

# The Squeaky Wheel's Dilemma: New Forms of Labor Organizing in the Philippines

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## **Abstract:**

The paper details innovative strategies of local labor organizers to unionize workers under the hostile conditions surrounding export processing zones. The case study from the Philippines outlines a comprehensive, scalar strategy with an analysis of four key elements: first, the local political context; second, community-based organizing attentive to gender and justice issues; third, the adoption of multiple organizational forms; and fourth, the strategic extension of network ties to multiple geographic scales. Through a comparison with campaigns in other export processing zones, the study suggests that the most effective strategy for protecting labor rights combines social movement unionism with strategic international solidarity that supports core local efforts to organize.

*“In a labor surplus economy like the Philippines, the squeaky wheel doesn't get greased, it gets replaced.”*——Richard Szal, *International Labor Organization (ILO) Country, Director for the Philippines*

Workers hoping to organize in export processing zones (EPZs) around the world, it seems, do not stand a chance. Since the first critical assessments of EPZs, analysts have focused on how the multiple vulnerabilities of young female workers (Elson and Pearson 1981), the state's active role in labor suppression (Deyo 1989), and the hyper-mobility of capital (Brecher and Costello 1998) all contribute to the absence of labor organizing. These themes of exploitation and powerlessness have intensified in the writings on neoliberal globalization, which argue that increased international capital mobility automatically trumps actions by local labor (Boswell and Stevis 1997; Greider 1997).

Under such assumptions, few answers appear to the squeaky wheel's dilemma: how can workers in EPZs effectively organize in the face of mobile international capital, concerted labor control, and the disciplining power of high unemployment? The answer, according to much of the “globalization from below” literature, is for defenders of workers rights to match the mobility of firms by “going global” themselves, mobilizing their own transnational advocacy networks to help build more progressive international governance structures to enforce universal labor, and human

and environmental rights (Evans 2000; Moody 1997). In fact, labor rights and anti-sweatshop activism has recently surged around the world (Clawson 2003; Bonachich and Appelbaum 2000; Kamel and Hoffman 1999; Klein 2000). Yet, labor groups and EPZ workers have led some of the most dynamic and sustained examples of organizing in places such as Guatemala, Honduras, the Dominican Republic, South Korea, Bangladesh, and the Philippines (Perman 2004; Frundt 1999; Asia Monitor Resource Center [AMRC] 1998). The rise and success of local organizing presents both an analytical puzzle and much hope for workers in other locales fighting similarly long odds.

I suggest that critics of neoliberal globalization, while highlighting capital's mobility as an important barrier to organizing, tend to overlook the fact that labor control, even by multinationals, must be continuously reproduced locally within a shifting context. As labor control can never be absolute, the key question shifts from whether resistance and labor organizing are possible to what kinds of resistance and organizing are the most effective.

Drawing on a detailed case study from the Philippines, I argue that local groups can leverage the need for labor's consent and reproduction to develop a form of what Herod (2001) calls "labor's spatial fix" or a localization strategy for challenging mobile capital. This strategy includes a set of comprehensive community-based organizing tactics focused on justice issues—sometimes referred to as "social movement unionism"—that have been effective in developing countries as well as in the U.S. (Seidman 1994; Milkman 2000). However, workers in EPZs in less developed countries face additional hurdles of high unemployment, violent anti-unionism, mobile multinational firms, and political repression by a domestic government eager to retail foreign investments. To counter these added dilemmas, local labor groups may need to combine a social movement unionism approach with what I call "labor's scalar fix."

Such a comprehensive, scalar strategy includes four key elements: first, a close analysis of the local political context in order to strategically create/ exploit the political space for organizing. Second, an emphasis on community-based organizing involving rank-and-file workers and attentiveness to gender issues. Third, the shifting adoption of multiple organizational forms—for example, from non-government organization (NGO) to trade union and back again—in order to leverage the advantages of these different institutional structures. And fourth, strategically extending these action repertoires and network ties to multiple geographic scales: from the local to the provincial to the national to the international in order to build an array of alliances that can help pressure the local government, zone officials, and transnational companies, while supporting the organization's core efforts to organize labor, even as political conditions change.

The paper illustrates this comprehensive organizational and scalar strategy through the case study of one group that has pursued this alternative approach to organizing in the Philippines. Despite the repressive local conditions that surround EPZs, the organization has gone from providing disco parties for workers to becoming a full-fledged and militant labor alliance with twenty-two affiliated unions and over two thousand members in its first five years. The case also demonstrates that although transnational network ties are increasingly important for cross-border organizing, building what Moody (1997) calls "international social movement unionism," rests fundamentally on developing strong local organizational capacities.

Data for this paper is based on participant observation in the Philippines with the Workers Assistance Center (WAC) and the Solidarity of Cavite Workers (SCW) over an eleven-month period in 1999 and a follow-up visit in 2003. Interviews with twenty-five staff members, organizers,

workers, and local officials were conducted in and around the EPZ, and written primary and secondary materials were also collected from the union, church, and local and national government sources. Participant observations included extended stays with staff organizers at the worker center; visits with organizers to workers' boarding houses and with organizers and workers to factories; observations of planning meetings, worker trainings, congresses, and demonstrations; and presence at several strikes. Interviews were conducted in both Filipino and English.

The paper first situates the case study in the theoretical debates regarding EPZs, globalization, and unionization in developing countries. It then gives a brief overview of EPZs and labor relations in the Philippines. The third and main section focuses on the case study, tracing the development of the organization's strategies and institutional forms as they shift across different geographical scales. Finally, the concluding section addresses the limits and potentials for the group and the implications the case has for labor organizing strategies at other EPZs.

### **Social Movement Unionism: A Scalar Approach**

Studies of Philippine export processing zones have characterized them as simple sites of super-exploitation: employment of marginal workers, despotic control by management, low wages, extensive labor subcontracting, and active suppression of unionism (Ohara 1977; Aldana 1989). Recent assessments of EPZs around the world and in the Philippines argue that these conditions are only amplified by globalization (Perman 2004; International Labor Office [ILO] 2003). What these studies share is a faulty perception of EPZs as entirely deregulated enclaves, where foot-loose foreign investors, unencumbered by national oversight, thwart labor organizing with impunity (Amirahmadi and Wu 1995; Burawoy 1985).

Yet, as others have argued, the spread to developing countries of increasingly sophisticated industrial production can actually create more favorable conditions for union organizing. Production in key export industries such as electronics and even garments must meet rising quality standards and tight delivery deadlines, which often push firms to keep large-scale production inhouse, while also intensifying the capitalist work relations experienced by the workers themselves (McKay 2006; Hutchinson and Brown 2001). In addition, even mobile multinationals still need to recruit and retain local workers and alone cannot control all the conditions for stable production. Precisely because employers must rely on a range of actors beyond the factory gates—from zone administrators to local officials to provincial police—changes in the local political landscape can provide the political opportunity for contesting labor control (Jonas 1996). Thus, as Rudy (2004, 133-149) has shown in the U.S., a strategic assessment of the local political context is essential, even for those implementing a previously successful campaign model.

Innovative labor organizers across the globe have combined such political analysis with a wide array of mobilization tactics. Just as firms have extended labor control outside the factory, labor groups, in their “dance of conflict” with employers and the government, have countered by expanding their own repertoires, drawing on the progressive traditions and resources of community- and church-based movements (Piven and Cloward 2000). As recent analyses have shown, successful unionization campaigns in both the Global North and South have used a comprehensive “social movement unionism” approach that combines significant resources, strategic targeting, active rank-and-file participation, one-on-one home visits, small group meetings and trainings, a focus on justice issues, and aggressive pressure tactics both inside and outside the workplace (Bronfenbrenner and Hickey 2004, 17-61; Frundt 1999; AMRC 1998).

However, labor organizers facing transnational firms and notoriously anti-union conditions in developing country EPZs have also developed additional strategies that are less emphasized in the literature based on the U.S. context. In countries where labor organizers face official restrictions on formal unions, taking other organizational forms may better exploit restricted political space. In Indonesia, where independent labor unions were banned until 1998, workers helped develop semi-clandestine community groups usually organized as non-governmental organizations (NGOs) that have more political leeway to operate (Hadiz 1997). Similarly, in Bangladesh, where unions are still banned from EPZs, the Bangladesh Independent Garment-Workers' Union got its start from the "underground" activities of female workers cooperating with local and international NGOs, women's groups, and human rights groups (Rock 2001, 27-47). As will be discussed in the case study below, Philippine labor groups, facing similar obstacles, have also used this multi-organizational strategy.

Labor organizers facing hostile local conditions have also taken actions and built networks at multiple geographic scales to boost their bargaining leverage. Navigating between the pressures of globalization and their vulnerability to what Tarrow (1998) calls, "the tyranny of de-centralization," local labor and other grassroots organizations in developing countries have often used a "boomerang" strategy (Keck and Sikkink 1998). This strategy involves building solidarity links to consumer, labor, and other groups in the advanced industrialized countries that can then apply external pressure on developing country governments to enforce international and local labor laws as well as "shaming" brand-name companies into forcing their sub-contractors to respect workers' rights (Clawson 2003; Klein 2000). However, as Frundt (1999) found in Central America and the Caribbean, sustained cross-border unionization has been most successful when high profile transnational corporate campaigns have been anchored to intensive local (and often clandestine) union organizing. Herod (2001, 43) makes a similar argument, noting that while international alliances broaden the "spaces of engagement" with transnational employers, "the contingent nature of such spaces of engagement means that frequently actors may attempt to 'go local' to outmaneuver more globally organized opponents." The interesting development in the case below is the movement of activity from the community- and factory-level directly to the international scale in order to support initial organizing and union formation. Once established, this strategy was followed by a spread to the provincial and—it is hoped—national level to institutionalize and cement hard-fought gains at the lower levels, particularly in the face of changing local political conditions.

## **Philippine Labor Relations and EPZs**

To better understand the new organizing strategies in the Philippines, it is important to first outline the industrial relations system and recent changes in the conditions for unionization, especially in the EPZs. The Philippines inherited a plant-level collective bargaining model of unionism from its American colonizers, who patterned the system after the U.S. National Labor Relations Act of 1937. And like its American counter-part, the Philippine labor relations system remains decentralized, legalistic, and adversarial (Erickson et al. 2003). A major role is played by the Philippine government, whose export-led industrialization strategy focuses on luring foreign investment, emphasizing (and enforcing) a low-wage, "industrial peace" regime. As Virgilio Fulgencio, executive director of the Department of Trade and Industry's Center of Industrial Competitiveness bluntly remarked, "The Japanese are now our biggest investors. But there is only one fear the Japanese have, problems with uninterrupted production. Many locators want a 'guarantee' of no strikes. Without it, they won't locate here." One result is that the Philippine labor

movement has declined since the mid 1980s and remains quite fragmented. There are ten National Labor Centers, 171 federations, and 16,724 unions with a claimed membership of over 1.5 million (10 percent of wage and salary earners), but only 555,000 workers (2 percent of wage and salary workers) are actually covered by collective bargaining agreements (Bureau of Labor and Employment Statistics [BLES] 2005).

Indeed, the EPZ program has been at the vanguard of the government's foreign investment strategy, and the labor relations system within the zones has served as a model for wider industrial relations policy "reform." Such "reform" has usually been in the form of increased "flexibility" for employers, strengthening their hand by allowing increased sub-contracting, longer working hours, low wages, union avoidance, and union-busting through the selective enforcement of the nation's labor laws (International Confederation of Free Trade Unions [ICFTU] 2003). Although all national labor laws are officially applicable in the zones, the Philippine Economic Zone Authority (PEZA), which fashions itself as the most "employer-friendly" state agency, acts as a filter. One local administrator boasted,

We [the government zone authority] have a commitment to locators that they deal only with one government agency, so if there is a problem, like a minimum wage problem, we deal with it first. We have an understanding with the Department of Labor and their inspectors; they can't come in here without going through us first. (Zone Manager1999)<sup>1</sup>

The Philippines' first EPZ was established in Bataan in 1972, followed by three other state-run zones in Mactan (1978), Baguio City (1979), and Cavite (1986). But in 1995, the Philippine government began a new aggressive tactic to lure more foreign investment—restructuring, expanding, and privatizing its zone program. Today, there are sixty-one operational zones (only the original four are government-owned) with over one thousand firms that directly employ 328,000 workers. The Cavite Economic Zone (CEZ) is the largest zone, with 259 firms employing over 68,000 workers (Philippine Economic Zone Authority [PEZA] 2005). The zone is dominated by multinational electronics firms (66 percent) that along with other zone firms export \$30 billion worth of goods a year, or 80 percent of total Philippine exports (PEZA 2005). However, union organizers have had difficulty making inroads into the EPZs: in 1999 the electronics industry had only ten unions with about 2,200 members, while the garment industry had only thirty-four unions with about four thousand members (Bureau of Labor Relations [BLR] 2000).

### **Labor Control in the Zones**

As the zone program has evolved, so has the government's labor control strategies, which have spread from the firms and zones to also involve local and provincial governments. In the first zone in Bataan, workers were housed in on-site dormitories in large part to isolate them, make them dependent on government housing, and to centralize surveillance and control. While the zone successfully drew foreign investors, working conditions were poor and the concentration of workers in common housing blocks proved a tinderbox for union organizing (Vasquez 1987). Following a string of individual strikes that were met with police violence, local labor groups staged a four-day zone-wide strike in 1982 involving thirteen thousand workers, the first general strike in an EPZ anywhere in the world (Dejillas 1994; Scipes 1996). By 1987, 89 percent of the zone's workforce was organized, a remarkable level given that the country's overall unionization rate was less than 20 percent and there were no unions at the other three zones (Aganon et al. 1998; Perez 1998, 98-134).

The hard lessons learned at the Bataan zone were not lost on the central Zone Authority, which used quite different labor control strategies to suppress unionization at the Cavite Economic Zone, the last—and by far the largest—of the four government zones. First, the zone was strategically planned to dampen organizing. As one zone administrator noted,

Their main mistake in Bataan was it was too isolated. Everyone had to migrate, which meant they had to create a community inside the zone. Unrest at Bataan was high because of the dormitories: it made it easier to organize them. (Division Chief 1999)

Thus in Cavite, there is purposely no central worker housing. Workers end up as “bed spacers” in small makeshift boardinghouses that are widely dispersed throughout the community, making worker identification and house visits by union organizers more difficult. Zone officials have also used union-substitution tactics. As one administrator noted,

We learned to forget about unions and instead, put in LMCs [Labor Management Committees]. We push LMCs because they are much better than a full-blown unionized workforce. It’s not that I’m antiunion. I’m just pro-industrial peace. (Zone Administrator 1999)

But the biggest factor in the “success” of the zone was the close collaboration with the local and provincial governments to broaden labor control. In fact, Juanito Remulla (former governor, 1979-86, 1988-95) touted Cavite as a prime foreign investment destination by promising and brutally enforcing a “no union, no strike” policy and declaring the entire province an “Industrial Peace and Productivity Zone” (Coronel 1995, 1-32). He also created a special police force that patrolled the industrial estates and EPZs and used a network of paid informants. Militant and moderate unions stayed away from Cavite, intimidated not only by zone police, but also by the disappearance and “salvaging” of emergent labor leaders (Sidel 1999).<sup>2</sup> The governor was particularly effective in maintaining control through the political loyalty of local mayors. As one zone official noted,

If one company has a [labor] problem, the local officials get involved with the solution. The mayor has a lot of say about how these workers behave. If a worker is causing trouble, the mayor talks with the parents or the worker herself. (Division Chief 1999)

However, despite the complexity of labor control, the system proved to be neither entirely stable nor static, particularly as the local political context shifted. First, the very “success” of the zone led to a host of new problems. The influx of tens of thousands of migrant workers led to severe crowding and town services were quickly overwhelmed, creating persistent problems with housing, pollution, sewerage, water, healthcare, and crime (Doyo 2000; Province of Cavite 1999). Second, working conditions in the zone were often quite harsh, with workers facing little job security, forced overtime, forced lay-offs, and abuse by supervisors (Perez 1998, 98-134; Aganon et al. 1998). One study found that over 38 percent of zone workers interviewed were paid below the minimum wage of 155 Pesos or U.S. \$3.50 per day (Workers’ Assistance Center [WAC] 1996). With over forty thousand zone workers, the town had become in many ways what the zones planners had hoped to avoid—a dense community of workers with many shared grievances.

The break for labor organizing, however, did not come until 1995, when a gubernatorial election helped create a political opening for organizing. A new contender emerged who tried to woo the votes of the province’s mushrooming worker population by campaigning on a pro-labor

platform (Aganon et al. 1998). For the first time, workers were recognized and legitimated as a political constituency forcing local politicians to take up labor issues. With backing from both the president and local citizens, the new challenger was elected, directly leading to a wider political space for union activity.

## **The Rise of New Organizing Strategies**

While the 1995 election was an important turning point, labor organizing around the zone remained quite dangerous as many local government officials continued their staunch anti-unionism and kept closely tied to the still-hostile zone administration. Under such conditions, it was the emergence of an innovative labor group—the Workers Assistance Center—that developed new organizational forms and strategies at different geographical scales that, for the first time, opened up the zone and surrounding area to widespread union organizing.

### ***Local-level NGO Organizing***

The Workers' Assistance Center (WAC) began as an initiative of a local Catholic priest, Father Jose Dizon. Father Dizon had a long history of social activism and at his previous parish had established a church- and community- based labor program that successfully helped organize a multinational wire-harness firm and win a first contract for its 3,600 workers (Aganon et al. 1998). When he was transferred to the Parish of Rosario, where CEZ is located, he quickly focused on the plight of zone workers. As one WAC organizer put it,

Our main goal is to organize workers, since everyone else they face is organized: the [zone authority], the local government, the personnel managers, all of them. It's only the workers who aren't organized. (Dizon 1999)

But at the time of Father Dizon's transfer in 1995, the climate of fear around the zone was still quite strong. As a first step to institutionalize his efforts, he set up WAC within the Catholic Church's socio-pastoral program. For the first year, WAC established itself solely as a labor assistance group, organizing church services such as prayer meetings, a workers' mass, and a choir. WAC also organized social events like beach outings, discos, and birthday parties to provide a break from the monotony of factory work. These events were a nonthreatening way to bring workers from different factories together, provide a venue to air workplace grievances, and introduce the organization and workers' issues. In 1997, WAC registered itself as an NGO focused on labor issues. According to Father Dizon, its tactic as a NGO was to exploit its connection to the church instead of openly organizing labor unions. WAC's initial organizers also did not have labor union backgrounds; most were women from church-affiliated urban ministries, progressive peasant organizations, and the wider women's movement. This proved key as 73 percent of the zone workers are women, and only other women and Father Dizon, as a priest, were allowed to visit female workers in their boarding houses at night for meetings.

In many ways, the WAC's early organizational strategies paralleled the approach taken in other developing countries. In the 1970s, for example, local female workers in Korean EPZs facing similar state repression and co-opted official national unions also sought the help of progressive Christian churches, which faced less opposition from the state, had an existing internal organizational capacity, and maintained strong international links (Koo 2001).

Programmatically, WAC concentrated on analyzing local conditions, publicizing working conditions, and educating workers about their rights. First, WAC launched a systematic investigation of the zone: surveying workers, collecting zone statistics, and interviewing key community figures. The research produced detailed information on firm and product characteristics, types of employment contracts, demographic profiles of workers, conditions in and around the zone, and details of the labor violations and anti-union activities perpetrated by firms, the zone administration, and local government officials (WAC 1996). The project, meant to help develop organizing strategies, also helped publicize working conditions to a national and international audience. WAC also specifically addressed issues important to female workers, highlighting cases of sexual harassment, the firing of pregnant workers, and discrimination against married and older women, exposure to hazardous chemicals, and the prevalence of urinary tract infections among workers due to forced overtime (WAC 1996; 1999). In terms of services, WAC established a labor education and training program, started livelihood programs such as a workers' loan fund, and provided legal assistance to help workers file grievances and navigate the Byzantine Philippine legal system.

The initial success of WAC as a church-led NGO emboldened the organizers to launch a second phase towards unionization in 1997: the encouragement of workers' self-organization. However, in order to appear less threatening than a trade union, another NGO was founded, the Solidarity of Christian Workers (SCW), that would nevertheless directly support plant-level union formation. Again, this represented an explicit organizational strategy. As a church-related group, SCW and its sister organization, WAC, had a closer relation with the local community, and as an NGO, it did not have to register with the Department of Labor and Employment (DOLE), thus avoiding the heavier government regulation of unions. Its NGO status also meant that SCW was open to all workers, employed and unemployed, which was particularly important because of the large number of casual workers and high turnover rates in the zone. For example, in a metal fabrication plant SCW targeted for organizing, forty five workers with ties to the group were fired. Yet these fired workers remained SCW members and continued to assist the organizing drive. Similarly, at a garment plant, management used the common practice of employing both permanent and casual workers. As SCW began organizing, the employer tried to pit them against each other. SCW responded with its own two-pronged strategy: organizing the permanent workers into a union while also recruiting the casual employees as associate members of SCW.

By 1999, WAC and SCW had overcome most of the early difficulties of start-up: as NGOs they had become recognized and legitimate advocates of workers rights in the zone and worked closely with other community groups through their religious activities, livelihood projects, and legal services. In particular, they had developed close relations with a collection of forty other NGOs in the local area that worked among the urban poor, women, fisherfolk, and landless agricultural workers, and had proposed creating a provincial forum to bring labor and church groups together on worker issues (Cavite Workers-Church People Conference [CW-CPC] 1999). The connection to the community also extended to local officials. Following the 1998 gubernatorial election, WAC quickly reached out to the new pro-business governor who had also sought workers' votes. WAC then arranged for a national government official to formally open—and therefore officially legitimize—a satellite office for labor organizing and services, despite its strategic placement just outside a new, private export zone (WAC 1999).

Thus, under the strategic organizational cover of the church, WAC and SCW were able to establish themselves at the local level and begin the groundwork for eventual union organizing despite the still-hostile political climate. Their success echoes that of U.S.-based groups, who have

also shown that even under difficult conditions, local labor organizers can help *create* the political space for organizing by making workers' rights a visible public issue, then drawing local political players into the dispute (Rudy 2004, 233-149).

### **Building International Support and Solidarity**

Although local organizing was always the central goal, WAC and SCW understood the value of external support, and from the very beginning forged ties at the international level with progressive church, labor, anti-sweatshop, and trade union organizations. In particular, WAC and SCW found international support crucial in three strategic areas, namely building institutional strength, increasing bargaining leverage for union recognition, and raising publicity about the plight of zone workers to a broader audience. But WAC and SCW were also careful not to become solely dependent on outside funding and let international organizations set their agendas. In this sense, their strategy was similar to unionization efforts in Korea and Bangladesh, which also emphasized the centrality of local organizations, backed by international solidarity (Jung-ok 1998, 7-26; Rock 2001, 27-47).

Institutionally, as WAC and SCW expanded their organizing efforts, they wanted to become less dependent on the local Catholic Church, yet continue to use their church connections to access resources, particularly from churches abroad. To this end, WAC and SCW—through the work of Father Dizon and one staff member dedicated to maintaining international solidarity links—raised money from several European churches and international labor federations to build an independent labor center in 1998, the Bahay Manggagawa (Workers' House). Built in a strategic location close to the zone, Bahay Manggagawa was designed to be a multi-purpose workers' center, with a large office for both organizations, a meeting space for assemblies, trainings and seminars, and dormitories for men and women attending multiple-day retreats. The center gave both organizations increased profile in the community and became a central location where workers from the zone could seek legal advice. The central office also gave the organizations stability, even as organizing campaigns waxed and waned.

WAC also used international support to improve its strategic planning and the capacity of its local organizers. For example, WAC kept close ties with the Hong Kong-based Asia Monitor Resource Center (AMRC), a labor-focused international NGO. As part of a study of female workers in Asian EPZs, AMRC consulted on and helped fund WAC's initial research study of zone conditions. AMRC then assisted WAC in publishing—in Filipino—the results of their initial survey of zone conditions so that it could be distributed and read locally. Meanwhile, AMRC also made it possible for local WAC organizers to participate in international workshops that brought together EPZ organizers from Asia, Latin America, and the Caribbean to share stories and strategies (WAC 1996; AMRC 1998). This initial training helped the organization continue its research functions, producing further strategic research on female workers and the electronics industry to support future campaigns (WAC 2001; 2003a; 2003b).

Not only has international support increased local bargaining leverage, it has also been instrumental in several union drives. For example, WAC and SCW began organizing workers at a German company—Kalayaan Arts and Crafts Inc.—which produced carved religious icons. The company had not paid its workers for up to three months and was pocketing the employer contributions to the government social security and social insurance funds. When workers organized a union in 1999, the company fired the union president and several union officials. WAC filed a case

against the company with the Department of Labor and Employment while simultaneously launching an international campaign. The campaign drew international support, particularly from European church and labor groups, which identified shops that sold the company's products in Germany and Austria and helped launch an international petition aimed at the company's German owner and the Philippine government. In large part due to the pressure of the international campaign, the case was quickly taken up by the National Conciliation and Mediation Board for voluntary arbitration, which decided in the workers' favor. Workers received their back pay, the union officers were re-instated, and the company was forced to recognize the union. In 2001, the company finally began collective bargaining negotiations with the SCW-affiliated union (WAC 2002).

In another case, WAC attempted to help three hundred downsized workers at a shoe factory obtain their legally-mandated separation pay. After initial efforts to negotiate with the management failed, WAC turned to other tactics. Since the firm was a sub-contractor for Reebok, WAC mobilized parishioners, local and international church groups, and international anti-sweatshop activist networks to launch a letter-writing campaign, which helped convince the firm's management to sit down with workers to resolve the issue (WAC 1999)

Finally, WAC has strengthened solidarity ties to help publicize labor violations and anti-union actions, which in turn keeps pressure on firms, their transnational parent corporations, zone officials, and the Philippine government. Their efforts were significantly strengthened by the heightened international awareness about conditions at the Cavite Economic Zone brought about through Naomi Klein's (2000) anti-sweatshop book, *No Logo: Taking Aim at the Brand Bullies*. Building on this momentum, WAC launched an international campaign in 2001 to support SCW's local union organizing in nine firms in CEZ. The international campaign targeted action at several levels including multinational firms with ties to local producers, such as Gap, Nike, Calvin Klein, Liz Claiborne, Timberland, and Target; the Philippine president; the national zone authority; the DOLE; and local officials (Clean Clothes Campaign 2001). WAC and SCW's involvement in international networks also expanded their range of labor activism. For example, WAC is a member of the Canada-based Maquila Solidarity Network, and has been active with several anti-sweatshop groups, notably the Netherlands-based Clean Clothes Campaign and U.S.-based Global Exchange. As part of these networks, WAC representatives have participated in international seminars on corporate codes of conduct and the training of labor monitors for an independent monitoring campaign.

WAC and SCW, then, clearly tapped international solidarity to help support their own initiatives and boost their institutional strength, visibility, and bargaining leverage. When faced with local resistance, their use of these "boomerang" strategies helped direct pressure from more powerful outside supporters on to local players, such as sub-contracting firms and local officials (Keck and Sikkink 1998).

### ***National Links and Provincial Institutionalization***

By 1998, WAC and SCW had become firmly established around the zone—and to an extent at the international level—as legitimate labor organizations. However, they also experienced real limits, since as labor NGOs they did not have a formal role in the Philippine labor relations system. While they had successfully helped establish nine independent unions at the shopfloor level, as a labor NGO, SCW could not formally be involved in conducting elections and negotiating collective bargaining agreements (CBAs). The organizers also planned to ratchet up their efforts and publicly

announce their alliance with a militant national trade union labor center. Anticipating political backlash for such a move, WAC and SCW hoped to better institutionalize and formalize their organizations. Thus, in 1999, SCW held a new Congress renaming themselves the Solidarity of Cavite Workers and declaring themselves a province-wide labor alliance, rather than an NGO, with the ultimate goal of becoming a national labor federation (Solidarity of Cavite Workers [SCW] 1999).

The transformation into the Solidarity of Cavite Workers in many ways transformed SCW's identity. WAC and SCW continued to work closely, but created a clear division of labor to leverage their institutional strengths. While WAC as an NGO concentrated on workers' rights education, union training, legal assistance, and international solidarity work, SCW focused on direct union organizing, contract negotiations, and member services. For the first time, organizers for SCW campaigned openly as a militant, rather than a "Christian" labor alliance, declaring their support for "genuine, militant, and anti-imperialist unionism" (SCW 1999). They also branched out to solidify their contacts with progressive peasant and labor groups throughout the province. For example, one of the founding unions of the new SCW was not based in the zone, but at a nearby 750-hectare golf course, reputedly the largest in Asia. SCW had succeeded in organizing the fairway maintenance workers, who were mostly evicted tenant farmers earning below minimum wages without benefits. They also began openly organizing at several of the provinces privately owned export zones, particularly at large multinational electronics firms that owned their own factories (WAC 1999). Finally, WAC also formed another new affiliated group, the Friends of the Workers, intended to help build further alliances and "provide a venue for the participation of the middle class sectors in workers' issues and struggles" (WAC 2001).

By the end of 1999, WAC had six staff members in their office near the zone and three each in two satellite offices in other part of the province. The satellite offices worked closely with SCW, which now had fifteen organizers who had helped organize twelve affiliated unions and were at the contact level with many others around the province. By 2002, SCW had helped organize and register twenty-two affiliated unions with over two thousand members, making it a major force in the provincial labor movement. But as SCW expanded, they also tried to maintain gender balance among their organizers and leadership: the president of SCW was a woman, as were over half of the fifteen members on their Council of Leaders (WAC 1999). In this way, SCW is similar to the case of Korean workers in the Masan and Gumi EPZs, who maintained female workers' leadership in their organizations even as they made the shift from NGOs and became increasingly institutionalized and part of the wider Korean trade union movement (Jung-ok 1998, 7-26).

### ***Limits and Potentials***

Despite their successes, since coming out as a labor alliance openly affiliated with a militant national labor center, SCW has faced a number of obstacles that has limited their expansion and blocked the attainment of their goal to become a full-fledged labor federation. In particular, while initial union organizing and registration is difficult, completing and winning a certification election, getting the firm to agree to collective bargaining, and winning a first contract are much harder still. SCW has also lost much of the institutional "cover" that the church provided before the transition to a labor alliance. Relations with local government and zone officials, which before were somewhat neutral, have gotten much cooler, particularly after the election of a vehemently anti-union governor in 2001. Employers have also retaliated, effectively using a variety of anti-union strategies, including violence, threats, bribes, forced lay-offs of union leaders, forced temporary shut-downs of entire

plants, and forced retrenchments coupled with a shifting of production to non-unionized firms (WAC 2002).

For example, in 2001, SCW organized a demonstration in the capital at the national economic zone authority office to draw attention to a five-month old strike at the Cavite zone. The following day, inside the zone, authorities ordered the zone police to break up the picket lines at the garment firm being struck, injuring several workers and organizers and arresting five union leaders (Ponte 2001). When picketers resumed their protest the next day, zone police barred WAC and SCW organizers from entering the zone; they have since enforced an effective ban of known WAC and SCW organizers.

Nevertheless, WAC and SCW have continued their activities, in large part because they now have a stronger institutional base. For example, although their affiliation to the militant national labor organization has created some animosities, WAC and SCW have also been able to draw on the resources and organizing expertise of this organization as it now faces open conflict with employers, the zone administration, and local governments. And in response to the problems of organizing casual workers in small garment firms, WAC and SCW are targeting the private economic zones in Cavite that house large subsidiaries of American, European, or Japanese specifically studying both the growing electronics assembly industry and its primarily young, female workforce (WAC 2003a; 2003b). SCW, meanwhile, succeeded in organizing one electronics firm in a private economic zone with over six hundred workers. It is the first union within the privately owned and operated zone and one of the first in a large multinational company operating in Cavite (WAC 2002).

## **Conclusions**

Organizing unions in EPZs remains a daunting challenge. Some “successful” zone programs—such as in Ireland and Singapore—have attracted higher quality investments and more sophisticated production by facilitating worker representation, guaranteeing labor rights, and upgrading working conditions (United Nations Conference on Trade and Development [UNCTAD] 2002). Unfortunately, such programs remain the exception, and in many other countries—including China, Bangladesh, Pakistan, Cameroon, El Salvador, Kenya, Honduras, Costa Rica, Turkey, and the Dominican Republic—governments continue to woo foreign investors with promises of cheap and docile labor, systematically denying EPZ workers their rights to association and collective bargaining (International Labor Office [ILO] 2003).

The case of Philippine EPZs, then, represents a widely shared scenario local labor groups face around the world: persistent high unemployment that acts to discipline restive workers, state authorities unwilling to enforce labor rights for fear of losing investments, and employers—in conjunction with local officials—wielding a wide array of union-busting weapons.

However, as the case study also points out, labor control is not without its fissures and instabilities, and unionization is possible even against such odds. Thus, some conclusions and lessons from the Philippine case may prove useful to those struggling elsewhere for labor rights. First, understanding the local political context can help create/exploit political openings for collective resistance. Although the fall of an anti-labor governor in the Cavite case was pivotal, the seeds of labor organizing were sewn much earlier by the dramatic demographic changes in the town around the zone and the active (but largely invisible) organizing by the progressive church groups. The cultivation of ties with emerging politicians as well as a thoroughly researched socio-political

profile of the zone and its surroundings then helped WAC and SCW develop local strategies and allies.

Second, WAC and SCW successfully exploited the political opportunities for organizing in large part because they combined tactics that both drew on and extended previous grassroots strategies. Together, the two groups followed an international “social movement unionism” model that many in the labor movement have called for in the face of increased globalization (Fantasia and Voss 2004; Moody 1997). Indeed, close observers of the Philippine labor movement have also recently urged Philippine unions to pursue such an “adapt or die” strategy, imploring unions to use “varied organization forms aside from traditional unions, . . . operate beyond collective bargaining, . . . provide] innovate services to members mixed with political militance, . . . and [partner] with NGOs, academe and other social movements . . . [as part of the] national and international anti-globalization movement” (Añonuevo 2004). In effect, WAC and SCW have been fulfilling such a call since they emerged in the mid 1990s, taking a community-based labor-center approach with a focus on women’s and justice issues, and opening membership to wider community participation. As a number of studies have documented, the labor center model has been successful in organizing other low-wage workers in a variety of contexts (Bronfenbrenner et al. 1998; Milkman 2000). But WAC and SCW also used an innovative combination of organizational structures—a church group, labor NGOs, and finally, a trade union alliance—in order to pry open political space and institutionalize their gains while circumventing the wrath and regulation of the national and local governments. In addition, the two organizations have been flexible in their campaign strategies. For example, in response to the employer backlash of shutting down firms in which workers are unionizing, the two organizations have begun to research, then selectively target larger, multinational electronics firms that are less apt to suddenly close shop due to their more sophisticated production, high sunk costs, and tight delivery schedules.

Finally, the Philippine case demonstrates the power and importance of strategic transnational solidarity that puts local unionization and organization- building first. From quite early on, WAC and SCW developed an internationalist approach, using a strategy some have called “jumping scales.” However, scale jumping is much more than simply a move upwards to the international level. Rather, it is “a process of developing networks of associations that allow actors to shift between spaces of engagement” along a continuum from the local to the global (Herod 2001, 43). In other words, this multi-level “scalar fix” has allowed WAC and SCW to use deep connections with local community groups, simultaneously drawing support from national-level unions and international networks, thus putting diverse and multiple pressures on firms, zone officials, and the local government. But, like other successful EPZ unionization campaigns—such as those in Haiti, Nicaragua, and Sri Lanka, WAC and SCW’s union drives garnered crucial external support from international labor groups and NGOs that were interested not only in “shaming” global corporations but that genuinely viewed union organizing by local workers as the best and most sustainable way to protect and extend labor rights (Fruendt 1999; Perman 2004). With this understanding and working relationship, linking to international solidarity networks allowed the local grassroots organizations to benefit from new forms of transnational labor activism, such as independent monitoring of corporate codes of conduct and involvement with student/ consumer anti-sweatshop campaigns targeting large retailers, without sacrificing their core mission: helping local workers realize their collective voice and power through unionization.

#### *Notes*

*1 Some interviewees requested confidentiality. In those cases, the author*

*provides dates and locations only.*

*2 “Salvaging” is the term used in the Philippines for the murder and public disposal/display of a victim’s body often used as an intimidation tactic.*

*3 In order to become an official labor federation, the group must have at least fifteen affiliated unions and ten established collective bargaining agreements (CBAs).*

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