

GEORGE F.L. CHARLES MEMORIAL LECTURE
THE ST. LUCIA LABOUR PARTY'S
SIR GEORGE F.L. CHARLES FOUNDATION

***“THE ROLE AND RELEVANCE OF TRADE UNIONS IN THE AGE OF
TECHNOLOGY”***

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CASTRIES

Chair, Political Leader Brother Philip Pierre, former Prime Minister Brother Kenny Anthony, Members of Parliament and members of the Executive of the St. Lucia Labour Party, sisters and brothers all, members of the media, good evening,

It is indeed an honour to have been invited by your Political Leader, and my distinct pleasure to deliver the George F.L. Charles Memorial Lecture organized by your Party, the St. Lucia Labour Party, this evening in honour of your Founder Sir George F.L. Charles. Before I go any further, let me extend greetings of solidarity to the St. Lucia Labour Party, from my own Party – the Movement for Social Justice (MSJ), our Executive Committee and Activist Council, which met just a few days ago and instructed me to communicate our best wishes to you.

Although the MSJ is a relatively new Party, I myself – through earlier political movements and my work in the Oilfields Workers' Trade Union – have had a long and positive association with both the trade union movement here in St. Lucia and with the SLP. Over the years, whenever the OWTU organized a regional or international conference or seminar we would make sure that St. Lucia is invited.

Given that I am of a certain age reminiscences become more and more frequent – this is actually the second occasion on which I have addressed your Party. It was in October 1987 when Julian Hunte was your Leader, and if my memory serves me right, Brother Pierre was the Party Treasurer, that I was invited to deliver the Feature Address at the Party's Annual Conference. That year it was held in Laborie because Neville Cenac – now your Governor General - had just been elected the MP for that constituency, crossed the floor immediately after the elections from the

SLP to the UWP and was given a Ministerial position. That shifted the balance in the Parliament from 9-8 to 10-7 in the UWP's favour. The SLP of course wanted to show that even though Cenac had left the Party, the members and supporters in Laborie had not. So I was asked to speak. I don't know if I hit the right notes that day, but what I do know is that I don't speak Creole and that those who got the most applause were the Creole speakers!

The person assigned to take care of me during my brief stay was one Philip Pierre and this was a reciprocal responsibility because some time before that he stayed at my home in Trinidad while attending a conference at the OWTU. It was therefore great to see Philip rise through the ranks of the SLP to be Leader of the Party and Leader of the Opposition – it is well deserved! Congratulations my Brother!

Brother Kenny Anthony I knew a bit from many years earlier still. It was in the days just after the Grenadian Revolution. Around that time Kenny was at Cave Hill lecturing and my girlfriend at the time – now my wife – was a student and I came over from time to time on vacation. During one of those visits Kenny came over to the apartment and we had a long discussion about politics and the state of the Caribbean.

Brother Ernest Hillaire was a member of the Regional Executive Committee of the Assembly of Caribbean People representing the Caribbean Federation of Youth in 92-94 when I was secretary of the ACP and we were organizing the First Assembly in Trinidad in August 1994. Ernest not only organized meetings for me here in St. Lucia to popularise the Assembly but also came to Trinidad regularly for Executive meetings. I however was not active in WIPA when he was CEO of the WICB and therefore I did not meet him across the negotiating table!

Chair, permit me one last memory. It was in May 1997. A group of the usual suspects of left and progressive activists were gathered for a weekend meeting at Bobby Clarke's home in Barbados. Among those present were Tim Hector and Rosie Douglas. Rosie had flown into Barbados for the meeting from London. He had ended up campaigning for the British Labour Party and came back loaded up with thousands of flyers and posters. Coincidentally, there was an election campaign taking place in St. Lucia so as soon as our meeting finished Rosie left Barbados and headed for St. Lucia with all the flyers and posters. He was adamant that the UK posters and flyers would be very useful in St. Lucia since they were in red and had the slogan – Vote Labour! I think that Rosie, who was just supposed to drop off the material actually stayed and campaigned for you and brought in a newly elected UK Labour MP as well! Suffice it to say that Rosie campaigned for

three winning parties – Blair’s Labour Party won in the UK; Kenny’s Labour Party won in St. Lucia and a couple of years after Rosie’s Labour Party won in Dominica. Only in the Caribbean!

Now Chair, I turn to the matter at hand. You have indeed given me a challenging theme – “The role and relevance of trade unions in the age of technology”. I trust that I can do it justice. To say that we are in “the age of technology” is an understatement. We are today living what was science fiction and comic book stuff when I was a child. Remember Dick Tracy and the two way radio/tv wrist watch? Well watches that are phones and can record and send real time audio and video are reality today. Driverless cars – that too is a reality and we will soon see flying cars. Information technology is indeed moving at an unbelievable rate of change. Apart from the obvious ones that we know and use every day, there are robots that can talk and do things that we thought only humans were capable of – Artificial Intelligence has achieved that.

George Orwell’s 1984 and his “Big Brother” that knew every move you made – on the street or in the “privacy of your home” – has been with us for some time as GPI positioning from our phone, our tweets and FB posts saying where we are where we are going and what we are doing give us away; and the cameras and satellites of country’s security systems can track our every move and record all of our conversations, read all of our emails and text messages and even if our phone is off it can be remotely activated as a microphone. In fact as we are learning now, scientists can develop a very accurate psycho-socio profile of us from analyzing the data obtained from what we ‘like” or “comment” on when we’re on Facebook – to the point of micro-targeting messages to people to win elections. Rosie’s flyers and posters saying “Vote Labour” don’t stand a chance in this technological era!

But how did we get here? And what of the role and relevance of trade unions in this era? I will address the theme in four parts.

Firstly, I will identify the key elements of the revolutions in technology that have been taking place in the last 30 plus years. Secondly, I will situate these revolutions in the context of the underlying economic paradigm of this era – that of neo-liberal capitalism and of globalization. Thirdly, I will look at the results of the revolutions in technology and of neo-liberal capitalism on societies in general and on working people in particular. This will, I hope, establish my fourth part which is to make the case for the relevance and importance of trade unions. And lastly, and briefly, I will set out some ideas of the roles of trade unions today and my own

concerns about whether or not these are being met by our movement in the Caribbean. So, let us begin!

Key elements of the Revolution in Technology

In the 1970's a process of technological revolution was underway. Largely stimulated by the space programme, researchers made breakthroughs in three major areas:

- The micro-chip and computers
- The science of new materials
- Bio and genetic engineering

Without going into details, this revolution in technology meant, for example:

- That information and communication became revolutionized
- Old materials and therefore commodities and certain industries became redundant (e.g. the impact on the demand for steel for motor car production; and copper for telephone communication)
- Agricultural and pharmaceutical production became driven by control of intellectual property rights

This enabled what I describe as the re-organisation of global production: what is popularly termed “globalization”. Thus, with the revolution in information and communication, corporations can very efficiently organize their production across many countries thus maximizing their profits. For example, a US brand computer is not made in the US at all, but rather has some components made in the Far East where there is a plentiful supply of low wage female labour; some parts that can be manufactured with processes that require few workers are made in plants in the US; and the entire computer is put together in a factory in a free trade zone in Mexico. This can be managed out of the US head office because of ICT – all components can be tracked; inventories known and demand factored in instantly with computers; while managers of all the plants are in communication one with the other in real time as well.

At another level, corporations maximized profits by locating the entire production process in the lowest cost centres and then shipped to the markets in the industrialised west. Garments and shoes of brand name companies are made in Pakistan, Bangladesh, China, Haiti and elsewhere often using labour that is super-exploited. Indeed, it is well known that the workers in those countries cannot afford to buy the very products that they make!

Some Features of Globalisation

But globalized production of this kind requires restrictions and regulations and barriers to trade to be removed. To move computer components from the Far East to Mexico and other parts from the US into Mexico and then the finished product from Mexico into the US and from there to be sold in markets around the world at a price below that of making it in one high wage location, requires very low tariffs (customs duties and import taxes), no quota restrictions and no lengthy bureaucratic delays. Hence the global corporations demanded free trade. This so-called free trade is another feature of globalization.

The features that I have described so far have had profound impacts on labour, directly and indirectly. The technological revolution has made certain types of work redundant. Thus, bank workers such as those whom we used to call “tellers” – they’re now called customer service reps – are no longer needed. With ATM’s, on line banking and the like who needs to line up to get money or deposit or transfer funds? Manufacturing processes are increasingly automated and robots have been replacing workers on production lines. As the demand for steel in motor cars fell, the steel industry in the US became redundant and with that tens of thousands of workers lost their jobs. With companies locating production in low cost countries jobs were lost or better put, the work and therefore the jobs “migrated”.

These latter two examples are what Trump successfully campaigned against. But it has impacted on us in the Caribbean as well. In Trinidad and Tobago jobs have been lost in our manufacturing sector as multinationals like Nestle and Unilever now import goods that were previously made in T&T from related factories in other countries. We are then told that we must reduce our cost of production by lower wages/salaries and more flexible work arrangements so as to be “competitive”. Union busting is an integral part of this drive as unions with their collective bargaining agreements are seen as being obstacles to a flexible and competitive labour market. In truth this is just a ploy to drive the cost of labour down in what can become a never ending spiral downwards. Profits on the other hand spiral upwards at the same time!

These are the direct impacts. The indirect impacts are the result of lower tariffs. Free trade means that we have to allow goods from other countries to enter our market. The advocates of free trade say that the benefit for us is that in return our goods can enter theirs, either duty free or with low tariffs. But our producers are small and therefore cannot produce at the same low cost as a large company. So

their goods swamp our markets at prices lower than what we can sell at and we get effectively blocked out of their market because we don't have the capacity to penetrate a huge market, can't compete with their advertising budgets or face huge impediments such as labelling requirements, meeting regulatory approvals from health and other agencies. These latter barriers are known as Non-Tariff Barriers to Trade. The end result of this unequal playing field? Our workers lose their jobs. Our firms lose market share and collapse and on top of that, our government's tax revenue falls. This is especially true of the OECS countries which historically have depended on taxes on imports for revenue. T&T is different because historically 50% or more of revenue comes from the oil industry. With falling revenues governments can't spend as much on goods and services or on wages and salaries. The result - labour is under pressure!

Of course you know how these unfair so-called free trade rules work. as the banana industry was devastated by the US decision to challenge so called preferential treatment of bananas by the European Union. It wasn't the US as a country that was affected by the market access of Caricom banana producers but the large multinational corporations like Dole. The losers were the banana farmers and workers in the Eastern Caribbean as well as our governments that lost revenue and foreign exchange.

The resulting government deficits means less capital is available for investment in entities that provide vital public goods and services – water; electricity; telecommunications; port and airport services. On the other hand, our people as consumers, quite rightly demand more efficient delivery of these public goods and services and when this becomes an almost impossible equation, there are calls – led by the international financial agencies for privatization. This call is supported by business interests local and foreign that stand to benefit from the sale of state owned assets and businesses. Here again, labour is the loser as the private sector needs to make a profit where the state didn't. So costs are reduced by retrenchment of workers and/or the elimination of collective agreements and trade unions; and prices are increased. So both workers directly employed and consumers generally pay, while the new private sector owners reap the profit.

This policy of privatization is extended to areas of state involvement that were once considered almost sacrosanct – health and education. Even public safety and security is up for grabs with the private security firms taking over the role of the police services; and the prison service proposed for private ownership – after all, not since slavery can one get forced and free labour such as that offered by inmates! All this is advanced under the mantra that governments are inherently

inefficient, that the state should only be the facilitator of economic development by creating the right investment and business climate and training/educating and keeping healthy a labour force that is available for the private sector to utilize while maintaining the security of all and ensuring the rule of law.

I have alluded to deregulation as a requirement for globalized markets. Central to this is the policy that there should be no obstacles, no restrictions on the prices of goods and services. The “market” must determine the price. Thus, a collective agreement is a rigidity on the price of labour. If there were no collective agreements then the price of labour would theoretically be determined by supply and demand – the market. In economies like ours where there is structural unemployment there is always an oversupply of labour. This means that if collective bargaining was completely undermined the price of labour – that is wages and salaries would be depressed as there will always be someone willing to work for a lower wage than that negotiated by the trade unions.

Deregulation also means the removal of price controls for essential goods; the removal of subsidies for public goods such as water and electricity and public transport; the introduction of so-called competition in certain sectors like telecommunications. However, competition is also never on a level playing field. So large supermarket chains can, because they operate on a large scale, run the small grocery and parlour out of business; big pharmacies cause family owned drug stores to close; large retail stores take over the town at the expense of small and micro-enterprises. Many entrepreneurs and business owners then end up becoming workers and employees.

Investment rules can no longer favour a country’s development goals. So, governments can’t promote favourable incentives for local businesses and the production of indigenous products. This would be “unfair competition”. The result is that our fledgling entrepreneurs and innovators often have to compete with the products that are imported from large multinationals.

We have therefore identified several features of globalization. These are:

- So-called Free Trade
- Attacks on collective bargaining and “union busting”
- Privatisation
- De-regulation

There is one more feature of globalisation that I wish to identify. This is what some leading economists such as Professor Kari Polanyi-Levitt calls “the great

financialization.” Others have termed it “casino capital”. This is about the trillions of dollars that move across national boundaries every day in search of making a profit. The controllers of hedge and money funds, investment bankers and pension fund managers engage in what is essentially speculative activity every day, by gambling on price increases for commodities (oil, gold, silver, wheat etc); bonds, stocks and shares; currencies. They bid prices of these instruments and commodities up and down on rumours of war, changes in the weather, tweets from Trump, statements by Central Bankers, corporate quarterly financial reports, government budget statements, IMF reports, US jobs reports. These controllers of finance capital are the “market’ and they determine our welfare and the well-being of workers in industries and companies. In the process they amass huge wealth.

One report stated that in 1980 the total of financial capital globally was US \$12 trillion. By 2007 this had increased to US\$206 trillion and in 2012 it was a staggering US\$225 trillion! In terms of annual cross border flows in 1980 it amounted to US\$ 0.5 trillion and by 2007 this totaled US\$11.8 trillion.

No longer is the model one where finance capital was invested in productive assets – banks lending to companies to increase capacity and introduce new equipment to become more efficient. And when the firms make a profit they then repay the loans with interest thus giving the banks a profit. And when it is claimed that there is a shortage of capital for Direct Foreign Investment this is not true. The capital is there, it is just being used for speculation instead. These controllers of finance capital make profits by investing in financial instruments and speculating on the commodity, currency, bond markets and stock exchanges of the world. This massive movement of finance capital is possible because of the revolution in information and communication technology. Indeed, some “decisions” are not even being made by people, there are computer algorithms that determine what should be bought or sold and at what price!

But it is gambling and when they lose – as happened most recently in 2008/9 with the global financial crisis - workers lose their jobs as businesses go bankrupt; people lose their homes; and millions see their pension savings lose value. We here in the Caribbean were not immune. Tourism declined as people up north no longer had the resources to travel; remittances declined as our families had to hold onto their pennies; and oil and other commodity prices fell.

So, Chair, I have taken some time to describe what the revolution in technology has done. It has not only changed how goods and services are being produced. It has also facilitated globalization. This is the environment in which our trade unions

have to operate in today. And unless we understand the environment, we cannot appreciate what the role and relevance of the movement should be.

But the features of globalization that I have described are part of an ideology: the ideology of neo-liberalism. Neo-liberalism is capitalism in this era of technology and there are elements of the ideology – apart from the economic ideas and policies that I have described – that I wish to address.

Neo-Liberalism as the reversal of the Post World War 2 Social settlement

Neo-liberalism did not drop from the sky. There were two ideologically opposed frameworks being articulated in the lead up to and aftermath of the economic crisis of the 1929 Wall street crash. One was economic liberalism: the primacy of the markets, unregulated capitalism etc. The other was essentially socialist: democratic, social ownership of resources to create a just social order. Polanyi Levitt in her book *“From the Great Transformation to the Great Financialization”*¹ describes this tension well.

Following the Second World War, there emerged a Social Settlement that was somewhere in between. It was to repudiate fascism and ensure that liberal democracy and peace became the order of the day in the western world. Thus, in terms of economic policy, national governments would regulate capital; certain prices would be controlled; taxes would be progressive so the rich would pay more than the poor; and the income would be re-distributed to the working people and poor through subsidised housing; health care; education; public transport; water and electricity. State enterprises would own and control the major public goods sector and key, strategic industries. Trade unions would be encouraged so as to maintain fairer income distribution and ensure industrial peace. This was the welfare state – not one where the state paid welfare, but where the state was responsible for the well-being and welfare of all.

This social settlement worked and the quality of life of millions of working people in the industrialised west improved. Here in the Caribbean, our labour leaders pushed for a similar agenda, as described by your own Arthur Lewis in his very important pamphlet *“Labour in the West Indies”* the analysis of the *“Birth of a Workers’ Movement”* written in 1939, in the immediate aftermath of the workers’

¹ Kari Polanyi Levitt – From the Great Transformation to the Great Financialization – on Karl Polanyi and Other essays Zed Books London 2013 See Chapters 2-5 for a treatment of the competing ideological currents in economics in Europe in the 1920’s and 30’s.

revolts in the West Indies in the mid-1930's, for the British Fabian Society, This is what Lewis stated:

At the Trinidad Labour Congress of November 1938 “federation and full elective control figured prominently in the resolutions, but even more attention was devoted to the demands for adult suffrage, dismemberment of plantations and creation of a cooperative peasant community, nationalization of the sugar factories and public utilities, provision of old age pensions, health and unemployment insurance, and reformed industrial legislation.”²

Your own Founder and outstanding labour leader, Sir George F.L. Charles, would himself have been imbued with these ideals and fought and won many of these objectives. Central to this Post World War 2 social settlement was that trade unions were an indispensable institution to the growth of the economy; the political and social stability of society and the development of each human being. Other key elements of this were the value systems of solidarity and of community. We were to be our brothers and sisters keepers. Co-operatives and especially credit unions emerged side by side with strong unions. Economies were built around industries – the production of goods and commodities: iron and steel; coal; cars; factories that made consumer goods the demand for which rose as workers increasingly earned decent wages and their purchasing power improved. Electricity and water and transport and communication sectors emerged to facilitate this model of production. Workers lived and worked in the same communities and so strong ties were established – loyalty to company, industry and community helped to strengthen loyalty to country. The rich made profits but were constrained by taxes and private firms couldn't get access to sectors controlled by the state.

In the newly independent countries we too had our strong trade unions that regulated the labour market. Labour had their parties and movements that pushed for and won social benefits for working people – housing, health care, education, social security etc. And then in the 70's we made strides in having the commanding heights of the economy nationally – most often – state owned. And we demanded a New International Economic Order – higher prices for our commodities (OPEC and oil prices is the best known but not the only such example) and fair terms of trade; aid that was not tied to conditionality etc.

²W. Arthur Lewis “Labour in the West Indies the Birth of a Workers Movement” with an afterword by Susan Craig. New Beacon Book London and Port of Spain 1977 pg 42

However, the ideology of an unbridled market never disappeared. And beginning with the Vietnam war and the financial crisis of the early 70's when the US de-linked its currency from the gold standard; and continuing with the oil shocks of the higher oil prices; there was a huge push by the owners and managers of global capital to destroy the Post World War 2 social settlement and replace it with neo-liberalism. These forces had going for it: the debt crisis through which countries had to introduce the features of globalization that I described earlier via IMF/World Bank/IDB imposed structural adjustment loan conditionality. And they had the advantage of control of the possibilities created by the revolution in technology.

This was the Reagan/Thatcher era of structural adjustment, economic liberalization. Thatcher said "There Is No Alternative" (TINA). The economists spread the mantra of "the market" and the failure of the state. What was being dismantled was the social settlement of the welfare state and of regulated capitalism. To achieve this there also had to be an all out assault on trade unions. The slogan emerged – trade unions are dinosaurs – they belong to the age of industrial production and blue collar workers which has now being replaced by the "knowledge worker" who can work from home using ICT; is not going to have life- long employment; and is definitely not interested in collective bargaining as he/she can negotiate their terms of contracts based on their competency.

The social impact of neo-liberalism

So, we have had over the past three decades the development of this neo-liberal paradigm. It operates not only in economic terms. In terms of social relations it promotes the individual: new alphabet – a for apple, b for bat c for yourself; individuals can achieve anything, you do not need trade unions – the employer will hire, pay and promote you according to your competencies. This social atomization breaks apart real communities and replaces them with virtual ones – anonymous social media without commitment. It challenges values as with the homogenization of culture – the dominance of Hollywood and of cable television as the only purveyors of truth and fact. Consumerism becomes the determinant of happiness as you crave for the latest item from the hottest brand.

At the same time however, neo-liberalism has generated huge wealth and income inequalities. The 2017 Oxfam Report on Global Inequality stated that:

“Eighty two percent of the wealth generated last year went to the richest one percent of the global population, while the 3.7 billion people who make up the poorest half of the world saw no increase in their wealth

- ***Billionaire wealth has risen*** by an annual average of 13 percent since 2010 – six times faster than the wages of ordinary workers, which have risen by a yearly average of just 2 percent. The number of billionaires rose at an unprecedented rate of one every two days between March 2016 and March 2017.
- ***It takes just four days*** for a CEO from one of the top five global fashion brands to earn what a Bangladeshi garment worker will earn in her lifetime. In the US, it takes slightly over one working day for a CEO to earn what an ordinary worker makes in a year.
- ***It would cost \$2.2 billion a year*** to increase the wages of all 2.5 million Vietnamese garment workers to a living wage. This is about a third of the amount paid out to wealthy shareholders by the top 5 companies in the garment sector in 2016.”³

The Nobel Economic prize winner Joseph Stiglitz in his seminal book ***“The Price of Inequality”*** states:

“Warren Buffet, himself a member of the super rich who has recognized the harm of America’s egregious inequality, took to the pages of the New York Times in the fall of 2012 to underline the divergence by a different measure: the wealthiest 400 Americans took home an “hourly wage” of \$97,000 in 2009 a rate that has more than doubled since 1992.”⁴ Stiglitz goes on to say that the issue is about “how flawed economic policies – based on flawed economic theories and ideology have managed to exacerbate inequality on both sides of the Atlantic⁵ ... the question is, will the political inequalities of the twenty first century allow what happened in those earlier instances (of the post world war 2 social settlement) to happen now?...Will we once again pull back from the brink?”⁶

Part of the neo-liberal ideology is that for countries which have fiscal problems – that is where government expenditure is higher than its revenue – there must be policies of economic austerity. This translates into governments implementing wage and salary cuts, the reduction of social security, cuts in health and education, removal of

³ <https://www.oxfam.org/en/pressroom/pressreleases/2018-01-22/richest-1-percent-bagged-82-percent-wealth-created-last-year>. For the Full Report see <https://www.oxfam.org/en/research/reward-work-not-wealth>

⁴ Joseph E. Stiglitz *The Price of Inequality* Penguin Books 2013 pg xii

⁵ *Ibid* pgs xxvii-xxviii

⁶ *Ibid* pg xxxv

subsidies, devaluation and other elements that I have described. Austerity measures affect workers and the poor the most as they lose income and see their standard of living and quality of life deteriorate.

Another element is that company executives focusing on the “bottom line” that is profits - the bigger the profit, the higher the price of shares and therefore the larger payout of dividends to shareholders. The company executives also benefit directly as they get bonuses based on achieving targets of higher profits. So there is always the drive for higher profits – the management justifies this is being competitive. This drive for more and more profit and for increasing the value of the company’s share price leads the management to cut costs. How is this achieved? By implementing corporate austerity measures - retrenching workers, reducing wages, cutting benefits, shifting production to low wage countries. This accounts in part for the incomes of workers to get smaller relative to the incomes of the top managers and CEO’s and the owners of big capital – the billionaires who own huge amounts of shares in companies whose share price increases as profits increase.

Government and corporate austerity policies thus worsen income inequality. At the same time the culture of greed becomes stronger as those who are already rich want more and more – at the expense of workers and the poor.

Even one of the world’s richest men – Warren Buffet – knows that this inequality is unsustainable. There is also the feature of structural unemployment. Not just in the countries of the so-called periphery, but in the industrialized west. Thus, of all young people aged 15-24 who are in the labour force, 10% are unemployed in the UK and EU. Of all the unemployed in the UK 20% are long term unemployed, and this number rises to more than 40% for the entire European Union.

Traditional jobs have disappeared due to free trade, privatization and the introduction of new technologies. In their place there have been created a lot of low paid, low or semi-skilled service jobs – fast foods, retail stores etc. At the same time we have seen the rise of what is called “precarious work”, A 2015 ILO Report on non-standard forms of employment stated: *“In his Report to the 102nd Session of the International Labour Conference, the Director General of the International Labour Office ‘ the classic stereotype of a full- time permanent job, with fixed hours, and a defined-benefit pension on the completion of a largely predictable and secure career path with a single employer, however desirable it might appear to be is an increasingly infrequent*

reality Today, about half of the global workforce is engaged in waged employment, but many do not work full time”⁷

One important finding in that report was that *“In Europe, data for 14 European countries from the European Labour Force Survey reveal that fixed-term contracts are more prevalent among women (13.0 per cent compared with 10.7 per cent for men), workers with lower levels of education (15.5 per cent compared with 9.9 per cent for high-level education) and workers in elementary occupations (21 per cent compared with 10 per cent for professionals). But the biggest divergence in Europe is with respect to age. As figure 2 shows, the incidence of fixed-term contracts among young people was four times higher than it was for prime-age workers, reaching 40 per cent by 2012.”*⁸

So women, the less educated, those in low skilled work and young people are more vulnerable to precarious work. It goes without saying that these workers are much more difficult to unionise as they are not only transient – moving from job to job; they are also fearful of losing their job in a labour market where they are easy to replace. The ILO Report stated *“OECD data on temporary workers show that, in Denmark, France, Sweden, Switzerland and the United Kingdom, roughly one fifth of all workers with a fixed-term contract reported entering into this contract because they did not want to have a permanent job, while the remainder were on fixed-term contracts either because they were on probation or because they could not find a permanent job. The percentage of workers who reported holding a temporary job because they could not find a permanent one ranged from 30 per cent in Iceland, 40 per cent in the Netherlands, 67 per cent in Sweden, to over 90 per cent in Greece, Portugal and Spain”*⁹

The reason for employers to use non-permanent labour is clear as the ILO Report states. *“In most instances, however, non-standard workers earn less for comparable work and the disadvantages associated with NSFÉ are not systematically compensated with higher earnings. Wage penalties for non-regular workers are between 30 per cent and 60 per cent of the wages of regular workers in developing countries, and between 1 and 34 per cent in developed countries. These differences are due to: (i) unequal treatment of non-standard workers; (ii) the probationary nature of some NSFÉ; (iii) shorter tenure of non-standard workers, mainly due to less stable employment; and (iv) exclusion of nonstandard workers from corporate benefits, such as regular*

⁷ http://www.ilo.org/wcmsp5/groups/public/@ed_protect/@protrav/@travail/documents/meetingdocument/wcms_336934.pdf pg 1

⁸ Ibid pg 7

⁹ Ibid pg 21

bonuses and overtime payment. These earning differentials may lead to greater income insecurity for these workers. Moreover, the effects can be long term, if workers have difficulty transitioning to permanent jobs and have limited opportunities for promotion and to establish a career path. Wage penalties are usually smaller for part-time workers as compared to temporary or temporary agency workers, but can still be significant”¹⁰

These workers do not earn less, they are less likely to benefit from social safety nets. *“Workers employed under NSFE contracts frequently have inadequate employment-based social security coverage, either because they are explicitly excluded from receiving coverage by law or because their short tenure, short contribution periods or low earnings may limit access to such entitlements. In addition, even when workers under NSFE contracts are covered, benefit levels may be too low, as a result of their low wages and contributions, to provide an adequate level of coverage, unless mechanisms are in place to ensure at least a minimum level of protection”¹¹*

The changed structure of the labour market and the culture of hostility to unions has seen trade union density decline significantly. The ILO Report states *“the most common challenge that workers in NSFE face regarding freedom of association and collective bargaining rights is the inability to exercise these rights in practice”¹²*. It continues - *“NSFE can also undermine the effective exercise of collective bargaining rights of regular workers. One US study, for example, argued that “in-house subcontracting” and reliance on temporary agency workers had weakened trade unions and undermined their ability to challenge violations of labour laws”* A recent article in *Industrial and Labor Relations Review*, based on an analysis of 106 labour-management disputes in the United States, discussed ways in which temporary agency work had been used: *to block union organization drives; to replace prounion workers with temporary agency workers (temps); to use temps to interfere with a union certification election; to weaken or dismantle existing unions by using temps to replace union workers; to force concessions at the bargaining table by replacing, or threatening to replace, striking workers with temps; and by locking out union workers and replacing them with temps”¹³*.

According to one report - In 1995 trade union density in the US was 15%, in Germany 29% in the UK 32% and in France 8.9%’ By 2013 this had fallen to 11.3% in the US, 18% in Germany, 25% in the UK and 7.7% in France. In 2017 in the US it was 10.7%.

¹⁰ Ibid pg 26

¹¹ Ibid pg 26

¹² Ibid pg 29

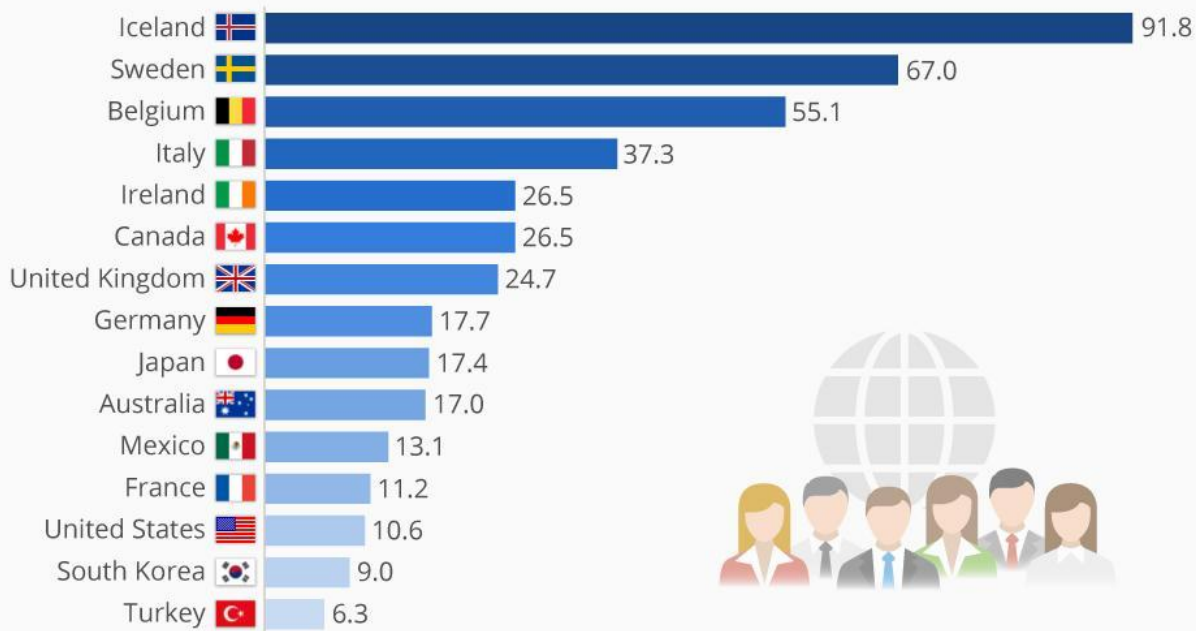
¹³ Ibid pg 30


A 2017 Article in Forbes Magazine states: “Across most developed nations, labor union membership is getting rarer. Back in 1985, 30 percent of workers in OECD countries were labor union members and that has now fallen to just 17 percent. Some of the reasons for the fall in membership include technological and organizational changes, globalization, policy reform and the decline of the manufacturing sector which have all tested the concept's efficacy. [According to the OECD](#), 80 million workers in its member states are part of labor unions while an estimated 155 million are covered by collective agreements at some level, whether it be national, regional, sectoral or occupational. The share of workers covered by collective agreements has also contracted in a similar manner to labor union membership, falling from 45 percent in 1985 to 33 percent in 2015. Across OECD countries, labor union density varies considerably, and Iceland has the highest membership rate at 91.8 percent. The Icelandic Confederation of Labour alone has 104,500 members, accounting for approximately half of the country's workforce. Sweden also has a high rate of union membership at 67 percent while just over a quarter of Irish and Canadian workers are part of a union. The United States has a labor union density of 10.6 percent today compared to 20.1 percent in 1983.”¹⁴

¹⁴ <https://www.forbes.com/sites/niallmccarthy/2017/06/20/which-countries-have-the-highest-levels-of-labor-union-membership-infographic/#6a05859933c0>

The State Of The Unions

Labor union membership as a percentage of total employees



 * Selected OECD countries (2015)
@StatistaCharts Source: OECD

Forbes statista 

This is the reality of the labour market that trade unions have to address in the neo-liberal capitalist economy of today. Polanyi Levitt sums it up well: She states:

“Relentless pressure to open economies to trade and capital flows is eroding the coherence of national economies. Workers and agricultural producers are exposed to competition on a world scale, driving down real wages and commodity prices to benefit a relatively small number of large transnational corporations, which control access to technology and markets. Rich countries like Canada can no longer afford the universal right to free education and health care available at a time when GNP per capita was half of what it is today. Why? We are told that it is because we must sacrifice social security to remain competitive. Governments engage in competition to lower taxes to attract and maintain investors. Competitiveness has become enthroned in the operating principle of public policy...”

We are living Keynes’s nightmare of a ‘casino economy’ of speculators and rentier capitalists and Polanyi’s false utopia of the self-regulating market. This neoliberal economic order favours creditors over debtors, finance over production, and the rich over the poor. A growing underclass of marginalized persons is excluded from

formal circuits of employment, production and consumption. Hundreds of millions of poor people in poor countries are simply redundant to the requirement of the global capitalist economy, The system is chronically inequitable and endemically unstable. Ultimately, it is politically unsustainable.”¹⁵

There is also the impact of migrant workers. As a result of multiple factors – economic crises; political problems; war or just simply workers seeking a better life in another country, migrant labour has grown in the past few decades. In many cases the receiving countries welcome – officially or unofficially – migrant workers. This non-national pool of labour provides skills that are in short supply; or is prepared to do work that nationals do not wish; or addresses the problem of declining and/or aging populations. The European Union establishes free movement of labour and so “migrant” workers are in fact entitled to work in any EU country. In other cases, migrant workers come without official welcome as in illegal immigration. In extreme circumstances this illegal immigration is carried out through criminal enterprises of human trafficking, prostitution and modern day slavery.

We see the images of this as persons flee war in Syria and elsewhere in the Middle East; or various crises in northern Africa. But we have our own experiences of migrant workers. Your own Founder was a migrant worker – he went to Aruba to work in the oil company. Trinidad and Tobago is a land of recent immigration – many have family “up the islands”. Venezuelans came to work in the cocoa estates. And of course slavery and indenture was forced migration of labour. We have migrated elsewhere: the present controversy of the Windrush Generation in the UK has highlighted this; and we know of the West Indian diaspora in the US and Canada among other countries.

Migration will always be with us. However, in times of economic crisis and social insecurity and instability immigration becomes a political issue around which hysteria can easily be generated. The Brexit campaign was not so much about trade and economic relations between Europe and the UK, it was about “migrants taking over the jobs of the British”. Trump won the elections on slogans that demonized Latinos and people of colour and Muslims and migrants generally. The xenophobia, racism and hatred that is in many parts of the world is a feature of neo-liberal capitalism. As it was in Germany and other parts of Europe in the 30’s and 40’s so too again we see such ideologies emergent. The conditions of economic crisis and uncertainty in this ever changing world of technology have facilitated this. What we are seeing is neo-fascism.

¹⁵ Polanyi Levitt op cit pgs 71-72

Polanyi-Levitt in her book describes how the economic crisis and uncertainty following the collapse of Wall Street in 1929 and the Great Recession in the 1930's inevitably led to the rise of fascism – Hitler and Nazism in Europe – and war. The economic crisis of today and its uncertainty and the insecurity of income, of jobs in the fast changing world of technology and immigration are once again creating the conditions for fascism. This explains how neo-fascist political parties in Germany, France, Austria, Italy, The Netherlands, Belgium have been making significant gains in recent elections. The root cause is the economy. As Polanyi Levitt reminds us her father Karl Polanyi, writing in the 1920's and 30's, "*warned that the self adjusting market (read today's free market) could not exist for any length of time without annihilating the human and natural substance of society*"¹⁶

The Role and Relevance of Trade Unions

Chair, this is the environment in which trade unions must now operate. It is a very complex world. We must confront technological change where even doctors can be replaced by robots and AI. It is already happening. So there are questions about the future of an entire range of occupations, not just drivers and factory workers or bank tellers; but doctors and architects and other highly skilled "knowledge workers". 3D printers can produce solid objects and may make redundant many manufacturing processes. Robots can do surgery perhaps better than a human and medical diagnoses can now be done by computers. Algorithms can make investment decisions and they determine what you see and therefore like on Facebook. Data is becoming as valuable as gold. Cloud computing is what is going to be crucial for IT companies. And crypto currency can change how we value, price and exchange goods and services. Shopping by going to the supermarket or even online will be surpassed as once your fridge is empty it will automatically order new supplies which will be delivered to your home. Computers are already controlling a whole range of activities at home – from lighting to air-conditioning to heating to music to security. Robots will clean and vacuum your home.

We must confront the social implications of neo-liberal globalization: migrant workers; rise of fascism, racism, xenophobia; precarious workers; increased service jobs and fewer blue collar workers; an environment that is hostile to unions and the values of solidarity.

¹⁶ Polanyi Levitt op cit pg 74

Do Unions have any relevance at all in such a world? I say a very loud and strong – YES! I do so because all the underlying conditions – increased gap of wealth and income; poverty; youth unemployment and structural unemployment; the reduction of the quality of life as education, health care, housing, social security are undermined – that existed in the 1930's when there was an explosion of trade union activity are back with us today.

I firmly believe that the human spirit is one to fight against oppression and exploitation and for more and more freedom. That struggle may have its peaks and troughs, but always the trend is in the right direction. So today, trade union density might be at its lowest in decades, but there are signs of this being turned around. Workers in the US – at Walmart and in the fast food chains are demanding to be recognized in unions; they are calling for an increase in the minimum wage. Workers in France have been on strike against reforms of social security. University professors in the UK also had a one or two day strike recently. Some Trade Unions in the US joined and supported the protests by the so-called DACA generation and of migrant workers.

Relevance of trade unions for me is not in question. Here in the Caribbean we have similar issues. The protection of workers' rights; the fight for decent work; ensuring that collective bargaining is respected and recognized; tackling contract work; advancing health and safety at work are no less relevant today than they were decades ago since many of what we may have taken for granted as struggles won, are now being reversed or challenged by this neo-liberal paradigm.

The issue is not so much about the relevance of trade unions but what are the most relevant means – strategies and tactics, policies and programmes – that trade unions must use to keep themselves alive and relevant to today's workers. In this regard, we too must use the technology of today to communicate with our members and potential members. Face to face meetings at the workplace and flyers and bulletins must be supplemented by Facebook; a good website; the use of emails and other social media communication. We have to communicate information in language and images that resonate with our members. There has to be an outreach to young people so that they can appreciate the historical contribution by labour to their lives today; and to combat the negative stereotypes of trade unions that the media portrays – that we belong to a bygone era. Union budgets must include line items for education and training; communication; and very importantly organizing. The latter is vital if we are to reverse the downward trend of unionization of the labour force and reach the workers in sectors that are not well organised – the service industries. There has to be a focus on gender issues and the concerns of young workers. We have to build or rebuild the consciousness of workers today to the values of solidarity and unity.

Some concerns about the state of the movement in the Caribbean: and its Role

Arthur Lewis wrote in *Labour in the West Indies*: “*The general aims of the movement are to raise the economic and cultural standards of the masses, and to secure for them conditions of freedom and equality. The attempt to raise the standard of living itself has two sides. First the total income of the West Indies must be considerably increased, and in the second place it must be more equitably distributed*¹⁷ ...*It is mainly on the development of this united labour movement that future progress in the West Indies depends*¹⁸ ...*It has already behind it a history of great achievement in a short space of time. It will make of the West Indies of the future a country where the common man may lead a cultured life in freedom and prosperity*”¹⁹

Today that objective has not been fully achieved. The common man – the working people of the West Indies – does not live a life of prosperity. The issue of raising the income of our countries is still a work in progress. And redistribution of wealth and more equitable incomes is more needed now than 40 years ago. The role of the trade unions today is therefore to fulfill and complete the tasks that it set out for itself 80+ years ago. You may think that I’m being nostalgic. I’m not. It’s not about bringing back the old time days – as the Trinidadian Richard Nappy Mayers sang. It’s about trade unions returning their roots. In the 1930’s the agenda of the trade union movement was not about collective bargaining and the handling of grievances. That was a small subset of the agenda.

The agenda was about the whole of the society: what kind of society did we wish to have? What kind of political democracy? What workers and human rights were to be given legal and constitutional strength? What kind of economic policies were to be introduced? How are we to deal with new technology? How will the increased wealth generated by the increased output from the new technology be distributed? Who should own and control economic wealth and how should this be distributed? What are the power relations in society? Between capital and labour? Between men and women? Between adults and children? Between government and citizens? Between the international financial agencies and governments? Between the powers up north and small states in the Caribbean?

¹⁷ Lewis op cit pg 44

¹⁸ Ibid pg Ibid pg 43

¹⁹ Ibid pg 52

The role of the trade unions is to articulate policies on all these issues and fight to defend the interests not only of their members but of working people and the poor on all these questions. Regrettably, I don't see the trade union movement, with few exceptions, doing that today. Our movement is too caught up in just the industrial relations aspect. The movement in the 1920's to 50's were the visionaries. Your Founder was a fine example of this. He didn't just fight for better wages for the workers – he fought to make St. Lucia “*a country where the common man may lead a cultured life in freedom and prosperity*”

This is what our leaders and the movement need to be doing today. Articulating a vision and the programmes and policies to achieve that vision for a better society; a more equitable and just society. A number of notable Caribbean thinkers have expressed the concern about the state of the movement in this way. I quote Professor Rex Nettleford – “*I have a deep concern that trade unions are being pushed further and further on the periphery of all social and economic arrangements throughout the Caribbean region, for the convenience of the historical plantocracy, the enduring commission agency class, and the newly arrived technocracy*”.²⁰

George Lamming says it this way. “*The last 60 years since 1938, must be regarded therefore as a period of transition. We have seen the gradual erosion of an old social order, the political directorates have changed complexion, but they operate within the same basic institutions. There has been no great structural change in the patterns of ownership and control. And the new political directorates have never been a part of the old ruling planter and merchant class. They govern but they do not rule. The transnational corporation assumed a novel dominance in all regional affairs. Domestic policy is determined by international lending agencies. Independence has not yet won the right to sovereignty*”.²¹

Lamming then quotes the historian Professor Elsa Goveia:

“*Ever since the time of emancipation... we have been trying to combine opposite principles in our social system, but sooner or later we shall have to face the fact that we are courting defeat when we attempt to build a new heritage of freedom upon a structure of society which binds us all too closely to the old heritage of slavery*”.²²

We fought- those who labour – fought to bring us out of slavery, through indenture and up to freedom. The last major battles in this process were fought 80 years ago. There is

²⁰ Quoted in George Lamming “Sovereignty of the Imagination” Arawak Publications Kingston 2004 pg 12

²¹ Ibid pgs 12-13

²² Ibid pg 13

now another battle to be fought. What kind of society do we want? One where neo-liberalism reigns or one where we will all live a cultured life in freedom and prosperity? If it is to be the latter, then we have to articulate the vision of a transformed state, one that does not rest on the heritage of slavery and colonialism. In Trinidad and Tobago I have offered this as “The Second Republic” - a reformed state and new relations of economic and social power and a new consciousness of responsibility of all citizens as we take ownership of our nation. The outcome will rest largely on the trade union movement as it is still the most and best organized of our civil society, of our social movements.

There is therefore a crucial role for our trade unions in this age of technology. I rest my case!

Thank you!