Beyond Elitism: The Possibilities of Labour-Centred Development

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Beyond Elitism: The Possibilities of Labour-Centred Development

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BEYOND ELITISM: THE POSSIBILITIES OF LABOUR-CENTRED DEVELOPMENT

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ABSTRACT

This article outlines the theory and practice of Labour Centred Development (LCD). Much development thinking is elitist, positing states and corporations as primary agents in the development process. This article argues, by contrast, that collective actions by labouring classes can generate tangible developmental gains, and therefore, that under certain circumstances they can be considered primary development actors. Examples of LCD discussed here include shack-dweller’s movements in South Africa, the landless labourer’s movement in Brazil, unemployed worker’s movements in Argentina and large-scale collective actions by formal sector workers across East Asia. The article also considers future prospects for LCD.

Labour-Centred Development, Labouring Classes, Brazil, Argentina, East Asia, South Africa

1 – INTRODUCTION

This article advances new ways of thinking about human development. A prior article identified how Elite Development Theories (EDTs) – including neoliberal, statist and some Marxist, – conceive of ‘the poor’ (including laboring classes) as human inputs into or at best as junior partners within elite-led development processes.¹ A foundational assumption shared by EDT’s is that the poor cannot achieve their own amelioration, and that they must (be forced to) acquiesce to

¹ Selwyn ‘Elite Development Theory’.
superordinate agents’ conceptions of and strategies for achieving their development. This elitism (re)frames the poor as passive beneficiaries of elite policy and legitimates their economic exploitation and political repression. The essential paradox of EDT and practice is that it oppresses and exploits labouring classes for the ostensible benefit of those labouring classes.

Against Elite Development Theory, this article argues for an alternative paradigm of development thinking and practice that allocates primary agency to labouring classes. Such a paradigm shift requires an enquiry into, investigation of and an attempt to theorise how collective actions by labouring classes can generate developmental improvements for themselves and their communities. Following this introduction section two provides the theoretical foundations for the concept of Labour-Centred Development (LCD). It roots LCD in Marx’s identification of the political economy of the working class. Section three provides contemporary examples of Labour-Centred Development. These range across economic sectors (industry and agriculture) and vary to the extent of the (in)formality of the labouring classes involved. They illustrate how collective actions can generate immediate material improvements in the livelihoods of the participants and their communities, and novel organisational and collective resources. Section four concludes by discussing the extent to which LCD is a minority phenomenon, and prospects for its expansion in the future.

The term labouring classes here refers to ‘the growing numbers…who now depend - directly and indirectly - on the sale of their labour power for their own daily reproduction’. The global labouring class includes formal, informal and unemployed workers across economic sectors. The global expansion and

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3 Panitch and Leys ‘Introduction, 1x ’.
reproduction of capitalism simultaneously increases the direct wage-labour force (employed workers) and the reserve army of labour (unemployed workers).⁴

Large labouring classes exist in the rural sector as rural wage labourers and unemployed workers, and as disguised workers within peasantries.⁵ The definition of labouring class used here illuminates workers’ incorporation into and dependence upon the labour market for their social reproduction and the forms of employment/work undertaken following the sale or non-sale of their labour power.

Before continuing two caveats are due. This article provides a few cases of LCD. Other cases exist, historically and contemporarily, and future scholarship will illuminate them. This is not an exercise in comparative analysis – the following cases are illustrated in order to outline the concept of LCD, rather than to assess the relative strengths, weaknesses, gains and losses of each case.⁶ This article represents, then, a statement of first principles.

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⁴ See Marx’s identification of the reserve army of labour in Capital: ‘The industrial reserve army, during the periods of stagnation and average prosperity, weighs down the active labour-army; during the periods of over-production and paroxysm, it holds its pretensions in check... The overwork of the employed part of the working class swells the ranks of the reserve, whilst conversely the greater pressure that the latter by its competition exerts on the former, forces these to submit to overwork and to subjugation under the dictates of capital’ (Marx: 1990, 792, 789). For a useful discussion of the relations between employed and unemployed workers, see Foster et al., ‘Internationalization’, and Pradella ‘Imperialism’.

⁵ Bernstein ‘Class Dynamics’, Selwyn, ‘Global Development Crisis’.

⁶ Further research will need to investigate a range of questions including: Processes (and analytical definitions) of class formation and how these impact upon and are effected by labouring class collective actions; The fragmentation of labour and impacts on objectives sought and forms of collective action undertaken; Comparative analysis of why some movements are more successful than others in self-mobilising, formulating demands, achieving their objects and retaining developmental gains acquired; The extent to which labouring class movements collaborate with, are dependent upon or subordinate to middle class and more elite actors; Ways in which labouring class movements intersect with other movements such those over gender and ethnic rights and environmental conservation. More ambitious work can explore: World historical processes of LCD over time and space in order to ascertain whether contemporary globalisation has generated a more or less conducive political economic environment for such movements to act and achieve their goals, and ways in which LCD movements have altered the constitution of states and ways in which these alterations have impacted back upon the movements. Methodological issues that arise from this concept include: How to identify LCD processes and movements; How to delimit LCD (what is and what is not LCD?), and how to conduct rigorous, inter-spatial and temporal research into these processes of change.
2 - THE POLITICAL ECONOMY OF LABOUR AND THE THEORY OF LABOUR-CENTRED DEVELOPMENT\(^7\)

In most economic theory capital is understood in relatively simple terms – as stocks of money and assets.\(^8\) The conception of capital adopted here is of wealth derived from the exploitation of labour by capitalists which is then re-invested to reproduce labour exploitation and extend wealth accumulation. Capital is therefore a fundamentally social relation out of which a particular form of wealth is created.\(^9\)

Elite Development Theory understands the process of development from the perspective of capital. It views capital’s needs (of accumulation, enhanced competitiveness and its ability to systematically appropriate workers’ unpaid labour) as the basis for achieving human development. It also views labour from the perspective of capital – where labour’s needs (for better conditions and higher wages) are achieved on the basis of securing, firstly, capital’s needs. EDT’s are therefore forms of trickle-down economics. The roots of EDT’s elitism is to view the world through the lens of capital, and they represent in one form or another, the political economy of capital.

But this is not the only form of political economy that derives from the analysis of capitalist social (class) relations. These class relations generate an alternative political economy, and deriving from it, alternative understandings of and strategies of achieving human development. This section introduces the twin theories of the political economy of labour and Labour-Centred Development. The former was identified by Marx, the latter represents this article’s contribution to development theory.

\(^7\) As will become clear, this section is indebted to the work of Michael Lebowitz (Lebowitz: 2003).
\(^8\) For example, this is Piketty’s conception of capital in ‘Capital in the 21st Century’.
\(^9\) Marx, ‘Capital’.
2.1 The Political Economy of Labour

In his inaugural address to the First International Marx provided two examples of the political economy of labour. The first example, the Ten-Hours Act (introduced in England in 1847 which legally reduced the working day to a maximum of ten hours), was the first time that ‘in broad daylight the political economy of the [capitalist] class succumbed to the political economy of the working class’. The second example was the creation of worker-run cooperative factories. The latter were significant because ‘[b]y deed instead of by argument… [such organisations]… have shown that production on a large scale, and in accord with the behests of modern science, may be carried on without the existence of a class of masters employing a class of hands’. 10 Colin Barker notes that other principles of this political economy include negating competition between workers (for example, between workers of different ethnicity or gender), restricting capital’s coercive control in the workplace, maintaining the ‘normal’ working day, and reducing the rate of surplus value extraction. 11

The political economy of labour does not emerge spontaneously, but is generated through labouring class collective action and organisation. An objective of the political economy of capital, however, is to preclude the emergence of the political economy of labour, or at least to incorporate and neutralise it.

EDT views the relationship between labour and capital as follows:

\[ K - WL - K', \]

where \( K = \) capital and \( WL = \) wage labour. In this schema capital reproduces and expands itself (accumulates and heightens is competitiveness) through its employment/exploitation of wage labour in order to produce exchange values

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10 Marx, ‘Address’.
11 Barker, ‘Capital and Revolutionary Practice’, 68.
(goods to sell on the market), and surplus value (K'), through the institutionalised capture of workers’ unpaid labour. As noted, the reproduction of a wage labour force entails the simultaneous reproduction of a reserve army of labour (the unemployed). In what follows therefore, the wage labour category refers to employed and unemployed workers.

From this vantage point, any disruption to capital’s employment of wage labour harms capital’s objectives of accumulation and labour’s objectives of higher wages and better conditions. A range of strategies designed by capital to discipline labour are therefore theoretically and practically justified.

A Labour-Centred Development (LCD) perspective starts from the opposite side of the capital-wage labour relation, which it views as follows:

\[ WL - K - WL. \]

Here workers must sell their labour power to capital in order to earn the wages required to sustain themselves. From this vantage point it is observable how capital mediates the reproduction of labouring class needs – through determining whether workers are employed (and if so under what conditions) or not. However, in this context of mediation, the objectives of labour are not simply subsumed under those of capital. They are sought by workers within and sometimes against the wage-labour relation. Workers, whether employed or unemployed, can act collectively against capital’s attempts to determine the form of their social reproduction.

These two sets of needs (of capital and of wage-labour) mostly co-exist within an institutionally defined context where the needs of the former determine those of the latter. The existence of the latter means, however, that there is always the possibility that it will, through collective action, begin to be formulated in
ways that reject the primacy of capital and its determining role in the reproduction of wage labour.

From this perspective the core concerns for LCD analysis are not those of capital (how to enhance accumulation), but those of labouring classes. These may include: Gender and ethnic equality (to reduce differential rates of exploitation); Provision of material and temporal resources to secure and ease the social reproduction of labour (for example the provision of child and crèche care, education, free or cheap food for children at school and beyond); The attainment of higher wages and better conditions in work; More free time through shorter working days, and more decision-making ability within the workplace to reduce the burden of work; Sufficient time and space to secure the basic necessities of life and to be able to get to and from work safely; Access to the means of production (e.g. land, factories, workplaces) and survival (e.g. water and electricity), Adequate housing and nutrition; And the ability to engage in culturally-enhancing activities such as education, socialising and most importantly, leisure.\(^\text{12}\)

The core of LCD’s understanding of social wealth is the concept of rich social beings who identify, meet and expand their own developmental needs. These needs range from the basic calorific essentials to cultural and social needs generated by an expansion of free time, and the political activities to secure and to expand them. This conception of human needs is partially inspired by Amartya Sen’s advocacy of development as a process that expands human freedoms through increasing individuals’ abilities and choices. However, LCD’s conception of human development diverges from Sen’s in three foundational ways. First, it regards the expansion of human needs from the perspective of

\(^{12}\) Expanded leisure time should be a core goal of advocates of alternative/progressive development. The Oxford English Dictionary includes the following definition of leisure: ‘Opportunity afforded by free time to do something’. The etymological roots of the word leisure, extending back to Latin and old French, emphasised how the concept referred to opportunities to do things, freedom, ease, and peace. OED accessed January 14\(^{th}\), 2016 at http://www.oxforddictionaries.com/definition/english/leisure
labouring classes rather than from that of abstract individuals. Secondly, it argues that these expanding needs are achieved through collective actions by labouring classes, rather than by the state on behalf of ‘the poor’. Thirdly, contrary to Sen, it does not consider the capitalist market as a sphere of freedom where these needs can be attained. Rather, it views it as a sphere where capital’s needs are naturalised and labouring classes are ideologically encouraged and materially impelled to subordinate themselves to, and identify their needs with those of capital, i.e. to conceive of the fulfilment of their needs through the K – WL – K’ relation.\footnote{For a critique of Sen’s Development as Freedom, See Selwyn, ‘Liberty Limited’.
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2.2 Two Political Economies and Capitalist Development

Because EDT denies (or is unable to conceptually comprehend) the potential existence of a rival political economy to that of capital, it fails to understand how class struggles emerge from and are constitutive of capitalist development. It portrays labouring class struggles as products of ‘vested interests’ or as outcomes of mal-development which require containing by elite policy responses. EDT’s capital-centrism means that it reduces labour power to an input into the production process. But because labour power is embodied within workers, EDT conceptually reduces large swathes of humanity to the status of commodity inputs into production. Such an initial conception of workers explains EDTs’ (political, and perhaps emotional) readiness to justify political repression to contain labouring class struggles.

LCD’s vantage point enables it to comprehend labour power as something fundamentally different to that envisioned by EDT. As Michael Lebowitz describes:
The value of labour-power looks different from the two sides of the capital/wage-labour relation. Just as for capital it is the cost of an input for the capitalist process of production, for workers it is the cost of inputs for their own process of production.

Consequently:

Two different moments of production, two different goals, two different perspectives on the value of labour-power; while for capital, the value of labour-power is a means of satisfying its goal of surplus value...for the wage-labourer, it is the means of satisfying the goal of self-development.\textsuperscript{14}

The existence of two potentially rival political economies is constitutive of the capitalist development process in (at least) two ways. On the one hand, ‘capital does not merely seek the realisation of its own goal, valorisation; it also must seek to suspend the realisation of the goals of wage-labour’.\textsuperscript{15} This denial is observable in EDT’s ideological legitimation and practical contribution to policies designed to demobilise labouring classes and subject them to elite-direction.\textsuperscript{16}

However, the potential existence of a rival political economy is constitutive of capitalist development in a second way. Workers’ collective gains against capital are won through ‘negating competition, [and] infringing on the ‘sacred’ law of supply and demand and engaging in ‘planned co-operation’.\textsuperscript{17} Such collective actions, elite responses to them, and the institutional formations that occur subsequently, often engender the more progressive features of capitalist development.

\textsuperscript{14} Lebowitz ‘Beyond Capital’, 127, emphasis added.
\textsuperscript{15} Lebowitz, ‘Beyond Capital’, 85.
\textsuperscript{16} Such policies are outlined in Selwyn, ‘Elite Development Theory’.
\textsuperscript{17} Lebowitz ‘Beyond Capital’, 67, citing Marx.
development, such as workers’ rights, welfare provision, and various forms of democracy.

Whilst EDT claims to point to a future characterised by a high and rising level of human development, the way it views the capital–wage-labour relation (K – WL – K') illustrates how for labouring classes that future will be one eternally circumscribed by the needs of capital. If capital is unable to realise its objectives of accumulation and enhanced competitiveness, labouring class needs are expendable, hence the continual presence and expansion of the reserve army of labour. However, as will be discussed below, members of the reserve army of labour are able to engage in collective actions to enhance their human development in different ways, although often in conjunction with, those pursued by employed workers.

LCD’s view of the capital–wage-labour relation (WL – K – WL) suggests both a variety of ways in which labouring classes can reproduce themselves vis-à-vis capital (including various forms of control/regulation of capital), and opens the way to enquiring how, and under what circumstances, labouring classes can reproduce themselves and fulfil (identify, meet, expand) their human developmental needs beyond capitalist social relations and conception of wealth.

2.3 States and the Capital-Labour Relation

States play a central role in constructing and managing the political and legal structures within which capital accumulation occurs. These structures constrain workers’ ability to organise themselves and engage in collective actions through law. Capitalist states work to naturalise and implement across society the political economy of capital. They establish institutions and practices and generate ideologies that encourage workers to identify their needs with the needs of capital. Bob Jessop illuminates how states engage in building institutions
designed to structure the behaviour of their citizens and social classes, to simultaneously reproduce state power and to guarantee the process of capital accumulation. ‘Institutionalisation involves not only the conduct of agents and their conditions of action, but also the very constitution of agents, identities, interests and strategies.’

However, states also respond to labour’s collective actions in ways that individual firms do not. The production and reproduction of state institutions, ‘is incomplete, provisional, and unstable, and… coevolve[s] with a range of other complex emergent phenomenon’. State institutions, ranging from those established to manage the capital-labour relationship (such as ministries of labour) to their welfare functions, to their democratic forms, can themselves be understood as outcomes of evolving contested relations between capital and labour. States can, in other words, incorporate and institutionalise (usually in order to neutralise) aspects of the political economy of labour, to a degree that individual firms cannot. This means, however, that moments in state-capital-labour relations emerge in which labouring class pressure for change is institutionalised in ways to its benefit (before being eroded by a countermovement by capital). An important challenge for labouring class organisations then, is to retain and defend institutionalised gains, as well as developing new strategies to extend and deepen them.

3 LABOUR-CENTRED DEVELOPMENT: CONTEMPORARY EXAMPLES

This section discusses how labouring class collective actions can extract developmental gains from states and capital and generate new organisational forms that further enhance their and their communities’ livelihoods. Cases

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20 See Bergquist ‘Labour in Latin America’ for an outstanding illustration of this interrelationship.
discussed range from formal to informal sector, and across agriculture and industry (table 1).

**Table 1: Contemporary Labour-Centred Development: Some Examples**

<table>
<thead>
<tr>
<th>Countries</th>
<th>Example, Sector, formality</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td><em>Abahlali baseMjondolo</em> (informal)</td>
</tr>
<tr>
<td>Argentina</td>
<td><em>Piquetero’s, Unemployed Workers Movement, Recuperated Factory Movement</em> (informal to formal)</td>
</tr>
<tr>
<td>Brazil</td>
<td>Agrarian-based <em>Movimento dos Trabalhadores Sem Terra</em> (informal)</td>
</tr>
<tr>
<td>South Korea and China</td>
<td>Industrial Wage Workers (formal)</td>
</tr>
</tbody>
</table>

3.1 *The Reserve Army in South Africa: Abahlali baseMjondolo*

Contemporary South Africa is characterised by extreme wealth and mass poverty. Despite the ending of apartheid and the Black Economic Empowerment initiative established by the ANC government, poverty continues to be racialized. Approximately 47% of the population live under the poverty line (US$43 per month in 2013), of which over 90% are black.\(^1\) The numbers living on under US$1 a day doubled – from approximately 2 to 4 million – between 1994 and 2006. The average rate of unemployment was 26% in 2004, whilst for black South Africans the rate more than doubled from 23% to 48% between 1991 and 2002.\(^2\)

In a context of limited job opportunities, mass poverty and limited state provision of basic human necessities, a shack-dwellers movement - *Abahlali*

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\(^2\) Klein, 'Shock Doctrine', chapter 10.
baseMjondolo – has emerged across the country’s shanty-towns. Through collective actions it pressures local government for resources to meet basic human necessities – in particular housing and sanitation – and self-generates ‘human resources’ to provide services to its members and wider shanty-town communities.

Founded in 2005, by 2013 Abahlali had more than 12,000 members across more than 60 shack settlements. The movement emerged from the Kennedy road settlement in Durban, where in 2005 8,000 people shared only five drinking water standpipes.23 Abahlali combines mass street protests with land occupations to pressure local municipalities and city councils to provide basic services. For example, in 2009, Durban city council agreed to provide drinking water, electrification and regularly cleaned latrines for 14 settlements, and to provide formal housing for occupants of 3 settlements (Buccus: 2009).24

Abahlali operates through direct democracy – where, for example, negotiators with city councillors and leaders are directly electable and de-selectable, and are subject to scrutiny in regular mass meetings.25 The movement’s high level of participation has also generated new human resources – members volunteering to provide services to others and the wider shack settlement communities. These include provision of crèches, monthly food parcels cooked and delivered to the destitute, care provision for child-headed households and people with AIDS, and security and fire patrols at night.26

S’bu Zikode, one of Abahlali’s founder-members, describes how:

[W]e cannot wait in the mud, shit and fire of shack life for ever. Voting did not work for us. The political parties did not work for us. Civil society did not work for us. No political party, civil society organisation or trade

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24 Buccus, ‘Durban breaks’.  
26 Pithouse, ‘Struggle is a School, 10.’
union is inviting us into the cities or into what remains of democracy in South Africa. We have no choice but to take our own place in the cities and in the political life of the country.\textsuperscript{27}

3.2 Challenges from the Informal Sector in Brazil: The MST

The Landless Labourers Movement (Movimento dos Trabalhadores Rurais Sem Terra/MST) represents a significant case of LCD in Brazil. Since its foundation in 1984 and the mid 2000’s the MST’s membership grew to over one million. It is composed of former small farmers and rural wage labourers and their families who are unable to get access to land and unemployed workers from urban areas seeking a rural livelihood. The organisation contests the highly unequal land structure in Brazil, where by 2008 around 3 per cent of the population owned over 60 per cent of all arable land.\textsuperscript{28}

The MST has pursued a long-term strategy of occupying and cultivating unused land and claiming land-rights from the state. By the mid-2000s it had gained land-titles for more than 350,000 families. Whilst it faces repression from the Brazilian state, it has also been able to work with state agencies to further its cause. The movement has, since its foundation, had political allies in the National Institute of Colonisation and Agrarian Reform (Instituto Nacional de Colonização e Reforma Agrária - INCRA), the federal agency responsible for land reform and registration.\textsuperscript{29}

The MST uses agrarian legislation to justify taking over ‘unproductive’ land. The Brazilian national constitution of 1988 (article 184) ruled that privately owned land must be both productive and fulfil social functions. The latter are met when workers are employed legally (e.g. not under conditions of slave labour)

\textsuperscript{27} Zikode, ‘Despite the State’s Violence’.
\textsuperscript{28} Zobel, ‘We are Millions’.
\textsuperscript{29} Wolford, ‘This Land Is Ours Now’, Vergara-Camus, ‘Land and Freedom’.
and when the environment is preserved adequately. Whilst these definitions were formulated in intentionally vague terms, in the context of the transition from dictatorship to democracy at the end of the 1980s, they have nevertheless provided the MST with ideological justifications for land occupations.

Land occupation serves a double purpose of pressuring the Brazilian state to begin negotiations over its appropriation and redistribution, and to establish the material and ideological basis for MST settlement communities. Settlements seek to produce their own food and to sell surpluses, often under brand names, onto local markets.  

The movement rejects a market-based conception of land simply as a commodity to produce other commodities. As Wendy Wolford (2005) describes, its form of land use derives from a conception of human-natural relations that emphasise work, community and God. The movement is influenced by liberation theology and Paulo Freirie’s theory of the pedagogy of the oppressed. Individuals within the movement take on a range of socio-political responsibilities according to the principle that ‘here we are all leaders’.

The MST aims to transform Brazilian agriculture from its current agro-industrial model to a more family-farmer centred form. Key demands include producing food for local and national consumption rather than export, introducing agro-ecology through eliminating agro-toxins and job creation in the countryside. As João Pedro Stedile, one of the movement’s founder members argues, the MST’s struggle for land reform entails the ‘democratisation of land ownership, access to education at all levels and the development and application of new agricultural techniques’.

30 Brandford and Rocha, ‘Cutting the Wire’.  
31 Vergara-Camus, ‘Land and Freedom’.  
32 Lucas, ‘Here we are all leaders’.  
As one MST member and participant in its land occupations in the early 1990s explained:

Land conquered through the struggle has to be everyone’s. It should not be for an individual. Land should not be a commodity so people can divide it and sell it. Land is meant to produce. One has to use it. If one doesn’t, then one should pass it on to someone that will work it.\(^{34}\)

While the MST has faced repression from the Brazilian state, and hostility from the media, it has demonstrated the ability of members of the reserve army of labour to organise collectively and to generate human developmental gains. As Stedile argues, on the settlements ‘people know that their fate is in their hands’\(^{35}\) The MST has, in turn, influenced other unemployed workers’ movements in Brazil.

In parallel and often in cooperation with the MST, an urban movement has emerged in Brazil seeking to ameliorate the livelihoods of its members and their communities. Between 1997 and 2005 homeless workers organisations in São Paulo mobilised approximately 10,000 people to occupy and live in empty buildings. The best known of these organisations is the *Movimento dos Trabalhadores Sem Teto* (Homeless Workers Movement - MTST). Just as the MST organises its members to occupy land, the MTST organises unemployed and informal sector workers in urban areas to occupy and live in vacant buildings, hence establishing the basic essentials of a livelihood. In the early 2000s the MTST also began establishing, in collaboration with the MST, ‘rurban’ (rural-urban) settlements on the peripheries of cities on which its participants could combine agricultural activities (rearing animals and planting crops) with the search for urban-based work.\(^{36}\)

\(^{34}\) Quoted in Vergara-Camus, ‘Land and Freedom’, 183.
\(^{36}\) Levy, ‘Occupando o Centro’, 74, Souza ‘Social Movements’, 323.
3.3 From Informal to Formal Sector: The Piquetero’s, Unemployed Workers’ and Recovered Factory Movements

Since the 1990s Argentina has witnessed multiple economic crises but also the rise of myriad, interconnected forms of LCD. Between 1991 and 1995 the national unemployment rate increased from 6 to 18 percent partially caused by falling competitiveness due to an appreciating Peso. Following the 1997 East Asian crisis and the 1998 Brazilian devaluation, Argentinian economic competitiveness vis-à-vis Brazil fell further and costs of international loans increased (following rising interest rates in Europe and North America). Despite cutting wages and shedding jobs, Argentinian firms could not regain competitiveness. These dynamics were magnified by the turn of century crisis. By 2001 up to 40 percent of the population were living under the poverty line. According to Chris Harman, the extent of the economic catastrophe was comparable to that that affected inter-war United States and Germany.

Under circumstances of impoverishment and fast-retreating state-welfare provision, increasing numbers of the population began to engage in diverse and interconnected forms of collective action which, in some cases, coalesced to generate notable bottom-up developmental dynamics.

The Piquetero movement emerged in the mid-1990s as an organisation of unemployed workers. The movement sought to wrest concessions from the state through blocking roads and disrupting the circulation of goods through the economy. Between the mid to late 1990’s there were tens of such roadblocks a year throughout the country rising to hundreds in the crisis year of 2001. The Piquetero’s attempted to unite local communities and unemployed workers to demand from the state job creation, public works to provide essential services, and their participation in the management of employment programmes previously

37 Dinerstein, ‘Autonomy in Latin America’, 358
run by the central state. In 2001 *Piquetero* collective actions escalated, with over one hundred thousand people participation in shutting down over three hundred motorways and effectively paralyzing the economy. These actions pressured the Argentine state to provide thousands of minimum wage temporary jobs and food allowances to local communities.

The *Piquetero* movement generated new forms of collective agency and autonomy vis-à-vis the state. Their actions were orientated simultaneously upwards (towards the state) and outwards (through their communities). The Unemployed Workers’ Movement (UWM – *Movimento de Trabalhadores Desocupado*) emerged from the *Piquetero*’s in the late 1990s. It continued the prior strategy of blocking roads, but also began pressuring the state for more resources and for the political autonomy to manage those resources across their communities. The UWM’s community projects include maintaining and repairing schools, hospitals and other public buildings, construction and running of community soup kitchens, recycling rubbish, organising volunteers in retirement homes, healthcare provision and visits to the disabled, establishing small-scale craft production, provision of child-care, milk-provision in schools, establishment of bakeries, basic education provision and health promotion and improving sanitation. State-funded temporary jobs are distributed by the UWM through collective decision making and are based on considerations such as families’ needs and their members’ participation in the UWM.

One of the regions where the UWM have had their biggest impact is the town of General Mosconi in the Salta region of North West Argentina. By the early 2000s the movement had generated numerous community projects to provide food for the unemployed both within and beyond the UWM. These

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39 Dinerstein, ‘Autonomy in Latin America’, 358
42 Petras, ‘Unemployed workers’ movement’.
43 Petras, ibid, estimates the number of community projects as high as 300.
included organic gardens, bakeries, first aid clinics, and water purifying plants. The extent of the UWM’s coordination of the local economy meant, according to James Petras, that the town was ‘ruled de facto by the local unemployed committee, as the local municipal offices have been pushed aside’. Furthermore, illustrating the potential for a self-generating political economy of the labouring class ‘[t]he emergence of a parallel economy, on a limited scale, in General Mosconi, sustains popular support between struggles and offers a vision of the capabilities of the unemployed to take command of their lives, neighbourhoods and livelihoods’.  

A third form of LCD emerged in Argentina in the late 1990s, expanded rapidly in the early 2000s, and has maintained itself to the present. The recuperated factory (fábricas recuperadas) movement responded to the threat of rising mass unemployment by taking over and running factories that had gone bankrupt or been shut by their owners under conditions of worsening economic crisis. By the mid-2000s approximately 15,000 workers had taken over and were self-managing around 200 enterprises across the country ranging from metallurgical companies, food and meat processing plants, printing companies, hotels and supermarkets and health and educational services. The movement collaborated with the Piquetero’s and the UWM in coordinating work-place production with community projects. By 2005 the movement controlled most of the factories in the country’s southern province of Neuquén and nationally.

While the fábricas recuperadas are defensive in that they have maintained workers’ employment, in some cases they have also been able to expand the numbers of jobs in the factories under their control, and raise productivity. For

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44 Petras, ibid, 4,5.
45 Atzeni and Ghigliani, ‘Labour process’.
example, the occupied Zanón tile factory (in Neuquén) underwent a notable transformation under workers’ control:

In October 2001, the workers officially declared the factory to be 'under workers’ control'. By March 2002, the factory fully returned to production…. During the period of workers’ control, the number of employees has increased from 300 to 470, and wages have risen by 100 pesos a month, and the level of production has increased. Accidents have fallen by 90%.\(^47\)

Tile production grew from 1.07 to 4.31 million square feet per annum between 2005 and 2008.\(^48\) In occupied factories an alternative work ethic emerged:

Workers defend their own power over the organization of production and the decision-making process by proudly stressing their freedom from direct/supervisory control, the existence of egalitarian relations and the benefits of democratic participation.\(^49\)

In these cases hierarchical power structures have been replaced, or at least modified, by assemblies where workers meet to discuss and decide questions of factory management, and management councils which are elected by the assemblies to takes charge of daily administration, commercial responsibilities, and legal representation. New jobs created in Zanón were initially allocated to members of the UWM in the region. Meyer and Chaves describe how:

What they [Zanón] do not invest in production, they allocate toward public works serving the needs of the people. From the beginning the Zanón workers donated tiles to first-aid facilities in one of the poorest barrios of Nequén, as well as to schools and even for the reconstruction of a hospital

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\(^49\) Atzeni and Ghiglani, ‘Labour process’, 659.
in Santa Fe… they also promoted, together with unemployed workers, a program of public works under the slogan ‘jobs for all’. They make monthly donations to soup kitchens and hospitals.50

3.2 Formal Sector Mass Movements in East Asia

Contemporary statist political economy’s (SPE) analysis of East Asian industrial upgrading advocates a strong role of the state in generating rapid economic growth and industrial diversification.51 It also advocates, often explicitly, labour repression as a means of achieving large economic surpluses.52 It does not consider how labouring class collective actions are themselves developmentally beneficial for large segments of the population.

In contrast to SPE, however, Dae-Oup Chang details how in South Korea collective actions by labouring classes rose during the 1980s, and how, consequently, between 1983 and 1986 real wages increased in manufacturing by about 8.95 % per annum. From 1987, at the peak of workers’ mobilisations, real wage increases in manufacturing accelerated: 10.4% in 1987, 16.4 % in 1988, 20% in 1989 and 16.8% in 1990. Furthermore ‘working hours decreased from 51.9 per week in 1987 to 47.5 in 1993, without decrease either in the workforce or in [the] real wage’.53

Chang also notes, however, that the upward curve of workers’ struggles was met by a state/employer counter-offensive designed to weaken trade unions and raise the rate of exploitation (as under the prior dictatorship).

Working hours, which had continually shortened since 1986… increased from 207 hours per month in 1997 to 226 hours per month by late

51 See Selwn, ‘Elite Development Theory’ for an overview of SPE.
52 Selwyn, ‘An Historical Materialist Appraisal’ and ‘Trotsky and Gerschenkron’.
1999…Real wage increases… slowed down, even showing a 9% real wage decrease in 1998. Increasing competition among workers has also increased the intensity of labour.\textsuperscript{54}

This attempt to demobilise labour and increase its rage of exploitation was partially achieved throughout the 1990s by a shift in elite development strategy, away from statism towards a more recognisably market-orientated form of capital accumulation.\textsuperscript{55}

Comparable dynamics – of labourer’s collective actions attempting to alter the behaviour of states and corporations – are observable in contemporary China. From the 1990s onwards China has been characterised by an intense and highly exploitative labour regime where workers’ living standards have been squeezed to ensure rising profits for capital. Consumption as a percentage of Chinese GDP has fallen from 44% to under 39% between 2002 and 2010.\textsuperscript{56} Its one party system leaves little room for dissenting political organisation or expression. Despite this deadening political and economic regime Chinese workers have engaged in large-scale collective actions and have been able to defend and in many cases to ameliorate their conditions.

The number of mass protests across China have risen over the last two decades - from 10,000 incidents involving 730,000 protestors in 1993 to 60,000 incidents involving more than 3 million protestors in 2003 (Silver and Zhang).\textsuperscript{57} In 2009 there were more than 90,000 mass incidents across China.\textsuperscript{58} One consequence of these struggles have been that, as The Economist (29th June 2010) reported, ‘[a] spate of strikes has thrown a spanner into the workshop of the world’ leading to manufacturing wages increasing by 17% between 2009 and 2010.\textsuperscript{59}

\textsuperscript{54} Chan G, ‘Korean Labour Relations’, 36.
\textsuperscript{55} Gray, ‘Labour and Development’.
\textsuperscript{56} Foster and McChesney, ‘Global Stagnation and China’.
\textsuperscript{57} Silver and Zhang, ‘China as an Emerging zone’, 176.
\textsuperscript{58} Chinese Labour Bulletin, ‘A decade of change’;
Beyond wage increases, Silver and Zhang argue that these protests have made the Chinese government increasingly fearful of political instability and socio-political breakdown. In response:

Between 2003 and 2005, the central government and the Chinese Communist Party began to move away from a single-minded emphasis on attracting foreign capital and fostering economic growth at all costs to promoting the idea of a ‘new development model’ aimed at reducing inequalities among classes and regions as part of the pursuit of a ‘harmonious society’…Likewise… the [state run] All-China Federation of Trade Unions, amended its constitution to “make the protection of workers’ rights a priority” in 2003’. 60

3.5 External Barriers to Labour-Centred Development: Class and State Power, Market Forces and Political Incorporation

Gains to labour can be neutralised and/or reversed through counter-movements by organised capital and capital-friendly sections of the state. Capitals’ ability to respond to labouring class demands, through new strategies of exploitation and accumulation, can undermine labouring class movements. The power of the capitalist market, manifested in never-ending competitive capital accumulation, exerts a reactionary pressure upon organisations that seek to engender alternative, non (or at least lower) profit-orientated modes of resource generation and distribution. And the organisational political immaturity of labouring class movements makes them susceptible to political capture and influence by more

established and institutionally integrated conservative political forces. These four pressures represent external barriers to the extension of LCD.

For all their dynamism the prior-discussed cases of LCD have been vulnerable to such pressures. For example, segments of the *Piquetero* movement have been co-opted into supporting electorally the left wing of the established Peronist political organisation, thus blunting their escalatory potential. Some of the *fábricas recuperadas* preside over rising worker self-exploitation (increased working hours and an intensification of the labour process). The upward curve of land occupations and struggles that characterised the MST during the 1980s and 1990s came unstuck following the Workers’ Party (PT) electoral victory in 2002. Part of the PT’s strategy to establish its power within a hostile political environment was to incorporate its supporters into the Brazilian state through employment within the vast Brazilian civil service and political system. A consequence of this was declining independence of pro-PT organisations. MST land invasions fell from 285 in 2003 to 30 in 2011 and 13 in 2012. Despite its objectives of maintaining political independence, in 2014 *Abahlali basemjondolo* supported the centrist Democratic Alliance (Brown: 2014). And as already noted, the mass struggles by South Korean workers in the 1980’s were ultimately contained and the state-managed shift to neoliberalism reversed many of the economic gains won during this period.

Do these examples, and the identification of (at least) four external barriers to the extension of LCD undermine the concept? Not necessarily. As argued in section 2, the reproduction of the political economy of capital is predicated upon the denial and undermining of the political economy of labour and the movements and collective actions that nourish the latter. Rather, the identification of these...
external constraints suggests the need for a focus, by advocates of LCD, upon internal responses to these barriers through the formulation of novel organisational strategies and designs, and an identification of and attempts to generate counter socio-institutional forces that can protect and advance labouring class gains. Analysis of what such organisations and institutions have looked like and speculation of what they might look like, whilst beyond the scope of this article, would contribute to the extension of the theory and practice of LCD.

4 SUMMARY AND CONCLUSIONS

Part one of this article argued that Elite Development Theories rest upon an unresolvable ideological paradox – that the oppression and exploitation of labouring classes by states and capital is held to be good for those labouring classes. While EDT’s claim that they represent the most practical route to human development, even within their theoretical reasoning they tacitly or explicitly confirm that such development occurs through the reproduction of an Elite-Subject – Subordinate-Object relationship. This relationship confers primary agency to elites and, at best, secondary agency to subordinates. EDT’s confirm theoretically that labouring classes will be forever locked into this inferior relationship. The empirical history of elite-led development verifies this theoretical claim.

This article, against EDT, argues for a new paradigm of Labour-Centred Development where, conceptually, labouring classes are allocated primary agency. Labouring class collective actions are, it has been argued here, generative of immediate material improvements to their and their communities’ livelihoods, and of new collective resources derived from those collective actions. That such ameliorations are established by labouring classes means that they cannot,

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65 Selwyn, ‘Elite Development Theory’. 
conceptually, be dis-regarded as forever secondary agents in the development process. Under particular circumstances, labouring classes assume primary agency in pursuing and achieving their own human development.

Registering these collective actions and their developmental effects is just the first step in recognising alternatives to elite-led development. Myriad further questions confront the theory and practice of LCD: How sustainable – in terms of resource generation, in relation to rival social forces (potentially hostile states and capital orientated to continued accumulation), and in terms of their own abilities to generate innovate collective resources – are the movements that engender LCD? To what extent are such movements vulnerable to co-optation by better organised actors, in particular the state? And to what extent are they dependent upon middle classes, often working within the state, for their political survival and expansion?

Deeper questions about the very process of capitalist reproduction include the following: Is competitive capital accumulation and continued economic growth, where economic surpluses are continually channelled back into the production of exchange values to sustain firm-level competitiveness, compatible with labouring class direction of resources – away from accumulation and towards their immediate and longer-term needs? To what extent can a re-distributive form of human development sustain itself within an economic system based upon capital accumulation? Can a steady-state, zero-growth form of capitalism emerge which accommodates resource generation and allocation according to labouring class needs rather than requirements of capital derived from the pressures of competitive accumulation? Could such a system generate the resources necessary to fulfil the objectives of LCD for the globe’s population?

LCD rejects the axioms upon which EDTs are founded and argues that labouring classes can become primary agents within the development process. The logical theoretical conclusion of this argument, illustrated in section three, is
that wage labour seeks to replace progressively capital’s determining role in the reproduction of WL through its own collective organisations and actions. As expressed by one of the organisers of the Zánon occupation discussed above:

This [process of factory occupation and recovery] is big, because…what one has regarded as a utopia, has become now necessary and possible… If we could take this…to a regional, country, world level…we would be talking of another world.66

A key question for advocates of LCD is the extent to which K/capital is necessary to the reproduction of human social relations or whether it can be limited and/or transcended?

It may be objected that the examples of LCD are too limited in number and in their transformative capacity. That is, they are a minority current within broader state and corporate-led developmental transformations on a global scale. This minority status, it may be argued, justifies a relative ignorance of them in favour of achieving a deeper understanding of how elite actors can formulate and deliver improved forms of human development.

LCD is a minority trend within broader developmental transformations in large part because Elite Development Theory and practice seeks to delegitimate and to repress non-elite forms of human development, in particular those generated by labouring class collective actions. The argument, then, that it is more useful to focus upon what can be done by elite actors and institutions, rather than what is rarely achieved by labouring class collective actions, fails to acknowledge that the legitimacy of the actors associated with EDT arises from their role in reproducing an intensely hierarchical, unequal and exploitative social world that is founded upon institutionalised attempts to preclude alternative forms of human development.

66 Quoted in Aiziczon ‘Zanón’, 12.
The perspective here is not to reject *a priori* all forms of elite action. For example, more generous social welfare provision by states is preferable to less forms of such provision. The extent to which labouring class organisations can extract, (co)manage and (co)administer resources within the capitalist state is a significant theoretical and strategic issue for LCD advocates. However, an LCD perspective can highlight how progressive elite actions do not emerge simply from an intellectual vantage point such as Keynesian theory, but derive, significantly, from the collective activities of labouring classes and the pressures they exert upon elite actors. To be sure, much more research is required into processes of LCD. But, a first step in such an investigation and in conceiving of alternative forms of subaltern development, is to begin to recognise and respect such movements as potentially developmental actors.
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