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Globalization and Labour in the Asia Pacific Region

This edited volume focuses on the impact of globalization and deregulation on workers and labour organizations and their responses to these challenges in the Asia Pacific region. It begins with an introduction of key issues and themes, notably the problematic nature of globalization, its impact on state power, and its effects on labour and its organizations, and concludes with a summary of findings for the countries studied. One of the important findings of this volume is that globalization’s terrain is uneven and contested (p. 307), and hence
neither the thesis of universalism nor the “social dumping” and “race to the bottom” views can be supported.

Chapters 2 and 3 address the issue of the impact of globalization and deregulation at the regional level, whereas the rest of the chapters do so at country levels. Of the country chapters, three are devoted to Australia, one to a comparative study of trade union responses to globalization in two socialist countries (China and Vietnam), and the rest to other selected Asian countries. All the country chapters have comparable thematic coverage.

Keith Abbott in Chapter 2 questions the assumption that there is commonality in the objectives and modes of action across all unions, especially unions operating at the regional level. He then proposes that “the movement in regional trade union imperatives will typically run from the ideological to the political, and only then from the political to the industrial” (p. 24). The author produces some evidence in support of his thesis from the case study of the Asia Pacific Regional Organization of the International Confederation of Free Trade Unions. In Chapter 3, John Price examines the nature of interaction between the international labour movement and APEC (Asia Pacific Economic Cooperation), with particular focus on APEC’s Human Resource Development Working Group. He finds that union participation in regional organizations has enabled labour to confront globalization more effectively. Although the propositions put forth by both Abbott and Price are thoughtful, substantiation of these propositions would require more data and more rigorous analysis.

Different aspects of strategic responses of Australian trade unions to the challenges of globalization and deregulation have been dealt with in Chapters 4, 5, and 6. In Chapter 4, Richard Hall and Bill Harley use the Australian National Trade Union survey data to discuss different types of Australian unions and their varying response to the challenge of globalization and deregulation. Their methodology to analyze the data appears rather simple. A more sophisticated analytical tool would have been more appropriate for addressing such a complex issue. Tim Harcourt in Chapter 5 first reviews the literature on the welfare effects of globalization. He divides Australian union strategies for dealing with the impact of globalization into international and domestic, and assesses Australian trade union performance on this basis. In Chapter 6, John Burgess brings in a new element in the discussion: the globalization imperative, non-standard workforce and trade union density nexus. He clearly demonstrates that there is a connection between the rise of non-standard workforce and the decline in trade union density in Australia, which, in turn, is further intensified by globalization. This conclusion makes a lot of sense, and it should be possible to generalize this to other countries as well.

Chapters 7 through 15 deal with the varying responses of trade unions to globalization and deregulation in a host of Asian countries, ranging from Japan to Vietnam. This is an interesting mix of countries representing developed, developing and transitional economies. Given this diversity, one would expect significant variations in trade union responses to globalization and deregulation. In fact, this is borne out by country studies included in the volume.

John Benson and Philippe Debroux, in Chapter 7, point out that the unions are losing influence in Japan due to declining union density, which is caused by rising unemployment, sectoral shifts in the economy, and the labour movement’s inability to organize new workplaces. This implies that not all challenges faced by Japanese workers and their unions can be attributed to globalization. In Chapter 8, Dong-One Kim, Johngseok Bae and Changwon Lee
find a positive effect of globalization on labour rights in Korea but negative effects on employment practices. This situation has been further exacerbated after the Asian financial crisis of 1997. Due to globalization, the power base of organized labour seems to have eroded in Korea. Yuen and Lim in Chapter 9 note that the symbiotic relationship between the People’s Action Party (PAP) and the labour movement in Singapore, in which labour played a subservient role, has changed in recent years due to deregulation of the labour market brought about by globalization. They also argue that the labour movement, unlike in the West, is more focused and hence successful in achieving progress in employment and standards of living for the working mass. The PAP government’s strategy of “managed flexibility” to effectively respond to the challenges of globalization seems to have worked again. However, the authors do not make it clear how the regulated collective bargaining regime of earlier periods differs from this strategy. In Chapter 10, Ns Sek Hong and Chris Rowley examine effects of globalization in Hong Kong with respect to labour market deregulation. They point out that the migration of Hong Kong capital to Mainland China and the migration of Chinese labour to Hong Kong have critically impacted the ability of workers and labour organizations to effectively respond to challenges of deregulation.

Multinational corporations (MNCs) are one of the key forces of globalization. Miinder Bhopal and Patricia Todd explore effects on and responses to Malaysian trade unions in Chapter 11. Noting differences in responses by nationality of MNCs, the authors argue that American MNCs are anti-union whereas Australian and Japanese ones are willing to work with unions. The authors explain this variation in terms of differing home-country practices of MNCs in their dealings with trade unions in host countries. In Chapter 12, John Lawler and Chokechai Suttawet examine the effects of globalization and deregulation on the labour movement in Thailand and conclude that they have undercut the viability of the labour movement there. This conclusion is well supported by their analysis. Vedi R. Hadiz assesses possibilities of a model of accommodation between state, capital and labour in Indonesia in Chapter 13. Since labour is currently constrained by the forces of globalization and the Asian currency crisis, there is hardly any pressure on either the government or employers for replacing their strategies of labour repression. The gloomy prospect for labour in Indonesia is, of course, a matter of concern. In Chapter 14, Anita Chan argues that even though economic reforms in China have freed the labour market from the Maoist system of job allocation, the reforms have also given rise to a bonded labour system, where workers have to buy their jobs, both in non-state sector and the state-owned industries. Since each province and each city competes for foreign capital, an erosion of labour standards has been one of the discernible effects of global capital in China. In Chapter 15, Ying Zhu and Stephanie Fahey discuss the challenges of globalization for the trade union movements in China and Vietnam in the context of the transition from a central planning system to a market-oriented economy. The authors suggest that the gradualist transition in these two countries, where state, capital and workers negotiate for the promotion of national development and the creation of a civil society, has minimized the adverse effects of globalization. It may prove to be an alternative model for other countries in responding to challenges of globalization.

It is a platitude to say that globalization has increased at an unprecedented pace, posing challenges to various institutions and stakeholders. How labour, one of the key stakeholders in every society, has responded to these challenges...
in the Asia Pacific region countries is of significant interest and importance. However, there are several gaps in our understanding of this phenomenon. Rowley and Benson have made a significant contribution by bringing together a group of respected scholars to examine the issue in diverse national and regional contexts. The only major inadequacy is the omission of the Philippines and Taiwan in this volume, as globalization has greatly affected labour and its organizations in these countries. Despite this omission, this is an impressive and challenging volume. The insights coming out of this book are numerous and varied. All of them help to sharpen our focus and understanding of the problematique of globalization and labour, especially in the Asia Pacific region.

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