

# ECONOMIC MIGRANTS, THE BANANA SUPPLY CHAIN, AND THE LONDON LIVING WAGE: THREE CASES OF GLOBAL CIVIL SOCIETY ACTIVISM ON POVERTY

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This chapter offers cases of global civil society activism on poverty-related issues around the world such as international migration, employment practices, global supply chains, and housing. As well as highlighting the linkages between these issues, the various contributions identify new civil society alliances and approaches to organising whose strength is reflected in their adoption in other countries and regions.

Laurie Berg and Anna Samson's examination of the response of Australian civil society groups to irregular migrants illustrates the dominance of refugee and anti-trafficking agendas, with serious consequences for 'economic migrants'. Such an approach leads to the selective invocation of the human rights entitlements of irregular migrants and sometimes their complete isolation from support. The authors argue for a change in the advocacy discourse to foster an integrated approach to migrants' rights that addresses their precarious existence in the global North.

Jane Wills' analysis of the living wage campaign in London shows how it has improved the income and conditions of low-waged workers in the capital, as well as developing a new model of organising highly relevant in the context of increasing subcontracted employment. Wills' suggest that the success of the concept and campaign for a living wage, which has spread through major cities around the world, offers the hope of a broader civil society alliance that can articulate the interests of the wider community to create 'a new moral economy'.

Pamela K Robinson considers the nature and effects of global civil society forums concerned with issues surrounding the conditions and rights of workers on banana plantations, which are owned by transnational corporations that supply major supermarkets in the North. Her examination of the impacts of various labour codes and fair-trade schemes indicate a mixed picture for workers, which underlies the call from some actors for legislation rather than reliance on voluntary initiatives. However, the inclusion of most of

the key banana trade stakeholders in a global society forum offers a framework through which to continue negotiations to improve the lives of those working in 'the banana economies'.

The above case studies are accompanied by two text boxes: Kira Ribar describes a volunteer, student-led initiative to build homes and strengthen communities in Chile that has spread throughout Latin America. Cheri Honkala, Shamako Noble, and Mary Bricker-Jenkins, members of the Poor People's Economic Human Rights Campaign, explain the inspiration, strategies and impacts of this American movement led by and for people who lack fundamental human needs.

### SPACE FOR ECONOMIC MIGRANTS? POVERTY, MIGRANTS AND AUSTRALIAN CIVIL SOCIETY

Laurie Berg and Anna Samson

Those involved in migrant rights advocacy in the global North have a complex relationship with poverty both at home and abroad. Extreme socio-economic uncertainty can be both a reason for migration and an explanation for the failure to migrate in some circumstances. Frequently it also characterises the experiences of migrants upon reception in their new home: research shows that newly arrived migrants and their families are often over-represented among the poor and working poor (Fleury 2007). Refugees and asylum seekers may fare even worse as governments move to restrict employment rights and access to social assistance pending the determination of asylum claims (Boswell and Crisp 2004).

At the same time, industrialised states are engaged in worldwide competition for the recruitment of those with wealth and valuable skills, attempting to maximise the net benefits of migration for their local economies. Since the mid-1990s, in several countries, the streams of family reunion-based migration have given way to migration categories linked to the anticipated economic

contributions of migrants as states become increasingly preoccupied with meeting short-term market needs and achieving immediate fiscal results (Dauvergne 2008). These liberalising moves have occurred at the same time as countervailing political pressures to exert ever greater entry controls over those perceived to threaten local jobs and wages, cultural identity or indeed security. Despite extraordinary efforts of states to 'manage' migration, state borders remain inevitably porous and people continue to cross them in order to improve their life circumstances. As a result, in many cases, the precarious socio-economic conditions that provided the impetus for some migrants to travel from home countries outside of legal channels are compounded by their marginal legal and social status upon arrival.

This contribution considers the response of progressive civil society groups in Australia to irregular migrants, those who move outside of the legal migration program.<sup>1</sup> We believe that the dominance of refugee and anti-trafficking agendas has meant that Australian activists concerned with justice in immigration (and we include ourselves in this number) have yet to embrace an integrated approach to 'migrants rights'. Indeed, advocacy discourse is often marked by inattention to the predicament of the (mere) 'economic migrant' in preference for the (classic) trafficking victim or asylum seeker. Activists' adoption of a refugee/anti-trafficking lens in their approach to irregular migrants has resulted in a selective invocation of their human rights entitlements, circumscribed by the extent to which they fit within a teleological understanding of an uncomplicated, 'forced' migration experience. Where a migrant's life narrative does not fit these neat legal categories, at best civil society organisations attend to discrete aspects of her social, economic or legal needs to the exclusion of others. At worst, migrants can be left completely isolated from appropriate support and advocacy structures. This is especially true of those

irregular migrants in Australia who live in constant fear of detection and deportation. The prevailing approach of Australian civil society groups can therefore result in the further marginalisation of such migrants.

Indeed, activists' strategy of emphasising the protection entitlements of victims of trafficking and asylum seekers is understandable when viewed in the context of certain cultural and legal traditions. First, and most plainly, recognised refugees and trafficking victims are the subject of major international Conventions, to which, importantly, Australia is a party.<sup>2</sup> Asserting the rights of these groups involves recourse to accepted international legal obligations that the state has voluntarily assumed. Advocacy can then focus on highly specific goals: the provision of particular social services and recognition of certain legal statuses within an established institutional framework through which to seek redress. However, by implication, the needs of other migrants can be downgraded, construed instead as dependent on an exercise of humanitarian discretion by those with the power to assist.

Second, it seems significant that both refugee and anti-trafficking legal protections arise from a demonstrable, serious breach of a migrant's civil rights over which they could exercise little or no individual agency: a refugee, by definition, has fled a well-founded fear of persecution on account of her race, religion, political opinion, nationality or membership of a particular social group, while a trafficked person has been subject to the control of another person through the threat or use of force or coercion. In a liberal democratic society such as Australia, advocates can realistically anticipate a stronger community (and therefore government) response to a story about forced departure due to violent and individualised civil rights violations than to a (more challenging) demand for fair treatment of those who voluntarily relocated in reaction to marginalising global economic forces.

Third, a strategic advantage for advocates of justice for refugees and anti-trafficking is the fact that the original abusive treatment occurred elsewhere. The legal categories of 'victim of trafficking' and 'asylum

<sup>1</sup> Article 5 of the Migrant Workers Convention states that migrant workers (a) Are considered as documented or in a regular situation if they are authorized to enter, to stay and to engage in a remunerated activity in the State of employment pursuant to the law of that State and to international agreements to which that State is a party; (b) Are considered as non-documented or in an irregular situation if they do not comply with the conditions provided for in subparagraph (a) of the present article. *International Covenant on the Protection of All Migrant Workers and Members of Their Families*, GA Res 45/158, UN GAOR, 45th Sess, Supp No 49A, UN Doc A/45/49 (1990) 261.

<sup>2</sup> *Convention Relating to the Status of Refugees*, July 28, 1951, 189 UNTS 150 (entered into force April 22, 1954); *Protocol to Prevent Suppress and Punish Trafficking in Persons, Especially Women and Children, Supplementing the United Nations Convention against Transnational Organised Crime*, GA Res 25(II), UN GAOR, 55th Sess., Supp No 49, UN Doc A/45/49 (2001) 60 (entered into force December 25, 2003).



seeker' are structured so as to define a clear aggressor (the trafficker or persecutor) who is either a foreign state or a foreign individual whom the migrant met prior to arrival in Australia. The Australian public is in no way complicit in the human rights violations which asylum seeker or trafficked person has experienced. This allows advocates to position the receiving country, and indeed the global North, as a site of rescue and freedom, in contrast to 'backward' countries that either inflict such human rights abuses or are reckless about their citizens' wellbeing.

As we demonstrate in the case studies that follow, these advocacy strategies leave the unauthorised migrant in Australia, who happens not to be a refugee or a victim of trafficking, with little social assistance or public compassion, much less acknowledgment of their human rights. Despite such migrants being covered by the ostensibly universal protections set out in the core international human rights treaties to which Australia is a party, in the absence of specific protections afforded by agreements such as the Migrant Workers Convention, which Australia has not ratified, there seems to be a profound reluctance to advocate for the upholding of such rights. In large part this is because the ascendance of the refugee/trafficking discourse has structured civil society organisations and shaped their response to such a degree that it has become difficult to look beyond these frameworks and coalesce to promote migrants rights more generally. To do so would require a re-envisioning of claims to residence, and the relationship between poverty, migration and human rights, the locus of harm and the complicity of the global North.

### Illegal Foreign Fishers (IFFs)

Australian personnel patrolling Australia's coastal borders have the power to board any vessel they suspect may be about to enter Australian waters to engage in unauthorised fishing activities.<sup>3</sup> These officers also have the power to apprehend individuals on board boats as well as confiscate all equipment that they suspect may be used in such fishing activities. They receive

immunity from prosecution for any of these actions undertaken 'in good faith', even when this results in damage to people or property and unauthorised fishing is not subsequently established. Importantly, when foreign fishers are intercepted outside of Australia's territorial waters, they can be apprehended and brought into Australian territory, at which point they become undocumented migrants, and are routinely detained pending determination of whether charges should be laid against them for illegal fishing.

Although these sweeping powers under Australian law are designed to assist coastal patrols to target highly sophisticated unauthorised fishing,<sup>4</sup> in practice, the individuals who have been most affected by Australian operations have been small-scale, subsistence Indonesian fishers, including a significant number of unaccompanied children, using rudimentary trawling and navigational equipment (Border Protection Command 2007). Once conveyed to the Australian mainland, IFFs may be detained for several months before being convicted of strict liability offences, issued a fine and, perhaps most costly, having their boats destroyed. Over the past decade, despite visible efforts to discourage unauthorised fishing in the region, there has been a steady increase in the number of IFF-interception operations conducted by Australia and of suspected IFFs being detained on the mainland. Australian authorities acknowledge that this rise is linked to Indonesian fishers' livelihoods being undermined by the activities of transnational trawling corporations, many of which have flag states in industrialised countries (Stacey 2007). Although traditional fishing rights are nominally protected (see Memorandum of Understanding between Indonesia and Australia 1974), 'traditional fishing' has been construed in a restrictive and culturally static way, so as to cover only 'traditional methods and traditional vessels consistent with the tradition over decades of time, which does not include fishing methods or vessels utilising motors or engines', making it even more difficult for Indonesian fishers to compete for dwindling fish stocks (Agreed Minutes 1989).

Despite IFFs in recent times organising their own direct action within immigration detention centres to draw attention to the conditions of their imprisonment and *habeas corpus* concerns, they have failed to stimulate the interest of Australian civil society in their situation. This unwillingness to provide solidarity is curious given that IFFs display many of the same

<sup>3</sup> *Australia's Fisheries Management Act 1991 (Cth) and see also Torres Strait Fisheries Act 1984 (Cth).*

<sup>4</sup> *See, for instance, the high-profile, 21-day pursuit by Australian and other naval forces of the Viarsa, a Uruguayan fishing boat unlawfully trawling for the endangered Patagonian Toothfish in Australia's southern waters (BBC News 2003).*





vulnerabilities as others detained for migration purposes, and protests by asylum seekers in the very same detention centres have been used in the past to catalyse public pressure for immigration detention reform. The silence of Australian refugee rights advocates on these human rights issues is even more striking considering that some Indonesian fishers explicitly characterise their decision to enter Australia as one of forced migration arising from their loss of livelihood, which they link directly to the Australian government's IFF interception activities (Thompson et al 2007).

IFFs appear to have fallen foul of refugee activists in the main because their encounters with the Australian migration system are so closely related to questions regarding poverty, the right to self-determination and the right to livelihood. More importantly, the situation of IFFs illuminates the problems with a narrow reading of persecution that divorces economic hardship from contemporary understandings of forced migration and thus from state responsibility for protection.

### Irregular migrant workers

According to South Korean worker Mr Jin Woog Kim, he worked at a factory in Sydney for up to 120 hours a week for two years after overstaying an Australian tourist visa in 2004 (O'Malley 2006; Workcover NSW 2006). Supposedly, he was to be paid AUD 10 an hour (significantly under the statutory minimum wage) but often received nothing at all, and slept on a sofa bed in the factory at night. Still, he would have continued this arrangement, saving a nest egg and sending money home, had his five fingers not been amputated from his left hand by a plastic recycling machine in May 2006. Fearing liability and detection, the foreman refused to call an ambulance, so Kim ran next door to a car repair business where a taxi was called to take him to the hospital. It was not the first time he had been injured at work: in March 2005 the same machine took the top of the middle finger on his right hand. After that first injury, his employer had docked Kim's pay to cover the medical expenses, but did not address the known safety risk. After his second injury, Kim believes, his employer may have notified the immigration authorities of his whereabouts in an effort to have him deported from Australia.

Few in Australia are as socially isolated and legally marginalised as irregular migrant workers from non-English speaking backgrounds. Months after the incident and on reading an article in a Korean-

language newspaper, Kim contacted the Construction Forestry Mining and Energy Union. The union lent him money and helped him apply for a visa to temporarily regularise his status. Yet his precarious social situation also weakened his legal claims. The corporate employer, and its sole director and manager, were prosecuted for occupational health and safety breaches and ordered to pay fines of AUD 45,000 and AUD 21,800 respectively (*Inspector Lai v Rexma* 2008). Kim himself, however, ultimately received only AUD 13,000 in workers' compensation (from a government-funded scheme because his employer did not have workers' compensation insurance, itself an offence) (Workers Online 2006). This figure did not reflect the fact that he was supporting dependants in South Korea because he could not produce evidence of the remittance payments he had been forwarding: his unauthorised status in Australia had precluded him from using official channels. After a three-month campaign, the union achieved a settlement of Kim's claim for the payment of unpaid wages, overtime and other entitlements (Unions NSW Meeting Minutes 2006). Fortunately, Kim was not forced to seek remedies in court, where he may well have been unsuccessful given established legal principles in Australia that deny irregular migrant workers unlawful dismissal protections,<sup>5</sup> and mandatory workers' compensation entitlements,<sup>6</sup> on the basis that they worked without legal authority.

Within a year of Kim's injury, in February 2007, the Australian Parliament passed legislation creating a criminal offence where a person knowingly or recklessly 'allows an unlawful non-citizen to work', which is punishable by up to two years imprisonment and/or a fine of up to AUD 13,200 for a natural person and AUD 66,000 for a body corporate (Migration Amendment (Employer Sanctions) Act 2007). While it explicitly punishes employer exploitation of irregular migrants, the law gives workers absolutely no additional avenue of redress or incentive to seek community-based or government assistance. The parliamentary debate on the legislation centred on maligning irregular migrants

<sup>5</sup> *Chen v Allied Packaging Co Pty Ltd* (1997) 73 IR 53.

<sup>6</sup> *Work Cover v Da Ping* (1994) 175 LSJS 469, *Australia Meat Holdings Pty Ltd v Kazi* [2004] QCA 147 (unreported, 7 May 2004, BC200402466 and *Yong Fu Zhang v Mei Hu t/as Eden Furniture and the WorkCover Authority of NSW* [2006] NSWCCPD 15, 3 February 2006. For a different approach see *Nonferral (NSW) Pty Ltd v Taufia* (1998) 43 NSWLR 312.



in terms such as ‘illegal workers who fly here to steal Australian jobs and undermine Australian worker conditions each and every day’ (Sterle quoted in Hansard 2006). The statute’s Explanatory Memorandum (2007 para 7.21) itself characterised ‘illegal work’ as a threat to border integrity, linked to tax and social security fraud, ‘health problems’ in the Australian community, and the trafficking and sexual servitude of women in the sex industry. The law was passed unanimously, supported by the (then) conservative government, centre-left opposition and both minor socially progressive political parties in the Senate.

Unusually, the proposed law had enjoyed the support of every submission to the parliamentary inquiry which predated it, including from trade unions, employer representatives and community organisations. While not a single mention was made of possible reforms which might have assisted irregular migrant workers who had endured exploitative work practices, much was made (especially among community groups) of the positive potential for these provisions to punish human traffickers. This was notwithstanding the fact that Australia had already introduced numerous criminal offences related to trafficking, slavery and sexual servitude. The three advocacy groups which made written submissions to the inquiry endorsed the employer sanctions regime and proceeded to emphasise the needs of (specifically female) victims of trafficking and asylum seekers living in Australia without work rights. Indeed, in this vein, Andrew Bartlett, a Senator from a progressive minor party, expressed his support for the Bill as follows:

*People who do threaten our borders and aspects of the Australian economy and society are people who live here illegally for prolonged periods of time and work here illegally, under the radar. I am not saying that they are a threat in the way that the government likes to paint any of these people as threats, in the sense of being potential terrorists or anything like that, but they are people in the community, under the radar or in the black market, and we are not aware of where they are or who they are. That does not apply, I would have to say – and I have to emphasise this – to asylum seekers.*

(Bartlett quoted in Hansard 2006)

Mr Kim, like many other irregular migrant workers, did not seek protection as a refugee from physical

persecution at home, nor did he claim to have been a victim of trafficking. Instead, by choosing to work in Australia without visa authorisation, Kim seems to have been positioned beyond the advocacy, social services and generosity which Australian civil society regularly provides. Without a story about forced migration brought about by a foreign persecutor, much of civil society in Australia declined to interrogate the reasons for which Kim travelled here, endured the dilapidated factory and lost his fingers. While the union movement commendably forced his employer to pay his wages due, the broader community did not reflect on what else Australia may have owed Kim.

### Conclusion

The preoccupation of mainstream civil society groups with refugee and trafficking discourses may well be tied to legitimate concerns regarding organisational mandate creep. It may also be the function of difficult pragmatic decisions to focus on tactics or advocacy goals that are politically achievable, especially in times of sustained state-led vilification of particular migrant groups. However, such response prioritisation by civil society organisations concerned with migration justice – be it strategic or ideological – must necessarily come with costs; our purpose in this contribution is to illuminate some of those costs and to consider who bears them.

At the same time as the dominant elements of Australian civil society are distinguishing between migration motivation and locus and type of Convention-related harms, the international framework governing state responses to irregular migration has begun to embrace the complexity of migration experiences. The Migrant Workers Convention, although not yet ratified by any major receiving – read Western – state, has spawned a nascent international structure for oversight of the rights violations of all migrant workers. This has already created strategic opportunities for collaboration among global, regional and local civil society groups as well as institutional avenues to draw attention to cases of mistreatment of irregular migrants. In addition, despite (or perhaps because of) some of the limitations of the Migrant Workers Convention, transnational civil society groups have achieved some great success in eliciting markedly progressive articulations of the entitlements of irregular migrants in regional human rights forums (Berg 2007). We remain hopeful that these high level attempts to



expose the inter-linkages between poverty, human rights and international migration, along with a critical approach to classic distinctions between those who choose and those who are forced to travel, will create spaces for advocacy that more effectively address the precarious living conditions of those residing without authorisation in the global North.

## THE ROLE OF GLOBAL CIVIL SOCIETY IN THE BANANA SUPPLY CHAIN

**Pamela K Robinson**

The banana is one of the oldest known fruits, the most exported in terms of volume and value, and the fourth most important staple crop in the world after rice, wheat and maize (FAO 2003). Bananas are grown in tropical and sub-tropical climates and play a key part in the economies of developing countries, which are the origin of virtually all export bananas (FAO 2005). In 2004 the global export market was estimated to be worth USD 4.7 billion, which equates to approximately 16 million tonnes of bananas (UNCTAD 2005). The banana industry employs hundreds of thousands of workers directly and impacts thousands of other workers indirectly throughout the global supply chain (IBCII 2005). About 80 per cent of banana production for export takes place on large plantations, which are capital-intensive and highly specialised farming enterprises that employ waged-labour and tend to be foreign-owned (FAO 2003).

Since the early-1990s a number of global civil society actors, including trade unions, international non-governmental organisations (INGOs), trade associations, and consumer interest groups have become increasingly concerned about the poor working and environmental conditions on many of the world's banana plantations. This follows a greater awareness of conditions highlighted by various media across Europe and campaigns for more equitable relations within global supply chains (Hopkins 2004). Some of these campaigns have resulted in improved employment conditions, including a living wage and the introduction of environmental and ethical certification schemes such as those created by the Rainforest Alliance, Social Accountability International and the Fairtrade Labelling Organization. In this regard banana production for export makes an interesting case study of the pressure global civil society can exert on international business, with regard to social justice and

the alleviation of poverty in developing economies.

This case study draws on independent research conducted on banana plantations in the province of Limón on the Atlantic Coast of Costa Rica, attendance at the Second International Banana Conference in Brussels, and a series of interviews and ongoing dialogue with representatives from supermarkets, producers, and civil society organisations based in Europe and Central America. The focus of the case study is the mobilisation of global civil society actors to create an international forum that can tackle the issues of poor labour practices and unfair wages on banana plantations, the majority of which are based in the South but export their produce to the North. In this regard, the actors referred to are 'Reformist', as defined by Anheier and colleagues (2001). They act as the banana worker's advocate and help to effect change in the way international business operates in the banana sector.

### The global banana trade

The world trade in bananas evolved from European commitments to ex-colonies in the form of preferential trade quotas and tariffs, and the acquisition of tropical regions by the United States and its corporations (Myers 2004; Chapman 2007). It is not surprising therefore, that the two biggest markets for export bananas are the European Union and the United States (FAO 2005). A third of the world's banana exports arrive in the EU, the bulk of which, approximately 80 per cent, come from countries in Latin America and the Caribbean (IBCII 2006). This is where the 'dollar producers' dominate the trade: Chiquita Brands International Inc, Dole Food Inc, and Del Monte Fresh Produce Inc, which together account for an estimated two-thirds of the world's banana exports (FAO 2005). These US-owned transnational corporations own and manage plantations or, as is increasingly the case, subcontract to independent producers. The banana industry is mostly dominated by the transnational producers due to their use of highly intensive production methods and the control they exert over the marketing system (IBCII 2005). However, in these companies' main markets there is another dominant player, the international supermarket group, which controls access to the consumer. This is particularly true in the United Kingdom, the second largest importer of bananas in the EU, where the majority of bananas are supplied to consumers via the supermarket (FAO 2005). The so-called 'big four' supermarket groups – Tesco PLC, ASDA Group Ltd



## Box 8.1: The Poor People's Economic Human Rights Campaign

Founded in 1998, the Poor People's Economic Human Rights Campaign (PPEHRC URL) is a national organisation dedicated to the abolition of poverty. It brings together a network of over 80 local and a few national groups, primarily led by people from the ranks of the poor. PPEHRC organises across racial lines in the USA and, with significant ties internationally, considers itself part of a growing global movement to end poverty and claim economic human rights. The Campaign connects with and supports leaders in poor communities in the USA and overseas, providing and exchanging training, education, resources and support with its member groups and allies.

The visible leadership of the poor is an organisational ethic and commitment for PPEHRC because it contributes to the growth of a movement led by those most affected, informed by their analysis of their own experience, and connecting them to each other for the support that will lead to success. The Campaign stands on the shoulders of important leaders and movements both within the United States and internationally. Acknowledging this is important because much of the recorded history of movements, and the contributions of the poor, are at best inaccurate and at worst misrepresentations. Often the knowledgeable and experienced leaders of movements are too busy or lack the formal education to write their own history. Thus do 'disconnected' writers, with a different lens from those they write about, sometimes render invisible the leaders, organisations, and movements, viewing them as inferior and without power. Yet we must understand where we've been in order to understand where we are going.

PPEHRC draws on the legacies of African-American women from the South such as Marian Kramer and Annie Smart, of Senator Roxanne Jones and others from the welfare rights struggles of the 1960s, of Vernon Bellecourt and other leaders from the American Indian Movement, and of Leona Smith and Cassanova from the Homeless Union. They were stirred by the idea of basic human rights, and they struggled to get the United States to acknowledge these. These campaigners, together with the leadership and writings of Fannie Lou Hammer, Harriet Tubman, Fredrick Douglass, Gandhi, Malcolm X, and Martin Luther King, influenced the organisers of the Kensington Welfare Rights Union, the precursor to PPEHRC. Formed in 1991, KWURU would play a key role in linking organisations of the poor in the fight for economic human rights at the Poor People's Summit, the founding meeting of the PPEHRC, held in Philadelphia in October 1998.

What do we mean when we say 'the poor'? We refer not only to the millions living below the 'official' poverty line, but to the myriad more who daily must choose which fundamental human need to meet: food or medicine, heat or water, housing or healthcare. We mean the growing number of Americans who face joblessness, foreclosure, homelessness, hunger, or life without water. We are talking about the 'Diaspora of Katrina' and the thousands of workers who have been laid-off in many industries, including the once-strong manufacturing sectors, aerospace, the service sector, and even technology. The poor are the documented 46 million Americans without health insurance and the millions more who are so barely insured that adequate healthcare is beyond their reach. They are the tens of thousands of elderly who risk becoming homeless this winter, the Mexican immigrants crossing the border under the threat of criminalisation to seek a better life for their families, the single-parent household that can't make ends meet, and the two-parent household that is one paycheck away from being out on the streets. These are the poor who are becoming increasingly numerous and, most significantly, more and more aware of their condition.

In its efforts to achieve its mission, PPEHRC faces many challenges with resourcefulness and an array of gritty but non-violent strategies and tactics. Perhaps the most difficult challenge we face is the belief that poverty *cannot* be ended. While many in the social service and non-profit industry continue to invest in services to 'alleviate' poverty and 'reduce' homeless, PPEHRC embraces a position that says that we, the human community, can end poverty and homelessness, and that we must not cease until we achieve that.

To this end, the Campaign employs tactics eschewed by the social services sector, such as direct actions and demonstrations, mass marches, and both political education and cultural work fully integrated into our organising programme. For example, we conduct 'housing takeovers,' placing homeless individuals and families in homes foreclosed by government agencies which have evicted families who, for a variety of reasons, can no

longer afford to pay their mortgages.

We do this in the face of the criminalization of the poor. Our civil disobedience tactics are intended to criminalize poverty. Our multi-racial and multi-faith coalition has repeatedly engaged in non-violent action all over the country. While disciplined and informed activists have sustained a remarkable record of arrests, no major injuries have occurred.

To counter the invisibility and distorted media representations of poverty and the poor, we organise marches such as the series called the 'March for Our Lives' at which many thousands have demanded an end to poverty. Through our Marches we have connected cultural leaders, teachers, and artists with truck drivers, housing activists and faith leaders. In the face of pernicious media myths and political manipulations of 'race politics' that divide the class of poor and other working people, PPEHRC intentionally and vigorously organises across racial lines. This analysis and strategy of class unity is visible in all of our events and images, including the mass marches and demonstrations.

We believe that the poor are generally de-politicised and excluded from discussions of their fate. They are told to stay silent, and required to appoint 'representatives' who do not accurately represent their experience. Thus, we seek and support leaders from the ranks of the poor. We have had remarkable success shedding light on the cold realities of poverty in the USA with Truth Commissions held at the city, state and national level: before a panel of government, labour, and civil society leaders, people give testimony about their experience of violations of economic human rights as defined in the United Nations' Universal Declaration of Human Rights. These commissions highlight the testimony of poor people who struggle to have a voice in rural America, the inner cities, on ranches and reservations.

Perhaps inevitably, we face the challenge of very limited funding; to counter this we rely on 'commitment not compensation' to build our movement. The few minimally compensated leaders of PPEHRC are supplemented by a very large corps of volunteers and representatives from member organisation to staff our committees and perform organisational maintenance tasks, including national and international organising.

We believe that problems of poverty, lack of education and healthcare cannot be solved by simple reform, but only by addressing the root causes of a system that allows poor people to be on the streets while overpriced condominiums remain un-purchased, unoccupied and unwanted. We view the Campaign, and the growing movement, as part of a globalisation process that places the poor of every continent in a unified field of struggle. Our code is non-violent, peaceful resistance and a commitment to basic, inalienable and internationally accepted human rights. The legacy of Martin Luther King and Gandhi strengthen and inspire us. We have renewed confidence that the recent collapse of the global economy, and with it the myth of an 'invisible hand' guiding and correcting that economy, coupled with the desire for change signaled by the election of President Barack Obama, creates a new possibility, the hope of an old dream fulfilled - not just that anyone can be president, but that everyone is entitled to a home, sufficient food, healthcare and education, just because they are human. This is our motivation, our struggle, our strategy, our cause. We believe we will win, because we must.

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(owned by Wal-Mart), J Sainsbury PLC, and Wm Morrison Supermarkets PLC - together account for 75 per cent share of the total UK grocery market (Key Note 2007). Furthermore, the big four exert tight control over the supply chain because bananas are highly profitable – they are the biggest selling item by volume and the third largest in value sold by British supermarkets (Griffiths and Lawrence 2007). Also supermarkets view bananas as a weekly staple and a key marketing tool, which makes them extremely price sensitive. This, coupled with a structural overproduction in the banana industry due to the expansion of production in West Africa, Ecuador and Brazil, and a subsequent ‘price war’ amongst exporting countries in the international market, has contributed to a downward spiral in prices and a negative impact on the livelihood and job security of the workers that depend on the trade (IBCII 2004; Banana Link 2007).

### Civil society engagement with the banana industry

Plantation workers, their representatives and consumers, have been highlighting the issues in the banana sector and advocating more ethical practices – social, environmental and economic – for some time (Banana Link 2007). In May 1998, the First International Banana Conference (IBC1) took place in Brussels, with the key objectives of promoting a charter for plantation workers’ rights and helping small producers access the international market (IBCII 2004). Over 300 delegates attended the conference, from 45 banana-producing and consuming countries. Government representatives from Europe, North America, Latin America, Africa and the Caribbean, international producers, cooperatives, global and national trade unions, workers’ representatives, INGOs, scientists, academics, and consumer groups were present (IBCII 2004), making a highly unusual forum compared to other business sectors, in terms of the different stakeholder groups involved and the openness of discussion about the issues and challenges faced by the industry.

The IBC1 was the first debate involving all parties since the banana ‘trade wars’ of the early-1990s, and the organisers succeeded in producing the International Banana Charter, a framework for civil society initiatives that would promote workers’ rights in the following years (Farquhar and Smith 2005). However, many of the key players in the industry, transnational producers in particular, did not sign up to the charter, stating that

they preferred to improve conditions either by adopting a range of voluntary labour and environmental standards or in some cases, accepting the standards thrust upon them by their key customers, the supermarkets (Farquhar and Smith 2005). Following the conference a number of such standards were in fact introduced in the production process of the banana supply chain. Many of these were developed by companies in order to illustrate their commitment to socially responsible working conditions. Some of these new standards were constructed as ‘Company Codes of Conduct’ and stipulated certain labour standards for developing country producers supplying supermarket groups in the industrialised world. Others were developed with the involvement of producers, such as the Social Accountability (SA) 8000 Standard, which incorporates many of the elements considered essential by trade unions and INGOs, including legal and industry norms for wages (SAI 2001; Scherrer and Greven 2001).

In the UK, the Ethical Trade Initiative (ETI), a tripartite organisation of corporate, trade union and NGO members, established procedures to monitor and verify a variety of company codes that were being implemented in global supply chains (Hale and Shaw 2001). In 2001, Chiquita International Brands became a member of the ETI (Chiquita 2002), and a few months later signed a historic agreement on labour and trade union rights for banana workers which incorporated freedom of association, minimum labour standards and employment standards for workers in the company’s Latin American operations (IUF 2001). The agreement aligned with Chiquita’s social responsibility strategy but did not apply to production workers in other company operations, such as the fresh fruit packing factories in Europe and the US (Chiquita 2006). However, further attempts to improve working conditions at the time included the initiation of SA8000 accreditation on all Chiquita owned and managed banana plantations in 2002, and the introduction of the ETI Base Code in 2003. The ETI’s labour code is based on the core conventions of the ILO, and follows the SA8000 standard, but it goes further by stating that a living wage should be paid (ETI 2005). In this regard, the ETI provide an understanding of what constitutes a living wage, which is ‘wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher’(ETI 2005).

However, these codes and standards are not





enshrined in law and the commitment of corporate actors in the banana chain (supermarkets and producers) to the different initiatives varied following the first banana conference. Critics of such voluntary labour initiatives, including global and local trade unions and development INGOs, argued that some form of coordination between social actors in the banana supply chain was required to ensure codes and standards were fully implemented and monitored. Demands were made for another international banana forum in order to discuss concerns regarding workers' rights and the effectiveness of voluntary measures, and to agree a process for implementing a living wage on banana plantations in order to avoid a 'race to the bottom' (IBCII 2004). As noted by the IBCII Preparatory Committee the impetus for such a forum came from both ends of the chain: from 'key business actors' who were 'keen to participate constructively in a second genuinely international and multipartite forum' and from 'Southern counterparts for whom the first International Banana Conference left "unfinished business"' (IBCII 2004: 4).

The IBCII Preparatory Committee summarised the difficulties and future challenges of the international banana trade: structural overproduction in the industry, creating a 'race to the bottom' in prices and social and environmental conditions; and the three major banana transnational corporations increasingly sourcing fruit from cheap labour countries, such as Cameroon and the Ivory Coast (IBCII 2004). The overarching challenge in the industry was identified as the transfer of economic power to the new 'lords' of the chain, the European and North American supermarket groups – a concentration of power enabling them to set the terms of trade with producers by seeking out ever lower production costs for the supply of cheaper and cheaper bananas, which was crippling the industry and its workers (IBCII 2004). Thus, the main objective of the Second International Banana Conference was to secure commitments by governments and transnational producers to respect and enforce trade union rights, improve labour conditions, and ensure wages did not stagnate in the industry (IBCII 2004).

Seven years after the first international gathering, the Second International Banana Conference (IBCII) took place in April 2005, again in Brussels, with the theme 'Reversing the Race to the Bottom'. It was convened by a broad coalition of intergovernmental institutions, global and national trade unions, INGOs, workers' representatives, and Fairtrade organisations

(IBCII 2004). Many constituents participated, with over 247 people from 40 countries, representing all interests in the global supply banana chain, including production workers from a number of the exporting countries and, for the first time, representatives of the major European supermarket groups. There were many heated debates, with microphones being passed from government official to trade unionist to corporate representative to production worker. The final Conference Statement recognised a number of key actions: to engage supermarkets in a dialogue for developing mechanisms that would guarantee fairer prices, to encourage trade union representation in certain producer countries, and to promote the role of nation-states in terms of protecting workers' rights (IBCII 2006).

### A reality check

The reality for banana workers is still somewhat bleak, labour codes are inconsistently implemented and compliance procedures are still very much in the hands of the corporations. Guarantees of a fairer wage, an initiative to help alleviate poverty in developing economies, is only evident on plantations that produce bananas under fairtrade labelling schemes. Perhaps this is unsurprising given the competitive behaviour inherent in a market economy. Banana farming in Latin America, in particular, is reliant on large economies of scale, and producers seek low labour costs to gain a comparative advantage in the export trade. For producers to retain a competitive position with their key customers, mainly the supermarkets, they have to keep prices low, which invariably means cutting the cost of labour. As noted in a recent report by Action Aid (2007) it is the workers in developing economies who pay for cheap bananas in our local supermarkets. My own observations indicate that workers are under constant pressure to meet the increasingly demanding production schedules and exacting quality standards of supermarkets, leading to longer working hours and the stagnation of workers' livelihoods. The operational pressures associated with producing the just-in-time, blemish-free, low price banana for the supermarkets is such that workers' wages are kept low. The situation of the banana worker is further aggravated by constant price wars in the UK, which are usually initiated by one supermarket group, but quickly followed by the rest. The cost of this 'market promotion' activity is regularly placed at the door of the transnational producer who,





in turn, inevitably passes the cost down the chain, resulting in unpaid overtime and increased levels of temporary employment on plantations. This is often the case, even where codes and standards have been implemented and are routinely monitored, hence the calls by various actors for legislation rather than reliance on voluntary codes. Furthermore, the refusal by some producers to allow trade unions to organise on plantations, and the lack of collective bargaining agreements, exacerbates low wages.

However, on a more positive note, a permanent multi-stakeholder international banana forum is due to be launched on July 2009 (Banana Link 2008). Following a decade of striving for decent working conditions and fair wages in banana producing communities a renewed affiliation of global civil society organisations is helping to promote the new forum (Banana Link 2008). The project has drawn together many of the key players: governments, intergovernmental institutions, private enterprise, INGOs, trade unions and consumer groups 'to address the fundamental conditions required for a sustainable and ethical banana economy' (Banana Link 2008: 1). It is hoped that this new forum will improve the situation for banana workers and that continued lobbying by global civil society actors in Europe proves to be successful for the developing banana economies. As suggested by Carlos,<sup>7</sup> a worker on a farm owned by one of the transnational producers, 'Customers can make changes for banana workers, we need customers to wake up to the plight of the banana worker' (14 March 2006).

## THE LONDON LIVING WAGE

Jane Wills

### Introduction

Civil society organisations, North and South, are often heard discussing the merits of the living wage. During the past 20 years, the concept of a living wage has spread rapidly to many parts of the world. The idea has generated new social movements that have captivated activists in cities across the USA as well as those organising in the export processing zones of the global South.

This contribution tells the story of the living wage movement in London, in the UK. I argue that the adoption of this political model has particular resonance in a

period when subcontracted employment relations are ubiquitous in low paid employment in a city like London.

The campaign for the living wage was launched in 2001 and has since spread across a variety of workplaces and industrial sectors, moving from National Health Service (NHS) hospitals in East London, to the banks and finance houses of the City and Canary Wharf, university campuses, the Olympics site, art galleries, shopping centres and hotels. At the time of writing some 5000 workers have secured dramatic improvements in their pay as a result of the campaign, often also gaining access to paid sick leave and union recognition.

### The politics of subcontracted employment

During the last 30 years, market forces have been treated as a force for good in many parts of the world. The mantras of what we now know as neo-liberal doctrine have celebrated the market as a means to increase productivity through increased competition. In the UK, such ideologies were first inflicted on those least deserving of them: women cooking and serving meals in school kitchens, cleaners mopping the floors of hospitals and men collecting and emptying the bins. Since the early 1980s, what started as an experiment in public procurement gradually spread through the sinews of the wider economy. Most of our goods and services are now created and provided by men and women engaged in subcontracted employment. In many ways, governments and corporations are becoming 'hollow organisations,' managing networks of relationships, their public image and their brands, rather than people, production and goods.

When coupled with economic globalisation and political deregulation, this new paradigm of subcontracted employment has had profound economic, political and cultural effects. Subcontracted capitalism means that increasing numbers of the world's workforce, and particularly those connected to the global economy, face constant pressure on their wages and conditions of work. The nature of short-term contracts and increased competition means that contractors are forced to cut back on employees' pay and standards of work. Moreover, given that they are no longer directly employed, these workers have no industrial relations contact with their 'real employer.' Even though the hospital trust, the brand-name 'manufacturer', the bank or the retailer sets the terms of the contract and determines the profit the contractor

<sup>7</sup> The testimony of the worker cited in this case study is used on the basis of complete anonymity and confidentiality, and therefore a pseudonym is employed.





is able to make (even down to determining materials, head count and wage levels in many cases), the workers have no channel through which to bargain these terms. Workers are spatially and/or emotionally distanced from the people in the boardrooms and offices who determine their conditions of work. The 'real employers' have become morally disengaged from the workers doing their work (Wills 2009a).

Subcontracting serves to break the mutual dependency between workers and employers that has been central to the labour movement since the nineteenth and twentieth centuries. When a company directly employs the staff on whom they depend, there is the potential to negotiate over matters of work. Each needs the other, and they have to cooperate, at least to some extent. Indeed, in many countries, protocols of labour law have developed to reflect this employment relationship, granting rights of union recognition and collective bargaining on the basis of the employment contract. However, in relationships of subcontracted capitalism, those with the real power over the contracting process – the ultimate employers of all those involved in any particular supply chain or business operation – are generally not accessible to those doing the work. Meaningful collective bargaining, the *sine qua non* of trade union organisation, is impossible. Thus, if workers are going to 'bargain,' they need to find new ways of accruing power and putting pressure on those at the top.

In this new form of capitalism, the old forms of workers' organisation make much less sense. If workers organise using established methods to demand improvements and increase costs, it is likely that they will end up losing their jobs, as the contract/order will be shifted elsewhere in the case of manufacturing, or they will be priced out of the market place in the case of service provision. This is demonstrated by a growing body of evidence regarding cases of workers' protest involving international solidarity action, where workplace trade union organisation has resulted in the leading brands and retailers reconfiguring their supply chains to source their goods from elsewhere (Cravey 2004; Traub-Werner and Cravey 2002).

Moreover, subcontracting poses a classic problem of externality. While it has benefits for the individual who can shed their employment responsibilities, increase profit and take advantage of cheaper goods in the shops, it is often damaging for the wider collective. In a country like Britain, subcontracting has tended to make relatively 'bad' jobs worse, thereby exacerbating

the disadvantages for those at the 'bottom end' of the labour market. The costs of low wages and poor career opportunities have also been exported to poorer communities where people have elected to remain recipients of social security instead of going to work, or where children are left unsupported because their parents are engaged in long and exhausting hours of work. As a reflection of the low status and poor quality, these jobs are increasingly filled by migrant workers from poorer parts of the world who have no other means to survive. Thus the vital resources of some of the poorest countries are being pulled into employment in London to keep the city afloat (see May et al 2007; Wills et al 2009).

Subcontracted capitalism – particularly when practised in what are already low paid, low status jobs – can increase the surplus extracted from workers but it has severe costs both for the workers involved and the communities that depend on those jobs. Moreover, attempts to enforce responsibility at the top of the chain and thereby improve the quality of the jobs and the welfare of the communities involved, cannot be achieved by traditional trade unions acting alone. In this regard, there are increasing numbers of labour organisations working with community organisations to tackle those at the top of contracting chains. In what has sometimes been called social movement unionism, labour politics has tended to move out of the workplace and into dialogue with non-labour actors such as environmentalists, community-based and faith organisations. Such movements include progressive development movements that take the voice of women workers in export processing zones to the boardrooms in Western Europe and North America, for example, the Clean Clothes Campaign, United Students Against Sweatshops and Women Working Worldwide (Hale and Wills 2005). They also include those practising more local organising efforts to enforce urban or regional living wages.

Since the group Baltimoreans United in Leadership Development (BUILD) won a living wage ordinance covering city workers in 1994 (Harvey 2000; Schoenberger 2000; Walsh 2000), numerous community organisations, labour groups and networks of activists have successfully mobilised for living wages (Luce 2004; Pollin and Luce 1998; Wills 2004; 2009a). Campaigns have used the institutional resources of organisations like the Catholic Church, schools and universities, to mobilise people and exercise moral



## Box 8.2: 'A Roof for Chile': a new approach to eliminating poverty?

Almost 200 million people in Latin America and the Caribbean live on less than two US dollars a day. In Chile, the fastest growing country in Latin America over the last 15 years (World Bank URL), 2 million people still live in poverty, many of them in *campamentos* (shanty towns) located throughout the country. The *campamentos* are characterised by temporary housing structures often located on undeveloped squatted land with limited access to health and education systems, and which often lack regular access to electricity, potable water, and plumbing (Un Techo para Chile URL). The situation might have been far graver, however, were it not for the diligent work of the predominantly volunteer-based NGO *Un Techo para Chile* (A Roof For Chile, UTPC). Through the annual commitment of more than 17,500 volunteers and a permanent, professional staff of more than 120 (UTPC URL), UTPC is actively working to eliminate both the substandard housing found in the *campamentos* and the social and economic roots of poverty. The organisation has also taken its message to the rest of Latin America, with *Un Techo para Mi País* (A Roof For My Country) extant in 14 countries throughout the continent (UTPMP URL).

UTPC was created in 1997 when a group of concerned individuals from across various professional and university sectors decided to build 350 houses for families living in extreme poverty in the south of Chile. They were guided by Jesuit priest Felipe Berríos and the project, originally conceived as a singular event, created the desire for a more permanent organisation that could tackle the problem of poverty in Chile. The group set an ambitious goal – to build 2,000 basic houses before the year 2000. This was achieved in September 1999, but the building did not stop; in the year 2000 alone, 5,701 more houses were constructed after massive social mobilisation to help victims of floods and landslides that resulted from particularly heavy rainfall. This mobilisation spurred UTPC's expansion from a Santiago-based NGO to one which now has regional offices in principle cities throughout the country (UTPC URL).

While emphasis is clearly placed on providing dignified housing, the process itself takes into consideration three issues vital to creating communities out of the new houses. First, families are incorporated into the design process while the houses themselves are constructed so as to optimise the use of resources and permit easy and safe expansion or consolidation. Second, public spaces are created along with the houses to help foster a sense of community. Third, the land identified for building is selected to maintain or improve social and economic networks in order to ensure access to services and employment opportunities (UTPC URL).

UTPC's growth has also allowed it to move beyond combating the physical problems created by extreme poverty to begin addressing the social and economic factors that prevent people from escaping poverty. This has resulted in the creation of a two-step process that focuses on building a 'home' rather than a 'house'. The first stage remains the construction of permanent, dignified housing, while the second stage focuses on building social capacity through education, microcredit programs, legal assistance and technical training. *Del Campamento al Barrio* (From Shanty Town to Neighborhood) seeks to foster sustainable communities that will ultimately be able to self-organise and decide on a plan of action to develop or entrench a sense of identity, a system of organisation and participation, self-management, and integration into formal economic and social networks. In light of UTPC's success with both housing and social capacity building, a new goal has been set – to eliminate the remaining 533 *campamentos* (home to 29,000 families) by Chile's bicentennial anniversary in 2010 (UTPC).

Currently, UTPC consists of approximately 15,000 volunteers who participate in construction projects and an additional 2,500 volunteers who work permanently in the *campamentos* and new communities on capacity building initiatives. The majority of UTPC volunteers are university students, who are encouraged to learn about the reality of poverty and inequality in Chile so as to be better able to create or promote programmes to end it. UTPC works with corporations, both through donations and by organising company events to build basic houses. Additionally, UTPC works with high school students in the Metropolitan Region to teach them about poverty and inequality. A Centre for Social Investigation has been created that organises teaching, in the form of talks, seminars, and a university course on Chilean and Latin American social issues; research, which is primarily conducted by university students working on internships or dissertations; and publishing, including a CIS journal, website, and a blog.

Following natural disasters in El Salvador and Peru in 2001, UTPC sent teams of volunteers to assist in the rebuilding process, marking the first expansion of the organisation. *Un Techo para Mi País* (UTPMP) has expanded its work to 14 countries across the Continent, primarily in the wake of natural disasters. In 2005, UTPC received a USD 3.5 million grant to continue teaching fellow Latin American countries how to implement their own programmes following the same two-step formula (Inter-American Development Bank 2005). UTPMP offices are linked through UTPC and while initially Chileans provided the majority of training for new branches, that is now undertaken by members from many countries. Most UTPMP organisations focus primarily on constructing houses, but they are slowly incorporating the social programmes implemented by UTPC (per. comm 2009). In October 2008, UTPMP conducted its fourth *Encuentro Mundial*, a long weekend in which 15,000 UTPMP participants from around Latin America gathered to build houses in the host country (Argentina) and hold seminars and workshops to discuss the fight against poverty (UTPMP URL).

UTPC has sparked a continent-wide movement, led and supported by Chile's university students, to eliminate the most extreme cases of poverty in Latin America and to combat the factors creating and reinforcing poverty and inequality. Although the process may be slow, the relatively rapid growth and expansion of UTPC provides insight into how similar programmes might be adopted in other regions to assist with the global eradication of poverty.

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**Table 8.1: Workplaces and workers paid the London living wage** (December 2008)

Sector/workplaces	Date	Numbers (est)	Total gained
<b>Hospitals</b> Homerton, Mile End, Royal London, Whipps Cross	Phased in by 2006	1000	2006: £3,088 million 2007: £3,145 million 2008: £3,220 million
<b>Canary Wharf/City</b> Barclays, HSBC, Deutsche Bank, Morgan Stanley, Lehman Bros, PWC, Macquarie and others	2005 onwards - rolling	1700 (approx. 3000 cleaners in total but estimate 800 covered at Canary Wharf and 900 in City)	2005: not calculated but all workers included for 2006 and 2007 2006: £2,705 million 2007: £2,673 million 2008: £2,737 million
<b>Finance</b> Barclays (London wide)	mid-2007	1000	2007: 6 months only £1,572 million 2008: £3,220 million
<b>Higher Education</b> London University colleges: Queen Mary (QM), London School of Economics (LSE), School of Oriental and African Studies (SOAS), from Sept 2008	2007 (phase in to 2009 at LSE)	250 (QM and LSE) 50 (SOAS)	2007: 6 months only to reflect QM and LSE phase-in £163,800 2008: QM and LSE £335,400 2008: 4 months SOAS £22,360
<b>Third Sector</b> Institute Public Policy Research (IPPR), Child Poverty Action Group (CPAG), Big Issue, UnLtd, Association of Chief Executives of Voluntary Organisations (ACEVO)	2005 onwards	estimate 50	2006: £66,300 2007: £65,520 2008: £67,080
<b>Olympics</b>	2007 onwards	*	Numbers are very hard to measure: 3000 workers on site (2008) most not in relevant jobs.
<b>GLA family</b> City Hall, London Development Agency, London Fire and Emergency Planning Authority (LFEPA), Police, Transport for London	2006 onwards	100	2006: £132,600 2007: £262,080 2008: £1,207 million
<b>Retail</b> Westfield (White City shopping centre) 2008	2008	*	TBC
<b>Department for Children, Families and Schools (DCFS)</b>	2009	*	TBC
<b>TOTAL</b>		5250*	<b>£24,682,140</b>

\* The living wage will only reach significant numbers on the Olympics site, at Westfield and the DCFS during 2009.

Source: Authors' own calculations

Note: These figures are calculated using the difference between NMW and LLW applied to each hour worked for each worker in the year since the agreement was made. A rate of only half the difference between the NMW and the LLW is applied to those employed at Canary Wharf and the City as research suggests that these workers were already paid above the NMW. There is a mis-match between the award date for the NMW and the LLW (the former is in October and the latter is in May) and this will affect the detail of the calculations. Workers are assumed to work 36 hours a week for 52 weeks a year: 1,872 hours a year (not including overtime). Those at Queen Mary, SOAS and the LSE, those in the Third Sector and in the GLA family are assumed to work 15 hours a week: 780 hours a year.





authority over employers and politicians in order to hold those at the top of contracting chains to account for poor terms and conditions of work. Media exposure and popular pressure orchestrated by a broad range of civil society actors that stretch far beyond labour organisations and workers have proved critical in securing success.

This political model seems particularly well suited to an era of subcontracted employment relations and it is no coincidence that the last time London's politicians were forced to address the issue of a living wage was in the early twentieth century when the 'sweated trades' were having a similarly deleterious impact on the health and wellbeing of London's poor (Stedman-Jones 1976). At that time, the trade unions were able to use their 'political wing' (the emerging Labour Party) to try and prevent the downward pressure on wages and conditions of work (Crooks 1911). A hundred years later, when the trade unions are again, relatively weak, and subcontracted employment has grown very fast, the demand for a living wage has found resonance in poor communities in London. Furthermore, in a globally interconnected world, the concept is able to travel through the sinews of a subcontracted capitalism that squeezes ever greater surplus from workers all over the globe.

### Living wages in London

The London living wage campaign was launched in 2001 by London Citizens, a broad-based organisation including more than 90 faith groups, trade union branches, schools and community organisations (see Jamoul and Wills 2008; Wills 2004; 2009b).<sup>8</sup> The organisation is modelled on the Industrial Areas Foundation (IAF) that was founded by Saul Alinsky in 1930s Chicago, and which now has many local alliances across the US (Swartz 2008). The IAF has developed an organising strategy that fosters solidarity between local civil society organisations by identifying issues of common concern for collective action. These local alliances then use politics as a way to build power

and leadership at the grassroots (Osterman 2003; Warren 2003). Jonathan Lange, lead organiser of BUILD in Baltimore, has a mentoring relationship with the alliance in London. These links and the common experiences of subcontracted employment in the two cities made it relatively easy to translate the idea.

The London campaign began by researching the real cost of living in order to calculate a new living wage rate, as well as mapping the labour market to identify those workers who fell short of this rate.<sup>9</sup> This research found that the private and public sector organisations 'employed' large numbers of subcontracted cleaners, carers, caterers and security guards – most of them relatively new migrants to the UK - who were paid well below the new living wage (Wills 2001; 2003). Once launched, the campaign moved across different sectors of the labour market, first organising around domestic and catering workers at a number of NHS Trusts, then moving on to tackle the banks at Canary Wharf and the City of London, before its current focus on the universities, the cultural sector and luxury hotels. Whereas in the US, the campaigns have tended to focus on city authorities, demanding that public sector contracts provide a living wage, London's campaign has focused on a very wide range of targets including the private sector and new developments like the Olympics and the Westfield shopping centre as well as local authorities, transport providers and the NHS (see Table 8.1).

In addition to mobilising workers through their trade union branches and/or the local community in order to put pressure on particular targets, the campaign has creatively used institutions in the city – such as political bodies, religious organisations and universities – to 'scale-up' the campaign to urban dimensions. London Citizens has been particularly successful in using the Mayoral office to widen the scale of support. In the build-up to the Mayoral elections in 2004 and 2008, the alliance mobilised very large numbers of supporters to attend public assemblies with the main candidates for office. Each candidate was asked to support the living wage, as well as make commitments to public housing, street safety and an earned amnesty for irregular migrants. Given the scale of turnout and the breadth of representation, the victors in each election – Ken Livingstone (Independent but then Labour) in 2004, and Boris Johnson (Conservative) in 2008 – pledged their support. This allowed the campaign to shift responsibility for the calculation of the living wage rate to the Greater London Authority (GLA). The rate has

<sup>8</sup> *London Citizens is the city-wide coalition that includes The East London Communities Organisation (TELCO) along with South London Citizens and West London Citizens. Although the living wage campaign was launched by TELCO in 2001, it has subsequently been taken up by the city-wide body.*

<sup>9</sup> *While the campaign has focused on wages, it has also involved a demand for increased holiday entitlement (to increase the minimal entitlement from 20 to 28 days a year including bank holidays), sick pay (to secure at least 10 days a year) and support for union recognition.*







remained at least £1.50 above the National Minimum Wage (itself only implemented by the incoming Labour Government in 1997) and at the time of writing, London's living wage was £7.45 an hour (GLA 2008).

To increase the breadth of support, the alliance has used the significant number of Catholic churches belonging to London Citizens, and large numbers of the poor migrant workers involved in the campaign who are practising Catholics. The leader of the Catholic Church in the UK, Cardinal Cormac Murphy O'Connor, has given a Mass in honour of the migrant workers who keep the city functioning every May since 2006, and added his voice to the demand for a living wage and an earned amnesty for those without the papers to work. Likewise, the campaign has creatively exploited the commitment of other religions to practise their faith through action, speaking out over questions of ethics and moral concerns (Jamoul and Wills 2008).

In addition, London Citizens has found innovative ways to involve schools and universities, for example engaging students in issues like the living wage in order to teach about the value of democracy, the practice of politics and the wider meaning of citizenship. In so doing, students have formed relationships with other member communities, discovering more about the diversity of civil society in London today. Similarly, my university department has joined the alliance as a way to engage our students in the human geography of the city; undergraduate students are taught research methods through projects with London Citizens, designing their own research projects to generate data that supports ongoing campaigns.

By engaging London's local institutions, the living wage campaign has enabled London Citizens to start to create a different city. The campaign has already begun to use its political muscle to shape urban development – through deal-making with the Mayor, the Olympic Development Authority and the London Development Agency – and future targets include local authorities and Transport for London. While the living wage campaign has achieved much for some 5000 low-waged Londoners, the longer term goal is to create a civil society alliance that can articulate the needs and interests of the wider community over every aspect of life. In so doing, London Citizens would be recreating the city and its people, and challenging the authority of the market. Organised civil society would be the agents of a new moral economy, countering the market economy that remains so damaging – and dominant – today.





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