clothes from the hands of the folders and throwing them up in the air to land in piles on the folding table. 'Maybe they don't like the colour?' giggled the worker I was interviewing, as we watched from a corner of the table. No factory representative, even the quality control manager who was present in the room at the time, intervened or even acknowledged the presence of the unhappy businessmen. Over lunch, the women from the sewing section gossiped about the incident and asked those of us who had been in the folding room to describe the whole scene in great detail, and they all speculated about what the problem had been. They concluded that it was the bad temper of the Chinese businessmen, who were probably trying to take advantage of the factory by bargaining too hard. Just as they did not

understand the possibility of the factory being 'equitised' in the free market economy, so the workers were unclear what producing for a competitive market entailed.

The dyeing section of the factory has suffered the most from Vietnam's economic opening, as a result of competition from private dyeing shops. Additionally, the factory's inefficient integrated structure meant that production bottlenecks more often occurred at the end of the weaving process than in any other section. Workers in the dyeing section were often unemployed and sometimes were asked to accept lay-offs when there was not enough work, with token partial pay, a radical departure from the full lifetime employment that workers at the factory had previously experienced. The dyeing section also had a number of large machines that had never been repaired since the war, after being dismantled in evacuations, shipped around, and reassembled entirely at least twice. Due ostensibly to health concerns for the reproductive safety of women workers, most of the workers in the dyeing section were men and they did what were described as 'toxic jobs', with a small monthly bonus for toxic pay, about 1 per cent of their salary.

One key element that affects how workers evaluate their experiences is the opportunity for socialising while working, which varies from section to section, depending on production. In some, the machines are so noisy that chatting is difficult on the shop floor at all. In the thread spinning sections, for example, each worker is responsible for a row of twenty automated winding machines that they have to keep from clogging, and on which they must change spindles of thread when they are full. In those sections, women wander solitarily up and down their rows, occasionally grappling with a tangled thread or jammed machine. The noise is such that you can walk up behind a worker, calling for her, and she will not hear you until you are upon her: a worker sometimes teased another by popping out from around the end of a row, startling her. The women at these machines said that they were bored because they cannot chat. Vietnamese sociability considers being alone to be almost a spiritual deprivation. When workers said that working in these sections is 'unfriendly' and 'unsympathetic', they expressed a serious discontent with their daily work environment. Women in these sections were more likely to eat in the subsidised public canteens, rather than bring packed lunches from home, so that they could mingle with their fellow workers away from the noise of the shop floor.

On the other hand, idle workers such as the designers in the pattern section also complained of boredom because of having nothing to do. Workers in the packing and folding rooms in both the dyeing section and the sewing section were most content with the pace of their work and its sociability. They could chat easily while working, and by working in groups could regulate the pace of production so that they were never rushed by a speed set earlier on in the line. In all of those sections, workers brought lunch in stacking tin lunch pots and sat together in their sections during their lunch break, finishing with several cups of tea from a communal pot. In these quieter

sections, workers had adapted existing surfaces into nap spaces, curling up on the packing tables, on the drafting desks, or in the curved belly of the rolling machines for after-lunch naps.

There is no evidence in the factory that most workers are highly motivated to productivity. At various times when I was in the factory, a power cut would plunge shop floors into darkness and silence, as the lights went out and machines stopped abruptly. Invariably, a round of pleased applause would go around, and the women would gather in little groups to chat while they waited for the electricity to return. When this happened once while I was in the sewing section, the clatter of electric sewing machines ceased into a peremptory hush. The quality control manager, with whom I was chatting, joined in the round of applause and set down the shirt she was examining. Her work required no equipment, and since there were high windows in the packing room and plenty of natural light, she could have continued to check the pile of shirts in front of her, but she stopped for as long as the electricity was off, about half an hour in that case. During power cuts machine workers did not stray far from their machines, apparently out of concern of being caught out when the power came back on. But those in the sewing section had more freedom to wander around during power cuts; since each worker on that project was responsible for a whole section of a garment, they were under less pressure from the assembly line.

After observing work in several different sections, I asked Tam, a retired Trade Union official, how workers were motivated. Tam told me that, in the past, political peer pressure was a primary motivator. She said 'If they left their machines during a shift, for example, or missed work, they had to write a report, and were criticised. Their competition scores would be cut down, for example for title of "Excellent Worker".' Since *doi moi*, though, more direct economic incentives are used: 'Now there is not enthusiasm like in the old days. When they started to use the monthly bonus system, people would be switched from Category A down to B in the ranking system, or they would have their salary increase delayed.'

Thus, in order to adopt a more market-oriented attitude among workers, a productivity bonus system had been introduced in some of the sections, with ranks for each of the workers that were evaluated monthly. However, this system has been adapted to existing hierarchies in a way that renders it impractical as a motivating force. Quy, a shift boss in one of the spinning sections, is in many ways typical of the original workers in the factory, trying to negotiate a compromise between the socialist ideals she had pursued in the early days of the factory and the wave of new expectations in the market economy. She showed me how she filled in a large ledger with notes on the productivity ratings for different workers on the shift – according to scale, planning, safety, and hard work, with ranks up to six marked for each worker.[2] As she filled in the blanks without reference to any notes, I asked her how she remembered all the numbers for each of the fifty or so workers she was marking. 'See, this is Sinh, she's worked here for thirty years and is rank six,' she answered, pointing at one worker's line. 'Minh, though, she's only

on contract for one year; she doesn't even have a correct rank but it would be one. Phuong and little Nga, they're in their thirties and both have children. They're rank four.' All of the columns for each category of productivity assessment were filled in with ranks allocated simply on age and seniority, so that Sinh got sixes in each column, resulting in a total salary that month of 120 per cent, while Minh got ones in each column, resulting in a total salary of 80 per cent.

This method followed neither the competitive expectations of the new economy nor the particularising organised dependence found in China (Walder 1986: 7); rather, it followed a simple pre-socialist model of age hierarchy. The Vietnamese Communists attempted to eliminate this age hierarchy in ritual practice, social relations, and even language, introducing the egalitarian address of *dong chi* (comrade) in place of the personal pronouns that place speaker and spoken-to within an exact relationship of age and status based on kin terms. The use of *dong chi* has almost completely fallen out of favour since the reforms. For example, as she read to me the list of bonuses, Quy read the names with personal pronouns based on kinship terms, from those older than her (*ba*, grandmother, *bac* and *co*, senior and junior aunt) to her near contemporaries (*chi*, older, and *em*, younger sister) to the newcomers (*chau*, little children).

Thus, March Eighth workers now find themselves in a kind of limbo without a coherent new ideology at the factory to replace their once persuasive socialist one. They are not making enough money to be enthusiastic about capitalism, under which they have to actually show up for work, with less of a social welfare system to cushion them, and which demands even more of their time working outside the factory to sustain their families. The new system increases demands on them and, in the case of new young women workers, without even offering existing benefits. Additionally, as women assume the primary economic role in most families in the *khu*, men attempt to assert more domestic control, possibly to make up for their diminished economic influence.

State policy and women

Exacerbated gender tensions are one result of social changes accompanying market reforms in Vietnam. In the families of March Eighth workers, these are displayed in new attitudes towards night shifts and rotating shift patterns at the factory, which used to be seen as a necessary part of socialist production. Women workers now say shift work is hard for mothers, who cannot spend enough time with their children and cannot cook proper meals because of the time involved in getting to the market, which is closed at inconvenient times for the shifts. Husbands say they do not go to the market because shopping is women's work, as is cooking, and complain about being inadequately fed when their wives work night shifts. They say they are uncomfortable with their wives working at night, from the danger of them commuting even the short distance back and forth to the factory and because women should

be home in the evening with their children. Many husbands of women workers I knew said that they thought that it was 'not suitable' (*khong phu hop*) for women to work night shifts. This general level of suspicion was acknowledged by shift bosses, who said that they were now discouraged from holding meetings after work. If they kept women workers past their shifts, they told me, they would receive angry telephone calls from some husbands demanding to know where their wives were, accusing them of having gone off to meet other men.

Besides concerns about productivity, domestic life and social mobility, another result of reform and economic change that has struck at morale in the factory is the recruitment policies for young workers. In the late 1980s, in order to cut down the swollen labour rolls, the factory encouraged older workers to resign with full pensions and land use rights of their *khu* apartments. Their children, who had until then been encouraged to plan on jobs in the factory, were no longer offered jobs when they came of age. After this period of restructuring that cut about a thousand jobs in the factory, new hiring standards were established that resemble those in transnational manufacturing firms. Rather than offer the lifetime employment that March Eighth workers once took for granted, the factory now hires young workers on one-year contracts. Using the pre-existing training system, the factory demands that new workers train for six months to a year without pay, while using them in production alongside paid workers as part of their 'training'. In the sewing section, the trainees are responsible for sewing all of the factory uniforms, which the factory then distributes to workers. One study of the Vietnamese textile and garment sector points out the irony of these long training periods in state-owned enterprises, since women are chosen for these jobs precisely because they are believed to have a natural dexterity and aptitude for this kind of work (Tran 1999: 148).[3]

These temporary workers at March Eighth experience exactly what Walder described in the equivalent post-reform period in China, where temporary workers were also denied access to most of the benefits of working for the state (Walder 1986: 50). Without full-time employment, the March Eighth temporary workers, if they have come in from the countryside, cannot be granted permanent Hanoi residence permission. They are given temporary residence registration for the duration of their contracts, renewable year to year. This temporary registration is non-transferable, so they cannot marry men from their home villages and bring them to Hanoi legally. On the other hand, without social networks in the city they are unlikely to meet Hanoi men on their own and, with their low-paying and low-status factory jobs, they are not very marketable in the urban marriage economy. Nor are these workers allocated *khu* housing, and so have to spend part of their small salaries to rent rooms in local houses, usually sharing with three or four other workers. Rather than encouraging the growth of stable, harmonious families among these young women, therefore, the factory's policies actively discourage this group of workers from establishing a new generation of dedicated workers.

Additionally, these young women workers are usually far from home because the factory discovered that Hanoi women were unwilling to do factory labour. Quy, the shift boss from the spinning section, said:

> The factory now tries only to hire girls from the countryside. The girls from the city don't like it and don't work hard, and too often quit in the first year. Those country girls are used to hard work and don't complain.

As Parry (1999) suggests, workers from the countryside find that work, particularly in state-owned enterprise, is no more intense, or even less, than workers' agricultural labour experience. Since the factory's beginning, women workers at March Eighth who grew up in peasant families have always found factory work less onerous than farm labour.

On the other hand, recruiting male workers at the March Eighth factory is becoming even harder in the reform economy, despite the high unemployment rates for Vietnamese men. This is partly because men with the required technical skills to fill many of the male jobs in the factory can earn more in private enterprise. Additionally, even if women did not think that factory work was too hard to bear, most men do. Male workers' pre-factory labour experience was rather different to that of women, and even rural men are less accustomed to the monotonous rigours of hard work, since the division of labour in the paddy fields leaves the most arduous parts of the cultivation process to women. A recent survey shows that women produced between 60 and 70 per cent of the nation's entire agricultural output and that 75 per cent of heavy manual labour in the countryside is carried out by women farmers, who work on average four hours a day more than their male counterparts (Watkin 1999: 1). Although state socialist policies on gender equality once encouraged more male participation in domestic as well as waged labour, without this ongoing encouragement men have overall become even less involved in the economic life of their families.

This general gender division of labour has created a situation in the *khu* now in which economic life is overwhelmingly the responsibility of women. Some mothers in the *khu* are widows or divorced, raising children by themselves. Most of those who are still married cannot rely on a regular income from their husbands or adult sons, many of whom work only occasionally as casual labourers or motorbike taxi drivers. During the day, while the women work in the factory or run the stalls at the public market, the courtyards and street-side cafes of the *khu* are filled with underemployed men, chatting, drinking tea or beer, smoking endless cigarettes and playing cards or Chinese chess, and in many cases gambling away as much of their wives' salary as they have access to.

Gambling is one way in which men assert their importance within the family, by allocating at least part of the household income to the production of their own status rather than to educate children or clothe wives. Possibly another way is in the physical assertion of their dominance. Domestic violence is a problem in the *khu* and statistically increasing in Vietnam,

recently becoming the target of a socialist campaign, suggesting that social behaviour is at odds with still current state discourse on gender equality and morality. Similarly, there is still ambivalence about the way that Vietnam's two-child policy prevents families from trying to have sons if they have two daughters. Son preference has been the target of state campaigns and is portrayed as a backward and feudal ideology. Women told me that the problem was husbands, who still demanded sons. Many of the divorce cases that I heard about in the *khu* were attributed to the failure of the marriage to produce sons, and this was always blamed on the attitude of the man.

Women workers must sustain this high rate of domestic, industrial and commercial labour with which most of them support their husbands and families if they want to maintain their minimum standard of living and hold out any hope for their children's advancement into a higher one. This desire also conflicts with existing socialist policy on family life, for example as women have turned for help to a pre-socialist social formation, that is, the daughter-in-law. The older workers were a generation who lived away from their rural mothers-in-law, in a deliberate state attempt to break the feudal cycle of tyrannical mothers-in-law demanding exacting standards of domestic labour from daughters-in-law. Now, however, women workers at the factory encourage their children, especially sons, to live at home after marriage. One benefit of this for older workers is extra domestic labour in the form of daughters-in-law and new sources of household income from these women's paid labour as well.

Struggling to maintain their work schedules and their domestic demands, March Eighth workers are neither demanding more assistance from their men nor accepting a view of themselves as less productive than male workers. Their applause at power cuts in the factory may be read as resistance to the demands of productivity, but in fact how hard they work at the factory is less their concern than why. In the idealised socialist past, they saw themselves as good socialist workers, but they no longer have such a moral image to aspire to.

Conclusion

The processes of globalisation that have affected the productivity demands of the Eighth of March Factory are the same that have created the private market in goods and services that require the extra labour of women workers to provide for themselves and their families. Prospects for the future of the March Eighth Factory and its workers are not encouraging. Although its historical and political status has insulated the factory from the full brunt of *doi moi*'s state-owned enterprise reform policies so far, as SOE reform continues, the factory may face radical reorganisation and reinvestment. This would almost certainly eliminate many shop-floor jobs and leave many of the older women workers jobless. Even more likely, without significant foreign interest in its equity, the factory will shut down entirely, dispossessing its entire workforce. Although textile production will probably expand in the

more rapidly industrialising south of the country, the existing textile manufacturing sector in Hanoi is unlikely to grow enough in that time to absorb significant numbers of the March Eighth workers. The older workers, with their outmoded skills, will be least attractive to private sector and foreign employers, who prefer a younger and more mobile workforce. Not surprisingly, March Eighth workers are dubious over the benefits of Vietnam's globalising efforts.

In this transition period between socialist economics and the newly marketising economy, state power and policy has not replaced the old ideological system with a comprehensive new one that can rationalise the hardships that women workers now experience. In post-*doi moi* Vietnam, the confusion over the conflicting demands and advantages of the market economy is reproduced inside the March Eighth Factory in the incompatibility between the vestiges of the socialist system and half-hearted attempts to adapt and compete.

Notes

1 The Trade Union is one of Vietnam's official mass organisations, which functions more or less as an arm of the Party. During the period of socialist mass mobilisations, the Trade Union in the factory was primarily in charge of political education and promoting Party campaigns, such as Party efforts to encourage women's free marriage choices, mentioned here. With fewer mass mobilisation campaigns under *doi moi*, the Party has not assigned the March Eighth Trade Union cells much of a role in the economic transition. The Trade Union in the factory is now almost inactive except for some ceremonial functions, and worker membership in the Union is currently very low.

2 The factory does have official ranks for each worker, based on their seniority and also their skill level, which is supposed to be tested every year. Workers can increase their ranks through taking extra training courses and taking skills tests. For calculating productivity bonuses, though, there are temporary ranks used that are described here.

3 Ong, among others, decribes this assumption in detail (Ong 1991). The most unexpected version I have heard of it personally came from Jill Ker Conway, a well-known feminist historian, author of the best-selling memoir *The Road from Coorain* and former president of Smith, a prestigious American women's college. Conway served on the board of the Nike Corporation and came to visit Vietnam during the controversy about unfair labour practices in Nike subcontracting factories there. Meeting with NGOs and researchers in Hanoi, Conway expressed her personal concern, 'as a feminist', for the plight of the young women Nike factory workers, whom she described as the most vulnerable group in society. When I asked why then Nike continued to target this group for employment, she answered 'You have to hire women for these jobs. They've got those nimble fingers – men can't even operate those machines. That's how it's been in the shoe industry for a hundred years.' When I responded that many studies had suggested that this is a myth perpetuated by gender bias, Conway shook her head at me dismissively and said, rather remarkably for an academic, 'Well, don't believe everything you read.'

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7 Working for global factories

Thai women in electronics export companies in the Northern Regional Industrial Estate

Sally Theobald

This chapter documents Thailand's intensifying relationship with export-oriented industrialisation (EOI) and hence with processes of neoliberal economic globalisation as discussed in Chapter 1. The specific case study of an export processing zone, the Northern Regional Industrial Estate (NRIE), clearly illustrates how the Thai state has been proactive in persuading multinational companies (MNCs) and Foreign Direct Investment (FDI) to locate within its borders. The provision of financial incentives and privileges, a fully equipped industrial park, an absence of trade unions and a steady supply of female labour attract investors to the NRIE.

By making use of the voices of young Thai women workers the chapter conveys the impact of economic and financial global processes on their working lives and experiences. MNCs' demand for young female labour, which is based on culturally mediated stereotypes and images of women's physical and social characteristics, complements and reflects the specific Thai sociocultural context that expects and rewards financial contributions from its daughters. Through the use of qualitative and participatory methodologies, what this feminisation of the labour force in electronics MNCs means for the daily experiences of young women workers is explored. The alliance between MNCs and the Thai state can produce oppressive working conditions and processes that are clearly gendered and have far-reaching repercussions for workers' well-being. The often oppressive and hazardous working conditions and hierarchical processes are outlined. Vignettes from workers, however, show how they are not simply passive victims of these processes. Workers can create strategies to resist and contest oppressive and repressive gendered working conditions on a daily basis. In the NRIE, worker-based organisations are also finding ways to contest the harsher repercussions of industrialisation and work towards meeting workers' needs in a complex and sensitive political context. The challenge is to find ways to build on these and work towards a politics of inclusion that contests the harsh and exploitative repercussions of economic globalisation.

Conceptually the chapter deploys a gender analysis framework to delineate the key influencing factors in the experiences of women workers in the NRIE. A gender lens is applied to the norms and values in recruitment,

practice and wider institutional processes in the different factories in the industrial estate. How gender relations can shape the push and pull factors for women workers against the backdrop of economic crisis is explored. Finally the chapter applies a gender analysis to concepts of hegemony and resistance on the factory floor and in wider society. The chapter concludes by advocating participatory alliances between workers, the state and industry to create space for dialogue and action towards better working conditions and processes.

This chapter draws on eighteen months' fieldwork carried out in 1997–8, mainly in the workers' dormitories around the NRIE, where the following data-generating methods were deployed: in-depth interviews, focus group discussions, participant observation and questionnaires. Content analysis (Patton 1990: 381) proceeded concurrently with data collection. A critical reading of transcripts from each in-depth interview, focus group discussion and open-ended questionnaire response is utilised. Illustrative quotations from the analysis process are used throughout the chapter.

The intensifying relationship with export-oriented industrialisation

The structure of the Thai economy has changed rapidly over the last fifty years: from that of a relatively backward exporter of agricultural products, to a state with exports dominated by manufactured goods and services (Warr 1993), which has turned into an economy characterised by stagnation and crisis. The economic policy focus is determined through Thailand's five-year development plans, implemented through the National Economic and Social Development Board (NESDB). The first World Bank mission to Thailand, in 1957–8, prepared the way for the creation of centralised planning agencies, such as the Board of Investment (BOI) and the NESDB (Glassman and Samatar 1997). These institutions served to enhance the capacity and legitimacy of the state to administer the broader processes of capital accumulation. The First Five-Year Plan started in 1961 and by the Fifth Five-Year Plan (1982–6) the focus was on prioritising economic restructuring, with an increasing emphasis on an industrial policy that promoted export-oriented industries and the dispersion of manufacturing industries to provincial areas. However, it was during the time period of the Sixth Five-Year Plan (1987–91) that growth really accelerated and commentators started to refer to Thailand as a newly industrialising country (NIC).[1] Compared to the Fifth National Plan, the number of approved investment projects during the Sixth Plan increased threefold, and investment capital rose by 700 per cent (Piriyarangsan and Poonpanich 1994: 212). The Sixth Plan coincided with the growth of the Thai electronics industry, the development of which has been substantial since 1987 (Henderson 1994: 272).

The Seventh Plan (1990–6) aimed to enhance and build upon Thailand's status of NIC (Nicro 1993; Hewison and Brown 1994) and 'Asia's fifth tiger' (Hussey 1993: 14), achieved through the boom of the Sixth Plan. This

package included a wide set of aims and objectives that continued to embrace the laissez-faire, pro-export-oriented industrialisation growth embodied in the Sixth Plan. Objectives included those of: promoting and supporting industry as a whole; revamping the tax and privileges system (e.g. by minimising the number of customs duty categories); and improving regulation and promotion policy (i.e. speeding up modification of rules that are obstacles to growth of trade and FDI (IEAT 1990)). Attracting FDI was crucial to Thailand's economic success in the late 1980s to mid-1990s and has remained a central pillar in its recovery strategy throughout the time of crisis. Favourable policies for foreign investment include tax incentives and infrastructure provision. Also bureaucratic procedures, seen as a major drawback in many countries, are streamlined in Thailand through the Board of Investment. Favourable policies also embody a minimal presence of labour organisation or threats of unionisation and a lack of socialist-oriented political parties (Hussey 1993). Liberal policies towards extraction of natural resources, and poorly enforced environmental health and safety standards in industrial processes, similarly contribute to Thailand's reputation as a laissez-faire operator vis-à-vis FDI (White et al. 1994).

The time period of the Eighth Plan (1997–2002) coincides with the period of economic downturn and structural adjustment. The reasons for collapse are complex, as discussed elsewhere.[2] However, it is important to note that, during Thailand's economic crisis, efforts to attract global capital in the form of MNCs and FDI have been intensified. Times of economic crisis trigger periods of restructuring, and within this process there are 'winners' and 'losers'. The following government advert embodies some of the contradictions arising from the crisis and shows how, for some industries, in spite of a depreciated baht, collapsed stock market and so on, Thailand is an attractive investment opportunity.

> Look at Thailand today as a place to invest and you will find a greatly depreciated Baht (which is making our exports highly competitive), a stock market that has bottomed out, tighter fiscal controls, a restructured financial system, and a cost-effective, adaptable labour force. That's not all. The democratic traditions of the constitutional monarchy are widely seen as among the strongest in Asia. Literally translated, Thailand means 'Land of the Free.' Not surprisingly, our economy has been ranked as the eighth freest in the world. Our love of freedom and our unprejudiced way of dealing with foreigners make for an excellent business environment. Often referred to as the Land of Smiles, Thailand is legendary for its service and strong draw as a tourism destination. There are many reasons to be optimistic about Thailand. If you used to think of it as a 'hot' market for investments, think of it from now as one with controlled heat. A warmth that will make good dollars and sense for you. It's Thailand: Now more than ever.
>
> (*Sawasdee* 1997: 41)

In the context of Thailand's economic crisis the electronics industry, which benefits from an export market and local production, has emerged as one of the 'winners'. Indeed, the electronics industry has been, and remains, a vitally important industry for the country. Since 1974, the electronics industry has thrived; firms in the sector receive preferential treatment regarding foreign exchange regulations and profit repatriation. Electronics was the only star in a relatively poor export performance in 1996; the sector grew nearly 19 per cent on top of 35 per cent in 1995 (*Wall Street Journal* 1997). In the mid-1980s electronics exports were negligible, but by the mid-1990s they were worth over 90 billion baht, more than double the value of rice exports (Phongpaichit and Baker 1996: 33).

The footloose nature of foreign capital in the electronics industry has benefited from the provision of industrial parks. Throughout the late 1980s and 1990s the Thai government has sought to develop industrial parks outside Bangkok and throughout the Thai hinterland. Part of the justification for these estates is the wish to reduce the growing regional rural/urban industrial disparities and the overburdened infrastructure in congested Bangkok. At an interview with the Industrial Estate Authority of Thailand (IEAT) in March 1998, a representative stated that 'at present there are 21 industrial estates with 6 more under construction'. These special economic zones and industrial estates are also visualised as a way to attract FDI. Indeed, Kind argues that such industrial estates are 'the battlegrounds of industrial growth' (1996: 2). He argues that, within their confines, investors receive 'red carpet treatment' (ibid.) with the provision of necessities and tax incentives courtesy of IEAT and the Board of Investment. There are also advantages in clustering, as economies of scale are achieved when industries complement each other, and IEAT is at pains to provide sufficient infrastructure (i.e. water, roads, electricity, telecommunications, satellite services, etc.). As Kind argues, '(n)o one does more than industrial estate developers to attract investors to Thailand because their welfare depends on it' (1996: 2).

IEAT aims to facilitate the supply of labour for MNCs in the industrial parks and zones of Thailand. The large majority of this labour is female. In 1996, Phongpaichit and Baker estimated that, in seven out of the ten leading export industries, '80 per cent of the workforce is female – women are valued for their nimble fingers and their service charm – but also for their readiness to accept a lower wage rate' (1996: 99). Thailand offers no exception to the general global pattern of industrial development being sustained by a predominantly female labour force, and there has been a long tradition of women engaging in paid work (Tonguthai 1997). Lim notes how in Thailand and the Philippines, 'local traditions have always accorded women a strong and independent economic role, and child care is more readily available because of an existing rural labour surplus and the persistence of the extended family' (1990: 106). So the high levels of current participation in the labour force offer no particular break with the past. However, the rules and regulations found in the electronics industry which are largely shaped by the logic of capital accumulation, present a new type of experience for female Thai labour.

Another attraction of the industrial parks to footloose foreign capital lies in the lack of trade union/worker activity to be found there. By the time of the economic boom, Thai labour had a reputation for docility, but this had not always been so. 'Through time the government learnt how to suppress labour politics – by practicing divide and rule, by denying legal protection to unions, by isolating labour issues from politics and ruthlessly suppressing radicalism' (Phongpaichit and Baker 1996: 105). The evolution of unions within Thailand has been inextricably linked to the nature and priorities of the political system, together with the shape and direction of the economy. As the large majority of industrial development has occurred in the Bangkok metropolis, so too have developments within trade union structure.

The push towards industrial decentralisation outside the Bangkok metropolis has not been accompanied by labour militancy or trade union growth. This is due to government policy, which aims to squash attempts at labour militancy and prioritise the attraction of foreign capital. This trend has implications for the potential for trade union formation outside Bangkok. Indeed, in the sparse literature on Thai trade unions, there is little mention of unions operating outside the Bangkok metropolis, in the industrial estates of Songkhla, the NRIE, etc. These decentralised industrial estates offer classic examples of EPZs, where companies are given special status in which the government appears to allow them effectively, if not legally, to ban unions. This is not an isolated phenomenon, and there is a global pattern of limited unionisation in the electronics industry in the south. The geographical setting of such estates can also serve to alienate and isolate workers from developments in trade unionism in Bangkok. In the NRIE, most workers come from the north-east of Thailand to the small town of Lamphun to join a workforce of whom the majority have never visited Bangkok.

The NRIE, an industrial park in Lamphun in the north of Thailand, was constructed in 1985. Investors who located here have benefited from a set of incentives and privileges, including infrastructural provision, an abundance of cheap female labour and suppression of worker organisation. In 1995 the total capital investment into the NRIE stood at 19,925 million baht (£498 million), while the export value in 1996 was approximately 16,325 million baht (£408 million) (IEAT 1997).[3] The majority of the NRIE factories are Japanese owned and produce electronic components for sale on a global market. The electronics factories in the NRIE have an average of between 300 and 1,000 employees (Buakamsri 1997: 34). The profile of Lamphun Shindegen is a typical example of the general nature of globalisation of production in the NRIE.

Japanese Lamphun Shindegen was established in the NRIE on 11 March 1991. Within the Shindegen Group there are thirty-eight divisions: twenty-seven located in Japan; two in America; two in the UK; two in Thailand; three in China; one in the Philippines; and one in Singapore. The second Thai branch is in Bangkok, dealing exclusively with export and import quotas, prices and tariffs. Lamphun Shindegen, which now has a staff of 1,200, initially came to Lamphun to take advantage of the labour supply and

the privileges and incentives offered by the IEAT. In Lamphun the company initially produced electronic devices such as diodes and transistors for supply to the international market. New product lines were then added, such as power supplies and transformers in October 1993, and photoconductor drums and drum units in November 1995. In 1998 Lamphun Shindegen had four factories: two for the manufacturing of semi-conductor products, one for power supplies and one for photoconductor drums. Lamphun Shindegen was awarded ISO 9002 on all its processes on 8 October 1997, and has a registered capital of 200 million baht. Lamphun Shindegen exports 100 per cent of its products, the majority to Japan, but also to Singapore, Taiwan and England (interview 1998; *Lamphun Shindegen Magazine* 1997).

Creating and sustaining a feminised and flexible workforce

In 1996 the NRIE employed approximately 22,000 persons (IEAT statistics 1996) but there is no available breakdown by sex. However, employee disaggregated data pertaining to sex and job classification was available from nine different factories for 1997/8.[4] These factories employed a total of 109 people at the well-paid and professional management level. This group was very male dominated – only five were female. However, the workers at the other end of the scale, the operators – those who put together and check the complex parts that make up the intricacies of microchips – were largely female. Out of a total of 8,517 operators 88 per cent were female and 12 per cent were male. Why these gendered patterns exist demands an investigation of the specific demand side of, and supply trajectories for, female labour in order to understand contextualised, yet fluid, global patterns and how they relate to national and local politico-economy contexts.

The different electronics factories of the NRIE had varied approaches towards assessing their ideal workforce, which reflect their slightly different constructions of this concept. At Thai Asahi potential operators are asked about their willingness to work, their experience, their objective in choosing to work, their habits and background. Appearance is considered very important with implications for the sort of worker required.

> We want sensible hard-working girls. There are too many teenagers who are enjoying their freedom and their life too much . . . these types don't make good workers. I can tell by their appearance, make-up, dress style and whether they have been smoking or not what sort of person they are.
>
> (Public relations officer, Thai Asahi)

At Tohoku Oki, potential operators are first asked to do a manual sorting test, which measures the speed at which they can do detailed physical work. This is considered most important; only if they reach a certain level do they progress to the next round of interview. At the interview they are asked

mainly about their working experiences and how long they would like their working career to be.

At LTEC, Namiki and Lamphun Shindegen, workers seeking employment must do a written test, which is meant to be a standard test of intelligence. This also includes an English component, where the alphabet must be written out, together with name, address and age. This is a contributing factor to the relatively high education attainment levels of NRIE workers, as the practice would generally filter out workers who only had primary school education.

While discussing recruitment and constructions of an ideal workforce, there were broad similarities in the different factories. All factory representatives reiterated their preference for young (read fast-working without family commitments) and female (read constructions of patience, docility and ease of control) workers. In the NRIE management, practices construct the following notion of an ideal worker: she should be young (15 years up), healthy, have an education of or above primary school, and be single and fast-working. However, this stereotype is not rigorously adhered to by all the factories; at Murata primary school level education is accepted, thus attracting a lot of workers with this level, while at the majority of factories workers have at least middle secondary school education.

I asked representatives from the twelve factories that responded to my questions (through interview and through questionnaire), and also seventy women workers from electronics factories, why at an operator level there is a preference for female workers. At Tokyo Coil this preference is taken to an extreme, and there is a company policy of employing only women as operators. Of the seventy women workers I interviewed from different electronics factories, only one worked in a section that employed more men than women, and this was in a metal-cutting section. This she explained is 'quite tiring physical work, I can do it because I am big, but really this sort of work is more suitable for men'. The large majority of responses from management and workers regarding the feminised nature of the workforce were similarly centred on essentialist notions of gender. These essentialisms took two main forms. The first set of responses was around women's physical make up; the fact that they are 'smaller' and 'neater' means that this is work for them. For example:

> This is very detailed work, women have small fingers, keen eyes and are more versatile – this is work for women.
>
> (Woman worker from Murata)

> Small and fiddly work requires small and dextrous workers – so we insist on young women.
>
> (Tokyo Coil management representative)

These replies echo similar situations illustrated in other literature. Discourse and representations of 'nimble fingers' do not only encompass physical characteristics, but extend to embrace the supposedly innate mental

or social characteristics of women and men. These tendencies towards mental and social explanatory variables of the feminised nature of the workforce were also reflected in the replies from staff:

> This work is repetitive and detailed – it is suitable for women, not for men. Men need more challenging work, either mentally or physically.
> (Manager representative, KSS)

> Women are more obedient than men – they respond and act on instructions.
> (Manager representative, Hana)

> Women are more reliable than men, they will turn up to work more often. They have good hopes for the future, they want to save money now so they can start their families or businesses.
> (Woman worker, Namiki)

> Women are more conscientious in sending remittances home to their family than men – this is part of our culture – it is how girls are brought up. This means that women are not only more reliable but that they will work harder in order to get more money to support their families.
> (Manager representative, LTEC)

The idea that women are more conscientious at work, in order to support their families, relates to the specific ways in which gender relations are constructed through sociocultural and religious processes. All the factory representatives that I interviewed commented that the supply of female labour to fill the production lines of the global factories has never been particularly problematic, and that this has especially been the case during the time of economic crisis. This differs from South Asian contexts, for example, where women workers' high-profile visibility in public space transgresses socially specific cultural norms,[5] and recruitment can be problematic, at least at first. Tonguthai (1997) attributes the facilitation of such high Thai female labour force participation rates partly to sociocultural and religious factors. Buddhist philosophy entails a sexual division of labour, whereby men participate more in merit-making, religious and political activities, leaving women to predominate in the economic and entrepreneurial aspects of life. For example, Klausner explains:

> Poor rural girls simply do not have the same opportunities and options as their male counterparts. Unable to enter the monkhood as bikkhuni,[6] they cannot avail themselves of this avenue to fulfil the merit obligation to their parents . . . Village girls realize that they cannot use the coin of merit to repay their meritous debt but must use the currency of cash.
> (1997: 70)

That daughters cannot pay their 'debt' to their parents in a religious or spiritual way, but must do so through financial flows, has implications for women's experience and commitment to their workplace together with the remittances that they make. Porpora et al.'s work with factory workers in Bangkok shows that:

> The primary motivation for work was the desire to help with family support . . . Although this was true for both sexes, it was particularly true for women . . . Many more women than men responded that they were working mainly for their parents, again indicating a stronger sense of filial responsibility on the part of women.
>
> (1989: 281)

So the specific types of gender and filial relations in the Thai cultural context facilitates female labour supply. This was also illustrated by testimonies from workers in the NRIE:

> Work in the NRIE means that I can bring money to my parents.
>
> (Murata worker)

> I followed my sister to the NRIE so I could help contribute to the family budget.
>
> (KSS worker)

> I came to the NRIE to look for work, in order to support my mother. My father has passed away and my brother is working abroad. He sends money sometimes. It is my duty to support my mother and I am happy to do it.
>
> (LTEC worker)

The expectation that daughters will contribute to their family's budget has smoothed the path of female labour provision in the NRIE. The contemporary feminised labour force has deep roots. However the relatively new focus on export-oriented industrialisation, and the even newer electronics industry, constitutes a watershed in the conditions, opportunities and constraints that exist in women's paid work. The implications for workers in this type of employment need to be addressed through a critical analysis of management recruitment policies and work processes, and the way in which these in turn are shaped by the dynamics of global capital accumulation.

The experiences of the feminised labour force in the NRIE: towards a flexible workforce

Working conditions and job security in the electronics factories show that female labour is also viewed as flexible labour. Despite the electronics industry having fared relatively well in times of economic crisis, compared to the more traditional industries, job security and work practices that promote

well-being and the prospect of advancement are still a distant dream for the majority of the workforce in this sector.

In the factories of the NRIE workers typically work 12-hour shifts, which are punctuated by two or three breaks. Each week an average worker will work for six days and switch between night shift and day shift every week or every fortnight. These long working periods and the fluctuation between day and night shifts take their toll on workers' health, and many workers complained of stress, exhaustion and insomnia. The production systems in electronics industries, which are geared towards maximising productivity, put workers under pressure and have implications for their well-being. In their analysis of management techniques in the Malaysian electronics industry, Heng Leng and Subramanian state that:

> The pressures placed upon the workers . . . are integral to how the work is organised. The electronics industry is very competitive, and the constant push for quality production at lower costs means that the management is always looking for ways in which work can be organized, and reorganized, so that productivity can be increased.
>
> (1994: 93)

In the NRIE this organisation and reorganisation is placed within a *sawatdiigan* framework. *Sawatdiigan* can be translated to mean the variety of social welfare packages and rewards, which combine to offer a range of carrot-and-stick-type incentives and disincentives that are designed to facilitate the smooth running of the factory processes. *Sawatdiigan* serves to complement the strict 24-hour operational rules (relating to punctuality, toilet visits, appearance, etc.) that are in place in the factories. These processes combine to ensure maximum production and attendance, and place a heavy toll on workers. *Sawatdiigan* also serves to legitimise the status quo in terms of who are the decision makers and regulators within the factories.

Sawatdiigan can respond to global changes in demand for products at a daily level and to technological innovation in the workplace. Generally changes in work organisation that come with technological shifts result in greater pressure and a more isolating, alienating and controlled working environment. Heng Leng and Subramanian (1994) argue that, as work processes become stricter as a result of technological innovation or the push towards higher productivity, the working situation becomes tenser. *Sawatdiigan* creates a stressful and anxious working environment for operators, which has repercussions for their occupational health.[7] The discipline demanded by *sawatdiigan* also creates tensions within group dynamics.

An example of *sawatdiigan* is the bonus system in place in Thai–Japanese electro-ceramics factories, where workers are grouped into classes – A, B, C and D – depending on their speed of output. Bonuses operate on a sliding scale, so the fastest Class A workers get paid the most, and the slower Class D workers the least. This system serves to increase output and maximise competition between workers, as there is only a certain number of workers that can be awarded Class A status. This gradation according to speed of

output also has repercussions for health, as workers continually push themselves to the maximum limit, and it appears that Class A workers are the most likely to get sick. Targets for production are also in place in many of the factories, at both individual and group levels. At Namiki, groups are rewarded if they reach certain targets on a weekly basis and this produces group peer pressure to increase output and gain bonuses. As Cardoso-Khoo and Jin comment, 'This type of competition (at both individual and group levels) is a very effective psychological threat constantly hanging over the heads of workers' (1989: 205).

All factories have a system of diligence pay that is designed to achieve maximum attendance. At Lamphun Shindegen, for example, operators will receive an extra 200 baht per month if they arrive at the factory every day on time. This amount will increase by 100 baht per month to a total of 500 baht per month.[8] If an operator who is enjoying a cumulative total of 500 baht per month comes to work late or misses one day, she will forfeit this and go back to trying to get the initial 200 baht. Operators report that such a system, although financially beneficial, places them under extreme stress and can affect their health, as workers will go to work even if they are seriously sick, to avoid jeopardising their diligence pay.

In the current climate of labour over-supply, rumours abound of dismissals of operators who have attained relatively high cumulative wages through incentive pay or high education bonuses. These operators are apparently being replaced by the employment of younger, less educated workers. Bonuses linked to certain criteria (for example education) can also trigger insecurity among workers with relatively high levels of education. So in this situation, the position of more educated workers in the labour force may be weakened, as the spectrum between desirability and undesirability in management eyes can change, in order to access the cheapest workforce. In this respect we see how management can easily attract a transient and flexible feminised workforce to create microchips to fulfil global demand. Hierarchy and control are central to the management style in the NRIE. This style often reflects Japanese working practices, as many of the MNCs originate from Japan. This hierarchical management approach has a tendency to divide the workforce into those who are flexible and disposable (the operators), and those who are seen as integral to the system and are invested in (accountants, product designers, managers, etc.). So, although Japanese factories operating in overseas locations such as Thailand are employing large numbers of women, it can be argued that the gendered discrimination found at home in Japan is mirrored in these countries (Saso 1990; Nakamura 1994). The reality is that a 'Japanese ethic' system of sorts is still firmly in place. The benefits and fruits of the system are offered only to a small group of the employees, leaving large numbers of female operators outside the system.

Workers' stories from their workplace indicate the existence of power and control that plays a central role at each level of employment. Within electronics factories there is a very tight hierarchy of positions, and much overt and covert reinforcement of this status quo. One Murata worker explains:

> I feel like we are always being put in our place, we always know where we are – at the bottom. The behaviour of our supervisors and certainly of the bosses makes it hard to forget this. Even our uniforms show this. The managers always wear suits, the staff wear skirts, the engineers wear overalls but all of us operators wear this (pointing to her uniform – pale pink trousers and shirt) while the *huanaaline* have special badges to differentiate themselves.[9]

This hierarchy is also reflected and reinforced by the production management process. Management representatives explained their structural working systems, which were similar across all the factories. There is a group of 10–20 operators (size depends on process) who are controlled by one *huanaaline.* There is a then a *super* who controls 5–10 production lines, and to whom approximately 5–10 *huanaaline* will be responsible. The *super* in turn receives orders from the appropriate staff, who receive their working instructions from the management. Newly-arrived operators state that they are made to feel completely at the bottom of the hierarchy through a probation period:

> We have to be on probation for four months when we first arrive. I didn't enjoy this time, I felt as though I was always being watched. It says on our name and position badges that we are 'probation status' so everyone can see and watch how you work and behave. We also get paid less than everyone else.
>
> (Operator, Tokyo Coil. At Tokyo Coil probation workers get two baht less than the minimum wage for the Lamphun area)

This structural hierarchy is well illustrated at Tokyo Coil, where every morning there is a meeting between management and staff. Management will review the orders and targets of the day and instruct staff on how best to meet the targets. Staff will then meet with the *huanaaline* to order operations for the day. In turn the *huanaaline* will then instruct the operators under her control on the shift targets and schedules. If these are not met the *huanaaline* will get into trouble with the staff, the staff with the management, etc. There is therefore a great deal of pressure on operators to perform as quickly as they can and not to waste time. This pressure is very stressful for both operators and *huanaaline*, and can result in public humiliations by *huanaaline* if they appear to be slacking or if they go to the toilet too often.

Rules and expectations intersect with notions of authority and hierarchy to control workers. As one worker elaborates:

> There are rules, rules everywhere. I don't want to have to follow these crazy rules and don't want to be a *huanaaline* as you have to continue reproducing the rules in the crazy system.
>
> (Woman operator, Murata)

Similarly:

> There are so many rules in my factory, I feel like I am in a prison sometimes and that I must behave according to rule calculation. I have to work out – can I do this what would the punishment be, is it worth it?
>
> (Woman operator, KSS)

Through time, factories or companies develop working cultures, which mould how they operate – their norms, behaviours, rules and regulations (Fierlbeck 1995). Notions of gender, age and hierarchy can intersect in the workplace to shape working cultures to produce connotations of 'daughters' or 'single women' as secondary labour – working simply in order to boost their and their families' earning potential.[10] The emphasis is on women's youth and inferiority; as they do not need access to a family wage, their pay packet is merely supplementary. Gabayet-Ortega contests the idea of single women working only for pleasure, which is how they are seen by some managers. Through case studies of single women workers, she argues that

> none of the women could survive without the job, and when they lose it they look for another one or they migrate . . . This situation makes women vulnerable and they are obliged to accept the working conditions imposed by the electronic enterprises and in all cases see these jobs as 'god's gift'.
>
> (1996: 15)

The idea of women workers being daughters in the workplace is used to legitimise actions and control in different cultural contexts. In a Pakistani factory, 'The factory manager would tell the women that the factory was similar to the home, and he was only admonishing them like a father would do to his daughters' (Parveen and Ali 1996: 145). Fatherly admonishments and punishments included keeping one's arm raised for long periods or standing in the sun.

Ong argues that 'in Asia, the division of labour introduced by transnational firms separates managers and workers along lines of nationality, race, gender, and age' (1991: 289). In the practices within factories of the NRIE the emerging principle of male and racial superiority is indeed present, and it can be argued that this is justified by colluding with notions of 'Asian family'. Women workers emerge as the ones to be controlled, monitored and watched with nowhere to hide or escape the gaze of the (largely) male supervisors.

Gender appears to play a part in *huanaaline* power relationships. At Tokyo Coil, where there is a company policy for all operators to be female, all *huanaaline* are also women. However, where there are mixed operators it appears that men are more likely to be promoted to *huanaaline* or *super* than women. At Lamphun Shindegen and Namiki, factory representatives explained that approximately half the *huanaaline* and *supers* were male and

half female. However the pool of female operators who are available for promotion is very large. On being questioned about this, factory representatives replied that men do these sorts of jobs better – they can control the groups more efficiently, women will listen and respond to men. Efficiency in production is highly valued, and when a plant is stretched to full capacity, tension is likely to surface. Factory representatives feel that men can cope with this tension better than women. So ideas of gender control, of men being the controllers and order givers and women the passive order receivers, are utilised and promoted in the interests of efficiency.

Within working groups of operators, *huanaaline*, *supers*, staff and management there is a relationship of power. Operators explain that, if there are problems in production, too many defects or a machine is broken, the blame will eventually end up with them as no one else wants to take responsibility:

> If something goes wrong and we are accused, what can we do – often we take the blame even if it is not our fault. There is no way to answer to the accusations so we just stay silent.
>
> (Woman operator, Lamphun Shindegen)

Similarly:

> I am a coil worker, one coil takes 6.5 seconds and I am meant to make 5,500 pieces in one day. If there is a problem with the machine I use, for example the machine is broken or the power is switched off, I use my lunchtime or breaks to try and cover up the problem, otherwise it will be seen as my fault and I will be blamed.
>
> (Tokyo Try operator)

As discussed earlier, the preference for the recruitment of female rather than male operators was also justified by some with respect to notions of gender and control. The idea that women employees en masse are more obedient and easier to control is nurtured and reinforced by selection of male *huanaaline*. One woman worker who has a male *huanaaline* explains her relationship with him:

> I am planning to leave because of my *huanaaline* – he is very close to the Japanese, I don't trust him. He shouts at us if we are slow and if we go to the toilet too often he tells us how many products we could have made while we were there. It gives me a red face as I find his behaviour very humiliating.
>
> (Woman worker, KSS)

There is continuing pressure on workers to perform quickly and to meet targets. This pressure is applied by the *huanaaline*, who in turn is pressured from above. Groups of operators also apply a type of peer pressure on each other as, by maximising their total production, they are likely to minimise

the risk of blame and humiliation from those higher up the hierarchy than themselves, and may gain financial bonuses. These trends are detrimental to operators' health, as often protective equipment is sacrificed if it jeopardises speed of output, and toilet visits are limited.

Power or control, negotiated along gendered lines, even specifies 'exact bodily posture and requires tedious repetition of the same finger, eye and limb movements, often for hours on end at the assembly line, a form of body discipline especially intolerable to neophyte factory women' (Ong 1991: 290). Notions of the women workers' bodies are important in mechanisms of control and associated power in the workplace. Disciplinary practices often focus on the body in terms of regulation of clothing and footwear.

Control over workers' bodies is taken to further extremes in cases of sexual abuse and violence within the workplace, which occurs in the NRIE. Sexual harassment should be seen as part of a larger system of gendered hierarchy and oppression facing women at work in the electronics industries, and as inextricably linked to the economic and cultural inequalities that are fostered in the workplace. 'Indeed sexual harassment is a demonstration of status and power, and is not primarily motivated by sexual feelings. It may be a route through which men bolster class and status difference among themselves' (Kasinsky 1997: 200).

In the NRIE, where sexual abuse within the workplace appears to be perpetuated by the strict, hierarchical and largely male-controlled working environment, workers tend not to articulate their experiences of sexual harassment. During my first ten months in the dormitories of the NRIE, a few workers mentioned sexual abuse both inside and outside the workplace, although this was not frequent. However, after the gang rape and subsequent suicide of a KSS worker,[11] there was much anger, discussion and revelation of personal experiences centring on sexual harassment and abuse. For example:

> One of the younger Japanese managers was always looking at me when they did their workplace tours. He gave me the creeps. Once I was asked to make a report in his office and he touched me where he shouldn't have done. I didn't know what to do so I just stood there and then left. Next time he called me I took a friend with me and said that her English was better than mine. He hasn't called me personally again.
>
> (Woman *huanaaline*, Murata)

For those workers who experienced unwanted sexual advances within the workplace, hierarchy was nearly always involved, and they felt powerless to report or resist it, as the security of their jobs was at stake. One LTEC worker explains the general perception associated with factory workers and how this translates to vulnerability:

> Because we are so many women and so few men here, men assume we are desperate for them. They think we are easy women and they make jokes and advances – it is really upsetting.

The devastating health effects of sexual harassment on women employees, as well as the effects on their work performance and their overall position in the workplace, are not well understood or researched. Yet sexual harassment is an important occupational health hazard facing women in the workplace, as well as 'the best guarded secret' (Kasinsky 1997: 198). Sexual harassment, rape, sexual abuse and unwanted advances are problems reported by workers, experiences of which can have huge repercussions for mental health, reproductive health and stress levels.

One way in which Thai economic policies have responded to processes of globalisation is through the creation of export-oriented factories for global markets. Within these factories gender, hierarchy and power intersect with, and are shaped by, a Japanese-type model of industrial labour practice. Workers are not however merely passive victims, responding in uniform ways to the strict working conditions that surround them. Although there are no trade unions in the NRIE, there is a myriad of subtle ways in which workers can contest and show resistance to strict hierarchical and oppressive working conditions, in ways that they feel will not jeopardise their jobs. These jobs are often crucial to the economic survival of workers and their families, and to their own future aspirations.

Workers' responses to working conditions

Workers know, through their own experiences or through information from friends, that, when going for interviews, appearance is very important, and that recruitment officers often have a preference for very 'feminine' women. There is a high prevalence of lesbian relationships between women NRIE workers. In Thailand lesbians construct their identities along *tom* and *dee* lines, which embrace ideologies of maleness and femaleness. *Toms* tend to have short hair, wear men's clothes, act in ways typically associated with male behaviour, and smoke; while *dees* normally have long hair decorated with bows, wear very female clothes and behave in ways that exaggerate their femininity. When going for an interview, one of the *toms* I knew borrowed a wig and put on subtle make-up, rendering herself practically unrecognisable. She explained:

> I know that these Japanese factories like their operators to have the essence of femaleness – to look pretty and presentable, so when I want to change jobs I have to appear like this.
>
> (Operator who was successfully employed at Namiki, which was her third electronics company. She wears the wig for one week and then, considering herself safely employed, takes it off)

So some workers are acutely aware of management's construction of the ideal worker and how this is based on gender norms and stereotypes of compliant workers and nimble fingers. Workers can deploy strategies to

contest or manipulate this to their own advantage. Such behaviour provides an example of workers' agency in responding in strategic ways to dominant ideals or structures. Other researchers from writings on gender, development and industrialisation report similar findings. In Barbados, Freeman (1998) documents how women workers prioritise creating identities for themselves that they perceive as appropriate and complementary to the information sector in which they work. In this way they attempt to 'fit in', shape and secure their desired workplace. So, in different cultural settings, dominant gendered and sexual images can be created and manipulated by workers, thereby earning short-term reprieves or gains in the workplace. The extent to which such behaviour and strategies constitute a basis upon which to develop a politics of resistance is less clear and has been debated elsewhere.[12]

Hierarchy can also be reproduced and subverted through the politics of language in the workplace. In multinational companies, where the management tends to share the nationality of the company, the use of the 'home' language, be it Japanese, Korean, English or French, is associated with power. Many workers are excluded from the avenues of decision making within their factories, both physically through the control of particular spaces – the body, the factory and the production lines – and in terms of language. Within a Japanese management model, investment in workers' language learning has connotations of being 'in with the managers', which refers to workers who have status and opportunities. If you are 'in with the managers' you are more than simply a transient/flexible worker who can be disposed of easily when the industry restructures in response to the demands of the global market.

However, through the deployment of the Thai language or local dialects that supervisors or management do not understand, workers can use language to subvert hierarchy. As an LTEC worker explains:

> When our *huanaaline* is getting really bossy and unbearable, me and my friend from Nong Khai make jokes about him in our local dialect.[13] He knows that we are talking about him and he gets really irritated and doesn't know what to do.

Workers also tell jokes and anecdotes about their Japanese and American bosses. These examples illustrate how workers respond to strict hierarchical working environments, in situations where room for expression or negotiation is limited. By making jokes and speaking in languages unfamiliar to superiors, workers are attempting to insert fun, and to a certain extent shape, into a working environment that serves to alienate them. Other work in the fields of gender, development and industrialisation shows similar trends. For example, Yelvington's work 'Flirting in the Factory' (1989), argues that flirting, like language, can be used as a means to exercise and resist power.

Workers' agency and resistance in response to their working experiences are reflected and developed on a wider scale by worker organisations operating around the NRIE. The collusion between the Thai state and multinational capital has suppressed the establishment of trade unions in the NRIE

to date. Different groups (NGOs, academics and journalists) who have been advocating thorough and open investigations into a range of health hazards being experienced by NRIE workers have been harshly repressed, and open investigations have not yet been carried out. However, there is still some scope for NGOs to work with factory workers in expressing and meeting their needs. The challenge for these organisations is not to antagonise MNCs in such a way that workers associated with them will lose their jobs. The need of current workers for regular remuneration that keeps them making microchips also has implications for involvement in organising strategies. If involvement is perceived as detrimental to their job security, it is unlikely that workers will join. This is because of the lack of alternative work and the temporary nature of work in the NRIE.

Work on electronics production lines is not a job for life. Management wants young women and, as retrenchment occurs in traditional and less competitive industries, they can have their pick, sometimes laying off older, more experienced workers who become more expensive through the acquisition of various financial incentives and bonuses. For these reasons, workers want organisations whose focus and activities both incorporate and transcend their workplace concerns. The two organisations currently operating in the NRIE, the Union for Civil Liberty's (UCL) 'Friends for Friends' group, and the Lamphun Women's Health Centre (LWHC), both meet this demand to a certain extent. UCL, which provides classes reflecting workers' demands, a newsletter and a credit union, gives workers the opportunity to acquire skills (language, legal literacy, etc.) that they can take with them beyond their life in NRIE. Through the provision of information and training concerning occupational and reproductive health, the LWHC also provides knowledge that women can use throughout their lifetime. Focusing on reproductive health as well as occupational health also allows the possibility of interaction with factories, which, although usually opposed to activities outside the factory space, are concerned about information provision on women's reproductive health, especially sexually transmitted disease, HIV and AIDS.

Towards a politics of inclusion: what are the challenges for counter-globalisation movements?

There is a need for greater understanding of how processes of international capital accumulation shape the structures and experiences of gendered workforces. Understanding the relationship between international capital and women's work will, in the long run, help to assess women workers' common conditions and needs. If carried out in a participatory way, this process could contribute to a greater realisation of the common experiences of women workers that are part and parcel of their working lives, locations and needs. By searching for similarities in experiences, while simultaneously being sensitive to difference, research can work towards the development of cross-national solidarity and common ground for struggle. Mohanty states

that women workers' lives are not the same, but there are elements of compatibility, and therefore argues for 'a notion of political solidarity and common interests, defined as a community or collectivity among women workers across class, race, and national boundaries which is based on shared material interest and identity and common ways of reading the world' (1997: 8).

Research and action that works towards the development of participatory structures can facilitate the formation of alliances around employment issues through space and time. Alliances between workers, in different occupations and across varied geographical locations, can help them to develop keener understandings of the industrial processes that shape their working lives. Research and activism that work towards the development of cross-national alliances in organising strategies are especially pertinent in addressing the harsher realities of globalisation as expressed in the gendered experiences of workers in MNCs conducting their operations on a global stage.

One practical and contemporary example of heterogeneous groups (NGOs, unionists, consumers, academics, etc.) coming together to discuss opportunities to influence policy around the social and environmental repercussions of industry is the network that is crystallising around discussions concerning codes of conduct. Participation by diverse groups in networks concerned with codes of conduct could strengthen the calls for and relevance of ways in which to push companies towards social accountability. These discussions and networks reflect a general growth in concern over the social and environmental conditions applying in production operations. In the garments industry, for example, consumer groups, workers, labour activists and NGO representatives have come together in the Clean Clothes Campaign. The Internet is an excellent resource for facilitating international collaboration, networking and information sharing and linking up with the growth in consumer concern. Action research that works towards enabling workers' groups to have Internet access is important in this respect.

The pre-emptive and coercive tactics of certain government and industrial representatives present perhaps the biggest challenge for organising strategies aimed at contesting working conditions. The state and industry are not monolithic structures, and there are some creative ways of establishing exchanges. The United Nations' University project 'Bridging the Gap', for example, brought together workers, activists and government representatives from seven Asian countries to establish exchange and contacts for future dialogue at a national level. This provides a concrete example of efforts to create dialogue between workers and the state, and to work towards appropriate institutional strategies for enhancing workers' well-being.

There are important lessons to learn for these organisations from campaigns in other sectors, such as the Clean Clothes Campaign in the garments sector. However, the challenges facing consumer and worker groups in the electronics industry are different to those in the garments industry. In the manufacture of electronics goods the product chain is more complex and less transparent. Many of us make decisions about where to buy our clothes,

coffee, cosmetics and bananas based on principles of fair trade and ethical business practice. Can these forces for change be applied to the production of electronics goods? I tried with difficulty to trace the source of the various components of my computer, and the working conditions under which they were made. In order to meet the challenge of better working conditions in the electronics industry, there is a need to have a greater understanding of workers' identities, experiences and responsibilities; develop structures that facilitate the growth of participatory alliances between different groups at national and international levels; and create space for dialogue between these individuals and groups and the state and industry. UCL, one of the organisations working in the NRIE, is developing a mechanism to facilitate interaction and exchange between individuals and groups, within and beyond Thailand, through access and training for the Internet. There is a nice synergy to this plan – deploying the technologies (the microchips) that NRIE workers struggle round the clock to produce to enable their exchange of experiences, ideas and strategies.

Notes

1 There is some overlap between the time periods of the Sixth and Seventh Five-Year Plans.
2 See Siamwalla 1998; *Labour Review* 1998; Lauridsen 1998; Kawai 1998; and the Bank of Thailand 1998 for an analysis of Thailand's economic collapse.
3 These British sterling equivalents are based on the pre-devaluation assumption that £1 is worth 40 baht.
4 These factories are as follows: Tokyo Try, Thai Asahi, Tokyo Coil, Schaffner, Lamphun Shindegen, Hana, LTEC, Tohuko Oki and Namiki.
5 See for example the work of Kibria (1998) on Bangladesh, and Parveen and Ali (1996) on Pakistan.
6 This term is used for men who join the monkhood for a period of time.
7 See Theobald (1999).
8 Exchange rate in April 2001 was £1 to 67 baht.
9 *Huanaaline* is the designation of line leader. Typically a line leader will have control over 10–20 operators.
10 Humphrey's (1985) work on Brazil is an example.
11 This occurred at 5 a.m. on the way from KSS to the woman's dormitory. She was walking, as she had lent her motorbike to a friend, and was alone, as the majority of her co-workers had been given overtime. The worker committed suicide as she felt that she could not deal with the consequences of such a horrific ordeal, and was convinced that she would have contracted HIV. The rape and consequent suicide were reported by workers and in the local press. The rapists were caught.
12 See for example the work of Mitchell (1990) and Villareal (1992). Villareal comments in the context of Mexican women beekeepers, it is possible to 'learn the language of "subordination" in order to extract benefits from it' (1992: 60).
13 Nong Khai is in Isaan on the border with Laos and its people speak a Laotian dialect.

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8 The stratification of the garment and textile industries and labour movements in Malaysia

Vicki Crinis

The garment and textile industries, in which the globalisation of manufacturing has played a key role, have been major employers of women in recent decades. The light manufacturing sector, of which the garment and textile industries are part, has been of vital importance in the development of Third World economies. Dependency school studies of the effects of global capitalism on national development and labour relations in Southeast Asia maintain that the state is undermined by the strength of global capital. Fukuyama, for example, argues that the state control over market forces has declined to a point where multinational companies control the economy, and institutions such as trade unions are no longer relevant (1989). This view, however, does not take into account the strong role that some states play in development, by actively promoting the absorption of local labour into multinational factories, or the continuing potential for organised opposition to the excesses of capitalism (Ong 1987; Kaur 2000; Caspersz 1998).

This chapter examines the restructuring of the garment and textile industries in the context of globalisation and state development in three states in Malaysia, namely Johor, Penang and Selangor. These states house the largest number of garment and textile factories. They provide a useful case study through which to examine the effects of the global economy on the garment and textile industries in Malaysia, the implications of that change on its overwhelmingly female workforce, and their responses to it. The case study draws on interviews with workers, trade unionists and non-government organisation spokespersons.

Export-oriented production under the New Economic Policy

The globalisation of Malaysia's garment and textile industries began in the 1970s, when the Malaysian government introduced export-oriented manufacturing as a part of its New Economic Policy (NEP). In the early phases of the NEP, the government opened the door to Japanese and US electronic companies and to East Asian garment and textile manufacturers (Kaur 2000: 216). The establishment of large numbers of manufacturing industries

in the 1970s and 1980s had positive benefits in terms of increase in employment opportunities. The demand for labour absorbed the country's unemployed and by the early 1990s there was full employment (Malaysian Government 1991: 95). Total employment in Malaysia as a whole grew from 2.1 million in 1957 to 4.2 million in 1975; then from 4.8 million in 1980 to 6.1 million in 1988, and to 8.6 million in 1999. The growth and structural changes that took place in the economy since 1971 required a large number of new workers (Jomo 1990: 78; Malaysian Government 1991).

The NEP had important implications for the composition of the industrial labour force. Women were encouraged into factory employment by the growth in export-oriented light manufacturing, which was introduced under the plan to create jobs and alleviate the high levels of poverty and unemployment. The plan's two main objectives – to eradicate poverty by raising income levels and to increase the economic standing of the indigenous *bumiputra* (sons of the soil) – affected the ethnic composition of the female labour force entering the factories for the first time. Three major changes occurred: Malay wage labour in agriculture declined, while participation in manufacturing increased; women's participation in the labour force increased; and large numbers of foreign workers flooded the country and were absorbed into the lower sectors of the workforce, particularly in the agricultural and construction sectors.

The promotion of female workers in the modern economy in Malaysia differed significantly from the development policies of other Southeast Asian states, such as Indonesia and Thailand, which had pursued similar economic policies, but had not focused on ethnicity in the same way as Malaysia did. In 1957, Malay employment accounted for approximately 16.7 per cent of the total workforce. By 1970, the figure had risen to 34.2 per cent. By 1990 this figure was 48.5 per cent (Malaysian Government 1991: 104). In one generation, government policies encouraged the shift of a significant proportion of the Malay population from rural areas to the cities. An industrial manufacturing workforce of manual production workers was formed, with a substantial increase in female labour participation. In the years between 1975 and 1990, the numbers of women in paid employment almost doubled (Caspersz 1998: 256). The rural to urban migration of Malay women has been the source of much of this new female labour force, but in recent years, they have been joined by large numbers of overseas migrants, including women, in the factories. According to the International Labour Organisation (ILO), Malaysia has an estimated 1.8 million foreign workers, of whom less than half have travel documents (Jones 2000: 2–3).

Changes in the garment and textile industries

After Malaysia's entry into the globalised market place, traditional textile and garment industries were quickly overshadowed by large numbers of 'modern', internationally-oriented textile and garment factories. The period

of greatest growth followed the establishment of Export Processing Zones (EPZs) in Malaysia. In the EPZs, the more 'advanced' countries of the South (including Taiwan, Hong Kong and Singapore) sought to exploit Malaysia's cheaper labour and loopholes in global production quotas set by the Multi-Fibre Agreement (MFA). These countries produced a large number of garments for the world market and undermined the garment industries in the industrialised nations of the world. When, in 1973, the MFA – set out in the General Agreement on Tariff and Trade (GATT) – placed a quota on the number of garments and cloth each country could produce, Taiwan, Hong Kong and Singapore looked for alternative ways to maintain their production levels. In response to the quota restrictions, they transferred part of their production to Malaysia, the Philippines and Indonesia. Under this system, Malaysia's garment industry became a major exporter of ready-made garments. Combined with the textile industry, it is now the second highest manufacturing contributor to the nation's Gross Domestic Product (GDP) (MTUC 1985: 19; Crinis et al. 2000).[1]

Although the globalisation of production has, to a large extent, defined the way in which the garment and textile industries have developed, its impact has been mediated by government policies, historical patterns of business ownership and colonial labour policy. Historical ethnic divisions in the female labour force have had important implications for the development of modern, female industrial employment (Wee Siu Hui 1997: 14). In colonial Malaya, the patterns of women's work were largely defined by their ethnicity. In general, Malay women worked with their families in the rice paddies, Indian women worked as field hands in the plantations, and Chinese women worked mainly in industry or as domestic workers.

As a result of these historical patterns, in the 1960s (before the implementation of the NEP) the workforce in the garment and textile industries was largely Chinese. The composition of the garment and textile workforce also reflected traditional patterns of ownership and recruitment in the local industry from the colonial period, when the Chinese owned the small factories in Selangor and Penang. By the 1950s, factories in Penang employed up to 200 workers, while in Kuala Lumpur (in Selangor), tailors and dressmakers operated small workshops producing clothes for the domestic market. These factories employed a small number of workers and followed a system in which business was operated and organised along family or patron–client lines. Chinese employers recruited and organised Chinese labour through forms of patronage such as kinship links, clan ties, provincial connections and vernacular schooling. While these systems are largely invisible in the large, modern factories of today, they still form part of business connections and labour recruitment in the 'modern' system. In the 1990s, small textile factories, small to medium garment factories and the small backyard industries (producing garments for the international market) are still owned and operated to a large degree by the Chinese in Malaysia (Crinis 1993: 27).

Since the implementation of the NEP, Malay women have had much better access to education and employment in the industrial sector as part of the

government's effort to improve the economic participation of the *bumiputra* population. The government sought to encourage manufacturers to employ unemployed females from the towns and 'kampongs' and to recruit young Malay women from the rural areas into the industrial workforce. Yet despite these efforts, the feminisation of labour in the export-oriented manufacturing industries has maintained a very distinctive ethnic 'face' in Malaysia. While large numbers of young Malay women were recruited into the electronics industry in the 1970s, the garment and textile labour force remained dominated by the Chinese women until relatively recently. In the 1980s, 80 per cent of workers in the largely locally-owned garment industry were still Chinese (MTUC 1985: 22). A higher proportion of Malay workers are employed in the textile industries, which were mostly foreign-owned, and, since the early 1990s, the many garment and textile factories that relocated to the rural areas of Malaysia have mostly employed Malays (interview A: Johor 2000). The urban garment industry workforce is, however, still dominated by Chinese.

The manufacturing of garments and textiles on the 'global assembly line' has had both positive and negative aspects for the industries' largely female workforce. In the early years of export-oriented production in Malaysia, globalisation was seen to have had overwhelmingly negative effects. Women were promoted for their 'docile persona and nimble fingers' (Kaur 2000: 225) and government advertising agencies attracted overseas manufacturing investment through campaigns designed to promote young women as cheap factory fodder. Even though they work away from home, these young women are still strongly subjected to the existing cultural norms of family relations. According to Ong, firms reproduce local cultural norms as a form of control over the women who work for them. Ong's analysis demonstrates how old cultural forms and ideas of male–female relations can acquire new meanings and serve new purposes in changed arenas of power and boundary definition (Ong 1990: 387).

While Ong's work drew on concepts of culture and discourse, many other scholars concentrated on the empirical evidence of the exploitation of women in multinational factories. Their analyses, which documented poor working conditions, low rates of pay and sexual harassment were critical of the New International Division of Labour. Local criticisms drew on very different values, but also highlighted the negative aspects of female employment in multinational factories. Women who worked in American-owned factories began to wear make-up and to enter beauty competitions. Women working in the EPZs (electronic workers in particular) lived in hostels away from the supervision of fathers and brothers and came to be known as 'hot girls' (*minah karan*) (Ong 1987: 179). In the eyes of the community, these young women workers were becoming 'Western'; a term which carried connotations of sexual promiscuity and the corruption of Islamic values.

The story of the globalisation of important sectors of Malaysian manufacturing, such as electronics and garments and textiles, is not, however, only about the dominance of international capital and local values. Many women

believe they have benefited from their experiences of factory work. Work in factories has helped women to provide vital income for their families, which, in turn, has enhanced their self-esteem (Ong 1995).[2] Factory work also provides economic independence, modern lifestyle, and the increased opportunity to meet a suitable marriage partner (Kusago 1999: 6). The wage of married women is also vital to the survival of the family. In the garment and textile industries, the largest percentage of workers come from low-income families and many women workers are the sole breadwinners for their families (interview: MTUC 1999). Recent interviews conducted by the author show that factory women also look for status in their factory work. Some factory women do not marry until they reach an age where they are elevated in the workforce to the position of floor manager or supervisor. Unmarried women working in factories in their late twenties and early thirties were in a position to buy their own home (interview: workers, Johor 2000).

Women's experiences of factory work have not remained static. The employment conditions of some garment and textile workers have been dramatically affected by the establishment of the World Trade Organisation (WTO) and liberalisation of trade in the 1990s. Malaysia's garment and textile industries in particular has been affected by a particular pattern of state-controlled industrial policy formed in response to these international pressures for trade liberalisation. The Malaysian government urged Malaysian-owned companies to shift towards capital intensive, higher technology production of garments in order to compete with industrialised countries. Some Malaysian manufacturers have begun to modernise their production methods and look for new trading markets in the Middle East in their efforts to compete on the global level (MTMA 1999). The shift from the production of inexpensive clothes to less-protected garments under the MFA, increased the demand for skilled workers (Rasiah 1993: 14). Competition for skilled workers compelled manufacturers to improve their wages and conditions (ibid.: 17).

Even though the wages in the established garment and textile producing state of Penang and the 'organised' sector of the workplace in Johor are now higher than those of their neighbours, Malaysia has managed to withstand competition from low-wage countries such as Cambodia and Vietnam for Foreign Direct Investment (FDI) by using a range of strategies.[3] The shift from labour intensive industries to capital intensive industries is apparent in Penang, Johor Bahru and some other pockets of garment production in Malaysia, but it is far from the norm. For many manufacturers, trade liberalisation has meant increasing levels of pressure to cut the cost of production without increasing the level of technology. So, while wages have risen in some parts of the industry, the majority of garment and textile workers continue to earn low wages in labour intensive factories. This invisible sector of the garment and textile industries consists of poorly paid workers, married working-class women with young children and foreign workers.

Three major strategies have been adopted in an attempt to maintain Malaysia's presence in the low-cost end of garment and textile manufac-

turing. The first of these has been a geographical shift to the lesser-developed states of Malaysia in the textile and garment sectors. In the late 1990s, new government strategies (Malaysian Government 1998: 225) initiated a shift from the core to the periphery within Malaysia in an attempt to prevent capital flight to other low-wage countries. The core of the Malaysian garment manufacturing industry is located in Peninsular Malaysia – especially in the capital cities of Selangor, Johor and Penang, while the periphery of the industry is located in the rural areas in Johor and Kedah. The garment industry in the rural town of Batu Pahat in Johor, for example, has expanded into the largest producer of textiles and garments in Malaysia over the last five years. Batu Pahat is now called the 'textile city' of Malaysia; it produces 40 per cent of Malaysia's textiles (MTMA 1999). Likewise, Kedah (in the North) has increased its production of garments and textiles. This process, which is part of the government's plan to develop the Eastern Corridor, enables garment manufacturers to find a suitably priced labour force, while encouraging development in the peripheral states in Malaysia.[4] It has been made possible by the supply of young educated rural women who will accept low wages and are capable of developing the skills necessary for work in the garment industry (interview P: Penang 1999).

In addition to geographical relocation, garment producers have relied increasingly on contractors and homeworkers in traditional garment and textile manufacturing regions. In Selangor in particular, local Malaysian firms are cutting costs by moving from factory operations to homework. The move from factories to subcontracting and homework has meant that a dual labour regime has emerged, where a small number of skilled workers and a large casualised workforce now co-exist. Manufacturers acknowledge that subcontracting is a key factor in meeting the demands of international competition (Loh-Ludher 1998: 15). Homeworkers are paid on a piece-rate system at lower rates, and receive no allowances for electricity, holidays or fringe benefits (ibid.: 22). According to trade unionists, married women and foreign workers dominate the backyard, subcontracting and homework subsectors of the industry (interview S: Selangor 1999). Women use homework as a strategy to cope with rearing children and earn money to support their families. Often, they are single parents who find it difficult to cope with factory work and care for small children, and who are more comfortable organising their own work hours to suit the families. Research conducted by Loh-Ludher stresses that, while there are negative aspects of homework, the women workers themselves find homework more suitable than going out to work (1998: 15). Although they often work late at night or in the early hours of the morning, they are not subjected to employer demands on their time and space in the same ways they would be in the factory.[5]

The third major strategy in maintaining the cost-effectiveness of light manufacturing in Malaysia is the employment of foreign workers. In the garment and textile industries, workers are recruited from Indonesia, Bangladesh, Cambodia and Thailand. Local and multinational companies exploit these foreign workers in their efforts to compete on a global level.

Foreign workers are not given any fringe benefits, social security or health benefits. Women have no access to maternity leave or medical benefits. US companies often promise to train workers in computer skills but there is very little training. They can be dismissed for any reason including pregnancy, and treated as a 'throwaway workforce' when the economy is depressed. Foreign workers sign a contract outlining working conditions and wages, and are not allowed to ask for higher wages, which in turn lowers the wages of the local workers. This causes a dilemma for both migrants and locals (Rasiah 1993: 13). In Penang, the average wage of a female worker is approximately 600 Malaysian ringgit without overtime per month (interview P: Selangor 1999; A: Johor 2000). The wages paid in Selangor are 380 ringgit per month, while in the rural areas of Selangor and in Batu Pahat in Johor the wages can be as low as 280 ringgit per month (interview A: Johor 1999). The wages paid to migrant workers after a three-month probation in the garment industry in Johor is approximately 380 ringgit per month. Unskilled workers in the textile and garment industries must work overtime, because the minimum wage is not enough to meet living expenses (interview S: Selangor 1999). The government will neither set a minimum wage for workers in the manufacturing sector nor permit the state textile trade unions to form a national textile trade union. Both these restrictions prevent workers from attaining a decent wage (interview P: Penang 1999).

Labour relations, union movements and NGOs

Malaysian unions have been weak since independence in 1957, and general anti-union propaganda, casting unions as 'anti development', has been effective. In the early 1990s, many workers did not even know what a trade union was:

> The government has actually created a whole generation of workers [who] just work to earn a living and many of them have believed what the government says: that trade unions are detrimental to workers themselves. . . . There's a lot of fear of trade unions and some companies actively promote this. . . . workers know straight away that if they talk about unions or unionising, they would get into trouble.
>
> (Interview: *Persatuan Sahabat Wanita*, Selangor 1992)

This 'generation of workers' is a product of Malaysia's oppressive industrial relations policies. Since independence in 1957, industrial relations have been regulated under the Trade Unions Act of 1959 and the Industrial Act of 1969. Active government intervention was intensified after the race riots of 1969 and again after the Malaysian airlines strike in 1980.[6] As in Indonesia, labour legislation was progressively revised in order to weaken the power of trade unions (Ford 1999, 2000). Although union registration has been considerably freer than in countries such as Indonesia, there are heavy restrictions on their operation on the shop floor. Even if a union's application to register

is accepted, it can only negotiate at workplaces where it represents more than 50 per cent of the workforce (Ariffin 1997a). Furthermore, under amendments to the Trade Unions Act, the Registrar has power to deregister and investigate unions, search premises and seize records if unions are involved in action considered disruptive to the development of the country. Under the Internal Security Act, the Minister for Labour and Manpower has the right to interfere in the Arbitration and Conciliation courts and in the state courts (where individual workers may file complaints against their employer).

In the garment and textile industries, levels of union activity vary from subsector to subsector. In order to gain a more complete understanding of the textile trade unions, it is necessary to separate the backyard industries operating in Selangor from the factory operations established in Penang and Johor. This separation means that we can examine the workforce and the industrial relations processes and see that both are quite different. Levels of union membership reflect this internal diversity. In some garment factories in Johor, for example, female union membership is quite high. In Penang, Selangor and Batu Pahat there are no garment workers in the trade union, even though large numbers of garment companies are registered with the Malaysian Textile Manufacturers' Association and the Malaysian Knitting Manufacturers' Association in these areas.

In the state of Johor, for example, there is a significant difference in the numbers of unionised workers, between Johor Bahru (the capital city) and the rural town of Batu Pahat. In Johor Bahru, there are twenty-one factories in the union. Five factories have women union representatives and, by industry standards, wages are satisfactory. Factories in Johor Bahru, like those in Penang, manufacture for the higher end of the market and receive a basic wage of around 600 ringgit excluding overtime. According to union sources, however, there is a considerable number of foreign workers in the textile factories in Johor Bahru who, as a condition of their employment contract, are not unionised (interview A: Johor 2000). In Batu Pahat, only two textile factories are unionised. Workers in Batu Pahat are predominantly young women from the rural areas in Johor and the eastern states in Malaysia. The wages paid to these young workers can be as low as 280 ringgit per month without overtime. The situation in Batu Pahat reflects not only government's favouring of capital over labour and the strategies of garment manufacturers to cut costs, but the inability of the trade union to organise workers in Batu Pahat (interview A: Johor 2000).

In Penang, 14 per cent of workers in the textile industry are unionised, but there are no garment workers in the trade union. The factories owned by the Chinese Malaysians or Chinese East Asians in Penang rely on a skilled urban workforce to manufacture for the high end of the market. Unions find it difficult to organise labour in the garment industry because many factories in the industrial zones have government limitations on unionism. Furthermore, workers are remunerated for their piecework, and the ethnic network of predominantly Chinese owners, managers and supervisors leaves little space for union initiatives. According to union sources, there are no homeworkers

Table 8.1 General outline of textile and garment industries

State	*Industrial area*	*Profile of workers*	*Basic monthly wage*	*Profile of factories in union*
Johor	Johor Bahru	Factory workers Foreign workers	MR$600 Contract	Textile and garment
	Batu Pahat[a]	Factory workers Foreign workers	MR$380 Contract	Textile only
Penang	Penang	Factory workers including foreign workers	MR$600 Contract	Textile only
Selangor	Kuala Lumpur	Factory workers Contract workers Homeworkers	MR$380 Depending on contract	Textile only n/a[b]
Selangor	Rural area[c]	Factory workers	MR$280–380	No unionised factories

Source: Personal communication: Union Secretaries in Johor, Penang and Selangor.

Notes:
a Batu Pahat is a rural (industrial) area.
b Homeworkers and contract workers are not in a union.
c Some factories employ very young workers hence the low wage.

Garment factories with in-house unions have not been included. The wages cited are the basic, average monthly rate of pay. Wages depend on the worker's level of skill and the length of employment. Skilled workers in all areas have more bargaining power than unskilled workers.

in Penang 'because the buyers require quality standards so the companies can't farm out these jobs'[7] (interview P: Penang 1999). There are, however, foreign workers from Indonesia and Bangladesh employed in the industry, the numbers of which fluctuate depending on the demand for 'unskilled' labour.

In Selangor, there are six textile factories in the union. Although there is a significant number of garment factories, they are not unionised, because manufacturers outsource to homeworkers and backyard factories. The garments produced for both the local and the export industry are subcontracted on a piece-rate basis, and final finishing, such as labelling, is completed in the factory. According to trade union sources

> this ugly kind of thing is the greatest concern for us. We find it very difficult to organise. In a sense it's very closely knitted and it is under the eyes of people. To break through into this kind of circle is quite a difficult process.
>
> (Interview S: Selangor 1999)

The factory owners in Selangor are mostly Chinese, and the subcontractors are largely Chinese families who employ substantial numbers of foreign workers in backyard industries.

According to union sources in Selangor, factory owners and contractors use the piece-rate subcontracting system because it improves profit margins and makes it more difficult for unions to operate. Married women homeworkers and migrant women workers in the backyard factories are excluded from a minimum wage structure and receive around 380 ringgit per month. Homework is increasing for two reasons: foreign workers and homeworkers lower the costs of production for the manufacturer; and, as discussed earlier, married women prefer to work at home so they can balance their family commitments and paid work. Another reason underlying the utilisation of foreign labour in the garment and textile industries in the cities in Selangor is that the cost of living is quite high and local workers refuse to work in these low paying jobs if they have a choice (interview M: Selangor 1999). In the rural areas of Selangor, as in Batu Pahat, employers have access to a large rural workforce, and employ young female workers. These workers are not unionised both because there are considerable difficulties in attracting young women to the union and because some factories promote in-house or 'enterprise' unions in order to prevent the workers from joining the state textile union (Ariffin 1997b: 50).

Overall, then, in pre-crisis Malaysia, garment industry workers were not organised in any real sense as an industry-wide workforce. In many areas, this has remained true post-crisis. Judging from the situation in Selangor, it seems unlikely that the trade union will be able to effectively represent these workers in the future. In Penang, trade unions organise textile workers but not garment workers. In Johor Bahru the union had more garment workers than textile workers, but elsewhere in these three states – especially in Batu Pahat – as a result of government restrictions, workers' lack of interest and limited union funds, unions have failed to effectively organise workers in the industry. As a result, for the large numbers of homeworkers and migrant workers, NGOs have been the only avenue from which women could seek help to understand their rights as workers.

Both subcontracting and the employment of foreign workers have been criticised by local labour activists. Irene Fernandez, activist and director of *Tenaganita*, a women's non-governmental organisation (NGO) in Malaysia, for example, argues that 'the whole strategy of multinationals seems to be to make workers more vulnerable and unprotected – subcontracting and migrant labour fits into that strategy' (*Multinational Monitor*; interview: Fernandez 1996: 16–18).[8] NGOs have played an increasingly significant role in providing women workers with an alternative source of information about their working lives in Malaysia and have encouraged outworkers to organise. They have provided advocacy services, raised workers' understanding of their rights under existing labour legislation and highlighted labour abuses. NGOs cannot effectively perform all the functions of trade unions because they cannot organise large numbers of workers within the workplace or bargain

through the official channels. Yet, despite their limitations within Malaysia's industrial relations system (Ariffin 1997b: 55), NGOs are often the only organisations that report on the exploitation of workers, especially those employed by multinational companies.

There are different types of NGOs in Malaysia. Two groups of feminist NGOs work with migrant workers, electronic workers and plantation workers. A third, the Sisters in Islam (SIS), is more focused on the issues affecting Malay women. As a result, the activities of SIS are better accepted by the government. According to Foley, SIS has gained support from Mahathir because he approves of their modern version of Islam (Foley 2000: 23). Most of their activities involve sending memoranda to the government, lobbying Members of Parliament for change and establishing NGOs to help Muslim women. They also write academic works, and conduct workshops and seminars in order to spread awareness of Muslim women's problems (Foley 2000: 23–4). Labour-oriented NGOs such as *Tenaganita* (Women Force), on the other hand, are not popular with the government and are rarely given any opportunities by local media to report the conditions of women workers to the community. They have to work within a limited space and with limited funds to create better social and working conditions for women workers, especially plantation workers and migrant workers.

As a result of bringing the treatment of migrant workers to the attention of the local and international community, the labour-oriented NGOs have experienced the punitive force of the law. Irene Fernandez, for example, was charged with 'maliciously publishing false news' when she criticised conditions for foreign migrant workers in immigration detention centres in Malaysia (Jones 2000). Fernandez is also outspoken about the conditions of foreign workers in multinational factories (*Multinational Monitor*; interview: Fernandez, 1996: 16). Fernandez argues that there is very little accountability on the part of multinationals in relation to foreign migrant workers.[9] However, since *Tenaganita's* memorandum (1995), the issue of migrant workers has become a matter of national concern.[10] In response to the debate initiated by *Tenaganita* over migrant labour, the trade union in Johor has tried to help migrant workers – in one case, bringing back three workers from Indonesia to attend court for unfair dismissal (interview A: Johor 2000).

Persatuan Sahabat Wanita (Friends of Women) is another women's NGO that is not popular with the government. *Persatuan Sahabat Wanita* has brought the plight of workers in the EPZs to notice at both the national and international levels. In 1992, *Sahabat Wanita* lobbied for legislation protecting contract workers, including homeworkers living in the squatter locations near the Free Trade Zones. Among these homeworkers are very young housewives subcontracted to work on 'Barbie' dolls' clothes for a garment factory. While the clothes are made in the factory, the homeworkers do the cutting and separating for very little money.

Overall, NGOs have contributed significantly to publicising the plight of women workers in Malaysia and have raised public awareness of the need to improve the status of women. As a result of their activities, the govern-

ment ratified the United Nations' Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) in 1995. But, according to groups such as Sisters in Islam, *Tenaganita* and *Persatuan Sahabat Wanita*, there still remain many areas where women are discriminated against. In 1999, a National Workshop on the Women's Agenda for Change was jointly organised by the Women's Development Collective, Sisters in Islam (SIS forum Malaysia), *Persatuan Sahabat Wanita*, and the All Women's Action Society. A total of thirty-four women's organisations and NGOs put together a paper outlining eleven key issues for women in Malaysia ('Women's Agenda for Change' 1999). The government has, however, been slow in addressing key issues such as the minimum wage, the right to form a national trade union and the protection of migrant contract workers and homeworkers.

The financial crisis and Malaysian labour: a point of transition?

Since the economic crisis in 1997–8 large numbers of white-collar workers as well as blue-collar migrant and local workers have been retrenched and the Malaysian government's development agenda has been charged with serious flaws. The processes of 'globalisation' have, for many, taken a different turn. The crisis caused a considerable change in the way workers view their job security and welfare benefits. A post-crisis backlash through restructuring has made workers more aware of the advantages of trade union membership. The Malaysian Trades Union Congress (MTUC) is seen to be making advances for workers and the government has had to relent on some work-related policies. Trade unions have also begun to acknowledge the problems faced by migrant workers. These changes highlight the fact that, while globalisation is depicted as a force that leaves no space for workers' rights, the benefits are not as all-encompassing for everyone as is often portrayed.

The crisis has also highlighted the extent to which certain state initiatives are the result of the success of counter-forces to globalisation. Malaysia's experience of crisis, while relatively short-lived, resulted in a significant enlargement of discursive space around Mahathir's vision of Modern Malaysia. The spokesperson for the Penang Textile Trade Union claims that, since the crisis, workers have begun to look beyond their pay packets and think about the 'big picture' issues such as modernisation and politics. This assessment is supported by Hing's study, which highlights the disillusionment and frustrations of working-class Malaysians, some of whom now argue that Malaysia's 'highest' buildings and 'longest' bridges mean nothing if Malaysia still has low wages, increasing numbers of foreign workers and a growing divide between rich and poor (Hing 2000: 232).[11]

In Johor Bahru, this dissatisfaction has strengthened trade unionism. In an interview in September 2000, an official in the Johor Textile Trade Union said that recent increases of some 30 per cent in union memberships outstripped anything he had seen in his fifteen years of union organising.

According to the spokesperson, in the past, workers were not interested in trade unionism because it was not perceived to bring any benefits – perhaps because of Malaysia's high rate of employment and government opposition to unionism. Now, in an era of economic and employment uncertainty, workers are seeking to join unions because workers in union-organised factories are seen to enjoy more benefits than their non-unionised counterparts.

Trade unions' newly found popularity partly lies in their improved media presence. In pre-crisis Malaysia, trade unions had difficulty getting media coverage. The textile trade union in Penang had sent countless media releases and reports to the press in the past, but they were never published. This seems to have changed, as indicated by a report in the 'Sun' published in September 2000. In the report, the president of the MTUC said that 'more than 50 unions in the manufacturing and transport industry have been waiting for recognition'. The MTUC 'will submit a list, of the employers who are yet to accord recognition to the unions, to the Human Resource Ministry for further action'. Other papers, such as *Utusan Konsumer* ('the Consumer's Representative'), have also published on union affairs. In its September 2000 edition, one and a half pages of the tabloid-size publication were devoted to the MTUC's opposition to a government-sponsored annuity scheme.

On the other hand, there is no sign of government support for the expansion of trade unionism. In addition, it is difficult for unions to reach the increasing number of women segregated in the homework subsector. The crisis in 1997–8 has affected the ways in which workers in Malaysia understand their position within the export-oriented industries with trade unions having gained a window of opportunity through the crisis. For example, in Johor workers in some factories have started to place more faith in the role of the trade union after the crisis. NGOs also continue to play a significant role in fighting for the rights of the most disadvantaged workers and raising awareness of the problems in the export-oriented manufacturing industries. These changes are still in their infancy and therefore difficult to read, but nevertheless they are clearly significant for the future of labour relations.

Notes

1 Under the Multi-Fibre and bi-lateral trade agreements Malaysia does very well. The total export value of the textile and clothing industry for the year 1998 amounted to MR$13,464.5 million; that is equivalent to 4.7 per cent of the total export and the third largest foreign exchange earner after electronic and palm oil industry (MTMA 1999).
2 According to Kusago, a young woman's decision to migrate is usually a family decision and the daughter is expected to supplement the family wage (Kusago 1999: 6).
3 There are nevertheless instances where Malaysian manufacturers have moved offshore to Cambodia and Mexico.
4 The government initiated a plan for the development of the Eastern Corridor to expedite industrial development in the less developed states. The government provides the necessary industrial infrastructure such as roads, electricity, ports

and telecommunications and incentives are extended to industries who locate in these states, especially the states of Kedah, Kelantan, Pahang, Terengganu and the district of Mersing, Johor in Peninsular Malaysia and Sabah and Sarawak (Plan 1998: 22).

5 These work patterns have many negative consequences. Women usually start their work after the children's and/or husband's needs are attended to, and often go without sleep and suffer back pain (interview S: Selangor 1999).

6 In the 1960s, rural poverty in Malaysia caused a rural to urban drift, which in turn added to the numbers of unemployed in the cities. Young Malays were the group most affected. The discontent, resulting from unemployment, poverty and the uneven distribution of wealth and resources culminated in race riots in 1969. During the race riots (fighting broke out between the Malays and Chinese), the government called a State of Emergency enabling the government to suppress the high level of street violence. The State of Emergency also enabled the government to introduce legislation (The Internal Security Act), which prohibited unions from taking strike action that was considered threatening to the internal security of the country.

7 According to the union spokesperson, employers try to hold on to their skilled workforce in order to produce good quality garments for overseas contracts. They do not rely on 'cheap unskilled labour', which they consider to be mobile and not long-term employees.

8 NGOs work more specifically with workers in electronics industries rather than with workers in the garment and textile industries because the garment and textile industry has its own trade union. NGOs are, however, concerned with the plight of migrant workers in the textile and garment industries.

9 The companies in question (among them a number of textile and garment companies from Taiwan) recruit workers from Indonesia, Bangladesh, the Philippines, Thailand, Burma and Pakistan to work in low-paid jobs in the manufacturing industries.

10 The presence of so many immigrants in Malaysia has become a major domestic political issue. On the domestic side there is pressure from the agriculture and building sector as well as from the state government in Johor to bring in more workers. At the same time the MTUC and NGOs are pressuring the government to stop the flow of foreign labour on the grounds that foreign labour depresses the wages structure and weakens the incentives to attract Malaysian workers and raises human rights issues (Jones 2000: 4).

11 The Malaysian public is holding foreigners responsible for the increasing rise in crime, prostitution and other social ills (Jones 2000: 4).

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9 Adjusting to urban capital

Rural female labour in state cotton mills in China

Minghua Zhao and Jackie West

China has responded to the pressures of globalisation and underdevelopment by achieving very high growth rates over two decades. Migrant labour has played a key part in this development. Propelled by economic reform and the push of markets since the early 1980s, rural labourers have broken through the barriers of *hukou*, the registration system erected by the socialist regime to prevent movement between the countryside and urban areas, and have entered the cities in their millions. By 1997, about 200 million rural labourers had left the land. Approximately 31 per cent of these migrants are women and 66 per cent have become waged labourers hired in various industries and ownership sectors (Xue 1998). Such a tidal wave of rural–urban migration has caused considerable concern. Reports on peasant migrants tend to be heavily quantitative and focus on the unregulated physical movement of these individuals across the country and its impact on the nation's inadequate urban infrastructure, especially on housing and transportation facilities (Hu 1995).

On the other hand, studies that document the experiences of rural migrant workers confine their attention almost exclusively to the private and foreign sectors. Indeed, young migrant women in the southern foreign and private factories of the special enterprise zones have attracted particular notice because of their participation in the 'capitalist sweat shops' (Gong 1994; *China Labour Bulletin* 1995; *Chinese Workers* 1995). In contrast, we know very little about rural women hired by state factories and virtually nothing about their extraordinary experiences. Yet the state sector has witnessed some of the most significant reforms in China's transition to a 'socialist market economy' and migrant women are playing a central part in this process.

Women's role as migrant labour in China shares much in common with their sisters elsewhere in Asia, but there are several respects in which their circumstances are unique because of the historical legacy of the command economy and the distinct ways in which globalisation is transforming both rural and urban employment. Rural–urban inequalities are a product both of Maoist policies (some of which have been retained) and of recent market reforms. This chapter focuses on the experiences of women hired in state cotton mills during the reforms from the late 1980s, with particular reference to their recruitment as contract workers and their contribution to production in this key export industry. The discussion is largely based on extensive

fieldwork undertaken by Zhao in the mid-1990s in three large state mills in Henan, a province well-known for cotton production.[1] It begins by briefly sketching the main features of economic reform in China, particularly those affecting the textile industry, and the wider socio-economic forces shaping women's distinct migration patterns and experiences.

Economic reform and rural–urban migration

The responses to globalisation in China date from 1979 when Deng Xiaoping launched his programme of modernisation (*xiandaihua*) and economic reform (*jingjigaige*). This programme, which gathered pace in the mid-1980s and again from 1992, has entailed political and economic decentralisation, agricultural decollectivisation and industrial restructuring along with openness to foreign trade and overseas investment and some democracy. It has heralded a period of phenomenal economic expansion, with the ten years to 1995 being the fastest decade of industrial growth since the People's Republic was established in 1949.[2]

China's recent development echoes the response of other economies to neoliberal globalisation (Gills, in this volume) but it is also highly distinctive in introducing market forces within the framework of a socialist system. It is not a simple reflection of the global drive for capital accumulation although it is part of China's attempt to compete more effectively in the global economy. The reforms introduce capitalist principles on an extensive scale but they have 'Chinese characteristics'.There are, for example, limits to competition both beyond and within the state sector and elements of the command economy and state control remain marked. On the one hand, the state is undoubtedly retreating in the face of 'civil society', promoting new forms of social power, particularly management, in place of the party and the state. Competition and individualism too are reinforcing the advantages of certain groups, for example men compared to women and urban compared with rural workers (Wang 1999). On the other hand, the state itself is the driving force of change, as it has always been in socialist economies, and public ownership (both state and collective) still remains the majority form in China, accounting for around 70 per cent of industrial employees and of total industrial output in 1995. Nevertheless, the decade prior to this saw a sharp increase in non-state forms, particularly individual ownership, and in the penetration of foreign capital, and it is these elements that have seen the highest growth in recent years.[3] Encouragement has also been given to mergers and new contractual arrangements between enterprises and between enterprises and the state. In textiles these developments are reflected, as we shall see, in the formation of conglomerates as well as in substantial injections of foreign capital.

However, more important than shifts in ownership structure are the economic reforms that have ushered in market principles to the public sector itself. State-owned large and medium-sized enterprises are still seen as 'the pillar of national economic development' (SSB 1997). Here the reforms

essentially introduced two new principles: first, the separation of state ownership from enterprise management, thus encouraging managerial autonomy and, second, the reduction in worker dependence on enterprises for social benefits.

In accordance with these principles, the enterprise reforms are of two main types. First, reforms to the production process have encouraged management autonomy in a whole array of areas from purchasing and pricing to recruitment, task definition and pay determination: profit and productivity are now key performance criteria (Byrd 1993; Zhao and Nichols 1996; O'Leary 1998). The reforms have replaced collective with individual incentives at a variety of levels, expressed in a battery of 'responsibility systems' and payment structures that aim to establish a closer link between rewards and effort or performance.[4] Second, there are reforms to the employment relation that have replaced permanent employment and welfare provision with contract labour. By 1995 in fact, the proportion of contracted workers in state industrial enterprises had risen to as much as 60 per cent (compared to a mere 5 per cent in 1985), even higher than the 50 per cent share in industry overall (SSB 1997). It is clear that the state sector is a main target for intervention in this respect and textiles has been a leading industry in these reforms. The significance of this shift in the employment relation cannot be underestimated since a principal feature of the Maoist system was the so-called 'iron rice bowl', which guaranteed lifelong employment, health and welfare provision and security in retirement. These benefits were all based on the work unit system in China.[5]

The price paid for such security was inflexibility in the allocation of labour and hence place of work along with severe restrictions on movement, particularly from the countryside. The extraction of a rural surplus to feed accumulation in heavy industry and China's urban-industrial masses was secured by state control of agricultural prices, restricted commerce and policies that reinforced patriarchal households in rural areas (Zhang 1999). Most of these mechanisms have been subject to reform but the *hukou* system is still in place. The *hukou* system divides the Chinese population into two segments, those of urban and those of rural status. The former have much better life chances than the latter. Under the planned economy, peasants were generally not allowed to take jobs in cities. However, during the reform, this barrier has been loosened and more and more peasants are now employed in state factories as industrial workers (Li 1993). Theoretically, this new social category of peasant workers (*nongmingong*) has become part of the Chinese industrial working class. In practice, however, their rural origin affects their experiences in the city and as industrial workers in very special ways. Rural status is a key factor in the segregation of migrants from indigenous urban workers throughout China and it denies them access to schools, hospitals and housing. This complex mix of 'neoliberal' freedoms and state controls is widening the gap between rural and urban workers.

In addition to the substantial labour market inequalities between migrants and urban residents, there are also considerable disadvantages faced by

migrant women compared to migrant men (Huang 1999). These disadvantages reflect previous gender inequalities under communism but also the contradictory effects of marketisation within the countryside. Men earn almost twice as much and are under greater pressure to migrate whether as husbands supporting their families or as sons contributing to marriage costs (Song 1999). Women are well aware of their more restricted urban options in low-paid manufacturing and services and, while they have been migrating in ever-increasing numbers, women have left rural areas less readily than men. A large-scale survey of Handan, a typical province, found only 4 per cent of rural women workers compared to nearly three in ten men in 1992 were migrants. This gender differential is explained both by men's better chances in cities and women's role in the rural domestic economy, the significance of which has actually increased during the reform period itself (Song 1999). Women now have increased farming responsibilities where men are absent for most of the year. Moreover, the decline of communes has shifted the burden of support of the elderly to families. Inadequate social security and health provision in rural areas has reinforced wives' traditional role in the care of their in-laws. In some areas rural diversification has created important new economic openings for women, allowing them to combine paid work with the care of children and the elderly (Zhang 1999), but without these opportunities women, particularly single women, are increasingly drawn to the cities.

Women who do migrate are more likely to be single than their male compatriots (75 compared to 50 per cent in the Handan survey), they usually work closer to their place of origin and more often want their families to join them. But Song (1999) found that they have higher aspirations than men (despite their realistically lower expectations), they place a higher value on urban life and are more resistant to returning to the countryside. For these reasons, and also because the status of children depends on that of their mothers, women are even keener than male migrants to acquire urban *hukou*. It is these kinds of values and aspirations, we believe, along with the widespread disadvantages that women migrants encounter in the urban labour market, that explain their willingness to endure the harsh conditions of work in state textile factories. These conditions, which are in several ways specific to women migrants, include their place in the production process and also the terms on which they are employed as contract workers. These conditions have been shaped by the particular ways in which the industry has been transformed by economic reform and the wider market forces of which it is a part.

Textiles and reform

Textiles, long important to China's exports, grew especially rapidly in the 1980s (when they became the biggest single export) and, although their share of total industrial output fell from 12 to 8 per cent between 1985 and 1995, they were still ranked fourth (SSB 1997). Moreover, China's share of world textile exports as a whole actually rose to 9 per cent (from 5 per cent in

1980) and its global ranking (second) partly reflects the fact that, apart from Indonesia, it had the lowest labour costs.[6] Textiles is one of the main sectors absorbing foreign capital whether in the form of joint ventures or other patterns of investment.[7] And cotton textiles is one of the main industries to have opened to rural labour, breaking the pre-reform recruitment norm in which urban jobs were only offered to those with urban *hukou*.

Indeed, of all industries within the state sector, it is textiles that makes the most use of rural migrant labour, especially female (Solinger 1998). Since the mid-1980s, an increasing number of peasants, the majority being young women, have joined the industry to feed the boom in both domestic and international markets. Unable to recruit enough urban workers, mills have drawn on migrants despite their rural *hukou* status. Although the national figure for peasant women in China's state cotton textile industry is not available, this trend is in fact nationwide. In Beijing Number One, for example, peasant workers account for 40 per cent of the total workforce and as much as 80 per cent of shop-floor production. In Shanghai, cotton mills send recruiting officers to inland provinces to recruit peasant women in order to cover their shop-floor needs (CTWTU 1993). The importance of the role played by peasant women in cotton manufacture is acknowledged in an interview with the director of one of the Henan mills, which is examined below. He recognised that 'these women are becoming indispensable to our industry. Without them, a great many of our machines would lie idle.'

Mills are increasingly reliant on peasant labour in Henan as elsewhere in China. Newer enterprises also tend to build their factories nearer to the countryside, closer to the source of cotton and rural labour. Both these trends are clear from differences between the three mills where fieldwork was undertaken. Peasant workers constitute a quarter of the total workforce in MetroCotn, a large state mill of 10,000 workers built in Zhengzhou, the provincial capital, in the 1950s. But they amount to half the workforce in CountyCotn located in Nanyang and they provide the bulk of the labour, 81 per cent, in CityCotn, a medium-sized mill established in the early 1980s (see Table 9.1).

The great majority of peasant workers are women, between 84 and 91 per cent, as shown in Table 9.2. Most are in their late teens or twenties, recruited from remote inland areas (CTWTU 1998). The female dominance of the migrant labour force arises from the mills' strategic policy. Young women from the countryside are particularly preferred because, as one manager put it, '(W)omen are born with greater patience and nimble fingers. They are most suitable to work in textiles. And, we particularly like to give jobs to girls from villages. They are tough as well.'

There are no national guidelines for hiring peasant workers in the cotton textile industry, unlike in others such as the male-dominated construction industry where rural labour is also intensively used (Henan Labour Bureau 1990). In Henan, guidance is provided by the provincial government and policies are made and implemented at the enterprise level. Although each mill sets its own criteria and procedures, the following practices are common.

Table 9.1 Peasant workers' share of the mill labour force in Henan

Mill	*Total workforce*	*Peasant workers*	*Percentage of total*
MetroCotn	10,000	2,500	25
CountyCotn	6,000	3,000	50
CityCotn	3,811	3,071	81

Table 9.2 Proportion of women among peasant workers in Henan

Mill	*All peasant workers*	*Women*	*Percentage of total*
MetroCotn	2,500	2,100	84
CountyCotn	3,000	2,600	86
CityCotn	3,071	2,800	91

Applicants are typically required to be between 16 (the Labour Law minimum age) and 22 years old, to be in good health, single and have completed junior high school. They are also expected to pass an educational test and medical examination monitored by recruiting officers. Application can only be made through recommendation. The referee is usually a worker or cadre already employed in the mill, who is generally the applicant's relative or fellow country (wo)man. When a large number of workers are needed, the local labour bureau is used as the referee. Clearly, both formal and informal networks are mobilised to ensure that 'good' workers are recruited. 'Good workers' refer broadly to those who are healthy, hard-working, reliable and politically or ideologically trustworthy. In many cases, the referee is required to sign the worker's labour contract as a guarantor. In this way they become partly responsible for the recruited worker's behaviour and performance during their employment.

The contract signed in the 1980s typically set the employment term for a period of three to four years, but in the 1990s mills tended to ask workers to stay for longer. For instance, both CityCotn and CountyCotn now require workers to sign a five-year contract and MetroCotn attempts to enforce a contract of ten years. In addition, however, all recruits must provide a large amount of cash to the mill as a long-term interest-free loan. This is the most extraordinary feature of peasant recruitment, for the sum is required in order to be hired at all and is generally equivalent to the annual income of about ten peasants. This involuntary loan is clearly exploited to strengthen the mills' production and also used as an effective means of labour control and retention. In MetroCotn it is written in the workers' contract: 'The sum is to ensure the smooth implementation of the labour contract. It will not be returned to the worker until the contracted term is fulfilled.'

This recruitment practice not only deviates considerably from the Maoist model of labour employment, that is the iron rice bowl with its guarantee of

permanent jobs, but is also very different from the newly introduced contractual terms of employment in many other sectors. Neither model requires workers to pay money to their employers in exchange for work. Commenting on this profitable practice, the production manager in CountyCotn recalled its adoption as 'a significant breakthrough compared with traditional patterns of employment for peasant workers in state factories'. He appreciated that it is 'the favourable climate that allows us to experiment with a new means of recruitment, indeed any means so long as it contributes to production'. By 'favourable climate', he was referring to the introduction of the market, which has taken the power of decision-making from the state and placed it into the hands of factory management (Byrd 1993; Zhao and Nichols 1996). This recruitment practice has spread quickly in the mills. CityCotn, for example, was modelled on this recruitment pattern when first established and found it an immediate success in obtaining both labour and capital. Similar practices are widespread in joint ventures and private enterprises too, especially for migrant workers (Chan 2000), but the sums required of migrants in these state cotton mills appear to be very much greater.

Conditions of peasant labour

In Chinese state factories, the enterprise reform since the mid-1980s has led to the growth of a managerial stratum with greater powers to determine production. Management is now increasingly preoccupied with the market, productivity and profit as enterprise goals, a new pattern that signifies a reconfiguration of the relations between the Party, trade union, workers and managers at the enterprise level. In production, factories are imposing various strategies aimed at systematising and intensifying the labour process (Zhao and Nichols 1996; Zhao 1999). All workers in the state sector are affected by the change but in textiles peasant workers bear the brunt of the impact since they constitute the majority of the shop-floor labour force. In addition, their rural origin makes them particularly vulnerable in many other aspects of their work and life in cities. They are marginalised and discriminated against in work, pay, welfare treatment and their political and social rights.

Peasant women are used as the 'backbone' of the labour force in cotton textiles. They are placed in the most critical part of the production process where labour is most intensively used and working conditions the poorest. In its research report on the 10,000 peasant workers in Zhengzhou's state cotton mills, the Henan Textile Workers' Trade Union (1994) notes that:

> Most of these workers are women and all are placed in front-line production as machine attendants in such key departments as spinning and weaving where tasks are known to be the hardest.

Some peasant women are placed elsewhere, where they are also systematically given the hardest work. In the finishing department, for instance, tasks are largely divided into two kinds: cloth-checking and cloth-repair. Cloth-

checking is less physically and mentally demanding and is mostly conducted by women recruited from cities. In contrast, cloth-repair demands more concentration and consequential strain to eyes and fingers and is mainly conducted by peasant women. A 21-year-old woman hired three years previously from a village in Xinye County was very clear on this intentional discrimination:

> I entered the mill with twenty other girls from the same area. We were instructed to do cloth repairing right from the start, only because we came from the countryside.

It is migrant women workers who are also subject to some of the most intensified production in recent years. One striking example of this is the high degree of labour exploitation following the introduction of foreign capital. In 1987 MetroCotn entered a joint venture with a Hong Kong company to produce denim at a higher profit for the international market. The agreement to establish what was formally referred to by management as 'our internal SEZ [special economic zone]' gave Hong Kong capital complete control over production and marketing, with MetroCotn's responsibility being simply to supply 'a stable and highly qualified workforce' and one that was very cheap. Six hundred peasant girls were recruited to this production line from the start. But their initial enthusiasm and relief at finding work with such a modern mill soon turned sour. For, in addition to hard labour and long working hours, the dyeing process used cyanide. While denim production is increasingly controlled in the advanced economies on health or environmental grounds, China has provided an ideal unregulated environment for foreign firms. In the case of MetroCotn, there has been a sharp and substantial rise since 1990 in miscarriages experienced by women workers producing denim. Concern expressed both by the mill doctors and the union was brushed aside by management who argued that denim was the most profitable of all the mill's departments and workers were free to quit.

Managers' primary interest in hiring peasant workers in cotton mills is that they are cheap and easily replaceable – of vital importance in labour-intensive manufacturing especially under conditions of global competition. But the various mechanisms used by management to secure these benefits from *nongmingong* inscribe a more broadly subordinate position.

According to the contract, peasant workers are entitled to the same pay as others (men and women receive equal pay). In practice, however, they receive only about half as much as workers of urban status, the majority of whom are men. As a legacy of the *hukou* system under the planned economy, workers with urban *hukou* are provided with allowances to subsidise their basic living costs. These subsidies are linked to the yearly index of food prices, paid by employers and called 'associated wages' (*liandong gongzi*). These constitute 15 per cent of the urban workers' newly structured wage package. Without formal urban status, peasant workers are not entitled to these subsidies. Their monthly wages are therefore 15 per cent lower,

although they actually live in cities and purchase necessities at urban prices. Unskilled labour (in which they are concentrated) also accounts for these women's lower pay. The ratio of wages between skilled and unskilled workers is 1.3:1.0 in most departments. Since all the skilled posts, such as machine maintenance and repair, are held by workers with city origin, who are virtually all male, the pay structure means that peasant women, machine attendants and doffers receive a further 30 per cent less wages than many city workers. Overall, these women receive 45 per cent less in their monthly pay packet compared with workers of urban origin.

Peasant women, indeed peasant men as well, are always barred from training for skilled work. The production director in MetroCotn explained:

> We generally don't train peasant workers as skilled workers, because we're not sure if they can stay or not. They don't have formal urban registration status and so are very likely to be pushed back to the countryside when we don't need them or when the government changes its policy. We don't want to invest in them.

These workers are placed at the bottom of the factory hierarchy where their female and rural identity denies them access to promotion. In CityCotn, where peasant workers constitute over 80 per cent of the labour force, more than 95 per cent of the cadres are of city origin and are men. In CountyCotn, 25 workers were admitted into the Party in 1994. Among them, only one was from the countryside – a man. Such systematic blocking of promotion perpetuates these women's low position in the mills.

The new Trade Union Law (1992, Clause 3) stipulates that all wage labourers have the right to union membership.[8] But peasant workers in the mills have been deprived of this right for many years and such deprivation actually derives from management's intention to keep labour costs low. According to government regulations, unionised workers are entitled to a refund of half their family's medical expenses. Although this benefit has been considerably reduced as a result of management's shift of emphasis away from workers' welfare to profit and productivity, union members can still be reimbursed for a proportion (mostly 30 per cent) of their relatives' medical expenses. Peasant workers have been excluded from the union's coverage. The union president at CountyCotn explained:

> Actually, we want these women workers to join us. But their welfare benefits are a problem. Once unionised, they will be entitled to some benefits. Management make it very clear that they will not allocate more funds to support these workers. They say that will drive up the cost.

There are a number of other mechanisms through which peasant workers remain as cheap labour. Social security reforms in the 1990s have focused on pensions and unemployment allowances and were designed to cover only urban citizens (Chen 1995; Li 1995). Peasant workers are excluded from

social welfare provisions and there is no clause in their employment contract on workers' pension and unemployment arrangements. A characteristic of social security reform is the duality of the old and new systems. In 1995, over 90 per cent of workers with urban origin were covered by the new unemployment insurance and virtually all urban state employees were covered by the old or new pension schemes (76 and 24 per cent respectively) (Chen 1995: 203). Social security cover is particularly low in the countryside (only 8.5 per cent of the rural population in 1995) and was designed to help only those who were old, childless or extremely poor. But peasant workers in state factories benefit from neither urban nor rural schemes, neither old nor new.

The lack of a 'safety net' creates anxieties about their future. A woman who had worked at CountyCotn for ten years was adamant:

> I spent 4,000 *yuan* for this job. It cost all my parents' savings. They thought they'd made a good investment for my future and I needn't have to worry when I get sick or old. But they were wrong. Now I am still healthy and young. But what shall I do when I get old?

Peasant workers also get fewer medical benefits. The labour contract entitles them to sick leave for a maximum of three months and to paid medical treatment in the event of industrial injury for up to six months. Those who are unable to return to work have their employment terminated, without any compensation. City workers get longer sick leave and do not risk job loss in the same circumstances. Some peasant workers may get their 'deposit' back; many do not.

Housing is another factor making the hire of peasant workers 'cost-effective'. Under the planned economy, mills had to provide all workers with free housing. The reforms of the past decade are gradually eroding this benefit and many workers can no longer expect to be housed free of charge. However, mills still feel obliged to provide free accommodation for single city workers and to share part of the housing costs for married city workers. Peasant workers, for whom mills have no such obligation, are expected to find accommodation for themselves. Some women stay with relatives but most have to rent from private landlords at high prices. Generally, five or six women share one room, each paying 30–50 *yuan* monthly rent, which equals 16–25 per cent of their monthly wages. Since rented housing is always quite a distance from the mill and the mill's buses run only between the mill and its own accommodation, workers are always exhausted due to the extra travel. Women have additionally reported cases when they were subject to sexual harassment on the way home at night and several have been raped while returning after the midnight shift.

Under pressure from workers, the union and from public opinion, management has recently changed its policy. Some peasant women have been provided with housing near the mill – albeit in some of the worst conditions. In MetroCotn, most of the girls are now housed in an old ex-public bath hall designed for male workers. The hall is crowded with forty pairs of bunks

with a narrow passage between each row of beds. Over each bed is hung a heavy mosquito net, creating a small private space. This is the home for eighty peasant girls hired in the wool department. Many complain about the noise and lack of privacy. At the same time, however, there exists a strong sense of solidarity: living closely under the same roof enables these women to share experiences and provide mutual support, which is vital to their survival in the hostile urban environment. There is also potential here for the growth of class consciousness and political activities.

Family housing is an even more serious problem for peasant workers. Although recruited as single, many have married in the intervening years, particularly since the period of the employment contract has been extended. As women shoulder major responsibilities in childrearing, they cannot leave their babies in the villages, as virtually all the male workers do. They must take their children with them to the mills. Management initially refused any provision but eventually compromised following repeated complaints. Now married peasant women workers have begun to get access to the mill-funded housing. In MetroCotn, they are allowed to move into the so-called 'mother-and-baby buildings'. But these are makeshift, temporary shelters built in the early 1970s for women who had to take their babies to the night shift. At that time, each room was used by three or four night-shift women and their babies as well as their babysitters, normally for one week on a rota basis before being passed to another group. It was not designed as family housing. Each room, about 15 square metres, is shared by two or three families, shielded from each other merely by cloth sheets. There are complaints that the miserable living conditions are 'inhuman' and that it is impossible to live a normal family life. Despite this, there is a long waiting list for places.

Commenting on the 'cost-effectiveness' of hiring peasant workers, a MetroCotn manager made a shrewd calculation:

> Look, they are much cheaper. A new peasant worker gets less than 150 *yuan* [a month] in the first year and no more than 200 in the second year, and so on. In contrast, we have to pay a lot more to the formal workers hired from the cities. Moreover, we aren't obliged to provide them with costly benefits, which we can't yet avoid with city workers due to state regulations. See the value of it?

Peasant workers, through lower pay and benefits along with the involuntary 'loan', thus bear a much larger share of the costs of their own reproduction than city workers.

New pressures and inducements

Theoretically, the contract relationship between the mills and the workers implies that these individuals have become free wage labourers and can terminate the employment when they wish. But reality is more complex and underscores the degree to which peasant workers provide a kind of bonded

labour. Though capitalist production relations are emerging within the state sector, peasants' legal status as rural residents hugely restricts their freedom to sell their labour power to other employers or to quit. The contract specifies conditions of employment and, in conjunction with the 'loan', prevents mobility and resistance. Both these elements of the 'free contract' thus enforce compliance.

The discrimination to which migrant women are subject and their intensive labour makes their working lives exceptionally hard. They are disappointed with the urban life they have experienced and express a strong nostalgia for the countryside. Most, however, do not have other choices but to stay. Those recruited in the 1980s have completed the first contract and most have signed the second five- or ten-year contract. When doing so, they have been required to leave their money, the compulsory interest-free 'loan', with the mills for another five to ten years on the same terms. Just as they initially accepted the harsh terms to enter waged labour, these workers have apparently chosen to endure the hardship as cotton mill workers. Clearly their 'choice' is in fact primarily from lack of other alternatives. Many say that they would not have renewed the contract if they had other opportunities. A woman who was among the first peasant workers recruited in CountyCotn in 1986 put it like this: 'I decided to work in the mill for ten more years. I didn't do this because I enjoy working here. But what else can I do without this job?'

Other aspects of their urban experiences also account for their decision to stay. On the one hand, they hate the increasingly hard labour and are deeply hurt by the urban prejudice and discrimination. On the other hand, they do not want to lose the economic independence and the facilities only available in cities, such as bathrooms, cinemas and dance halls. Most importantly, they still hope to earn urban status by working for the mills. They hope that the change of their *hukou* will eventually change their fate. A young woman in CityCotn well represents their rationale:

> I decided to stay after a lot of hard thinking. Honestly, I hate working here. It's unbearably hard. But what can you do in the countryside? Toiling on the land is even more hopeless. Young people have no future in the countryside. The wages here are low. But you can at least buy something you really need and you can buy with your own money. Besides, you can have a bath every day and it's easy to go dancing or to cinemas. It's difficult to find such good things in the countryside. It's too dull there. Also, you may eventually be given a city *hukou* if you keep working in the city. Who knows?

However, a new trend has begun to emerge since the mid-1990s. While most peasant workers stay in the industry, an increasing number are leaving. Mills are alarmed that it is becoming difficult to retain even peasant workers. The tendency is particularly pronounced in big cities. In Zhengzhou, the director of enterprise management in MetroCotn notes: 'We are losing more

and more peasant workers. The turnover rate in the mill has reached an historic high of 6 or 7 per cent, really the highest in the mill's history'. The intensified labour and the increasingly harsh labour disciplines are identified by the union as the main causes for these workers' departure. The same trend is becoming evident in small cities like Nanyang, although to a lesser extent. In 1995 about 3 per cent of the peasant workers left CityCotn and CountyCotn. Reports from remaining workers indicate that few of those who left have returned to the countryside, rather that they tend to find jobs in the urban private sector as service workers. We find no evidence of organised action with regard to their withdrawal from the mills but these women's refusal to stay clearly demonstrates their individual resistance to exploitation.

The tendency for peasant workers to leave has caused serious concerns among mill managers. Various enforcement and incentive strategies are adopted to check the flow. Monetary sanctions are used as a major means of containment. As already mentioned, these workers are now required to sign up for a longer period of employment: the contracted term has been typically extended from a period of three to five years in the 1980s to one of five to ten years in the 1990s. New workers are still required to surrender a large amount of money to get the job and it is written in the contract that: '(W)orkers have no right to withdraw their money from the mill and they cannot quit the job under any circumstances.' If workers leave without the 'due permission', which the mill always refuses, 'the money shall become the mill's property and will not at any time be paid back to the workers'. Management consider it their right to keep the money because the mill has invested in workers' training and workers who quit will only reduce profits.

To further strengthen the retaining impact of the 'loan', MetroCotn has doubled the required amount and women have to deposit twice as much as men. The labour and personnel director at MetroCotn explains:

> We need more women for shop-floor production. They're more suitable for work as textile workers and therefore more precious. But they're also more likely to leave because they have to bear and rear children and they seem to have more job opportunities with the development of the city's service industry.

Maternity leave is exploited to check the loss of peasant women. As mentioned earlier, these workers were initially required to be single and the policy was not dropped until well into the 1990s, following many protests from workers and especially when the mills had begun to realise that the use of peasant workers was a necessary long-term strategy. Peasant women in the mills can now marry without losing their job. They are also given three months' paid leave after childbirth, although the leave for city workers is twice as long. Moreover, to encourage them to return, MetroCotn managers keep the women's wages during their leave until they do so. The terms in the labour contract have been amended:

> [To get her wages back] the woman must submit a letter of resolution in which she must give her promise to return to work after the leave. The mill will not pay her anything until she physically returns to the mill promptly when the leave is over.

Management has only one objective: 'We want to ensure that these women come back to work for us after their maternity leave', explained the labour and personnel director at MetroCotn.

Surrounded by the countryside and closer to a rural labour supply, mills in small cities like Nanyang do not experience much difficulty in recruiting peasant workers. But mills here are also keen to retain those already on their payroll. Training workers consumes time and other resources and managers make every effort to avoid such waste by keeping labour turnover to a minimum. In fact, managers here are in a better position to retain migrant labour. By holding tightly on to workers' money, not only can the mill continue to exploit these workers' savings/borrowings; they also succeed in retaining workers for production.

In spite of these conditions, some peasant workers have managed to leave the mills with their 'loan' returned. In 1995, about 100 women left CityCotn and were able to do so without losing this loan by meeting a special requirement. Each had to introduce to the mill another peasant woman as their replacement. In addition, each was required to pay the mill another large sum to 'compensate' for the resources spent on their training. Managers are not very happy with such replacement, mainly because, as the director of CountyCotn pointed out, 'What we have lost are experienced workers. The new hands can't be used immediately to attend the machines on their own.' But management also recognises that, on the whole, mills benefit more from the labour replacement. The mill director summarised:

> First, the new worker must work for us for at least five years. That's our pre-condition for accepting the replacement in the first place. Secondly, we get some extra payment from the quitting worker. Thirdly, we know well that the new worker is younger and more energetic. Fourth, the replacement helps us purify the labour force and helps us get more willing workers.

Positive measures have also been introduced to encourage peasant workers to stay in cotton mills. These mainly include the real, potential or promised increase of these workers' social and political rights, particularly granting union membership and limited access to urban *hukou*. In Zhengzhou, urban *hukou* has been given to a handful of peasant workers selected as the most hard-working and with the longest years of service. In this case, mills are backed up by the municipality, which is willing to issue a certain number of urban *hukou* certificates. The chosen workers then have to pay a certain sum (on average 4,000 *yuan* in 1994) to compensate the city for accepting them as formal urban citizens. The granting of urban *hukou* is intended to achieve

a 'demonstrating effect' in order to boost the morale of all peasant workers. But the effect turns out to be limited and cynicism is not uncommon. As a young woman in CityCotn put it:

> Well, I have now got my urban *hukou* and become a formal worker. But I still don't see much hope. I have begun to realise that nowadays workers after all are not worth much in society. Workers' social status is sliding.

A second incentive is union membership. In MetroCotn, union leaders have begun to include in their agenda issues concerning peasant workers such as their right to 'participation in the democratic management of the mill'. Of the 10,000 peasant workers hired in Zhengzhou's six state cotton mills, 85 per cent have been admitted into trade unions. The reasons for the change are twofold. First, management has realised that the unionisation of these workers actually will not cost them much. After all, the deepening of reforms will soon deprive all workers of the family medical benefits once available to union members under the planned economy. In effect, such cover has already been cut off in CityCotn and CountyCotn and it has been reduced by 50 per cent in MetroCotn. From the unions' viewpoint, the unionisation of peasant workers will help strengthen their grass roots organisational base, which in turn will reinforce the union's voice at the negotiation table. As managers increasingly depend upon peasant workers for shop-floor production, unions are increasingly aware that they too must rely more on these workers for support. Unions are currently under intense pressure, as we have indicated. A further example in MetroCotn is the directors' decision to withdraw recognition from three union sections, namely the department of democratic management, labour protection and women, following the formation of a major conglomerate and moves to cut all government links (Zhao 1999). There is also a wider crisis of legitimacy for state-sponsored organisations in China (Wang 1999). But in spite of these pressures, unions will continue to provide a crucial collective basis for participation and autonomy for workers at the sharp end of production, especially in the state sector where there is some scope for bargaining or consultation at least compared with the position in joint ventures and private firms (Feng 1996; Chan 2000). Unions could be of particular importance for those who have hitherto been so marginalised.

Conclusion

The reintegration of China with the global economy has witnessed dramatic growth in the country's textile industry since the mid-1980s. China ranked at the bottom of the world's top ten textile-exporting countries in 1980. By 1992, China had jumped to the top of the league table and remains there today. Chinese-made textile consumables are seen virtually everywhere in supermarkets and department stores throughout the world, especially in developed countries. These textile products are manufactured by cheap

Chinese labour, significantly by the cheapest female labour drawn by state factories from the country's poor and remote rural areas. Tens of thousands of peasant women are employed by cotton mills in both private and public sectors. Their labour fills world markets with textiles of various kinds, garmenting the world at the lowest possible price. Apparently local, these workers' extraordinary experiences documented above have in fact global implications. Their encounter with urban industrial capital, the marginalisation and discrimination they have experienced, indicate the deeply rooted contradictions in today's Chinese society.

Market socialism is reproducing new forms of social exclusion through the very processes that integrate peasants into the global economy. Migration into cities and employment in state factories provide these women with three major identities, none of which brings them advantageous positions in the transformed society. Their being women *and* workers, together with their rural origin, make them most vulnerable in the 'socialist market economy'. Their *rural identity* continuously subjects them to urban prejudice and discrimination, which has been nurtured by state policy initiated by the planned economy. The discrimination is particularly glaring in welfare treatments. In the mills, workers' lack of state protection allows management to take particular advantage. Their labour is most exploited, least compensated and most dispensable. As *women*, their assumed 'greater patience' and 'nimble fingers' are seemingly favoured in recruitment. This, however, only leads to their assignment to the hardest and least skilled labour, always with the lowest pay and the least chance for promotion. As peasants and as women they thus contribute disproportionately to the costs of their labour reproduction and to capital accumulation in cotton textiles compared to other workers. Then, as *industrial workers*, they are losing their status as 'masters of the country' as a result of the reform that, through the measures taken to enhance the power of management and foreign capital, has weakened that of workers, the erstwhile leading class.

With the growth of the market and the retreat of the state's role in protecting workers' rights and interests, the Chinese industrial working class faces severe challenges at the start of this millennium. At the local and even personal level, the peasant workers interviewed for this study may eventually obtain their dreamed-for urban residential status, especially when taking into account the government's gradual loosening of its control over the rural–urban population flow in recent years. Even then, however, the change of their rural identity is unlikely to have much positive impact on their future welfare. Their being women and workers determines their social relations in the country's political economy. Their primary status will depend on the success with which Chinese labour, including female labour, negotiates for its rights and identity in the newly structured social, economic and political context.

Notes

1 Over 120 in-depth interviews were conducted with management, with union and party representatives and above all with shop-floor workers, two-thirds of whom were women of rural origin. Use was also made of official and other documentary sources and observation in factories and dormitories.
2 The gross output value of all industries rose 410 per cent between 1985 and 1995, an average annual rate of 18 per cent (SSB 1997).
3 See Table 9.3.
4 Among the most important reforms are the 1984 directive 'Provisional Regulations on the Enlargement of Autonomy of State Industrial Enterprises', which allowed enterprise discretion in a range of areas and replaced profit remittances with taxation as the main source of state fiscal revenue. These became law in 1988 (the year in which a bankruptcy law also came into effect) and further regulations in 1992 re-emphasised government non-interference and the accountability of enterprises for their own performance. The 1986 introduction of the Contract Responsibility System redefined the enterprise–state relationship from administrative/hierarchical to contractual/economic; subsequently directors or managers replaced the Party secretary as the key decision-maker at enterprise level. These reforms have provided a model for numerous shop-floor schemes to replace collective with individual targets and penalties. In addition, and in parallel with changes in ownership structure within the economy as a whole, state enterprises were also encouraged from the mid-1980s to reorganise themselves through mergers, horizontal integration and parent–subsidiary relationships. Where foreign capital was involved, this often took the form of joint ventures with the state enterprise supplying land, plant and labour and the foreign partner supplying equipment, technology and marketing expertise. Shareholding was formally sanctioned for state enterprises in 1990, the year that stock exchanges were established in Shanghai and Shenzen.
5 The 'work unit' has been the cornerstone of China's socialist society and economy. Workers have depended directly on their factories or enterprises for all the social benefits that in the West have been provided by the state: see Lu (1993).
6 Labour costs in China's textile garment industries (1996) were $US0.58 per operator hour compared to 0.52 in Indonesia, 0.91 in the Philippines, 1.52 in Turkey, 2.02 in Mexico and 4.9 in Hong Kong. Labour costs alone do not account for share of trade since, while China ranked first in clothing exports, Germany had the largest share of textile exports in terms of value (World Trade Organisation 1997).

Table 9.3 Change in industrial ownership structure, China, 1985–95

	% of employees		*% of total industrial output value*	
	1985	*1995*	*1985*	*1995*
Public (state/collective)	90.6	71.4	97.0	70.6
Private/individual/ share-holding	8.9	22.5	1.8	16.6
Other	0.5	6.1	1.2	12.8
Total	100.0	100.0	100.0	100.0
Foreign funding as % of total	–	6.1	0.3	13.1

Source: SSB (1997), Table 2.

7 Foreign penetration is 7 per cent, half the level of that in electronic and telecommunications equipment, but very similar to that in various other types of equipment or in food processing (SSB 1997).
8 Since 1949 trade unions along with the Women's Federation and the Communist Youth League have been defined as the bridge linking the Communist Party and the masses. Recent legislation has further clarified that enterprises must contribute financially to unions that are based in them.

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10 Global labour markets and national responses

Legal regimes governing female migrant workers in Japan

Nicola Piper

Economic openness in the contemporary era of globalisation is not confined to flows of trade, investment and finance, but also to flows of services, technology, information and ideas. It is quite striking, then, that in what has been labelled 'the age of migration' (Castles and Miller 1993), the movement of people across national borders as part of these globalisation processes, eased by reduction in travel costs and quick access to information, tends to be ignored or kept outside of abstract theorising of economic globalisation. Continuing labour migration flows have, however, been compounded by the increasing integration of local economies into global markets. This means that separating issues related to immigration from the regimes governing trade, investment, and labour standards serves little purpose (Coombe 1995: 800). Nonetheless, globalisation has so far been mainly debated on the level of finance and capital as well as on the level of a newly emerging 'global elite' (Falk 1994; Clark 1996), but the perspective of labour (i.e. semi- and unskilled) and the issue of labour rights as protective mechanisms are largely left out of any discussion of globalisation, as are gender and ethnic aspects.

In the current phase of the world economy with extensive liberalisation within the world financial markets and the increasing power of transnational firms operating globally, a number of scholars have argued for the shrinking role of national governments. This stands in stark contrast to the issue of immigration policies and decisions relating to entry, residence, and citizenship rights of foreigners that are made by individual states. Simultaneously, states' decision-making power is increasingly being limited by the constraints set by international law and human rights standards. Hence, in an era in which globalising forces seem to challenge the exclusive authority of nation states over the entry of non-nationals, rights associated with citizenship and the basis for civil solidarity need to be re-examined (Sassen 1996).

Although historically not a new phenomenon, patterns of migration, as well as patterns of integrating newcomers, have changed along with global restructuring in the era of the New International Division of Labour. Intensified, and also partly new, flows of migration were generated from regions where modernisation, mechanisation of traditional industries and foreign investment encouraged trends towards rural–urban migration and towards

migration abroad (Pellerin 1996). This has led to increasing recognition that international migration needs to be placed in a larger framework of transnational economic dynamics, de-emphasising the prevailing view so far that immigration is solely caused by socio-economic conditions in the sending countries. In other words, there is a need to emphasise the links between sending and receiving countries (Sassen 1996). In this view migration emerges as a network-depending and network-creating process (Portes 1995: 22). Three main structural characteristics of this new migration that has emerged since the 1990s have been identified as follows:

1 It is not poverty alone that causes migration. In fact, international labour migrants originate in countries at an intermediate level of development; and there, it is not the very poor who migrate abroad, but people with some resources (Portes 1995; Harris 1995). The main impetus for migration derives from foreign investment, military presence and flows of goods and information (Coombe 1995: 801), coupled with the inability of many countries of origin to absorb the increasing numbers of skilled workers. Young people in particular migrate abroad and those who have educational qualifications above the national average.
2 It is not 'industrial migration' that is predominantly taking place any more; migratory movements are directed towards the expanding tertiary sector.
3 Global economic restructuring has not only amplified or diversified migration, with migratory movements in the newly industrialising countries within Asia coming to the fore, but has also resulted in *feminisation* of migration (Castles and Miller 1993: 8), which is linked to general changes within labour markets (such as informalisation of the economy and employment) in connection with globalisation processes (Altvater and Mahnkopf 1999: 331–2). The image of a young man who migrates abroad, either alone or with his family, in search of a better life belongs to the past.[1]

When analysing international labour migration, it is important to emphasise its dialectical dimension: i.e. migrants emerge as objects of structural change and as participants in global restructuring. Policy-makers tend to ignore that a growing number of people make the decision to migrate under certain constraints and deteriorating conditions beyond their immediate control (Pellerin 1996). In other words, migrants' role as agents and subjects needs to be analysed in the context of the macro- and micro-level forces within the global political economy. In addition, it is also necessary to acknowledge gendering dynamics (Cook, Roberts and Waylen 2000).

As noted above, the changes in the world economy are not only demanding a free market for goods and services, but also for labour and, as a result, some analysts believe that there is a need for new ways of approaching immigration (Castles and Miller 1993; Weiner 1995). Despite increased demand and supply of foreign labour, governments strictly prohibit the free passage

of populations, so that much of the actual movement of migrants is 'illegal'.[2] The substantial legal restrictions that exist for labour migration, thus stand in sharp contrast to free flows of capital. Particularly vulnerable in this context are female migrant workers, especially women from the East and Southeast Asian region who constitute a considerable proportion of the global migrant labour force. This vulnerability is based on women from this region migrating mainly as domestic helpers, in the sex/entertainment related industries (Lim 1998) or as so-called 'mail-order brides' (Wijers and Lap-Chew 1997). The increased demand for workers in such services within their own region is linked to the rising levels of prosperity that have promoted a consumerist lifestyle (Sen and Stivens 1998), which also influences potential migrants by creating the desire to fulfil 'normative consumption patterns' (Portes 1995: 22). The surplus cash on the part of the 'new middle class' in the 'newly' developed countries that pays for certain services provided by these migrant women constitutes the demand-side (Coombe 1995; Sen and Stivens 1998). Work in such areas as domestic service and sex/entertainment tends to have an isolating effect as it is outside any protective mechanisms and outside the coverage of receiving countries' labour laws (Lawasia 1998; Piper 1997b). Important in the discussion of international labour migration are, therefore, issues of entry, residency and migrants' rights as workers. Worldwide trends towards increasingly severe immigration policies, rising unauthorised cross-border movements together with the criminalisation of foreign workers have resulted in numerous reports on violations of migrants' basic human rights compiled by non-governmental organisations (hereafter NGOs) working on behalf of migrants (Lawasia 1998). These developments have specific gender implications.

This chapter explores the interconnections between states' changing authority vis-à-vis immigration and migrants' labour rights in the current phase of globalisation. In the context of 'illegality' and the specific type of work that a large proportion of female workers from the East and Southeast Asian region engage in, it is argued that migrants' vulnerability is not only an issue of labour rights. Rather, a new conception of citizenship incorporating human rights emerges as a possibly more effective mechanism of protection, responding to exploitation on the basis of migrants' legal status and gender. This, however, seems to be more the case conceptually than practically. With the absence of enforcement of international standards worldwide, civil society groups need to play an active role in the global restructuring from 'bottom up' (Coombe 1995: 808). Specific examples will be drawn from the experience of foreign migrant women in Japan whose largest proportion has been absorbed by the sex and entertainment industry. But first some general observations on the status of protective mechanisms for migrant labour.

Citizenship as a protective mechanism

One important mechanism by which legal protection could be guaranteed is through citizenship rights. As in the case of the institutions in charge of

regulating the economy and state control, nation-based citizenship too is 'being destabilized and even transformed as a result of globalisation' (Sassen 1996: xii). It does not come as a surprise, then, that the re-emergence in recent years of citizenship as a dominant concept in social sciences has, among others, been attributed to the 'forces of globalisation' and 'growing movements across national borders of migrants' (Lister 1998: 2).

There are no universally accepted definitions or descriptions of citizenship (Oliver and Heater 1994), but as the lowest common denominator, we understand citizenship as membership of a community and the relationship between individual citizens within that community as well as between individuals and the state. In this way, in its 'western' understanding, it is a concept tied to the nation state (Yuval-Davis 1991; Lister 1998). However, as argued by Sassen (1996), the strengthening of the global economy has implications for the continuity and formation of rights associated with citizenship. Increasing cross-border flows have an impact on the traditional conception of citizenship so that its institutionalisation is undergoing, or soon has to undergo, serious changes.

The usual starting point of contemporary theoretical debates in sociological literature on citizenship in the 'west' is Marshall's essay *Citizenship and Social Class* (1950) whose context is the situation in post-Second World War Britain and its social reconstruction since the rise of the welfare state. Modern citizenship is here viewed as a mechanism for expanding different types of rights to all residents in a capitalist nation state with the aim of dismantling class inequalities (Piper 1997a). Marshall's conception explicitly addresses the question of the relationship between citizenship and social class and is essentially a concept of integration into a national-societal community. 'Society of workers' is, thus, linked to the concept of the nation state, and with the establishment of the welfare state, the working classes are integrated into states as political citizens. Guarantees to full-time and permanent employment thereby function as a stabilising factor for the economy and as identity-forming criteria for citizens (Young 1997: 145).[3] But, since then, social change has not been on hold, and the latest type of rights that came with the welfare state did not end the historical development of citizenship. In view of today's welfare state crises in the west, the erosion of some of the preconditions of citizenship, as well as growing income inequalities, indicate a change in the entitlements of citizens (Sassen 1996: 37).

Shifting the emphasis away from its inclusionary nature, the Janus-faced character of citizenship has been exposed by more radical contemporary writings (Mouffe 1992), emphasising the exclusionary tendencies of citizenship in the context of gender (Lister 1998) and ethnic minorities (Piper 1997a). Migration flows in what has been labelled the international 'age of migration' (Castles and Miller 1993) have challenged the conceptual link of citizenship to nation states. It has been remarked by a number of commentators that the rigid distinction between citizens and aliens is made increasingly problematic in recent times because of the fluidity of populations (Oliver and Heater

1994; Piper 1997a). The right of entry or residence needs to be recognised as a critical element of citizenship (Lister 1998). Some commentators have, therefore, argued for the idea of multiple citizenship and the distinction between 'national citizenship' and 'new citizenship' to overcome the traditional equation of citizenship with nationality (Oliver and Heater 1994).

Migrants cannot be truly incorporated into the host society as long as they are viewed as temporary residents (Weiner 1995). The temporary character of labour migration, however, has become the predominant feature of contemporary forms of labour migration. Thus, some authors go as far as suggesting that 'the rights of citizens are no longer needed, only the right to work' (Harris 1995: 221). This kind of argument also shows that the periodisation with which Marshall has described the integrative effects of the three elements of citizenship – the political, civil and social – does not apply in the context of migration. According to Fraser and Gorden, it 'fits the experience of white working men only, a minority of the population' (in van Steenbergen 1994: 93). Moreover, the holding of formal citizenship – usually by birth – has been taken for granted by Marshall's conception. Hence, it is assumed by both scholars and the public that 'national citizenship is imperative to membership in the polity' (Soysal 1994: 3). Also, it has been rightly argued that the historical evolution of the notion of citizenship is not only a modern, but also a western concept. Hence, 'having developed out of a particular conjuncture of cultural and structural conditions that may be peculiar to the West, citizenship may not be a universal concept' (Sassen 1996: 33). The assumption that modern western-style citizenship is an inevitable outcome of development and the expansion of the public sphere has been met by sharp criticism. As different countries develop differently (which is partly related to their particular positions in the global political economy), industrialisation and the rise of capitalism do not inevitably result in a universal definition of citizenship rights (Li 1989; Sassen 1996).

According to Falk, some notion of rights and responsibilities transcending the nation state do exist, and this is 'the essence of any global conceptualisation of citizenship' (1996: 17). In the context of immigration, the assumption that national citizenship is based on territorialised notions of cultural belonging is being challenged by authors (e.g. Soysal 1994; Piper 1997a). This conventional model dominated during the era of large-scale migration around the 1900s, when it was expected that immigrants would be fully assimilated as nationals. The 'guest worker experience' in Europe, however, and also more recent migration patterns require a more universal model of membership, 'anchored in deterritorialized notions of persons' rights' (Soysal 1994: 3). Immigrant mobility within the EU, for instance, constitutes one of the global forces that challenge the authority of the nation state and have brought to the fore the question of citizenship (Sassen 1996). Hence, it has been widely agreed upon that citizenship should no longer be understood in its confinement within the boundaries of nation states (Lister 1998; Oliver and Heater 1994).

An additional aspect is the increasing flow of irregular, undocumented

labour migrants. Claims that full citizenship rights are of no interest to contemporary labour migrants, but only labour rights, disregard the various types of vulnerabilities in migrants' lives at different stages. In addition, such views are gender-blind. The next section outlines migration patterns in a region-specific context before discussing the socio-legal reality of female labour migrants in Japan.

Cross-border migration patterns in the Asian region

Cross-border movements in the search for work *from* Asia were low in the early part of the twentieth century due to restrictive policies of immigration and colonial powers, but increased investment and trade, as well as the US military hegemony in the region together with the promotion of tourism, helped to create the communicative networks needed for migration (Castles and Miller 1993).[4] Migration, thus, grew dramatically in the 1970s when most labour migrants from Asia went to the Middle East and were involved in the formal recruitment of legal male workers for employment in construction and other infrastructure projects. During the economic boom of the 1980s and 1990s, there was significant rural–urban migration within fast-growing Southeast Asian countries as well as international migration as workers crossed borders to faster-growing economies within Asia. This intra-Asian migration has become increasingly 'illegal', involving both men and women who are often taken advantage of by labour brokers (Asian and Pacific Migration Journal 1998).

In immediate post-war Japan, a vast supply of returning soldiers and rural labour reserves were available to provide manpower for Japan's economic recovery. Rapid industrialisation accompanied by automatisation in the agricultural sector encouraged internal migration away from rural areas, where in 1950 almost half of the Japanese labour force was located. In addition, from the 1970s, Japanese women entered the labour market in increasing numbers to fill low-wage jobs (Roberts 1994). Also, as a result of Japan's annexation of Korea and forced labour mobilisation of Koreans during the war, a meanwhile well-established Korean community of considerable size also provided a source of cheap, unskilled and semi-skilled labour.[5] Hence, unlike in western Europe which was already highly urbanised at that time and involved in large-scale recruitment of immigration guest workers, Japan did not experience the immigration of foreign workers until the mid-1980s (Hirowatari 1998). By then, however, as incomes and wages had risen, the first signs of labour shortage were showing and the use of foreign migrant labour became gradually inevitable. During the 1980s and early 1990s foreign labour, thus, began to fill gaps in the labour market in low-wage occupations – a development connected with Japan's population decline and rapidly aging society as well as rising educational levels rendering certain types of jobs highly unattractive to the domestic workforce. In terms of countries of origin, the main source of migrant workers are countries to which Japan is related through its emergence as a major presence in the regional

Asian economic system by means of investment, foreign-aid donations and export of consumer goods (Sassen 1996).

Since the burst of the economic bubble in 1991 and the onset of a serious recession, foreign labour (which had only slightly declined in number[6]) has become part of a wider restructuring of the Japanese labour system, which is showing signs of parting from a guaranteed, full-time employment structure to more 'flexible' forms of employment at cheaper wages and with fewer benefits (see Chapter 2).[7] The presence of foreign workers is part of an ongoing transformation of capital–labour relations in Japan characterised by rising insecurity and income inequalities among the national workforce, rather than simply a remedy for general manpower shortages. The breakdown of full-time employment systems together with a trend towards the casualisation of labour in Japan is at the root of further incorporation of undocumented migrants into the labour system.

One important way in which Japan's immigration pattern distinguishes itself from others (such as those in Europe), is that the very first labour migrants in the late 1970s/early 1980s were women, which supports the argument for the increasing feminisation of labour migration. Historically, the emigration of Japanese women from the late Meiji era to the early 1930s and the immigration of Asian women to Japan can be seen as a continuum of international patterns of female migration.[8] Most of these female migrants, then and now, were recruited for the purpose of providing sexual services. In the post-war context, 1979 is usually marked out as the year when Asian women started coming to Japan as so-called 'entertainers', and by the 1990s an estimated 100,000–300,000 foreign women were engaged in the sex and entertainment industries in all but one prefecture in Japan (Komai 1995).[9] Because of the 'illegal' nature of this employment sector, it is impossible to give a precise number of women working in it. Only a proportion of all women in the sex and entertainment industries are working on proper visas, as the overall number of authorised entertainers was 43,964 in 1998 (Japan Immigration Association 1999).

Statistics on the occupational distribution of apprehended illegal female migrants show that women working as hostesses or prostitutes have occupied between 55 per cent and 40 per cent of all job categories in which illegal migrant women were found between 1990 and 1996 (Japan Immigration Association 1997). The overall size of the sex industry, and the need for foreign women to work therein, is partly reflected in the fact that no other female immigration flow in Japan has come near to matching it. An estimated 4 trillion yen (US$30 billion) profits are made in this sector annually (Matsui 1999: 19). The sex business as an area of employment is typically characterised by its informal nature in which women's work is 'mostly invisible, often not considered an area of state responsibility' (Wijers and Lap-Chew 1997: 33).

The question that arises from this is why are there so few women migrants working in other areas typical for cheap female immigrants in other parts of the immigrant-receiving world, such as light manufacturing, janitorial work,

domestic and health-related services? Part of the answer has to do with gender relations within the Japanese employment system and the continuing gender segregation of the Japanese labour market (see also Chapter 2). When the supplies of migrant men from rural areas dried up, women were encouraged to return to work after marriage, so that the labour force participation of married women as employees in non-agricultural industries has risen dramatically during the past thirty years (Hill 1996). Middle-aged housewives were brought into the labour force predominantly as temporary workers, part-timers (mainly in small- and medium-sized manufacturing companies) or home-based pieceworkers, representing a large reserve force of workers who have rendered overall employment flexible. As many of the labour-intensive industries were transferred to offshore regions during the 1980s, one important source of female and immigrant employment in other countries did not open up in Japan. Despite high educational standards, apart from a small number of professionals, Japanese women have not made significant gains in achieving managerial or executive positions, with the more prominent feature of female employment being part-time work. The participation rate of women in employment after the burst of the 'bubble economy' in the early 1990s has steadily decreased, while that for men remained more or less stable (Friedland 1994), and 'a fairly large number of women employed in temporary positions appear to leave the labour force altogether during business downturns' (Hill 1996: 134).

This means that the type of work typically filled by immigrant women in other parts of the foreign labour receiving world have largely been taken by Japanese women themselves who constitute a cheap and flexible workforce based on sexual discrimination with regard to 'equal pay for equal jobs' and promotion on comparatively high levels within the developed world (Osawa 1998).

With specific regard to the sex and entertainment industries and 'native' and immigrant women's positions therein, the various different types of establishments and jobs covered need to be distinguished. Escort agencies, most 'soaplands' and massage parlours, as well as the latest phenomenon of *enjo koosai* are areas in which non-Japanese Asian women hardly appear.[10] Likewise, the type of high-class hostess bars described by Allison (1994) in places such as Tokyo's Ginza district, for which large companies used to spend up to 5 per cent of a company's expenses until the burst of the 'bubble economy', are not places where Asian women other than Japanese tend to find employment. It is rather lower-class establishments and those outside the exclusive areas of Tokyo where large numbers of Filipino, Thai and Chinese women can be found. From the perspective of the sending countries, the Philippines are probably the largest supplier of 'sex workers', with at least 75,000 Filipinas engaged in this type of work in Japan alone (Fernandez 1997).

To sum up, despite Japan's lack of immigration during the first decades in the post-war era, Japan now has a growing unauthorised foreign workforce filling gaps in the lower segments of the labour market. The phenomenon of foreign migrant labour has occurred relatively late for a

variety of reasons, one of which is Japan's slow move towards economic liberalisation (Itoh 2000). Female migrants in Japan, most of whom work in the entertainment industries, are a particularly vulnerable group whose legal protection is not sufficiently guaranteed by nationally-defined labour rights, and the question is how to respond to their specific situation in a more effective way.

International standards and the protection of migrant labour

As economies and politics become more globalised with cross-border movements on the rise, the important question has been raised whether citizenship rights will be replaced by global human rights standards (Sassen 1996: 35). The process of subjecting the state to the rule of law has been described as a process of emancipation, which was more forcefully elaborated on the international level after the Second World War in the form of international instruments for the protection of human rights (Oliver and Heater 1994). Comparing human rights with the discourse of citizenship, Turner has claimed that human rights appear to be more universal, more contemporary (in the sense of not being tied to the nation state) and more progressive (by not being related to the management of people by a state). In this way, he suggests that human rights solidarity can be conceptualised 'as a historical stage beyond citizenship solidarity' (1993: 178).

There is broad consent that economic globalisation has changed the organisation of political power (Jessop 1997) and that its impact can also be felt in the field of human rights (Falk 1996). With the weakening of the principle of territoriality, certain components of a state's sovereignty are being transferred to supranational institutions, private organisations and NGOs. New subjects of international law are said to be appearing, with the rules of citizenship being transformed. Also, in part under the impact of transnational migration, and in the wake of the failure of state attempts to control that migratory flow, international human rights have increasingly come to the fore (Jacobson 1996: 73). There is, in fact, a growing gap between immigration reality and the objectives set out by immigration policy (Cornelius, Martin and Hollifield 1994). On the other hand, an emerging de facto regime based on international agreements and human rights covenants has resulted in documented and undocumented immigrants gaining various rights – at least in theory. As human rights are not anchored in nationality, they can be interpreted as limiting state sovereignty and changing the notion of citizenship in the direction of global citizenship. To pursue this idea of global citizenship, its effectiveness depends on the existence of international law and institutions. There is, therefore, a need for the effective enforcement of rights and for the development of stronger institutions of global citizenship. The institutionalisation of universal rights through the UN Charter of Human Rights has been described as a central aspect of the social process surrounding globalisation (Turner 1993).[11]

International concern with the rights of migrants began with the establishment of the International Labour Organisation (hereafter ILO) (Ghai 1999) and, thanks to its numerous efforts to generate global standards, there are a number of international norms for the protection of migrant workers.[12] There are also UN conventions such as the 1975 Convention on Basic Human Rights of Migrant Workers and its expanded version of 1990 on the prevention of discrimination against foreign workers. In view of the feminisation of international migration, UN conventions specifically targeted at women's welfare, together with the International Convention on the Protection of the Rights of all Migrant Workers adopted in 1990, could offer satisfactory protection for migrating women.[13] However, all these initiatives have little support anywhere in the world. In fact, many migrant host countries in Asia have not even ratified ILO conventions that would guarantee basic rights to their own local workers (Lawasia 1998). The view of a global spread of conventions surrounding human rights, which leads to the claim that the advances of values attached to human rights would render the concept of citizenship almost irrelevant, seems to be rooted in European philosophy and regional systems such as the European Union, but cannot necessarily be extended to other regions, such as Asia (Solinger 1999).

Take the example of Japan. It took the Japanese government until 1995 to ratify the International Convention on the Elimination of all forms of Racism, leaving it the only major advanced industrialised country that had not done so (Itoh 2000: 7). Having not yet ratified other important international agreements on the treatment of foreigners, such as the abovementioned International Convention on the Protection of Migrant Workers from 1990, and others,[14] however, does not leave Japan an exception (Komai 1995; Hirowatari 1998). Although general declaratory human rights are contained in Japan's post-war constitution, it leaves the legal situation of immigrant workers ambiguous. Article 14, for instance, states that all people are equal under the law, but there is no evidence yet that this has been expanded to migrant workers. It has been remarked, therefore, by voices within Japan that Japan's treatment of foreigners fails to address international human rights standards (Hirowatari 1998: 87). In fact, one Ministry of Justice bureaucrat is quoted as having caused a scandal by referring to the discretionary rights of the state in relation to the entry of foreigners in the following manner: '[the treatment of foreigners] is totally up to the discretion of the Japanese government. In terms of the principles of international law, we can do with them as we please' (Hirowatari 1998: 88).

When approached from the perspective of human rights in terms of international standards, transient workers experience three types of infringements of their rights: with regard to their freedom of movement (rules about entry), extensions of civil and social privileges (citizenship) and the right to decent treatment at work (labour rights) (Solinger 1999: 295). The doctrine of state sovereignty still governs many of these matters, although there have been a number of progressive developments or regional and global regimes. Although largely ignored by policy-makers, the interaction between domestic

and international systems is at the base of any solutions to many of the legal issues relating to migration. In fact, 'more progress toward universalisation and harmonisation of the position of migrants has been made at the regional levels than the international, with nationality still a central, although diminishing, criterion for the enjoyment of rights of mobility, employment and equality' (Ghai 1999: 146). The wider movement for human rights has created more awareness, but the legal frameworks governing migration are still nationally oriented. State sovereignty constitutes a barrier to globalisation of laws that would parallel the globalisation of the economic process. According to Ghai, there is therefore a certain degree of asymmetry in the global market place, because there is a 'greater freedom for the movement of capital than of workers' (1999: 147). He concludes that state regulations of migration in recent decades have been more concerned with politics than the needs of national economies for additional labour. In the case of Japan, the issue of immigration has never been politicised on the same level as in western Europe. It is rather seen as a sociocultural matter. The proposal by Japan's Ministry of Labour to allow the legal entry of unskilled workers to respond to the shortage of labour in certain sectors has been vehemently opposed by other ministries fearing high social costs and cultural 'dilution' (Mori 1997).

Ghai argues that UN international conventions do not constitute more than a purely symbolic recognition of the migrant workers' plight (1999: 169). Resulting from this, it has been suggested that recent discussions in the Asian region on bringing labour migration into a rights framework need to be pursued by creating regional codes of conduct, involving NGOs in cooperative initiatives with governments (Lawasia 1998). NGOs have indeed emerged as important actors in such transnational initiatives that match the transnational nature of labour migration, and in Asia they make much use of the concept of human rights. Such signs of grass roots activism with transnational networking have been referred to as 'globalisation from below' (Falk 1994). This, together with 'democratising resources and potentialities of the internet', resulting in 'info power' of such grass roots organisations, enables authors such as Falk to envisage the emergence of transnational activism posing a challenge to traditional conceptions of citizenship (1996: 24).

With regard to possible solutions to labour migrants' problems in the receiving countries, in addition to NGO activism bilateral agreements have been suggested as being potentially most effective (Ghai 1999). With the increased mobility of workers within the ASEAN region, an urgent need for regional agreements has also been voiced by many NGOs in this part of the world (Lawasia 1998; see also Chapter 5).[15] It remains, however, that so far the only significant impact at the nation state, bilateral and multilateral levels has come from migrant workers-oriented NGOs. They have, therefore, been described as the 'unsung heroes' of migrant worker welfare and protection (Lawasia 1998: 177) and as the much needed partners for future policy formulation and implementation in the domestic as well as international arena (ibid.: 164).

Incorporation and strengthening of human rights in Japan: the specific case of foreign 'entertainers'

The phenomenon of *japayuki-san* – Asian women migrants to Japan – emerged at the end of the 1970s, and in the early 1980s.[16] The countries of origin of the first stream of female migrants were Korea, Taiwan, Thailand, and the Philippines. This was followed by Burma, Vietnam, Laos, and Cambodia, where networks of agents and brokers have been launched. Most recently, women from Latin and South America as well as Eastern Europe are being brought to Japan.

Although Korean, Filipino and Thai women are not the only foreign nationalities working in the sex and entertainment industries in Japan, they have made up the highest numbers of 'sex workers'. It should be repeated that 'sex and entertainment' covers a variety of establishments and job contents (see p. 195) of which prostitution – if defined in a narrow sense – is not necessarily a component. And yet, in reality the boundaries between 'entertainer' and 'prostitute' are often blurred. Despite the high numbers of Korean women entering Japan, there is not much evidence that would allow the conclusion that most Korean women are working as prostitutes (Muroi and Sasaki 1997). The number of apprehended Korean women deported under the charge of illegally working as bar hostesses is rather small compared with the figures for apprehended Filipino and Thai women (Muroi and Sasaki 1997: 202). Probably the most decisive aspect that distinguishes Korean women from other migrant women is that there is a historically well-established 'oldcomer' Korean community and, therefore, a network that allows easy access to Japan through relatives or acquaintances.[17] This has partly contributed to Korean women gaining a different status in Japanese society by becoming the *mama-san* (female bar owner) rather than the hostess or by taking up permanent residence through marriage.

It is in fact Thai and Filipino women who make up the bulk of Japan's foreign sex workers. Female migrants from the Philippines were among the first ones working in Japan in larger numbers since the late 1970s/early 1980s. Their initial entry has been facilitated by the introduction of a new visa category in the early 1980s, euphemistically referred to as an 'entertainers' visa', which allows for employment in the entertainment sector, usually as singers and dancers. But many end up working in the sex industry as hostesses, strippers, or even prostitutes (Iyori 1987; Ballescas 1993). This visa is valid for two months and renewable up to a maximum of six months, and women from the Philippines make up the majority of these visa-holders. Their legal status is, therefore, marginally better than that of undocumented Thai women (IOM 1997), and Filipinas are less likely than Thai women to find themselves in situations of extreme physical exploitation.[18] These status distinctions are reinforced by the fact that Filipinas have achieved higher educational levels than their Thai counterparts, possess a working knowledge of the English language, and have access to a broad range of church-based social, cultural and economic networks.[19] This does not, however, mean that

agents importing Filipinas illegally do not operate in the Philippines at all (IOM 1997). However, from the 1980s, stricter controls were imposed, and a number of corrupt immigration officials cooperating with agents were charged with criminal offences, rendering the operations of agents more difficult. Activities of agents, therefore, moved to Thailand, from where the trafficking of women into Japan increased rapidly from the 1980s onwards (Phongpaichit et al. 1998: 165).

Prostitution and labour of unskilled migrants are 'illegal' in Japan.[20] Thus, women from Thailand who usually enter Japan on a tourist visa without even the minimal contractual and legal advantages provided by the entertainers' visa, are 'illegal' as unskilled labourers and as prostitutes. In an interview with a senior representative of one women's support organisation in Tokyo (*Saalaa*), it was estimated that 80–85 per cent of all Thai women in Japan have been smuggled into the country and forced into prostitution by criminal gangs.[21] Although some of the Thai women are well aware that they will work as prostitutes before their arrival (IOM 1997), working and living conditions have been described as extremely severe and unanticipated by the women. This has led several NGOs to condemn the situation as a form of sexual slavery (MWWRAC 1995). Unlike Filipina migrant workers who have access to a range of church-based and other women's support, the vulnerability of Thai women is exacerbated by the absence of such formal support networks (MWWRAC 1995). Regardless of nationality, the most common work-related problems encountered by female migrant workers are: contract violation, non-payment of wages, verbal and physical assault, forced prostitution, rape and forced use of drugs, illegal confinement, and the confiscation of documents.

In response to the harsh immigration policies by the national government, NGOs have been addressing migrants' work-related and other types of problems for over a decade. Although the percentage of foreigners of the total population (1.2 per cent) is small in comparison to other industrialised countries, there were 145 NGOs supporting migrant workers all over Japan by 1997. These can be broadly classified into two types of NGOs: (1) volunteer-based citizens' organisations, and (2) local labour unions (Roberts 2000: 276). The first group can be subdivided into five groups: Christian groups, medical NGOs, lawyers' association NGOs, concerned citizens' groups and women's support groups (Shipper 2000). Women-specific NGOs are typically privately run shelters of which there were seven in the Tokyo/Yokohama area in 1994.

There are migrant worker NGOs set up either by Japanese or by mainly Filipinos. With Filipinos constituting the most global workforce (Harris 1995), it is not surprising to find supportive NGOs organised by Filipino nationals all over the world.[22] Among those located in Japan, women's groups in particular often promote and appeal for strong transnational linkages against human trafficking and the violation of human rights. Most have established local 'networks' within their own country, and some have begun to establish transnational links, particularly with an Asia Pacific focus. This is

partly related to already-established linkages in that region based on (1) anti-sex-tour campaigns that began in the 1970s; and (2) the 'military sexual slavery' issue and campaigns for compensation and recognition. Activists in Korea and Japan have worked tightly together, organising regional conferences and regional networks, including the Philippines, Taiwan and other Southeast Asian countries. It therefore seems that women's groups have a particularly strong and broad regional basis. This also fits into the overall strength and high level of integration that the international women's movement has gained when starting a global campaign on the recognition of women's rights as human rights.

With female migrants' problems involving gender specific issues, one should therefore assume a strong interest on the part of women's organisations. In fact, apart from using general church-based groups, foreign women tend to seek shelter and social justice from women's advocate groups (Shipper 2000). They are less frequently seen at community workers' unions, which male migrants from South Asia and Iran turn to for assistance as well as civil rights NGOs (Roberts 2000). As observed by Mackie (1999), the presence of immigrant women has also meant a new stage in Japanese feminists' engagement with their Asian sisters, with Japanese women being forced to make connections between themselves and 'other' Asian women. Clear cultural and geographical boundaries, that were perceived as existing until immigration to Japan started to take place, have begun to break down. When the physical abuse of 'illegal' women immigrants in the sex and entertainment industry attracted widespread media coverage, Japan's impact on the lives of Southeast Asian women gained wider public recognition. Groups such as the Asian Women's Forum, the Asian Women's Association, the Women's Action Group, and the Resource Center For Filipino Issues launched an official protest when several instances of forced repatriation of 'illegal' workers (of whom 90 per cent were women) became public in 1990 and 1991 (Buckley 1994: 170). Much of the activity of Japanese women's groups in relation to illegal women workers focused on an anti-prostitution campaign, with groups such as the Temperance Union and the Anti-prostitution Association particularly active, based on moral issues alone. This has caused some uneasiness among the Filipino women themselves, and they have now begun to take the initiative in organising their own support groups based on such issues as protection from violence, improved working conditions, legalisation of their status, and protection from deportation. Filipino women who have married Japanese farmers and live in rural areas have also formed support networks (Buckley 1994: 171).

Migrant worker NGOs and support groups are increasingly being confronted with problems that have shifted over time from being about 'help to return' to 'livelihood support' in Japan (Roberts 2000: 286). This indicates a shift in approach by these support groups along with prolonged immigration: instead of short-term intervention for people who are considered to be sojourners, there is now a stronger emphasis on settlement and citizenship provisions. There is also another shift as noted by Mackie (1999):

today activists emphasise that foreign migrant women are exploited as *workers* – emphasising labour rights – with much in common with other groups of 'illegal' immigrants to Japan. This shift was led by local welfare workers but also by the foreign women themselves. This is described by one of the major women's shelters, Yokohama's Mizura Space for Women, as the development of a new human rights service sector (Mackie 1999: 608) in connection with violence and sex workers' rights campaigns.

Conclusion

The East and Southeast Asian region has witnessed a significant rise in the number of undocumented workers since the early 1990s. Reasons for this are related to the growth in global markets, the removal of many political obstacles to emigration as a result of the breakdown of authoritarian regimes and the emergence of a migration 'mafia' (Weiner 1995) that has exacerbated this situation. The nature of transborder movements in the search for work and the problems experienced by migrants, particularly in view of many of today's flows being 'illegal', and migratory flows within Asia, and of Asians, being dominated by women taking up reproductive types of jobs, cannot be handled solely on the local or national level.

This chapter has shown that the restructuring of the global economic relations has resulted in new forms of illegality at the national level, with ongoing reluctance on the part of national governments to take responsibility for foreign workers. Local governments and NGOs are, thus, compelled to institute local responses to global processes. As laudable as these kinds of efforts are, the 'delegation' of such matters away from national legislative responses to local handling reflects the allegedly temporary nature of contemporary migration. The enforcement of labour migrants' rights requires transnational cooperation at all levels as individual governments have been reluctant to confront human rights and labour rights issues implicit in those migratory flows. It is, therefore, essential for transnational advocacy networks to sustain and increase their efforts to bring the many contradictions embodied in labour export and import to the fore. They need to ensure that bilateral and multilateral advances in the welfare of workers do not remain at the level of rhetoric but are made concrete by the creation of internationally binding agreements based on the real recognition of the basic human rights of migrant workers, and particularly the most vulnerable: women.

Based on the assumption that migration is nowadays mainly of a temporary nature, it has been suggested that citizenship is out of reach and priority should be given to labour rights. This approach, however, totally ignores the various and complex types of vulnerabilities – as exemplified in particular in the context of female migrants working in the sex and entertainment industries who work in an area of high incidences of abuse. Moreover, international marriage is often opted for, either as a consequence of these women's experience as labour migrants or in order to get around rigid immigration policies. There is, therefore, a need for a multiple set of protective measures – an

aspect recognised by NGOs active on behalf of labour migrants. In this way, at least in Japan, the presence of female migrant workers has given an impetus to activism on behalf of the 'women's rights as human rights' campaign.

Transmigration is, thus, contributing to changing the status of individuals and NGOs in many parts of the world, not just in theory but also in practice. Responses in the form of NGOs working on behalf of women in general and migrant women in particular are coming forward. There is, however, further need for the development of transnational linkages, regionally and supranationally, and the calling for bilateral agreements and a greater role of the UN and the ILO. Thus, the process of globalisation strengthens the need for a universal code of human rights, recognising specific women's rights and labour migrants' rights. As nation states lose control over market forces with unauthorised migration and trafficking on the increase, human rights institutionalised in regional and bilateral agreements are needed to protect foreign migrants in general, and migrant women in particular, from the various forms of abuse and to enable their right to freedom of movement. At the same time, a word of warning regarding too much optimism in connection with the international human rights movement's achievements needs to be expressed. So far, this movement has made remarkably little impact on national practices worldwide. Whatever impact there has been, it seems to be more in the sphere of rhetoric and ideology.

Notes

1 In the early 1990s, of the 80 million migrants worldwide, whose numbers have been steadily increasing since then, half were female (UNDP 1994: 72). Most of them migrate independently, are single or leave their families behind; and just like their male counterparts, they tend to be qualified, even highly qualified, workers (Altvater and Mahnkopf 1999: 333). In this way, migration can be regarded as potentially constituting a process of 'dequalification of female education' and of 'social declassification' (Altvater and Mahnkopf 1999: 334).

2 Many 'illegal' or irregular cross-border movements are controlled by underground mafia organisations (Grant 1996) or unauthorised broker agencies. This is not meant to imply that *all* broker agencies operate in an unauthorised way.

3 In the same way as remarked by Jessop (1997: 266), 'permanent employment' is not meant here in the literal sense of having one single lifelong place of employment, but rather refers to continuing employment without long spells of unemployment. Under Fordism, this implied that one main breadwinner's (typically the man's) salary was sufficient to maintain a whole family.

4 Mainly feminist scholars have noted the important links between militarisation during cold war conflicts, sex tourism and internal, as well as international migration (Hall 1992; Truong 1990; Enloe 1989; Matsui 1999). See also my own work on the links between gendered international labour migration and developmental strategies (in Cook, Roberts and Waylen 2000).

5 The precise figure for the year 1997 is 645,373 (Shutsu nyuukoku kanri kankei tookei nenpan 1998).

6 The group mostly affected by the economic crisis in Japan seem to be the *Nikkeijin* (South Americans of Japanese ancestry) who were given special status in the revised Immigration Law of 1991 that provided legal entry of unskilled labour only from this group. There are reports of meetings between the Ministry of

Labour of Japan and Brazilian governmental officials to agree on the repatriation of unemployed *Nikkeijin*. Migrants from Korea, China and the Philippines have, however, come in increasing numbers, so that it is safe to say that the effects of recession have slowed down the immigration of some groups, but not all (see also Susumu 1998).

7 This is not meant to imply that all sectors of Japan's economy used to be characterised by lifetime employment and the seniority pay scheme. In contrast to this image, this was only the case in large companies. Workers in the vast number of medium- and small-sized companies never enjoyed such conditions (Garon and Mochizuki in Gordon 1993). However, recently, even large companies have begun to scrap the lifetime employment system (Susumu 1998).

8 These Japanese women are known as *karayuki-san* ('Miss-Going-Abroad'), bound for work in brothels throughout Asia and as far as the US (Yamazaki 1999).

9 The 'entertainer's visa' is a special visa category implemented by the Japanese government, partly as a response to anti-sex-tour campaigns, originally organised by Korean feminists and later joined by others. In this way, Japanese men did not have to travel abroad to enjoy certain services. This visa is mainly used by Filipinas. See for more detail the section on migrant women in Japan. It is interesting to note that it was not until 1988 that the gender balance was reversed for the first time. Between 1979 and 1988, the overall majority of migrant workers were women, and only since 1985 have significant numbers of migrant men entered Japan (Hirowatari 1998). In certain nationality or age groups, women dominate even today (Susumu 1998). This leads Mackie to argue that immigrant women formed the vanguard of the subsequent influx of male workers from overseas (1999); despite this, it was not until male workers came to Japan that the issue of unskilled foreign workers was viewed as a labour issue (Shimada 1994).

10 *Enjo koosai* can be translated as 'subsidised socialising' or 'patronage'. Some commentators, however, would render it as 'prostitution'. It is practised by young schoolgirls (junior high school and high school) who offer company or sex to middle-aged men for money. In this way, the girls can earn far more money than working in a fast-food chain for buying the desired fashion items. No one has been able to determine how widespread this phenomenon has become, but in 1995 the National Policy Agency statistics show that 5,481 female minors under the age of 20 were taken into protective custody in the course of telephone club liaisons (Schreiber 1997: 86).

11 An aspect that Turner has used to argue for legitimising a sociological inquiry into rights, in particular human rights, as opposed to citizenship. Unlike the idea of citizenship, human rights have gained little attention in sociological literature with little theorising of this subject matter. Turner explains this neglect by pointing to the tendency among sociologists to be sceptical about the possibility of the social existence of universalistic rights – an argument he does not consider justified (1993: 163).

12 It has been observed, however, that 'global' often meant 'western' in the early days of the ILO. According to Ghai (1999), the ILO tended to treat problems of migrant workers in Europe differently to those in the developing countries. It now, however, seems to have adopted a global approach.

13 Such as the legally binding Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) from 1979 and the Declaration on the Elimination of Violence Against Women from 1993 (Lawasia 1998: 179).

14 Such as the 1975 International Labour Organisation Convention 143 (Convention on the Promotion of Equality of Opportunity and Conditions for Migrant and Immigrant Workers in Adverse Circumstances) (Hirowatari 1998).

15 ASEAN stands for Association of Southeast Asian Nations and was formed in 1967. Countries included are the Philippines, Malaysia, Thailand, Singapore,

Indonesia, Brunei and recently Vietnam. The capacity of such regional groupings in accelerating the process of regional economic integration and thus creating regional standards of conduct has been viewed rather critically by Hoogvelt who would refer to such loose groupings rather as 'initiatives' (1997: 216).

16 The term '*japayuki-san*' reflects the changing pattern of female sexploitation: it is analogous to the *karayuki-san* – Japanese women working as prostitutes in China and other countries – a phenomenon that was at its height around the turn of the twentieth century. With Japan having emerged as an economic power, its economic and political relations with other Asian countries have shifted it from being mainly a 'provider' of female sex workers to becoming a chief 'consumer' of them.

17 This community is largely rooted in the colonial link between Japan (coloniser) and Korea (the colonised) between 1910 and 1945. Many Koreans were brought to Japan as forced labourers during the Pacific War.

18 This is confirmed by the number of Thai women seeking assistance and support in shelters such as HELP in Tokyo where the number of Thais has surpassed the number of Filipino women since 1990.

19 A general survey of Filipinas trying to find employment abroad found that 60 per cent of them were college students compared to 30 per cent for male Filipino migrants (Stalker 1994: 107).

20 The only exceptions to the ban on unskilled workers are the so-called *Nikkeijin* – South Americans of Japanese descent who – due to an amendment of the Immigration Law in 1990 – are permitted to work in Japan for up to four years, and trainees (see Komai 1995).

21 The name *Saalaa* means 'a place to stay' in the Thai language. The House for Women *Saalaa* was established in 1992 and provides shelter for foreign women of all nationalities who suffer from various human rights violations.

22 For the situation in Hong Kong, for example, see Law (2002).

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11 Asian women immigrants in the US fashion garment industry

Evelyn Hu-DeHart

Globalisation is not an entirely new development if by that we mean the concurrence of several interrelated processes: massive population movements across national borders, rich nations investing abroad, and governments setting policies to facilitate international trade. Indeed, this is exactly what the United States experienced from the mid-nineteenth century through the first quarter of the twentieth century, the period marked by enormous immigration into the country, mostly from Europe but some from Mexico and Asia, and by large-scale exports of manufactured goods and equally large outpourings of surplus US capital into poor countries as investments, primarily for the production of valuable cash crops on labour-intensive plantation-like estates, or the extraction of minerals in equally labour-intensive mines.

Globalisation under late capitalism changes relations of production, marked by a labour strategy that stresses minimising cost and maximising flexibility. Some have described the change as a shift from a Fordist system of production to a 'leaner' and more fragmented production process, with greater 'spatial mobility' for both capital and labour. The design and production of a very large and complex item can be sequentially broken up into modules, each of which can be manufactured by a different plant in a different country, using different workers; then all are shipped to one central location where all the parts and components are assembled into the final product (Truong 1996: 32; Mitter 1986). The new aircraft Boeing 777 is a 'brilliant expression of America's production prowess' in this post-Fordist system of global production: the main body is manufactured by Mitsubishi Heavy Industries in its Kobe plant using skilled craftsmen; other pieces are manufactured in twelve different countries; it is then assembled at the Boeing home plant in Everett, Washington (Greider 1997a: 15).

Central to global production is the subcontracting system, a pyramid-shaped hierarchical structure of a small number of US-based manufacturers and retailers at the top, several thousand Third World-based contractors in the middle, and massive numbers of Third World workers at the bottom. While a piece of clothing is nowhere as complicated as a modern aircraft, the apparel or garment industry obeys the same basic rules of global production. Like other globalised industries, US apparel manufacturers outsourced production to Third World countries from the beginning of this new global

era, taking advantage of low-paid (usually rendered as 'cheap'), primarily young female labour in literally thousands of small factories located in export or free trade zones (Gereffi 1998; Bonacich and Walker 1994).

In addition to relocating much of its production to Third World countries, the US garment industry has also revitalised production in the United States itself, notably in California and New York City. This renewal of the garment industry in the US is certainly an integral part of the globalisation of garment production, as we shall see in the following section. The reorganisation of the garment production process based on the subcontracting system and its altered labour relations in the garment sweatshops reflects the nature of neoliberal economic imperatives that underlie globalisation. A majority of the subcontractors are themselves Asian immigrants, with the bulk of factory workers consisting of immigrant women from Asia, as well as Latin America and the Caribbean. Under these circumstances, the present garment industry of the US represents another, and different, example in US labour history in which race/ethnicity, class and gender intersect in the labour market. This chapter aims to examine the labour conditions of the immigrant Asian women workers in the garment factories and sweatshops in the United States in order to shed light on how these women's labour is directly incorporated into globalised production and consumption. It also assesses current social and political movements around globalisation that focus specifically on these women's labour rights and discusses how different types of struggles offer various possibilities for the future.

The fashion 'spot market': the reorganised production system

While many garment jobs have been rapidly shifted overseas, the US apparel industry has simultaneously found it necessary to keep some manufacturing at home, close to the designers and other skilled craftsmen, the large retailers, the market, and consumers. Changes in American consumer tastes in style and buying habits have further strengthened the imperative to maintain some production in the United States. In recent decades, more Americans are buying more clothes, at a faster rate, and changing styles more frequently during the year, then discarding more good garments to make room in their closets for the new acquisitions, prompting the *New York Times* to pronounce in a recent headline: 'Prosperity Builds Mounds of Cast-off Clothes' (Kilborn 1999).

Thus it was that, in the midst of the decline of garment production in New York due to outsourcing to the Third World beginning in the 1960s, a fashion niche or 'spot market' developed that is dependent on labour and production right there in the city. The spot market denotes small runs of trendy styles, sewn quickly, then immediately delivered to manufacturers and retailers within a matter of one or two weeks (Waldinger 1986: 68–70, 89–90; ILGWU 1983: 32–8; Popper 1997: 173; Kinkead 1992: 27). Concurrently, Los Angeles manufacturers jumped on the fast-growing sportswear segment,

also the most changeable and hence most volatile, specialising in the low to moderate lines (Bonacich 1994; Popper 1997; Nutter 1997). Locating certain specialised production nearby, US manufacturers maximise flexibility by enabling themselves to respond quickly to changes in demand, introduce a new line in mid-season, extend a popular style by putting in a new order, and deliver on time (qualities known as 'Quick Response' and 'On-Time Delivery' enhanced by new information technology, best known by the bar codes used to track merchandise) (Popper 1997: 202; Rothstein 1989: 78–81; ILGWU 1983: 32–8). The more standardised types of apparel with few or slow style changes – such as undergarments, bras, hosiery, jeans and other basic men's and children's wear – are still mainly produced offshore, in Asia, Mexico and increasingly in Central America and the Caribbean (Green 1998: 10; Waldinger 1986: 68). Athletic shoes and toys are among other related products largely produced offshore.

Keeping part of the apparel industry in New York City would have been far more difficult, if not impossible, if not for Chinatown. The International Ladies' Garment Workers' Union (ILGWU) stated flatly in its 1983 report on the industry: 'Central to the revival of the industry's fortunes in New York City has been the emergence and growth of the garment industry in Chinatown.' (ILGWU 1983: 9). What fuelled this growth was the simple fact of massive post-1965 immigration from Asia, one that included at least as many women as men. What these women provide is so-called cheap labour, cheap enough at times to compete with Third World labour (Bonacich and Walker 1994; Blumenberg and Ong 1994). In 1999, 93,000 workers were employed in the manufacturing sector of the $20 billion NYC apparel industry, consequently considered 'the backbone of New York City's industrial base' (Center for Economic and Social Rights 1999: 5).

In the case of Los Angeles and the San Francisco/Oakland area, immigration has led to a 'reconstituted' labour force conducive to the garment industry boom, resulting in its transformation (Blumenberg and Ong 1994: 320; Ong et al. 1994). Some 25,000 garment jobs had been created by 1988, more than 80 per cent of them held by Chinese women, recent immigrants from Hong Kong, Taiwan and China (Louie 1992).[1] By 1999, some 120,000 sewing machine operators, mostly women immigrants from Asia and Latin America, were labouring in this industry in Los Angeles county (Appelbaum 1999: 55).

'Immigrant entrepreneurs' and the subcontracting system

But abundance of cheap labour alone would not have shifted the locus of garment production in New York City to Chinatown, nor fuelled its enormous growth in Los Angeles and San Francisco; Asian immigrants have provided another indispensable component of the new global strategy, that of contractors and subcontractors. If offshore outsourcing allowed US manufacturers to disengage from any direct involvement with actual production

of garments – a process that includes recruitment, training, supervision, disciplining of workers and management of labour relations – subcontracting in New York and California performed the same function (Loucky et al. 1994: 348). In other words, the primary responsibility of the subcontractor in the modern garment industry is to recruit, mobilise and manage labour for the manufacturer (Bonacich 1994: 138; Waldinger 1986: 52; Green 1998; Smith 1996; Mitter 1986; Loucky et al. 1994; Ong et al. 1994). Furthermore, the subcontracting system has allowed retailers and manufacturers, once technically removed from direct labour relations, to disclaim any moral or legal responsibility for wages and work conditions (although workers and their advocates have begun to challenge manufacturer deniability in this matter, as we shall see later).

Sometimes described as a 'global commodity chain' (Appelbaum and Gereffi 1994), this subcontracting system drives costs down to the lowest level of the chain – labour – in a 'race to the bottom', while maximising control and flexibility for the manufacturers at the top (Popper 1997: 185; Rothstein 1989; Loucky et al. 1994; Smith 1996). It allows manufacturers to escape with low fixed costs, with no inside factories or machinery to maintain, while they contract out production of new fashion lines only when necessary and generally to the lowest bidders. For their part, manufacturers specialise in the creative and craft end: design, cutting, and merchandising, including advertising and marketing (Waldinger 1986: 52). As owners of the factors of production, they supply subcontractors with the cut fabric and detailed specifications to assemble the finished product, then take delivery. Manufacturers include large retailers, including department stores and chains (e.g. Sears, Penney's, Gap), well-known brand names (e.g. Tommy Hilfiger, Liz Claiborne), as well as small boutique stores and designer labels (e.g. Jessie McClintock).

The low-bidding but successful contractors then squeeze workers to eke out their profits. Under the subcontracting system, workers – the legions of Asian and Latina immigrant women – are contingent workers, often paid at piece-rate, rather than by the hour, employed only when work is available (Appelbaum 1999: 56). Even the most proficient sewing machine operator seldom sews fast enough to make minimum wage. To further reduce cost of production, subcontractors allow 'homework' to proliferate, in effect, subcontracting again to individual women to work at home, where often children and other family members are enlisted to meet quotas and time tables (Bonacich 1994: 150; Nutter 1997: 199). This informal extension of the subcontracting system has created an 'underground' dimension to the garment industry, one that is almost totally hidden from the view of industry monitors and state regulators, and long deemed illegal by US labour laws (Appelbaum and Gereffi 1994; Bonacich 1994; Greenhouse 1997a). In a highly competitive clothing market, this brutal global production system, so efficiently deployed and controlled by the large manufacturers, further allows them to outsell their competitors with low and flexible pricing.

Significantly, although almost all retailers and manufacturers are white, the

vast majority of garment subcontractors in New York's Chinatown as well as in Los Angeles/San Francisco are also Asian immigrants. Of the approximately five thousand subcontractors in Los Angeles in l989, almost 60 per cent were Asians, divided about evenly among Vietnamese, Chinese and Koreans; another 30 per cent were Latino immigrants, and only 13 per cent were non-immigrants (Nutter 1997: 199; Bonacich 1994: 143; Appelbaum 1999: 57). Ten years later, Asians still dominated subcontracting in Los Angeles, although by then Koreans, at 19 per cent, had far surpassed the Chinese and Vietnamese, at 13 and 9 per cent respectively, with another 10 per cent in the hands of other Asians (Nutter 1997: 205; Gold 1994).

Variously termed 'immigrant entrepreneurs', or 'contractor entrepreneurs', subcontracting has become a widespread form of immigrant self-employment, much like any small business. Predominantly Chinese in New York and Korean in Los Angeles, Asian immigrants have flocked to fill this niche because the initial investment is quite low: even in the l990s, for as little as five to ten thousand dollars in down payment for used machinery, or by leasing equipment, a subcontractor could set up a small shop with ten to twenty workers, usually drawn from co-ethnics or from the pool of other recent Asian (Filipinos, South Asians) or Latin American/Caribbean (Mexican, Salvadorean, Honduran, Dominican) immigrants (GAO 1989: 53; Ong 1987; Wong 1983; Bonacich et al. 1994; Wong and Hayashi 1989: 160–1). Besides recruiting and managing a small labour force and providing them with the basic tools – sewing machines and fabric (supplied by the manufacturer or jobber) – the contractor has only to find and rent space to go into business.

It is a highly competitive business because would-be entrepreneurs are plentiful when start-up costs are low and limited cultural and linguistic skills not major barriers. However, because of the need to deal with manufacturers in the intermediary position that they occupy in the garment hierarchy, subcontractors tend to be immigrants with more 'human capital' (education, work experience, some knowledge of English and, increasingly, Spanish) as well as economic capital. Hence immigrant men are attracted to subcontracting, along with women, some of whom might have come through the ranks of the workers (Loucky et al. 1994: 348; Appelbaum and Gereffi 1994: 56). While the number of manufacturers has become more concentrated, to the point where, in Los Angeles for example, about a hundred of them contract out most of the business, quite the opposite has happened at the subcontracting level, where the numbers have proliferated. Literally thousands of subcontractors with small shops, averaging fifty or fewer workers, dot the garment landscape in New York's Chinatown, greater Los Angeles and the San Francisco/Oakland area, creating a veritable 'entrepreneurial niche' for immigrants (Green 1998: 11; Nutter 1997: 203; Wong 1983; Louie 1992; Gold 1994).[2] Even more unstable than other small businesses, these small factories come and go with great frequency, and are notorious for closing up business at a moment's notice, then reappearing at another location under another name but with the same owner (GAO 1989: 28; Wong

1983; Louie 1992). When upstarts undercut older firms in order to get into the business, manufacturers benefit (Bonacich et al. 1994: 145–7). It is also not uncommon for one subcontractor to take several jobs from several manufacturers and jobbers simultaneously, nor for manufacturers and jobbers to divide up one job among several subcontractors (GAO 1989: 26; Popper 1997: 189–90). Establishment sizes are kept small because frequent changes in volume and styles make it difficult to operate on economies of scale. With an average of fifty employees, these 'runaway shops' start up and shut down rapidly and frequently, giving this part of the industry an unstable and seasonable quality (Howard 1997: 158, 165; Rothstein 1989; Bonacich et al. 1994; Wong and Hayashi 1989: 165–6). The uncertainty of the market also takes away incentive to modernise and innovate technologically (ILGWU 1983: 39, 82).

This elastic quality of subcontracting works to the advantage of manufacturers by giving them great flexibility. If they need to suddenly increase production, for example, they can simply add more contractors to their schedule; if demand shrinks, they simply stop giving out work, thus forcing subcontractors to absorb the risks of uncertainty (Nutter 1997: 203; ILGWU 1983: 82). Of course, the system works because of an over-supply of subcontractors and workers. This same characteristic has made it difficult to keep track of the number of subcontractors at any one time, a problem made even more elusive by unregistered or underground shops. A 1989 US government report estimated that as many as 3,000 of the 7,000 garment factories in New York City were unregistered (GAO 1989: 12). Another study from the same year estimated that as many as 20,000 garment firms in the US and some 860,000 workers were unregistered (Wong and Hayashi 1989: 165–6)

Immigrant workers and sweatshops

While legally defined as 'independent businesses', subcontractors are in fact under the absolute control of manufacturers, therefore their relationship can be more properly described as one of employer–employee (Bonacich et al. 1994: 147). But, however tortuous a relationship they have with manufacturers and retailers, it is their relationship with the workers – almost all women and almost all recent immigrants like themselves – that has given the industry its bad reputation for reinventing the 'sweatshop', the logical outcome of the contracting system that lies at the heart of the garment industry today. The sweatshop also captures the ambivalent positioning of the ethnic subcontractor as 'both victimizer and victimized' (Bonacich et al. 1994: 139). Simultaneously oppressor and oppressed, they are part of a hierarchy over which they have very little control, but nevertheless function as purveyors of labour for powerful interests.

The US government defines sweatshop as 'a business that regularly violates both wage or child labour and safety and health laws' (GAO 1989: 1).[3] In the specific case of the garment industry, one critic would loosen up the definition to refer to any set of factory conditions considered 'inhumane' or

'unfair', beginning with the 'quasi-Fordist' export zone factories in the Third World (Piore 1997: 135–6). Any observer or analyst of the industry could see that all garment factories in New York and California, including the handful of union shops, teeter on the brink of becoming sweatshops, for the simple reason that they are such marginal businesses reduced to squeezing their workers to make any profit and stay alive.

At the base of this hierarchy are the legions of immigrant women workers, Asian and Latina, who make this system work by tolerating sweatshop conditions; at least they have seldom complained because they believe they have no other job option. In converting themselves into an available and flexible labour force almost immediately upon their arrival in the US, they have enabled the garment industry to keep a critical part of garment production within the US, specifically right in the manufacturing and retail centres of New York and Los Angeles where most of them settle. Those immigrant women absorbed into garment work are most likely to have had little formal education, have little or no English language skills, and are deemed to be low-skilled in other areas as well. Research has shown that these deficiencies are the most critical factors in determining immigrant occupation options in the US (ILGWU 1983: 116; Huang 1997: 28; Wong and Hayashi 1989: 161–3). Yet many are compelled to work to supplement family incomes, because their equally low-skilled, English-deficient spouses also work in low-paying jobs, such as Chinese restaurants (ILGWU 1983: 45, 98). But it would be wrong to dismiss their contribution to family income as merely 'supplementary', for many women earn as much as, if not more than, their equally trapped spouses (Wong 1983). Furthermore, with both partners stuck in these low-wage, dead-end, often seasonal jobs, poverty for some Asian immigrant communities has become a permanent fact of life (Toji and Johnson 1992). Garment work may be an entry point for these immigrant women, but it is not usually a way out, except for the handful perhaps who find the means to become subcontractors (Appelbaum 1999: 57–8).

Sweatshops pay sub-standard wages – meaning less than minimum wage and no overtime for workdays over eight hours and work-weeks above forty hours. Sweatshops also provide no health insurance, no paid vacation, no sick leave, or any other kinds of benefits. Instead, they pay workers only for the piecework that is completed, whether in the shop or at home. Unless a machine operator becomes extremely proficient in performing the same task repeatedly over a period of time, she can seldom sew fast enough to make even the minimum wage, usually falling short of it. Given the short runs and quick turnarounds of the spot market, it is unlikely that most workers have the opportunity to perfect their skills and learn enough shortcuts to match the minimum wage via the piece-rate payment method. One common practice employed by sweatshop owners to avoid paying fair and complete wages is to deliberately keep sloppy books, resulting in persistent workers' complaints of inadequate pay, or unpaid back and overtime pay.

Immigrant women workers accept sweatshop labour conditions in large part because, especially in the case of New York's Chinatown, the Chinese

women usually work for co-ethnic employers in a culturally familiar ethnic environment. They are recruited for the sweatshops through ethnic, immigrant and community networks, and by word of mouth. Their Chinese bosses tell them they are all part of the 'family', when in practice 'shared ethnicity' can also be used to 'blunt a potentially antagonistic employer/worker relationship' (ILGWU 1983: 59; Waldinger 1986; Wong 1983). What appears to be 'personalistic authority' between co-ethnics in an unequal relationship may in fact be 'submission to coercive power' and is 'necessarily arbitrary and unfair', so concluded the International Ladies' Garment Workers' Union. Owner-employers in these small operations are 'by nature unfair and capricious', their relationship with workers 'conducive to abuse' (ILGWU 1983: 62–79). At the same time, it is precisely their privileged access to this low-wage immigrant labour force that affords the Asian and immigrant subcontractors a degree of leverage against the much more powerful manufacturers. And it is precisely their ability and willingness to push and keep their co-ethnic workers' wages down that make them so indispensable to the manufacturers.

In Los Angeles, Korean and other Asian sweatshop owners also take advantage of co-ethnics, and further prey on the extremely vulnerable positions of Latina immigrant women, many of whom are undocumented. Some recent research does show tension between Asian and Latina co-workers in an Asian-owned sweatshop, because the Latina workers cannot easily separate their Asian co-workers from their Asian employers. Such inter-ethnic friction necessarily inhibits development of solidarity among workers. In any case, when caught violating labour laws by government inspectors (a very rare occurrence) owners plead intense competitiveness of the subcontracting business as the cause (Waldinger 1986). Because subcontractors bid so competitively against each other, they have to find other ways to cut corners in addition to paying low wages. Typically, they rent space in rundown buildings and basements, often with poor ventilation or sub-freezing temperatures and no heat in the winters. Rooms already cramped with workers and machines are further filled with bundles of cut fabric, piles of completed garments, and boxes to pack them in. To protect themselves from flying fibre dust, women sometimes drape over their ears and noses improvised masks made out of pieces of white fabric. Bathroom facilities are dirty and inadequate. Electric wiring is loose and exposed. Windows are barred with iron grates and fire exits blocked with boxes and metal bars, creating a confined space to better control workers and work (Hays 1990).

Descriptions made in the early 1990s provide a vivid example of a typical Chinatown sweatshop day. Some women hunch over Merrow machines sewing seams that pay 10–20 cents each, perhaps adding up to $1 a garment. Other seamstresses add collars, cuffs, zippers and pockets. Teens and old women snip threads and do other final trimming on finished garments. Young children who join their mothers after school at the sweatshop play by the dangerous machines because parents cannot afford day care. Most machine operators earn $200 or less for sixty plus hours of work a week; a few earn

up to $300, but the majority earn $4 per hour (when minimum wage was $4.25). According to one reporter, so cheap had labour become in Chinatown that Hong Kong investors talked of setting up production there (Kinkead 1992: 27–9; Hays 1990; GAO 1989: 8). This is in fact not an exaggeration, for the contracting system has so reduced labour costs that manufacturers can produce blouses in the US that retail for $9.95 at discount department stores. Furthermore, the clothing labels affixed to a particular line often indicate that the same item can be assembled overseas or in the US (Howard 1997: 158). It would appear that, in the global garment industry, Third World workers and US immigrant workers have become practically interchangeable.

While sweatshop violations of all sorts of health and safety standards set by the state are rampant and persistent, they are seldom exposed and corrected. One Department of Labor spot inspection of California garment shops in 1994 found 98 per cent in violation of labour, wage, safety and health codes (Popper 1997: 210). On those rare occasions when sweatshop owners are caught and fined for labour, health and safety standard violations, they usually just pack up the machines and fold up the business overnight without prior notice, leaving workers unpaid and suddenly unemployed, changing their own residence so they cannot be tracked down (GAO 1989: 26–8; Waldinger 1986; Wong 1983). In short, foreign competition, the downward pressure on wages and the large flow of immigrants to the US 'have interacted to intensify workshop employment conditions', that is, the spread of sweatshops (GAO 1989: 54). That sweatshop labour and the subcontracting system is profitable for the big manufacturers and retailers of American garments is an understatement. One estimate on how the garment dollar is divided places the retailer's share at 50 cents or more, the manufacturer's at around 35 (including materials), the contractor's at 10, and the seamstress's at only 5. This estimate is based on Los Angeles figures in the l990s, a $9 billion business wholesale that doubles at the retail level (Nutter 1997: 200). A comparable estimate breaks down the dollar this way: 54 cents to the retailer, 16 to the manufacturer, 18 for materials, and 12 for labour, combining contractor and worker (Popper 1997: 178).

At the end of the twentieth century, New York's Chinatown still dominates that city's garment production. Federal investigators in 1997 estimate that 90 per cent of the four thousand factories in the city are still concentrated in Chinatown, mostly 'mom-and-pop' shops employing fifteen workers or so. Some workers complain that they are paid $l80 for an 84-hour week, equivalent to only $2.14 an hour (after minimum wage rose to $5.15). In fifty-nine factories randomly inspected, federal investigators discovered 1,400 workers who were owed a total of $412,300 in back pay, almost $300 per worker. The owners of these sweatshops repeated the usual litany of excuses: pressure from foreign competition forced them to cut corners (by not paying workers a fair wage or on time). Moreover, retailers often paid them too little and too late for what they produced (Greenhouse 1997a).

Sweatshops and 'forced' labour

In the last decade of the twentieth century, conditions seem to have deteriorated further for Asian women workers in the US garment industry, in situations that even hardened labour activists have found unimaginable, and that legal scholars and journalists alike have denounced as 'involuntary servitude', even as slavery (Ho et al. 1996: 384; Gordy 2000). Two recent exposés in two totally different locations on US soil under rather distinct circumstances have uncovered Asian women garment workers toiling under slave-like conditions at worst, indentured servitude at best. El Monte and Saipan represent the extremes of abuses that occur in the globalised garment industry on US territory. The question is whether they are aberrations, or just the tip of a hidden underground dimension that is just coming to light; and perhaps more significantly, whether their exposure can accelerate a national and, indeed, international campaign to abolish sweatshops that has already begun.

While sweatshops are widely known within the garment industry, certainly by union organisers and government inspectors, the general American public seemed mostly unaware of their existence until a shocking discovery a few years ago in El Monte near Los Angeles. The inaugural issue of the *Sweatshop Watch Newsletter* (1995), a labour-community advocacy coalition for sweatshop workers reported that:

> In the pre-dawn hours of August 2, 1995, state and federal law enforcement authorities raided a squalid apartment complex surrounded with razor barbed wire, releasing 72 Thai immigrants from virtual slavery. For up to seven years, the 67 women and 5 men, forbidden to leave the guarded compound, had been forced to sew garments for US brand name manufacturers and retailers for only $l.60/hour. They were forced to work from 7:00 a.m. to midnight, six days a week to pay off the smugglers for their cost of passage. Even after they had paid back their captors, the workers were unable to leave and were forced to continue working. The workers were kept in check not only with the barbed wire, but also with threats of rape and retribution against family members still in Thailand. Authorities raided the sweatshop only after two women escaped by scaling the walls of the compound.
>
> (*Sweatshop Watch Newsletter*, Fall 1995)

The eight Chinese-Thai owner-operators of this underground sweatshop – the worst kind – were immediately arrested and charged with crimes seemingly out of the nineteenth century and earlier: 'peonage', 'involuntary servitude', in addition to kidnapping (*Sweatshop Watch Newsletter* 1995; Su 1997). The seventy-two Thai workers were also arrested and put under the custody of the US Immigration and Naturalization Service (INS), because they did not have proper visas that entitled them to stay and work in the US.

The impact of this discovery on the American public was even greater than that of the grounding of the smuggler ship *Golden Venture* in June 1993. In

this case, those who survived the shipwreck and reached shore were immediately detained by the INS and locked up for years, before they had a chance to enter the US labour force as undocumented workers. Their smugglers were Taiwanese Chinese (Kwong 1997; Chin 1999; Smith 1997). Then in January of 1999, the US media, led by the *New York Times*, exposed another shameful sweatshop situation that resembled El Monte (Alvarez 1998; Greenhouse 1999a; Silverstein 1998). This time the scandal was uncovered in a distant US territory far out into the Pacific, at a place called the Commonwealth of North Mariana Islands (CNMI). At the principal island, Saipan, reporters discovered a 'grim picture': workers, predominantly young women from China, the Philippines, Bangladesh and Thailand, work twelve hours a day, seven days a week, 'sometimes without pay if they fall behind on their quotas' (*Sweatshop Watch Newsletter* 1998). They live 'seven to a room in dreary barracks that are surrounded by inward-facing barbed wire', and some pregnant women are forced to have abortions so that they will keep on working. Lured to the island by promises of 'going to America' to work and have fun, young women in China pay $2,000 to $7,000 to get them to the United States, only to find themselves in Saipan instead, stuck in 'factories where foremen often limit the number of bathroom breaks and where exits are sometimes locked, creating dangers in case of fire' (*Sweatshop Watch Newsletter* 1998, 1999).

These Chinese women, along with others from the Philippines, Thailand and Bangladesh, the poorest countries in Asia, were under short-term contract with Asian and Asian American entrepreneurs who set up hundreds of factories in Saipan – such as Willie Tam, a naturalised US citizen from Hong Kong. In just ten years a $1 billion garment industry arose on this US territory, which does not have to comply with US immigration or minimum wage laws since the island government negotiated its commonwealth relationship with the US after World War II. The comparative advantage of Saipan is that, as a US territory, it exports assembled products to the US duty-free and without quota restrictions, and can legally attach the 'Made in the USA' label to the garments. In the name of economic development, in l995 the territorial government set the minimum wage at a low $2.90 for the garment and construction industries and $3.05 for all other industries. So profitable is the garment business in Saipan that even a $9 million fine imposed on Mr Tam in 1992 for massive labour and safety violations in his many factories has not deterred him from continuing his operations in this American territory far out in the Pacific. At the time of his huge fine, he was accused of forcing employees to work 84 hours per week without overtime pay, while locking them up in their worksites and living barracks (*Sweatshop Watch Newsletter* 1998). 'Saipan is America's worst sweatshop', one close observer declared (Greenhouse 1999a). 'The system is out of control', concluded another critic (Howard 1997: 158).

The Saipan sweatshop workers were not undocumented; they were not smuggled workers. Rather, the territorial government connived with the sweatshop owners to bring in 'guest workers' mostly from China and the

Philippines, each of whom pays a cash bond of $5,000 or more for a one-year contract to work in one of the thirty garment factories in Saipan. In this respect, the Asian contract workers in Saipan resemble more the one million plus Filipina 'overseas contract workers' in places like Hong Kong, Japan, Singapore, Italy, Greece, Spain, Saudi Arabia and Kuwait (Constable 1997; Gonzalez 1998).[4] There are disturbing reports that a number of these women contracted for factory work have been forced into prostitution for the tourist industry in order to pay off their huge fees to the labour contractors. If they refused, they were threatened with violence or deportation (Gonzalez 1999).

Workers' empowerment and the politics of counter-globalisation

Unions and unionisation

For most of twentieth century, US garment workers were represented by the International Ladies' Garment Workers' Union (ILGWU), whose membership and leadership became primarily Jewish, consisting of Jewish women workers and Jewish male leaders. Through the 1960s and into the 1970s, even as the women workers became increasingly less Jewish and more women of colour and new immigrants from Asia and the Caribbean, the Jewish male leadership held on to power. Detached from its new base, this aging leadership failed to organise the reconstituted garment industry labour force, while becoming corrupt and bloated from greed. Like other unions of its era, the ILGWU was also profoundly racist, refusing to organise Chinatown workers in the restaurant and garment industries. In the late 1970s, out of frustration at being ignored, New York City's Chinatown workers formed their own union, the Chinese Staff and Workers Association (CSWA) (Kwong 2001: 180). Finally, unable to ignore further the new labour force, ILGWU began organising Chinese and Caribbean women workers in NYC in the mid-l970s (Hill 2000).

The local chapter of ILGWU (known as Local 23-25) that represented NYC's membership in the mid-1970s, the largest local with 25,000 members, reflected the demographic shift of the city and the industry: it was 94 per cent female, with Asian and Latina women workers constituting 73 per cent. Between 1971 and 1978, Chinese membership increased by an astounding 349 per cent, compared to only 16 per cent for Latinos, with a concurrent 64 per cent decrease in its white membership. Such dramatic shifts in membership, however, did not signal a shift in the leadership, for no women and no Chinese – even when Chinese women had risen to 85 per cent of the membership – were promoted to a top leadership position (Hill 2000: 155–6).

In 1995, perhaps in belated recognition of its embarrassing inertia, ILGWU merged with the Amalgamated Clothing and Textile Workers' Union (ACTWU) to form a new union, the Union of Needle Trades, Industrial and Textile Employees. Known by its proactively militant-sounding acronym UNITE, the new union appears dedicated to organising the new apparel

workers with the goal of improving wages and work conditions. Indeed, in its still brief history, it has already generated considerable publicity regarding its aggressive organising efforts, the faces of young, women, immigrant and minority organisers a welcome change from the outdated images of the old unions. Union officials exposing illegal underground sweatshops to federal authorities further bolster its proactively pro-labour stance (Greenhouse 1997b).

Nevertheless, historian and long-time labour activist Herbert Hill, as well as the Center for Economic and Social Rights (CESR), a newly formed human rights organisation closely allied with the Chinese Staff and Workers Association and the National Mobilization Against Sweatshops, have charged UNITE with continuing the corrupt practices of the old ILGWU (Hill 2000; Center for Economic and Social Rights 1999). Noting that, since their arrival in the nineteenth century, Chinese immigrant workers have always fought *against* discrimination and *for* their legal rights (McClain 1994), Hill cites recent cases of Chinese immigrant women garment workers suing both manufacturers and their union, UNITE, which has continued many of the corrupt practices of the defunct ILGWU. Most egregious and disappointing of all, union shops do not guarantee compliance with state and federal wage and labour laws. For example, on 4 December 1997, the New York State attorney-general charged a large garment factory under contract to Local 23-25 of UNITE for failure to pay almost a hundred Chinese workers for 10 weeks' work. Labour department investigative reports disclosed that such violations were widespread in at least 250 other factories where Local 23-25 signed union contracts so, clearly, UNITE has been ineffectual if not downright remiss in enforcing minimum labour standards for their members (Hill 2000: 159).

Hill also cites the case of April 1998 when UNITE members sued both a manufacturer, Claiborne, and the union itself, accusing it of having 'stopped fighting on their behalf in return for a multi-million dollar payment', alluding to liquidation damages that a company pays union workers when it closes up a factory before the union contract expires (Hill 2000: 159, citing *New York Times* of 27 April 1998). Between 1994 and 1996, UNITE collected $25.3 million in such payments, pocketing most of the money, only a fraction of which went to the workers. One of the plaintiffs, a Chinese immigrant woman named Chun Hua Mui, described how outraged she was that workers were never consulted by their union about the settlement, then had to sign a pledge not to sue the union in order to receive their meagre individual share. When she and about four dozen others refused to sign, they were denied their share. Hill's conclusion is significant and instructive: 'There is reason to believe that Chun Hua Mui is not unique and that the conventional image of the Chinese immigrant as passive and docile in the face of mistreatment has little basis in fact' (Hill 2000: 160).

Famous US high fashion designer and manufacturer Donna Karan, her Korean American contractor Choe industries (owner-operator of several shops sewing exclusively for Karan), and UNITE have all come under severe and well deserved criticism by activists from the Center for Economic and

Social Rights and the Chinese Staff and Workers Association for deserting workers trying to recover unpaid wages from Choe. Eight immigrant women workers sued Choe to recover lost wages totalling $250,000 to $300,000. They testified to working an average of eleven hours per day earning $200 to $300 per week; on Saturdays they worked seven to eight hours, in factories with major occupational safety and health violations; in short, Choe factories were sweatshops. Despite the fact that Choe factories were unionised, workers were never paid for overtime work as required by law and by the union contract. Typical of large manufacturers, Donna Karan disclaimed any responsibility for her contractor's failure to pay its workers. When workers sued Choe, it performed the typical runaway shop disappearance act, closing up one site only to reopen at another, eventually fleeing to Korea when things got too hot. As for the union, 'Local 89-22-1 chapter of UNITE has not supported the worker and other workers, who lost their jobs in their efforts to organise and to hold the retailer-manufacturer and the contractor accountable' (Center for Economic and Social Rights 1999: 12–22). Although UNITE has an industry-wide standard collective bargaining agreement covering all workers in unionised garment shops, when employers violate workers' rights while producing under the union label, UNITE does little to stop these illegal practices. The Center concludes:

> The historical role of a union has been to fight on behalf of its members to make sure that the rights and protections agreed upon in the contract are enforced. Unions are supposed to strengthen workers' ability to defend their rights in the workplace and they are supposed to be an independent enforcer of labor law. Yet UNITE Local 89-22-l failed to protect the workers from the Choe factories and has not even supported their claims. While this union rhetoric states that workers need to organize, it has failed to back them up when they have tried to do so. It is responsible for organizing its existing members and addressing the many problems they face as immigrant women workers. However, the long-standing and well-documented violations of the union contract at the Choe factories clearly demonstrate the union's failure to enforce the rights of its own members.
>
> (Center for Economic and Social Rights 1999: 28–9)

Clearly exasperated with UNITE, the Center and its pro-worker allies argue not only that existing laws must be enforced 'faster and more aggressively', but that international human rights standards must be applied to sweatshops (Center for Economic and Social Rights 1999: 31).

On the other hand, while UNITE has obviously disappointed not a few workers and many of their community advocates, such as the Chinese Staff and Workers Association, on other occasions it has joined efforts with other groups to vigorously pursue justice for some of the most exploited garment workers, notably those in El Monte. It has become increasingly clear that the

fundamental question is whether UNITE *as a union* is sufficient in and of itself in protecting garment workers from sweatshop conditions and advancing their human rights in 'one of the most globalised industries of the world' (Ho et al. 1996: 390). As long as unions are defined in national political terms rather than international ones, they will be limited in how far they can and are willing to push on behalf of their transnational members, for US labour laws are constrained in their capacity to respond to problems with international dimensions. Thus, 'more sophisticated approaches that are transnational in scope and that explore the interplay of labour rights and free trade must be examined', argue legal scholars and activists Laura Ho, Catherine Powell and Leti Volpp. Moreover, this strategy requires 'thinking *and* acting globally *and* locally' (italics in original) (Ho et al. 1996: 392). Accordingly, they advocate a transnational strategy to counter the destructive effects of globalisation on the most vulnerable components, the low-pay, low-skill workers, notably those in the garment industry (Ho et al. 1996: 392).

Consumers and advocates: a transnational strategy

In less than five years, labour rights, human rights, legal rights, community and religious organisations, later joined by university students based on their respective campuses, have formed coalitions to expose the excesses of globalisation centred around the sweatshop wherever they operate in the world. Their common agenda is to abolish sweatshop labour throughout the world, both those above ground and those underground.

Foremost among them are two coalitions, Sweatshop Watch and the National Labor Committee. The founder of Sweatshop Watch which was organised just before public disclosure of the El Monte 'slave sweatshop', Asian American activist attorney Julie Su, immediately mobilised her coalition made up of Asian American organisations such as Asian Pacific American Legal Center, Korean Immigrant Workers' Advocates, Thai Community Development Center, as well as the garment workers' union UNITE, to bail the Thai workers out of the immigration authority's custody, provide them with emergency housing and jobs, and launch a suit on their behalf against the long list of well-known manufacturers who contracted with the slave shop's owner-operators (*Sweatshop Watch Newsletter* 1995, Winter 1996, Fall 1997; Su 1997).

While Sweatshop Watch has focused on domestic US labour and human rights violations against immigrant women workers, the National Labor Committee under the unflappable leadership of the indefatigable Charles Kernaghan deploys a clever public relations strategy to expose Third World sweatshops by bringing articulate young women workers from Honduras, El Salvador and Indonesia to the US to testify to Congress and the American people about their plight (Kernaghan 1997). By so horrifying a rather incredulous American public about an abusive practice that most thought had

long been banned, Kernaghan succeeds rather handily in enlisting American consumers as allies to embarrass large US manufacturers such as Nike and Disney about their subcontractors' sweatshops and their own greed. Seeing it as more than just a simple labour issue, they have successfully framed the struggle in international human rights terms.

The pressure mounted by these and other groups has been so effective that Clinton's first term Secretary of Labor, Robert Reich, created a presidential task force whose goal was to eliminate sweatshops. His successor, Alexis Herman, attempted to bring unity to a fair labour agreement that retailers, manufacturers and UNITE could agree on. Everyone involved with this effort agrees that leaning on immigrant sweatshop owners will not work, for it is ultimately the large retailers and manufacturers who set the price for labour, and for whom the subcontractors are but just another stratum of employee, working for them in the capacity of a 'glorified labour foreman'. Thus they pressure politicians to pass legislation that would make manufacturers and retailers responsible for the wage and other violations of their subcontractors (Greenhouse 1998a, b).

Most recently, American university students in some of the largest and most elite public and private universities, including Duke, Georgetown and Brown universities, the University of Michigan, University of California at Berkeley and University of Wisconsin (all part of the powerful anti-war coalition of three decades ago), have mobilised to fight against sweatshops, using as leverage the licensed sportswear that bears their college logos. In a short time, they have succeeded in pressuring their campus administrations to approve codes of conducts for offshore and domestic garment factories that produce college garments (*Sweatshop Watch Newsletter* 1998; Greenhouse 1999b; Cooper 1999). In addition, Europe has seen its own anti-sweatshop movement, dubbed the 'Clean Clothes Campaign', gather momentum lately (*Sweatshop Watch Newsletter* 1998; Echikson 1999).

Clearly, the public relations, public pressure and public embarrassment tactics utilised by these coalitions have been successful in correcting some of the abuses of sweatshops all over the world. But the best they can hope for in the end is to uncover the veil of secrecy under which sweatshops have operated for too long; to persuade retailers and manufacturers to adopt codes of conduct that include paying workers a living wage wherever they work and live; to allow workers to form and join independent unions; to assure workers of clean, healthy and safe working environments; and to provide reasonable benefits – all of these concessions to be guaranteed by independent monitoring. So far, real gains are only partial, and only time will tell how far these labour and human rights activists will succeed in eliminating sweatshops.

Depending on how the problem is articulated, this ambitious scheme can also have its limitations. On the one hand, to their great credit, these advocacy groups have transcended the historical division of 'American' versus 'foreign' workers in their organising strategy, a practice especially prevalent within the rabidly anti-Communist US labour movement during the cold war. However, they have not seriously questioned the fundamental class

relationship between this internationalised working class and transnational capital, embodied in the idea and practice of the subcontracting system and its most visible symbol, the sweatshop. They have not seriously challenged the supposed logic and rationality of the global assembly line, as exemplifed by the globalised garment industry described in this chapter. As Saskia Sassen reminded us recently in her continuously evolving critique of globalisation, what we are seeing is an 'internationalized labour market for low wage manual and service workers and an internationalized business environment in immigrant communities' (Sassen 1996: 21). Given this fact, why then do we continue to tolerate those who insist on seeing the problem with Asian immigrant workers as an 'immigration' problem within traditional immigration paradigms of 'push-pull' factors, rather than as an international labour question? (Sassen 1996). Is it not finally a question of a transnational class struggle at the point of its intersection with gender and race, and where 'urgent life-and-death questions' can be put to the test? (San Juan 1998: 13). One step in the right direction, as Ho, Powell and Volpp noted, is transnational organising, in order to strengthen ties among workers across national borders. For example, UNITE and other US-based trade unions should make it a priority to coordinate efforts with independent Mexican and Central American unions, which are organising *maquiladora* and apparel workers in the free trade zones of the Americas. This way, when a garment manufacturer closes up shop in the US, it will encounter already mobilised workers elsewhere in the Americas who are willing to testify before Congress about their plight in the global sweatshop (Ho et al. 1996: 406).

Conclusion: demystifying the stereotypes

Lisa Lowe reminds us to apprehend the unique position of Asian immigrant women workers, located at the intersection of multiple forms of domination produced by 'racialization, class exploitation and gender subordination'. The current globalisation as a new social formation depends precisely on 'racialized feminization of women's labour, a process which renders women's work as naturally more "flexible", "casual", and "docile"' (Lowe 1996: 160–1), thus setting the stage, it would seem, to justify the intense exploitation of this segment of the workforce under globalisation.

Yet, for too long, critics of globalisation and feminist scholars alike have uncritically accepted the received wisdom that Asian women are innately, naturally, inherently more suited for the kind of low-skilled labour in light manufacturing, whether in Third World export processing factories or in domestic assembly plants and sweatshops (Mitter 1986: 47–8). This 'myth of nimble fingers' becomes rationalisation for low wages, not to mention perpetuating the notion of Third World women's intellectual inferiority that is also inherent. Such an ideological construct is yet another aspect of late capitalist globalisation that has not been sufficiently acknowledged or adequately interrogated, despite efforts by some feminist and cultural scholars. It is not just the gendered quality of the international division of

labour that is so problematic, but that the gendered division is inferred and inscribed as a permanent hierarchy that is further reinforced by race, ethnicity, class, nationality differences, as well as denial of immigration and citizenship rights in the case of the smuggled and undocumented.

What is so inherent about poor Asian women that should render them into 'cheap and docile labour', cultural critic Laura Hyun Yi Kang recently asked, 'as if depressed wages and workplace discipline were ontological properties unique to Asian women rather than historically specific, culturally dictated, and closely managed conditions' (Kang 1997: 421). To trace the origin of this construct, one place to begin would be the Asian governments themselves, which loudly and unabashedly advertised their abundance of young women characterised as innately docile in nature, and all too eager to work for transnational capital at low wages and for no benefits. Can it be that the preponderance of young women employed in so-called export processing zones is less the result of a 'natural supply' than 'a consciously pursued strategy' on the part of TNCs (Transnational Corporations) and authoritarian governments alike? 'The mobilization of disproportionate numbers of young Asian women in these TNC factories is thus revealed to be the modus operandi of corporate managers and not a sign of their innate fitness for these jobs', Kang concludes (1997: 422).

Following Kang, we must begin to disabuse ourselves of believing in the *inevitability* of the grossly inequitable and exploitative gendered division of labour in the global assembly line, one in which the gendered position is fixed and immutable, and usually not a transition to some better condition. In other words, more than just protesting abuses in the system, one must begin to question its rationality in the first place.

This is precisely the issue that William Greider, a trenchant critic of globalisation, has called into question. In his recent study of globalisation and its contradictions, he highlights the growing disparities under this newly restructured international economy, not only between extremely rich and abjectly poor nations, but between individuals and families within nations as well. 'Any healthy economy', Greider asserts, 'including the globalized marketplace, will sooner or later be undermined if the broad ranks of consumers lack the wherewithal to keep up' (Greider 1997b: 11). He deplores the abundant 'lurid examples of the random inhumanity' in global capitalism found in sweatshops and factories, such as the l993 industrial fire at a Bangkok toy factory that killed and injured well over five hundred women workers trapped inside because fire exits were blocked by the managers in a common practice to confine the women inside the building (Greider 1997a: 337–41). But where is the international outrage Greider plaintively asks. 'Why did global commerce, with all of its supposed modernity and wondrous technologies, restore the old barbarisms that had long ago been forbidden by law?' (Greider 1997a: 341). Sadly, he concludes that the 'manic logic of capitalism' that produces these gross inequalities and horrendous excesses is all 'about power: Firms behaved this way because they could, because nobody would stop them. When law and social values retreated before the power of markets, then capitalism's natural drive to maximize returns had no internal governor

to check its social behavior' (Greider 1997a: 341). When one powerful enterprise does it, the others follow suit. The UN's 1999 Human Development Project makes the same point when it decries 'global inequalities in income and living standards' that have reached 'grotesque proportions' (Bleifuss 1999; Borosage 1999). Obviously, globalisation as free trade and the free flow of capital – the way political leaders such as former President Clinton and former US Treasury Secretary Rubin like to explain it – is not an unmitigated good, not for the 200 million more people than at the beginning of the 1990s (according to the World Bank) who have sunk into deep poverty at the end of the decade (Borosage 1999).

We simply cannot elude the compelling conclusion that Third World women workers in their home countries and Third World immigrant women workers in the US form one continuum in the same gendered and transnational workforce that lies at the base of the international subcontracting system. They are indisputably among the 'losers from globalisation' that one commentator has noted (Borosage 1997, quoting Thomas Friedman). Whether she works in a Nike plant subcontracted to a Taiwanese factory owner in Indonesia or Vietnam, or as a contract worker in an Asian-owned Saipan factory, or in an unregistered, underground sweatshop in Los Angeles operated by a Korean immigrant, or in a union shop in New York's Chinatown owned by a newly naturalised Chinese, she may well be sewing the same style for the same manufacturer, affixing the same label on the finished garment. But history and recent indications also suggest that she is among those at the forefront of contesting globalisation: with appropriate and powerful allies by her side, she can emerge from the shadows of globalisation's dark underbelly to assume an ever more active role in shaping her own destiny.

Notes

1 Of course, utilisation of immigrant women's labour in the garment industry is not new; in fact, the industry had historically depended on immigrant women, who a century ago were mainly Jewish and Italian, shifting to black and Puerto Rican through the 1950s (Liebhold and Rubenstein 1999: 15–33; Hill 2000: 155).
2 According to 1996 US Department of Labor figures, as many as 20,000 workers were employed in this sector (Liebhold and Rubenstein 1999: 11).
3 Although typically applied to small garment workshops, the official US government designation also applies to restaurants and any small business.
4 Currently, the Philippine government 'exports' over one million, mostly women, workers to some 120 countries around the world (Gonzalez 1998).

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