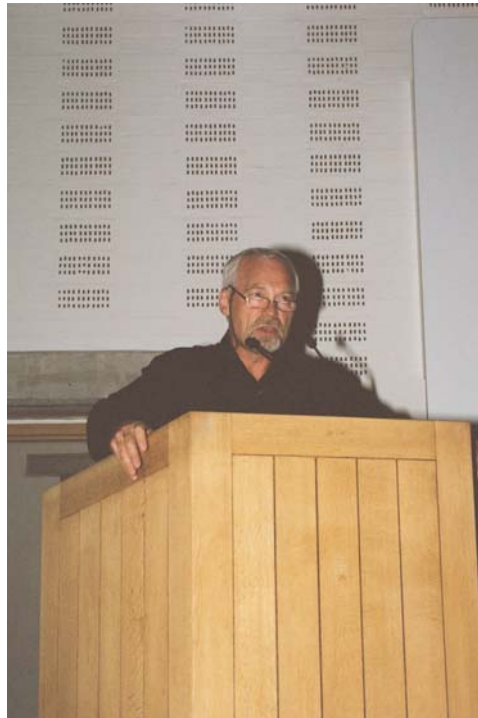


## Opening address



### *The brutalisation of work under neo-liberalism*

**Asbjørn Wahl, national co-ordinator of the Campaign for the Welfare State, Norway**

We live in a society and in a time in which we are facing a serious brutalisation of work at the global level. We live in a society in which an increasing number of workers is being excluded from the labour market declared disable to work. We live in a society in which we experience an all-time high in sick leave, as well as an increase in occupational injuries and accidents. We live in a society in which a growing number of workers experience increasing stress and so-called chronic fatigue syndrome at the work place. We live in a society in which we in many industries and sectors experience degradation of work, with less influence over the work situation. We live in a society in which trade unions are being considered by many as problems and barriers to development and so-called modernisation, and are consequently being attacked, made subject to union busting and forced on the defensive. In short, there are many signals that something dramatic is about to happen to our labour market and to our whole relationship to work.

Many people have therefore experienced in the past years that the work pressure has become tougher, that labour laws and agreements are often undermined and put aside in the daily work and that the insecurity and uncertainty have increased. A rapidly growing number of workers are being excluded from the labour market altogether. In Norway, almost 15 per cent of the total population between the ages of 16 and 67 – the latter being the ordinary age of

retirement – are now on early retirement, disablement benefit or some kind of rehabilitation. The figure has doubled over the last 20 years. At the same time, trade union and labour rights are being weakened and undermined. There is no doubt, then, that a serious brutalisation of work is going on.

This development takes place in a society in which we, at least in the industrialised world, for a long period experienced a gradual improvement of working conditions – a development which included shorter and better regulated working hours, longer annual leave, better job security, the introduction and improvement of sick pay, a reduction in work intensity, less stress, removal of many health hazardous workplaces, and the development of gradually better working environment legislation. This developed in parallel with a high level of employment, improved trade union rights, increasing co-determination in the workplace and in the companies, etc.

I do not with this say that we did have an ideal working environment. Far from that, there were many problems and challenges ahead. What I do say, is that we had a positive development. Working conditions and working environments were gradually being improved. That is no longer the general trend.

What has happened, then? Why have we moved from a situation in which working conditions as a general trend improved over a long period of time, to a situation in which we, in today's much more wealthy societies, experience a backlash? This is a decisive question, and if we are going to succeed in our struggle for better working conditions, we will have to understand this considerable shift in development. There are reasons why such a shift has taken place in the labour market, and more than that - the reasons are identifiable.

To develop credible and workable strategies and tactics we will in other words have to analyse why working conditions are being attacked, why trade union rights are being undermined and why we experience a brutalisation of work in most parts of the world today. Which are the driving forces behind these attacks? The increasing pressure in large parts of the labour market is not something that just happens; it originates from specific power relations and political decisions. There are powerful interests that promote changes in the economy, in society and in the labour market that weaken worker protection and trade unions.

One of the problems we face is that mainstream media and current political debate do not lead us anywhere in terms of understanding this phenomenon. On the contrary, they are alienating us from understanding it. Nothing seems to be connected to each other any more in today's society. Social and economic changes are represented as a result of the law of nature. Shifts in power relations are said to be pure effects of technological changes. The notion of globalisation has become a mantra which explains nothing, but will make us believe that

current development is unstoppable and irreversible – a necessary part of the so-called modernisation of our societies.

Thus, social and occupational problems are being individualised and privatised. Many of those affected of increased pressure, stress and work intensity therefore tend to blame themselves for the problem: “It is me who is not good enough and cannot master the new demands in the labour market.” This depolitisation and individualisation of the brutalisation of the labour market have solid support among the political elite, among employers and – not the least – among a string of professionals that are equipped with their individual coping strategies.

However, and luckily, I will say, it is not so difficult to understand this development as the economic and political elite in our societies and their servants will obviously make us believe. Let us therefore try to understand what is going on. A useful approach to the problem would be to look closer at the “golden age” of labour market development. How did we, or, more correctly, how did our forefathers and foremothers, succeed in improving working conditions in a situation where our societies were less wealthy than they are today.

Let me go 100 years or so back in history, to the end of the 19 century. That was the time when workers started to organise in most of our countries – in trade unions and in political parties. Working conditions were miserable and there were no labour regulations. However, by means of trade union and political struggle, labour and trade union rights were gradually improved and were formally institutionalised through labour laws and through agreements between trade unions and employers during a period of about 100 years. What took place was a gradual shift of the balance of power between labour and capital – in favour of labour. Labour market regulation was introduced and enforced as a result of the increasing power of organised labour.

However, the strength of labour was not only reflected in labour laws and regulations. Probably more important was the general taming of market forces. The power of capital was reduced in favour of politically elected bodies. Competition was dampened through political interventions in the market. Capital control was introduced and financial capital was strictly regulated. Through a strong expansion of the public sector and the welfare state, a great part of the economy was taken out of the market altogether and made subject to political decisions. It was mainly this fundamental shift of power in society which made it possible to reduce the physical and mental pressure on workers, to improve working conditions and trade union rights.

In short, working conditions were improved because workers and trade unions did not believe that the prevailing market-liberalism of that time was a law of nature. They thought that the wealth in society, which they had been decisive in creating, should be distributed more equally, that increased productivity in the workplaces should lead to better wages and

working conditions to those working there. To achieve that, they had to tame – not the law of nature, but the iron law of the market. And so they did, in the form of organised trade union and political struggle – which included some very hard fights and confrontations with their counterparts.

Over the last twenty or so years, however, this positive trend has been reversed, working conditions have been put under increased pressure and many worker and trade union rights have been weakened. The general positive trend culminated in the 1970s. For reasons on which I am not going to elaborate further in this speech, the labour movement lost momentum, capitalist forces went on the offensive and the current era of neo-liberalism started.

What we have been facing over the last twenty years, is the abolition of capital control and fixed exchange rates, the deregulation and liberalisation of markets, the privatisation of public services, the increased use of competitive tendering and outsourcing, the downsizing of the workforce to the absolute minimum, and the consequent increasing labour intensity, and the flexibilisation of labour. In short, an immense shift in the balance of power between labour and capital has taken place, and this time in favour of capital. This is the main reason for the brutalisation of work and the undermining of trade union and labour rights that we are now facing all over the world. It is first and foremost a question of power.

In the increasing international competition that follows this development, private companies are put under massive competitive pressure. They therefore try to get rid of expenses they deem unnecessary and at the same time attempt to reduce all remaining expenses. Internally within the companies this means more flexible working hours, increased efficiency, downsizing and rationalisation – together with restraining wage increments. Externally this means increasing the pressure on the public sector in a struggle to reduce taxes and fees. Therefore public finances, social security systems, wages and working conditions are under attack these days, both in the public and private sectors. Decent wages and working conditions are projected as threats to the country's competitive edge.

The Australian professor Michael Quinlan has gone through 29 studies from many different countries about the effect of outsourcing and competition in both private and public sectors. His conclusion is clear:

*-Completely independent of the different research methods that are used, the results go overwhelmingly in the same direction. Outsourcing affects the health, says Michael Quinlan. (...) 23 of the 29 studies of outsourcing show that injury, stress and other health problems increase. None of those show health improvements at any point. (...)*

*-We can without doubt conclude with overwhelming evidence that the new work regime worsens people's health. The result is anything from deaths to dangerous situations and increased psychological stress, he says. (Klassekampen 30.06.2001)*

Thus the brutalisation of work is an inevitable consequence of the neo-liberal labour market reforms. Competition is sharpened in all areas and the demands for profits increase dramatically. In the public sector increased demands for competition create insecurity and higher work intensity. The massive demands for cutting costs inevitably lead to an intolerable pressure on many employees. Ever faster restructuring and downsizing of the labour stock increases the demands on the individual employee. In short, neo-liberalism is a health hazard.

In the past decades the most serious assault on the workers' position in society, on the welfare state and on democracy, is the abolition of capital control. It is this that has given the multinational companies the opportunity to make use of the so-called exit strategy. If a country nowadays should only consider costly welfare reforms or better working environment legislation, many employers can easily avoid them by moving production and investments to another country with a weaker trade union movement, less favourable labour laws and agreements. In Germany, in the last half of the 1990s alone, close to a million work places were moved to countries with cheaper labour and lower taxes. This is still not a necessary consequence of modernisation and new technology. It is a result of deregulation and liberalisation – of decisions deliberately made by our elected politicians, however without telling us that this was what they really intended to do.

What we have learnt from this is that working conditions is a product of power relations. This has consequences for our struggle for better working environment. The concrete struggles at the workplaces are in this regard important, but not enough. To see a real change to the better for our working conditions, we will have to remove the causes – to fight the driving forces behind the ongoing brutalisation of work, and that is quite a bigger task to take on. It is not enough, either, to have formal labour standards introduced in the World Trade Organisation or other international bodies, even though a great part of the international trade union movement is running a rather narrow campaign in favour of such minimum standards.

Let me take an example. Recently the Norwegian Labour Inspection Authority went out to inspect ten construction sites in Oslo. Work was ordered shut down at all of them because it was being carried out completely in breach of existing laws and regulations regarding worker protection. This hazardous work does, in other words, not take place because there is a lack of labour standards, laws and regulations. Norway has probably one of the best labour regulations in the world. The fact is that the laws and agreements which regulate the Norwegian labour market are being violated and undermined in practice at workplaces every day of the year.

Formal regulations are not enough, because increased pressure from the market in the form of cutthroat competition, tighter time limits, higher work intensity, etc. create working environments in which worker protection is given less priority than was the case before market liberalism became the order of the day.

Do not misunderstand me, it is of course important to defend the gains we achieved through labour legislation – and even to strengthen laws and regulations if possible. What I warn you against is a narrow campaign for formal labour standards and regulations which is made independent of an assessment of the balance of power in society. It is important to have good labour laws and agreements, but it is not enough. Working conditions and labour rights are not primarily an effect of formal rules and regulations. Without a climate in society that accepts or supports these agreements, without conditions and regulations that dampen the competitive pressure in the labour market, without power relations that make it possible for interventions against the market forces and without strong trade unions that can ensure that the labour laws and agreements are followed, the result is rather to the detriment of working conditions.

What is important is to establish the close connection which exists between economic and political power on the one hand and formal regulations on the other. The struggle for labour standards, for trade union and labour rights is only decisive if it is part of a real struggle, a struggle to empower workers and to strengthen trade unions, a struggle which is aimed at shifting the balance of forces between labour and capital. That means fighting neoliberal policies, not accepting them in exchange for formal minimum labour standards, as parts of the trade union movement seem to do.

I often use the following picture to illustrate this problem. To liberalise and deregulate the markets and then think that you can protect the workers by introducing formal labour standards, is like opening the floodgates of the regulated waterfall and then forbid the water to fall. Truly, it is not a very productive exercise.

How is it, then, that we can improve working conditions and labour and trade union rights? Firstly, I think, we will have to realise that this enormous shift in the balance of power has really taken place. Then we have to understand the reason for and the driving forces behind the shift. Having identified these forces, we should go back in the history of our movement to learn the lesson.

In the history of the trade union and labour movements, labour relations and working environment are the results of social struggle. Every step in the direction of increased welfare and better working conditions for the average man and woman has taken the form of a struggle against strong economic and political forces in society. The improvements were achieved by opposing capital forces, intervening in the markets, reducing the destructive competition and putting an increasing part of the economy under democratic, social control. These were and are two sides of the same issue.

This means that the trade union movement will have to meet the brutalisation of work by a strategic attack on two fronts. On the one hand it becomes important to meet the concrete

attacks on our working conditions at the workplaces. Employers' attempts to undermine and to weaken existing labour laws and agreements that protect the workers in the labour market must be met head-on. The employers' deregulation and flexibility strategy must be rejected.

On the other hand, it becomes necessary for the trade union movement in alliances with other popular organisations – national and international – to organise the struggle for more extensive regulations, to push back the economic forces that press forward the brutalisation of work. Our aim must be to limit the power of the multinational companies, to regain and to strengthen democratic control of financial capital, to fight the neoliberal policies of the World Trade Organisation, the IMF, the World Bank and our own governments. In this struggle the trade union movement must ally itself with the new global movement against neo-liberalism which has grown so rapidly over the last few years – increasingly organised through the World Social Forum initiative.

It is time to go deeper than the politicians' scratching of the surface. We must ask the more fundamental questions about what is wrong with a society and a labour market in which more and more people are worn out and being excluded, where the psycho social problems are increasing, where the brutalisation of work pressurises more and more people to a life based on disability pensions, social benefits, disempowerment and stigmatisation – to an increasing degree and in tune with increasing prosperity in society. What is it that stops us from developing a labour market where people's capacities, needs, wishes and dreams are at the core? It is time now to ask the question what it is that creates the great distance that today exists between the life we want to live and the life we are offered under neo-liberalism?