

GLOBALIZATION AND YOUR FUTURE



This is the decade when the world's billionaires are transforming into trillionaires, and income inequality is reaching levels last seen in the epochs of emperors and kings. The global concentration of capital is relentless – every week business invests far more money into mergers and acquisitions than in productive labour. At the same time, the political orientation of that power has ushered in a new era of right-wing populism that is sweeping across the world. Fueled by the politics of division and scapegoating, a 21st century model of neo-fascism is emerging in every continent.



The artificial boom in AI, fossil fuels, cryptocurrencies and military spending is appropriating the wealth of our communities and leaving millions of people behind. Capitalism today increasingly resembles an earlier world ruled by corporate empires, engaged in a ruthless exercise of greed where human lives mattered far less than property or profits.

In 2012 Labour Council President John Cartwright delivered the Sefton Memorial Lecture at the University of Toronto. Named after a respected leader of the United Steelworkers, the annual lecture was focused on industrial relations and human resource issues of the moment. He presented an analysis of globalization that centred on three themes: jobs, equity and the climate crisis. The behaviour of past corporate empires still provides a cautionary tale about acceding to the authority that global capital seeks to wield again.

Exploring our past is the best way to understand how to navigate the road ahead - for anyone who seeks to build a better world in the future.

THE THREE-PART CRISIS OF GLOBALIZATION

The role of globalization and corporate behaviour has been brought into question by the Occupy Movement in a way that hasn't been seen since the stirring events of Seattle a decade ago*. Detractors of the anti-globalization movement ask why anyone would object to more interaction to people of different countries, and openness to different cultures. The answer is that there are two very different versions of globalization, one based on corporate empowerment, and another that is the product of working people, perhaps best exemplified by the experience in Canada's largest urban centre.

TORONTO

Toronto is a city where people have come from over 190 different countries around the world, speak over 100 different languages, and live together in relative harmony. This diversity and acceptance of which we are so proud is the result of generations of struggle, as each wave of immigrants found they needed collective forms of representation to improve their lives. Of course those included unions, but there were other organizations that played vital roles in civil society. One worth remembering is the Toronto Labour Committee for Human Rights, formed in 1947 by activists such as Kalman Kaplansky and Bromley Armstrong. Bromley was a Jamaican-Canadian UAW member working at Massey-Harris, who helped lead the efforts to challenge discrimination in housing, employment and local services.

In 1954 he was part of delegation of fifty Black women and men who went to Ottawa to challenge Canada's racist immigration system. Many of our human rights achievements can be traced back to the work and inspiration of Bromley and his colleagues.



Toronto Labour Day banner 1952

In 1960, the terrible tragedy of Hogg's Hollow, where five young Italian men were buried alive in a tunnelling accident, sparked an uprising by the entire Italian community. They were tired of the needless deaths in construction and industrial injuries, of the disrespect by police in their neighbourhoods, and the streaming of their kids into lower grades at school. Thousands turned out to Exhibition Stadium, and set in place a movement that won new labour and safety laws, elected politicians to City Hall and School Boards, and changed forever the dynamics of immigrant communities in relation to the established decision-makers.



Hogg's Hollow Memorial Quilt

It was powerful movements such as these that brought about the social justice underpinnings of a decent society, just as the decision of the post-war generation to invest in infrastructure such as schools, roads, transit and hospitals gave us vital physical infrastructure, and the subsequent investment in public healthcare, retirement

security, housing and community services gave us the social infrastructure to provide for an inclusive and diverse city we are so proud of today.

GLOBAL CORPORATIONS

But corporate globalization is a different matter. The first global joint-stock corporations were formed in the early 1600's. The Dutch East India Company had in its charter of 1602 three main features of its business operation. Those were to explore and claim foreign lands in the name of the company; to raise a private army to secure those lands by force; and finally, to enslave indigenous people to work the plantations and operations of the Company. That business model provided a profit of 18% for two full centuries.

The British East India Company had at its peak over 100,000 men under arms, conquering India and taking billions of dollars worth of wealth back to Britain that helped fuel the industrial revolution.

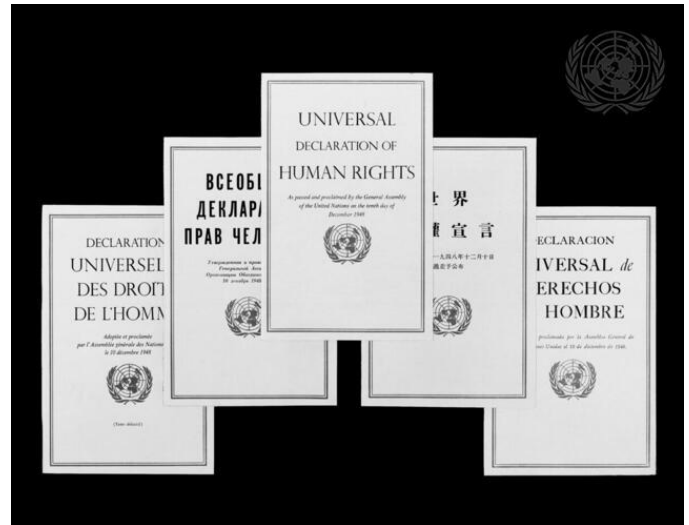


Indian soldiers rose up in 1857 against the brutal East India Company regime

Meanwhile the Hudson's Bay Company became the largest landowner in the world; haven been given all of the first nations land in the watershed surrounding Hudson's Bay.

Ever since those days, working people have been trying to restrain capital and the power of the market over our lives. Those attempts included slave revolts, the formation of trade unions, the

struggles for universal suffrage, the revolutions in Russia and China, winning modern labour laws in the 30's and 40's, the anti-colonial struggles after WWII, the universal declaration of human rights, the civil rights movement, the fight for women's equality, the focus on health + safety, the ecological movement, and most recently LGBT struggles. Unions and union activists were often central in these struggles.



In 1948 United Nations declares that human rights are more crucial than property rights

But corporations and their powerful allies never assented easily to these restrictions. They dreamed of returning to a time of absolute market supremacy, and with the help of politicians like Thatcher and Reagan, began rolling back our gains. For a brief few months after the crash of 2008, it looked like they might be in trouble. Suddenly people started questioning the wisdom of unbridled capitalism, and Keynes vs. Friedman was the subject of intense debate. But it didn't take long for them to start applying the shock doctrine described so well by Naomi Klein, and now we are witnessing a concerted application of the global austerity agenda. However, no amount of talk of austerity can mask the three crises of globalization:

THE JOBS CRISIS

During the fight for a \$10 minimum wage, led by our Labour Council, we held a series of public meetings in low-wage neighbourhoods. Each featured a panel with local residents talking about their experience. One of the most powerful stories was of a South Asian woman who had left an abusive relationship, becoming a single mother with two children. She explained that she started working at minimum wage - \$8/hour back then – had risen to a supervisory position at Wendy's Hamburgers and now earned \$9.26 an hour. But she couldn't afford to raise her two kids on \$9.26, so on Saturday and Sunday she worked another job at Value Village. Think of what that meant for her family life – working seven days a week trying to raise two small children. But that is the reality for hundreds of thousands of our neighbours, and it is neither acknowledged nor comprehended by mainstream society.



Raising the minimum wage was the 2007 theme of Toronto's International Women's Day march- the largest in North America

Not long after that, I got a call late Friday night from Jenny Ahn, a Canadian Auto Workers leader on our Executive, asking me to come early the next day to a factory her members were about to occupy. The company Collins + Aikman owed millions in severance pay, but was attempting to move the machinery out in the middle of the

night. When I showed up at the plant, I was met by over a hundred workers, mostly Chinese, Eastern European, and Caribbean women blockading access to the plant. Their union was busy negotiating with the big three automakers, who needed the machinery for their assembly plants to keep operating. Fortunately, the employees did get the money for severance, but the jobs were gone.

As I drove from that location west McCowan Road, I had an overwhelming sense of déjà vu. Not four weeks before then, I had been standing on a picket line at the national headquarters of media giant CTV, with twenty-seven cleaners, mostly Tamil or Latin American. They had recently unionized, and CTV's response was to terminate the contract of their employer and give it to a non-union company. These people were earning barely more than minimum wage, but now their jobs were gone and all they were asking for by picketing was to at least be re-assigned to another location instead of losing everything. The juxtaposition of the two incidents was jarring. For decades factory jobs were the entry point for immigrants to a "middle class" life in Toronto, but tens of thousands were being lost due to free trade and economic restructuring. What remained was the service sector, but if workers in that sector dared raise their heads above the poverty line, they risked them being cut off in reprisal. What an illustration of the new reality of jobs in Toronto...

Capitalism's creative destruction of earlier means of production combined with the new powers of globalization means that stable, secure jobs are a thing of the past. CEO's are condemning the next generation of Canadian workers to lower standards of living, in both private and public sector. The future points to massive growth of precarious work, informal economies and income disparity.



Labour Day theme - good jobs for all!

EQUITY CRISIS

I will always remember growing up in Scarborough, listening to a radio interview with the author of the book *Black Like Me*, who travelled across the U.S. deep south to expose the terrible racism suffered by the black population. I was filled with anger that people could be treated that way, and believed that it was everyone's responsibility to challenge racism. Later I joined the army reserve, where as an infantry sergeant I trained with people who had been in Vietnam. I was disgusted by what I heard of the American disdain for human life when it had a different colour of skin, and I saw the connection of that war and the oppression of people in the global south in places such as Angola, Mozambique, and the apartheid regime in South Africa.

Today our city is made up of people who in their majority were born elsewhere, and most of us are people of colour. Working with hotel workers in their inspiring campaign to raise standards for immigrant workers in the hospitality industry, one discovers not just the challenges they face, but also an entire economic reality seldom reflected in mainstream media. Every month, those workers and others send millions of dollars home in remittances. The money sustains families and sometimes entire communities in the Philippines, Latin America, Africa, the Caribbean and elsewhere.



What are the geo-political factors that brought so many of our neighbours here? In many cases they are leaving poor economies for the hope of better income, but many have fled wars, famine, persecution, economic collapse, or environmental disasters. Often those were the result of neo-colonialism, or structural adjustment programs, or a massive increase of slums as trade deals wiping out agrarian economy.

The newest feature is the number who now come as temporary foreign workers, more last year than were welcomed as landed immigrants. In fact, globalization has created an immense temporary workforce swirling around the globe that undermines standards of work and any chance of security for millions. Here in Toronto, despite our social commitment to diversity and equity, the hard economic reality is that regardless of education levels, income inequality for people of colour continues to grow, as does the increased racialization of poverty.



ENVIRONMENTAL CRISIS

In the early 1960's I visited London England and encountered the noxious smog that had killed dozens of residents. It was a mix of coal smoke and fog; the heritage of an economy built on coal. At the turn of the last century, more than a million men toiled in Britain for coal, and I grew up listening to stories of the 1926 miners strike when my father would go out at night to the slag heaps to search for bits of coal to heat their home. Later, when his father came back terribly injured in a mining accident, his mother lined up her three sons and made them promise to never go underground. Coal fuelled the industrial revolution, spawning massive amounts of pollution and greenhouse gas, just as oil fuelled the massive expansion of modern manufacturing and the movement of goods and people.

But those aren't the only environmental issues to consider. Back in 1985 when the Eaton's workers found themselves on strike for a first contract, I was joined on the picket lines every weekend by a construction worker named Neil Borland. Neil was an insulator who worked on massive pipes and boilers, applying the miracle fibre asbestos as insulation. He would die, as many of his work-mates did, of mesothelioma. Today, thousands in the global south are being condemned to a horrible death some time in the future due to the asbestos that Canada continues to mine and export. Across the world, Canadian mining companies are rocked with controversy over their environmental practices and disregard for the rights of indigenous people.

Industrialization has had huge health impacts – pesticides, chemicals and asbestos have created the epidemic of cancers that sweep my generation. For every advance made, such as

cleaning up the Great Lakes, we in turn wipe out fisheries in our oceans. Whether it is the Tar Sands, agribusiness, or fish farming, capitalism cannot help but gorging on every opportunity to exploit nature. Capital drives the commodification and commercialization of all things – from water to genetically modified food and seeds.

The most fundamental threat to humankind is the environmental crisis, particularly climate change – and this threat comes today from corporate behaviour and corporate power.

In Canada, we are seeing the Harper government transform our country into a petro-state, ruthlessly attacking not only its parliamentary opposition but more ferociously any group that stands in the way of maximum exploitation of resources, particularly the tar sands. Their chorus of climate change deniers are just like the tobacco cancer deniers of years gone by. From foreign policy to de-funding NGO's, it's all about sweeping aside any obstacles to destructive cowboy capitalism.

Therefore, I believe the key responsibility of Canadians is to help constrain and defeat corporate plans for this planet.



WHAT WE COULD STRIVE FOR:

1. **Strengthen the labour movement** and other forms of collective representation to match the obscene power of trans-national corporations and their politicians. Just as unions were built by one-to-one conversations in neighbourhood bars, ethnic meeting halls and kitchen tables, it will take that same kind of patient dedication to rebuild the strength of unions in the 21st century.
2. **Make global links** – a number of unions have done so, but it needs to become the norm, not the marginal work of a small network of dedicated people. We see that approach in the Rio Tinto lock-out in Alma Quebec, where workers are travel from Australia, California, South Africa, France and Toronto to pledge their support.
3. **Develop a co-ordinated global campaign to re-regulate capital** and production. We need to be just as dogged as corporations have in their concerted effort to impose market fundamentalism. Important as they are for sharing ideas, the Social Forums have nowhere near the capacity to achieve concrete policies as the Davos Economic Forum and all its supporting cast of thousands of political operatives and think-tanks. Our alternative urgently needs to develop the capacity to transform political outcomes, and must include elements of public ownership of key services and resources.
4. **Challenge retirees and seniors** to act in defence of the future of their grandchildren – to use their organizational skill and voting strength to defeat politicians who carry out the destructive and short-sighted agenda of the right
5. **Assist young people** to build social and climate justice movements that can inspire their generation to shape a different kind of world. In just a few short weeks, the Occupy movement changed the narrative from blaming workers and the poor to focusing on the power of the 1%. That kind of creativity will be an essential feature of any alternative power dynamic.
6. Embrace the Cochabamba **Universal Declaration of the Rights of Mother Earth** – This was the product of a mass gathering of activists at the invitation of Bolivian President Evo Morales after the fiasco and betrayal of our ecology at Copenhagen. It may be uncomfortable for city dwellers to use the phrase “Mother Earth”, but the Declaration represents one of the most profound conceptual documents since the Universal Declaration of Human Rights was adopted in 1948. We need to learn it, teach it, and translate it into day-to-day practice. It describes the principles needed for humankind to survive.

BREAD - AND ROSES!

Just over a century ago, thousands of women poured out of the textile factories in Lawrence Massachusetts demanding a living wage, dignity and union rights. Their cry - in a multitude of languages - for bread and roses, was captured forever in the anthem celebrated every year on International Women's Day. In a way, that has always been the goal of working people, faced with the greed and power of the 1%, no matter what the century. But we can neither grow roses nor wheat for bread unless this planet is able to sustain itself, and humankind.

It's with that in mind that I invite all of you to be part of a vital yet daunting journey. We need to shape history together, as we confront the crises of globalization, and seek to unlock the power that will truly make another world possible.



Every Labour Day more than 20,000 union members march in the largest parade in North America - to celebrate union pride and a commitment to social, economic, racial and climate justice.

Delivered by John Cartwright as the 2012 Sefton Memorial Lecture at Woodsworth College, University of Toronto