LABOR GOES GLOBAL: I
GLOBAL VILLAGE VS. GLOBAL PILLAGE
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Tests are under way for a global strategy for labor. This strategy is based on international cooperation of labor and other social movements. It works by means of pressure on corporations, governments, and international organizations. Its goal is to regulate the global economy in the interests of working people, their communities, and the environment. This article reports on some of the strategy's first tests. A second article will discuss its future.

A One-World Strategy

In October 1990, 150 officials from chemical, energy, and rubber industry unions in more than 30 countries met in Miami under the auspices of the International Federation of Chemical, Energy and General Workers' Unions (ICEF), one of the International Trade Secretariats (ITSs) which link unions in related industries. ITSs hold such meetings from time to time to exchange information on their industries and try to coordinate mutual support. This one went a step further to elaborate "a 'one-world strategy' which, like the global corporate strategies of the multinational corporations themselves, treats the world as a single whole."

Influenced perhaps by the "Social Charter" incorporated in the plans for a European Single Market, the ICEF meeting decided to draw up and promote an "international code of conduct for multinational corporations" to address both labor and environmental concerns. According to Joe Uhlein, who attended the meeting as a representative of the AFL-CIO's Industrial Union Department, "The code might require corporations to report investment intentions upon entering a country and disclose any hazardous materials imported. It might forbid employment of children or environmental discharge of pollutants. It might require companies closing an operation to provide advance notification and severance pay. The code would include a 'neutrality clause' under which a company would agree as a matter of global corporate policy not to oppose union organizing in its plants, branches, or subsidiaries in any country."

Unions will attempt to implement the code in several ways. Those in each corporation's home country will negotiate for the code's acceptance—challenging so-called "chameleon corporations" which are relatively good employers in strongly unionized countries but take a very different attitude elsewhere. Such efforts will be backed by international corporate campaigns. A new weapon will be to coordinate use of pension fund investments—a tactic pioneered by U.S. unions but so far little used in European, let alone internationally coordinated, campaigns.

Unions will be encouraged to lobby for the inclusion of the code in the laws of their own countries. They will try to include it in national and international trade agreements like the General Agreement on Tariffs and Trade (GATT). According to Uhlein, "The goal is eventually to establish the code's provisions as worldwide 'rules of the game'..

These proposals reflect two crucial principles. One is that labor must try to shape, rather than either accept or run away from, the emerging "one-world" economy. The other is that it can only do so in the context of a wider coalition or movement which addresses concerns about environment and equity around the world. Indeed, the Miami meeting emphasized that a "one-world strategy" for labor required "strengthening of links with other social groups," such as community and environmental organizations.

Workers Of The Hemisphere Unite!

In the face of average incomes falling by as much as half, governments all over South and Central America...
have established as “export processing” or “free trade” zones. These are areas where foreign companies are allowed to import components, process them with local labor, and re-export them—usually under special exemptions from tax, environmental, labor, and other regulations. In November, representatives of textile and garment workers unions from all over the hemisphere met in Mexico City under the auspices of the International Textile, Garment and Leather Workers Federation (ITGLWF), the ITS for textile and garment unions, to develop a common approach to the zones.

Ron Blackwell, an economist with the Amalgamated Clothing and Textile Workers Union (ACTWU) who attended the meeting, says most unions see these zones as a threat to the labor movement and to labor standards in their countries. Wages and conditions in the zones are horrendous and unions are consistently prevented from organizing—sometimes by armed troops with orders to keep union organizers out.

Such denial of basic human and labor rights is a threat both to the labor movement in the country where it occurs and in the country to which the products are exported. Responding to that common threat, the Mexico City meeting developed a joint position paper embodying an alternative to the zones.

Across A Border

The new international labor dialogue isn’t limited to the higher echelons generally represented in the ITS meetings. In September, for example, 250 labor activists from the Canadian Southwest and the United States Northwest gathered in Portland for the first large-scale talks ever between trade unionists of the two countries. Representatives from Australia, Singapore, China, and Taiwan also attended.

Ray Marshall, secretary of labor under President Jimmy Carter, called for unionists to push for international labor standards “to see to it that countries and companies don’t gain a competitive advantage by depressing wages and working conditions.” Shirley Carr, president of the Canadian Labor Congress, said it was time to organize on a global basis and unleash a “massive campaign” to see to it that all countries meet minimum labor standards. Economist Peter Dorman pointed out that “Measures which promote worker rights explicitly defend all workers, and the pursuit of coordinated growth at the expense of other interests, such as those of creditors and runaway employers, can potentially define a global class interest.” Participants agreed not only to plan further get-togethers, but to reach out to workers in Mexico for a continental dialogue.

What’s New Here?

There’s nothing new about workers getting together to improve their conditions of work and life—that’s what the labor movement is all about. But for such cooperation to cross national frontiers has been the exception. Transnational labor action to impose worldwide standards for work, life, and environment represents a new departure. Labor movements have been primarily national, and are now being forced to become international, because of profound changes in the relationships among labor, employers, markets, national governments, and the international system.

Capitalism is based on a labor market in which workers compete to sell employers their capacity to labor. The labor movement is based on a rejection of that competition. Unions aim to organize those workers who are in direct competition with each other and to bring them to the same economic level, thus eliminating labor costs as a factor in competition.

In the early stages of trade unionism, most production was for local markets, so carpenters, cordwainers, and shoemakers organized primarily in their local communities—often supporting
and identifying with other workers in their craft without regard to national boundaries. But as the industrial revolution and improving transportation led to the rise of national markets, unions went national.

The development of the labor movement coincided not only with the rise of capitalism, but also with that of the nation state. Although capitalism was an international phenomenon, the nation state became the framework within which most employers functioned. National economic institutions, such as treasury departments, central banks, regulatory agencies, subsidy programs, and “Keynesian” policies to stimulate or restrain economic growth became essential for large-scale capitalism.

The labor movement, too, developed within this national framework. As language, education, media, and other cultural institutions became more unified within most nations, working class culture became more homogeneous within—and differentiated between—nations. The elaborate national institutions regulating economic and social life established a framework in which workers both collaborated with and struggled against their employers.

Worker movements sought political power at the national level to promote government policies to elevate workers’ living standards and reduce labor competition. These included the right to organize, bargain collectively, and strike; minimum wages, living and working conditions; public welfare measures; reduction of labor competition via full employment; and regulation of the labor market. Business sometimes fought such policies, sometimes accepted them as necessary for social stability or as trade-offs for support of business objectives.

Most businesses aligned themselves with the nation in which they developed and sought its support in finding markets, raw materials, and investment opportunities abroad. The result was an international competition in which both companies and governments played a role, often in collaboration.

Worker organizations generally supported the international expansion of their own companies, industries, and countries, though they sometimes opposed imperialist military expansionism for which workers might pay a high price. International worker solidarity was often expressed as a sentiment and sometimes in strike support, but other forms of economic cooperation were difficult even to conceive. Cycles of international economic competition normally ended in overproduction and depression, sometimes followed by international military conflagration in which workers and employers both backed their own countries against foreign ones.

The Rise And Fall Of The Bretton Woods System

World War II transformed the world economy, destroying the economies of virtually all countries except the U.S., which soon dominated the markets of the world. In 1950, the U.S. produced 40 percent of the world's goods and services. This dominance allowed the U.S. and its allies to impose new rules designed to stabilize the world economy.

For half a century, the principal U.S. economic and political elites had agreed on the necessity of the “Open Door” abroad for U.S. exports. They believed, as Dean Acheson wrote in 1944, "We cannot have full employment and prosperity in the United States without the foreign markets."

Finding themselves in a dominant position in the world economy, they initiated a new world economic order, based on the “liberal” idea of making the world one global “free market” for products and capital. The world’s major powers accepted the Bretton Woods Agreement, which established for the world economy modest editions of the institutions previously developed to regulate national economies.

An International Monetary Fund (IMF) supported fixed exchange rates among different national currencies. The General Agreement on Tariffs and Trade (GATT) created rules for a world market in which no nation could restrict imports from one country but not another—the so-called “most favored nation” principle. A World Bank was established to aid reconstruction and development. The system lacked an international central bank; instead, the U.S. dollar was made the reserve currency for the whole system, giving the U.S. Treasury the ability to function as a world central bank, printing money as it saw fit. U.S. military power and alliances protected this system with an imperial umbrella.

Free trade and global economic dominance seemed to promise an era of full employment and high wages for U.S. workers. Once it had purged leftist elements, the U.S. labor movement gave this new order strong support.
But within this framework, new forces were bound to develop. War-devastated European and Japanese economies revived and began to challenge United States dominance. Over 100 former European colonies became politically independent nations. Revolutions in transportation and communications allowed goods and information to move with far greater ease across vast distances and national boundaries. Corporations, spreading around the globe to take advantage of business opportunities, became less national and more transnational. The costs of military hegemony grew ever greater.

Facing severe economic difficulties, the U.S. in 1973 renounced the Bretton Woods system, abolished fixed exchange rates, and abandoned the effort to regulate the international economy. Global economic integration continued, but was henceforth accompanied by financial and currency instability on a truly global scale.

Reagan Just Says “No”

In response to growing economic chaos, the poorer, Third World governments of the South attempted to initiate an alternative. Working through the United Nations Conference on Trade and Development (UNCTAD), they began to push for a “North-South Dialogue” whose goal would be a “New International Economic Order” (NIEO). In place of global free trade, they called for the regulation of global market forces in the interest of the development process. They advocated price and production policies and long-term sales agreements designed to stabilize commodity prices. They did not propose to replace capitalism, but they did insist that the world economy be managed to support the development and relative self-reliance of poorer countries.

In several rounds of North-South negotiations, the wealthy nations of the North showed some willingness to discuss new arrangements. These discussions culminated in 1981 at a meeting of 22 heads of governments in Cancun, Mexico, where, as chair of the South Commission Julius Nyerere recalls, “Reagan said ‘no’ and that was it. What was very revealing, and very depressing, was that after Reagan said ‘no,’ the other leaders from the North said that was the end.”

The world’s richest countries, led by Reagan and Thatcher, then moved to impose their doctrine of “neoliberalism” or “free trade” on the entire world. This did not prevent economic instability and stagnation for most countries. While worldwide economic growth had averaged almost 5 percent per year from 1948 to 1973, it averaged only half that in the 15 years that followed. In the Third World, a borrowing spree encouraged by Northern banks and governments resulted in unpayable debts. Creditor nations represented in the IMF forced Third World countries to cut their people’s incomes by half or more just to repay the interest on the debt. Most Third World governments abandoned hopes for a more just international economic order and instead acceded to virtually any foreign demands in exchange for loan renewals. Their austerity plans in turn reduced markets for industrial products from developed countries.

Vast public and private borrowing turned the United States from the world’s largest creditor in 1980 to its largest debtor a decade later. Europe, Japan, and Newly Industrializing Countries (NICs) in Asia and Latin America outcompeted U.S. products in most world markets. U.S. corporations moved much of their production overseas. The combined result was deindustrialization in the United States. Employers, with government backing, took advantage of industrial decline to undermine organized labor. Meanwhile, massive public and private borrowing stimulated the expansion of jobs, but primarily of low-wage service jobs. By 1990, real wages were about 15 percent below their 1973 level.

Internationalization and the decline of the U.S. economy led to splits within the U.S. business community. Corporations which could successfully globalize continued to push for an increasingly liberal world economy. But those like steel, textile, garment, and some auto manufacturers which were tied to...
the U.S. economy turned to protectionism. In the 1940s and 1950s, the AFL-CIO had supported trade liberalization. Starting in the 1960s, however, the unions representing first garment workers, then textile, steel, and auto workers, and finally the AFL-CIO as a whole began to advocate protection.

The Globalizing Economy

Protection as a strategy was undermined, however, by a technological and organizational revolution comparable to the rise of mass production and the modern corporation a century ago. The new revolution enormously expanded communications, transportation, and information capabilities. As a result, production increasingly ignored national boundaries, creating a "global factory" with each stage of production located wherever conditions were most favorable for business. The entire process was accelerated by GATT and other international agreements that reduced barriers to the movement of goods, services, and capital.

In 1989, the New York Times noted that "Many American companies are shedding the banner of a national identity and proclaiming themselves to be global enterprises whose fortunes are no longer so dependent on the economy of the United States." Said Cyrill Siewert, a vice-president of Colgate-Palmolive, "The United States does not have an automatic call on our resources. There is no mind-set that puts this country first." Ford now owns 25 percent of Mazda; General Motors owns 34 percent of Isuzu and 5 percent of Suzuki; Chrysler owns 25 percent of Mitsubishi. Sony owns Columbia Pictures. International joint ventures increased from 50 in 1979 to 400 in 1987.

While trade is ancient, this internationalization is leading toward something new: an integrated global economy. "Trade" increasingly occurs within transnational corporations; a third of all imports and exports, for example, are from companies' own affiliates. Capital and financial markets have become increasingly global. Foreign exchange has exploded into a $500 billion-a-day market.

Economist Peter Dorman points out that in the past, technological revolutions usually occurred in one country—Britain's steam engines or the U.S.'s auto assembly lines, for example. But this time the elements of the revolution are produced in different countries and assembled in the international economy itself. Any country that closes itself to the international economy will be left out of the new technology. (This perception was one of the principal reasons both Communist and anti-Communist leaders in Communist countries felt the necessity for opening up to the global economy.)

John Young, chief executive of Hewlett-Packard, expressed an attitude which is now ubiquitous: "Whatever the technology that is developed, in whatever country, we'll be going after it for our products."

Peter Dorman points out that. "Because the revolution is global, it can't be captured by one country—a new hegemony is inconceivable. That's good. But the other side is that we haven't figured out how to harness the new technology for human purposes. National regulation has broken down, but we don't have transnational regulation to replace it."

In a global but unregulated economy, all workers are put in competition with each other, companies will move wherever their costs are lowest, edging all workers toward the conditions of the lowest. It is this globalization of the economy which is forcing labor movements to transcend their longstanding acceptance of limited national frameworks and begin to explore ways to impose worldwide rules for work, life, and environment.

GATTzilla

Transnational corporations and their political supporters have their own plan to harness the new technology for their purposes: eliminate every form of regulation which might put a limit on their pursuit of profit. Harry J. Gray, chair and CEO of United Technologies Corporation, proclaimed the goal of global deregulation in 1982. "We need conditions that are conducive to expanded trade... That means a worldwide business environment that's unfettered by government interference." Such "free trade" advocates are using international organizations and trade agreements to "pre-empt" democratic self-government at local, national, regional and global levels. This drive is helping make labor and other groups aware of the need to act globally.

George Bush may have trouble with the "vision thing," but the Bush administration has in fact promulgated a bold vision of the global economic future. It is a vision in which all attempts by democratic institutions to impose restrictions on transnational corporations will be outlawed by international agreements.

This vision is embodied in the U.S. proposals at GATT. In past rounds of GATT negotiations, trading countries have reduced tariffs on each others'
goods and made “dumping” of subsidized products on foreign markets an “unfair trade practice.” But in the current “Uruguay Round,” U.S. negotiators proposed to outlaw a wide range of other activities as unfair trade practices. These included:

- National, state, and local environmental and consumer protection regulations which exceed internationally-set ceilings.
- Agricultural policies intended to preserve small-scale family farming.
- Trade and investment restrictions designed to protect natural resources and local markets.

The U.S. GATT proposals were in effect a daring coup d’etat on a global scale. According to Martin Kohr of the Third World Network, under the proposed GATT rules, “The country that exploits most, whether it be the environment or the worker, wins.”

Not surprisingly, this vision is more like a nightmare to those who don’t happen to own transnational corporations. Indeed, schemes for forcing countries to deregulate their economies have been an important factor in rallying labor, farm, environmental, and other groups in many countries to oppose a common threat.

Much of the initiative in exposing the significance of the U.S. GATT proposals has come from a network of advocates for small farmers around the world who have gathered regularly through the 1980s for counter-meetings at the GATT negotiations. Dramatic mass actions by European farmers, combined with the farmers’ political clout and wide public support, have forced European countries to resist the U.S. GATT proposals. Consumer, environmental, and farm groups from the U.S., Japan, and Western and Eastern Europe meeting in Stuttgart agreed to oppose proposals “to take the power to set health and safety standards away from elected leaders.”

In the U.S., family farm advocates have initiated a Fair Trade Campaign which has drawn in a wide coalition of consumer, environmental, and other groups to oppose U.S. GATT proposals. The AFL-CIO, while not participating in the coalition, has also opposed the GATT proposals.

The Fair Trade Campaign has stressed the undemocratic character of the whole GATT procedure. The U.S. positions were formulated in secret; the GATT negotiations, too, are conducted in secret. The agencies responsible for enforcing GATT rules are removed from democratic accountability.

The GATT agreement will be presented to Congress under a special “fast-track” procedure which requires a vote within 90 days and forbids all amendments. While treaties require a two-thirds majority vote in Congress, GATT is defined as a mere “agreement” and therefore needs only a simple majority vote. Yet it automatically nullifies any existing legislation that may conflict with it.

In the fall of 1990, more than a third of U.S. Senators co-sponsored legislation to remove the GATT agreement from the fast-track procedures. This effort to allow full debate and amendment will form a central focus of GATT critics.

In a parallel strategy, labor rights advocates in the U.S., coordinated by the Washington-based International Labor Rights Education and Research Fund (ILRERF), are attempting to make violation of labor rights an unfair trade practice under the GATT agreement.

Ron Blackwell of ACTWU argues that GATT could be an excellent vehicle for protecting labor rights and raising living standards of workers in low-wage countries. Blackwell poses that the International Labor Organization (ILO), as a multilateral organization representing labor, management, and government—and with long experience in developing labor standards—should provide the standards, to be enforced by GATT.

While the Omnibus Trade and Competitiveness Act of 1988 required that worker rights be one of the “principal trade negotiating objects” at GATT, labor rights advocates have not even been able to get GATT to establish a working party on the subject. Developing country governments generally oppose incorporating labor rights in GATT, fearing its use to block their exports; European governments have been lukewarm; GATT officials claim they have no capacity to monitor labor rights. Evidently at present GATT is well prepared to provide global regulation in the interests of corporations, but not of workers.

Maquilamonster

The free trade agenda is similarly being imposed on economic relations between the U.S. and Mexico. Over the course of the 1980s, Mexico has cut its tariffs from 100 percent or more to less than 10 percent, and over 1,700 U.S. (and a growing number of Japanese) companies have established plants employing nearly half-a-million workers in Mexican free trade zones known as “maquiladoras.”
In June 1990, U.S. President George Bush and Mexican President Carlos Salinas decided to launch negotiations for a Mexican-U.S. Free Trade Agreement (FTA) which would push economic integration even faster. But labor and community groups have also been meeting to try to develop a coordinated response.

The week before the Bush-Salinas announcement, 53 official national and/or regional representatives of trade unions, agricultural worker organizations, environmental groups, immigrant rights organizations, Latino communities, grassroots development groups, academic specialists, and policy analysts from Mexico and the United States met in Austin, Texas for a “Binnational Exchange.”

Cathryn Thorup of the Center for U.S.-Mexican Studies told the group that the issue “is no longer whether there should be a free trade agreement, but rather what should it look like.” Adolfo Gilly of the National University of Mexico added, “The process of economic integration is irreversible.”

According to Gilly, “The maquiladoras are an example of the competition between U.S. and Mexican labor forces, which puts U.S. unions in a defensive position, while the competition between industries puts Mexican unions in a defensive position.” Gilly emphasized that defensive approaches don’t work. “We must develop new, imaginative responses in order to develop common strategies and reach mutual accords. One step in this process is for U.S. labor to develop a relationship with workers in Mexico in order to create inter-union connections. The international connection of U.S. and Mexican workers is the key to how to restructure ourselves.”

Mark Anderson of the AFL-CIO told the group, “The upcoming FTA negotiations will take a predominant place in the AFL-CIO’s political work for the next three years. U.S. labor needs to push to be included in the negotiating process by trying to change the focus to new economic arrangements rather than free trade negotiations. The government continues to put us in the position where we compete, rather than examine our common interests.”

Some labor officials on both sides of the border are attempting to assimilate each other’s views. ACTWU’s Ron Blackwell, before preparing testimony on the FTA proposal, recently visited Mexico “to see how the world looks from the other side of the border.” He noted that such exchanges have become common, and that “everybody is talking to everybody.” (In the past, such contacts were generally channeled through such official centers as the AFL-CIO and the Confederation of Mexican Workers (CTM).)

Blackwell notes that the goal of the FTA from the Mexican government’s point of view is to attract foreign investment to stimulate growth. But this implies a low-wage strategy and continued austerity. Further, the governments are not talking about including immigration or debt relief, let alone labor or environmental standards, in the FTA. Essentially their plan would turn the whole of Mexico into a maquiladora. The Mexican unionists he met with don’t want “maquiladoraization” and will support an FTA only if they conclude it’s good for Mexican workers.

Blackwell argues that an FTA is the wrong way to integrate Mexico and the U.S. “We want an integration plan with social, environmental, and labor standards to ensure that Mexican wages will gradually be raised to the U.S. level, rather than U.S. conditions falling toward those of Mexico today.” He notes that Cuahtemoc Cardenas, leader of Mexico’s opposition (who many believe actually won the last presidential election) supports this way of thinking. He expects that Cardenas’ visit to the United States in early 1991 will help broaden the agenda of U.S.-Mexican economic integration to include immigration, meaningful debt relief and foreign aid, and social and environmental standards.

Because of its FTA with the United States, Canadians have been deeply concerned about the proposals for a FTA between the U.S. and Mexico. In October 1990, 30 Canadians met with 70 Mexicans in Mexico City to discuss FTAs and related issues. The delegations included trade unionists, environmentalists, and representatives of women’s, farm, indigenous peoples, human rights, and other movements. Billed as an “encounter,” the meeting agreed to establish a commission to mobilize opposition to the FTAs in both countries and develop alternative approaches to economic cooperation. A final declaration stated that “free trade” was hurting both Canadian and Mexican workers and undermining their national sovereignty. It proposed to organize a follow-up meeting with representatives from popular organizations in the U.S. as well.

Taking Care Of Things At Home

Tom Laney, a Ford worker and recording secretary of United Auto Workers (UAW) Local 879 in St. Paul, remembers the crisis a few years ago when the Wall Street Journal revealed that Ford was going to build an auto plant in Mexico. The Ford subcouncil of the UAW met and proposed to take any action necessary, even an immediate strike. Ford cooled out the protest by giving the UAW an ironclad promise that none of the cars would be imported into the U.S. Now, says Laney, those cars are everywhere.

In April, St. Paul Ford workers learned that Marco Jimenez, a member of the Ford Workers Negotiating Committee in Cuautiltlan, Mexico, was touring the U.S., hoping to meet with U.S. autoworkers “to talk about the common interests that workers in the United States and Mexico have.” Some of the St. Paul workers had heard about the strike at the Cuautiltlan Ford plant outside Mexico City in which nine workers had been shot, one fatally, and they decided to invite Jimenez to visit their plant.

A flyer announcing the visit quoted a worker saying, “As long as Ford can treat people like slaves in one place, they will try to do it everywhere.” The flyer also noted that “Local 879 bargainers have dealt with the same Ford negotiator, Tom Sterling, who negotiates for the Ford Motor Company in Mexico.” Jimenez and Laney later wrote a joint article which described the meeting: “When the two of us and other Ford workers met recently at the United Auto Workers local union hall in St. Paul, we agreed that we need to improve labor’s international network for communication and mutual support. Our goal must be to push the companies and our governments to bring
Mexican living and working conditions up towards U.S. levels, rather than allowing U.S. levels to be brought down.

"Some workers in the United States say, 'Why don't we take care of things here at home before we go worrying about people in other countries?' But it should be obvious to all Americans that, in today's global economy, doing more to help workers in other countries is part of 'taking care of things at home'."

The St. Paul Ford local subsequently voted to pay lost time and expenses for Laney and another worker to attend a conference in Taxco, Mexico on "Common Interests" of Mexican and U.S. workers. Conference organizer Matt Witt of the Mexico-U.S. Labor Project reports, "The idea of the week-long conference was to expand the number of organizations and activists who know each other, know the issues, and can develop binational solidarity work together."

Fifteen activists from the United States and one from Canada talked on a personal basis with more than 75 Mexican unionists. They visited a GM plant and a hospital, attended a march protesting the government's economic policies, and met with rubber workers "fired after trying to exercise their legal right to switch unions from the government-dominated CTM federation." Auto, garment, public employee, phone, legal, and women's movement activists also met with their opposite numbers from across the border. Commented Tom Laney, "I expected backwardness. Instead I saw a tremendous, vibrant labor movement. People who understand fully what's being done to them. It changed my life."

According to Witt, "Many of the counterpart pairings were able to develop specific 'next steps' for future collaboration." And according to Laney, workers at Cuautitlan are organizing an international conference of Ford workers from Mexico, Canada, the U.S., Brazil, Europe, and perhaps even Korea early in 1991.

**Competition Or Solidarity?**

*With the end of U.S. economic hegemony, "free trade" no longer means high wages and full employment; instead it means all workers are put into competition with the most impoverished workers of the world. The initial and understandable labor response has been to demand that national governments establish barriers to foreign competition. But that strategy has failed as well: economic integration has gone too far. Capital, when barred from participation in the global economy, simply moves elsewhere. What Raul Escobar, one of the Ford workers fired at Cuautitlan, says of Mexico and the U.S. could apply to the world as a whole: "We are already living with free trade, although there hasn't been a formal treaty with that name. What it means is that the companies have the freedom to have plants in Mexico without real unions, without paying decent wages or fair taxes, and without protecting our health and safety or the environment. The workers have the freedom to work for almost nothing. And workers in the United States have the freedom to lose their jobs."

Primitivo Rodriguez, Director of the Mexican-U.S. Border Program of the American Friends Service Committee, says international economic integration has already meant unparalleled gains for capital and unprecedented losses for working people. "The widening gap between the North and the South, and the rich and the poor, speaks of a worldwide war against self-determination of Third World nations and democratic rights of working people." He characterizes this war as "a fundamental component of free-market economies where the State serves as the protector and benefactor of local and transnational corporations."

That's why the new strategy has developed of trying to reduce competition among workers in different countries by means of international cooperation. According to Rodriguez, "As the world becomes a global factory, where national borders are replaced by economic blocks and production zones, working people and trade unions are beginning to realize that an internationalist perspective is a fundamental requirement in defending their rights and promoting their empowerment. Maquiladoras and immigration, for instance, cannot be examined under the narrow (and ineffective) perspective of this union's or that nation's interest, but rather, under the framework of an internationalized economy where human, labor, and democratic rights need to be redefined through new ways of cooperation and organizing among peoples affected."

As a result, "The words solidarity, internationalism, and worker rights will become fresh and powerful concepts in the struggle for a fairer, healthier and cleaner global factory."

Part II of this series will explore how efforts like those described above can form the basis of an international economic strategy for people's movements and organizations and report on a major forthcoming labor rights and environmental initiative.