



Organize the South in the Context of Globalization

Speech by Saladin Muhammad given at the
First Southern International Workers' School
October 1-4, 1998

Sponsored by The Brisbane Institute
Morehouse College • Atlanta, Georgia

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by Saladin Muhammad

The U.S. South has historically assumed the role of an internal colony, contributing to the rapid growth and development of the U.S. as a major economic power and pillar in the global economy. To date, the South has "\$1.9 trillion in total Gross State Product, making it the fourth largest economy in the world."¹ It has grown an average of 6% a year since 1991."²

As far back as colonial times, the South has been linked to the global economy. Foreign investments provided a major portion of the South's initial capital for investments in slavery, agriculture and light manufacturing. In the early 1800s, for example, 3/4 of the world's cotton for the European textile industry came from the South. Raw materials and food products were also exported from the South. The profit made from these products were tremendous, after all, those who owned the land and the slaves didn't have to pay wages to the main labor force for 200 years.

The Black Belt South: Anchor for Super-exploitation

Control of Southern labor and the development of the South as a major consumer market has been the main source of tensions between Northern and Southern capital. It has shaped the politics of oppression and exploitation of African Americans and working people in this region. The Civil War between the North and South in 1862 was essentially

over the issue of whether Blacks would remain chattel slaves or become wage slaves.

The majority of African Americans within the U.S., 53 percent, live in the South. The South has 28 percent of the U.S. population and about 35 percent of the poverty.³

The largest concentration of Southern poverty exists in the Black Belt counties where the majority of Blacks in the South live. The Black Belt is a sub-region of the South consisting of 623 connecting counties covering 380,678 square miles and stretching through parts of Virginia, the Carolinas, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas, Arkansas, and Tennessee.⁴

The super-exploitation of African American workers and the oppression of their communities in the South constitutes the anchor of a racist system of national oppression faced by African Americans in varying degrees throughout the U.S. African American women workers are the most exploited and oppressed under this system. White workers in the South are also held hostage to this system, making less than white workers in similar jobs outside of the South. This creates a margin of corporate super-exploitation from the labor of Southern white workers.

Northern Capital Prepares for Globalization

Following World War II, the U.S. emerged as a leading economic power. During most of this period the U.S. was relatively unaffected by global competition. International trade was a small percentage of the U.S. national economy; most workers were employed by U.S. companies. U.S. investments overseas had little impact on domestic growth. This isolation was even more true of the South.

U.S. corporations and banks made large investments

in Third World countries as well as in Europe and Japan following the war. However, in order to have a more secure base to compete in the global economy, U.S. corporations needed a greater concentration of capital (money and production facilities) within the U.S. A secure base, meant away from the concentration of the power of organized labor. It also meant being in a location which provided major obstacles for building working-class unity and a strong labor movement. The South was the place.

The passage of the Taft-Hartley Act in 1947 was clearly part of the U.S. corporate strategy to further structure the South as a secure domestic base for U.S. capital. The Section 14(b) provision of Taft-Hartley allowed states to legislate the notorious anti-union "right-to-work" laws. All of the Southern states passed these laws. The "open shop" provision of the right-to-work laws both encouraged and allowed workers to refuse union membership, even after participating in a vote where the majority had decided in favor of unionization.

The CIO's first serious organizing attempt in the South, the Operation Dixie Campaign, was set back by the passage of Taft-Hartley and, mainly, due to its failure to confront employer racism in the South. The success of the Southern states in passing right-to-work laws was due to the system of legal segregation, U.S. apartheid, which systematically denied Black Southerners the right to vote.

Those workers and organizers that tried to push their unions to challenge racism in the South were attacked by conservative union officials and the government as radicals and communists. Klan terror was also directed at those forces opposing racism. In fact the first half of the 1950s was a major period of repression for radical trade union-

ists and those espousing civil rights and liberation for African Americans. The progressive forces were put on the defensive during this period.

Southern Capital Gets Into Position

Southern bankers and corporations seeing the major Southward economic shift by Northern capital during the 1950s and 1960s, began to position Southern capital to attract foreign investments. In order for foreign corporations to compete with Northern capital, they must establish production, distribution and service facilities in the South, to better access the Southern regional and national domestic U.S. markets. Southern state governments were the main vehicles used to attract foreign investments.

The national liberation struggles throughout Africa, Asia and Latin America against the colonial systems of oppression during the 1960s and 70s, forced many U.S. and foreign corporations to shift some of their investments from the Third World countries into the U.S. South.

"By the end of the 1960s, several Southern states had opened representative offices in Europe to promote foreign direct investment, and had begun active promotional activities by advertising in foreign media and by taking investment missions. This early group was comprised of North Carolina, Virginia, South Carolina and Georgia. By 1986 all of the Southern states had at least one overseas representative office and had conducted many foreign-investment-seeking missions. These activities were expanded to Japan and Korea during the 1970s and 80s."⁵

Southern Capital Becomes Global at Expense of Black Oppression

The Southern states provided major incentives to at-

tract Northern and foreign long term investments. Tax breaks, revenue bonds, foreign trade zones, utilities, roads, training and research and development from state funded universities are some examples. "The Southeast is far and away the leader in attracting investments from overseas, accounting for close to half of all new facilities built in the U.S. by foreign companies during the 1990s."⁶

Many of the incentives used to attract industries South were and continue to be financed by monies in the state and local budgets which had been slated for community development, particularly in the Black Belt. Sixty-six of the 75 most industrialized U.S. counties are located in the eleven Black Belt states.

It is also estimated that about one million people residing in the Black Belt live in substandard housing that lack complete indoor plumbing.⁷ The South accounts for 46 percent of all substandard rural housing.⁸ It has the highest rate of infant mortality, the largest number of uninsured people, and the largest number of abandoned toxic waste dumps. In addition to receiving less than its fair share of federal funding historically, these problems in the South are further compounded by the major cuts in federal funding for cities, a "52% cut in sewage treatment and a 59% cut in housing."⁹

Global restructuring has thus sharpened subregional, racial and gender contradictions inside the developing and developed countries. The Chiapas region of Mexico is one example. The attacks on immigrants in the U.S. and Western Europe is another. The massive cuts in welfare for single mothers has forced them into low wage jobs, and in competition with low wage male workers of color. This has fostered increased male chauvinist tendencies and move-

ments, seeking to subordinate the status and rights of women to those of men. Patriarchy (a male dominated society) must be strongly opposed and defeated by women and men.

The Southern region holds all U.S. workers hostage. To increase profits and to compensate for any losses internationally, U.S. corporations began a campaign to force wage concessions from unionized workers within its major industries like auto and steel. The main threat used by the corporations against the workers was to relocate plants to the South, runaway shops, unless concessions were granted. Some estimate that "concessions may have netted the corporations "anywhere from \$76 billion to \$152 billion in a three and a half year period from 1982 to 1985."¹⁰ Hundreds of millions more was also forced out of Northern cities and states in tax rebates.

Government Intervention Major Part of Corporate Strategy

The forced concessions and the Reagan administration's busting of the air traffic controllers union, placed labor on the defensive. It established that the government would intervene in major strikes if necessary, to break the power of labor in challenging capital. The lack of labor solidarity by the national unions, by not supporting the air traffic controllers, signaled an unreadiness on the part of the AFL-CIO to call a general strike against the combined government and corporate attacks on workers and their unions. This further created the climate of bureaucratic control of unions and the loss of major strikes due to the lack of support from the national union leadership. This allowed corporations to speed up the pace and widen the scope of their global restructuring.

The South Has Become a Major Manufacturing Base

The restructuring included the decentralization of production through the building of branch plants throughout the South. "A study of new manufacturing jobs created in the South from 1969 through 1976 showed that 70% of the net job growth in the South occurred in branch plants of Northern firms."¹¹ In just two of the eleven Southern states, Tennessee and North Carolina, there are 725 auto parts companies.

Since the beginning of the 1990s "more than 16,000 companies have announced plans to build new plants or expand existing facilities in the Southeast. This accounts for "over 1/3 of the new and expanded businesses in the U.S. over the past 7 years."¹² The South has several auto assembly plants: Saturn, Nissan, Chrysler, Toyota, BMW, Mercedes Benz and Volvo. Most of these auto workers are not unionized. It also has thousands of low wage workers in plants processing poultry, cat fish and hogs.

Industrial Consciousness Weakened by Restructuring

Industrial consciousness has often been a missing link among Southern workers in understanding their relationship to workers in the main assembly plants and to other auto branch plant workers within their immediate locales, the region, nationally and internationally.

Because of the lack of a strong trade union base and major organizing campaigns, many Southern workers didn't know where these branch plants came from. Many thought them to be new industries in and of themselves. This was compounded by the fact that often the main unions attempting to organize these branch plants, were not even associated with the main industry and had no program for educating and mobilizing the workers as part of an indus-

try-wide movement. They were mainly hunting for new dues paying members. The task of trying to educate these workers about their industries, and to begin the process of building basic industrial organizing committees to unite them, fall on worker organizations like the Black Workers For Justice.

Unions Are Weak In The South

Most national unions have little to no regional organizing capacity or strategy to speak of, for organizing in the South. Some have even closed their regional offices. Others have made decisions to withdraw their field organizers from the South. Most don't even include in their analyses of the trends in the U.S. and global economy any projections about the need to organize in the South.

Organizing in the South would bring large numbers of low wage African American, Latino and women workers into the unions. Their workplace and community struggles would open up a wider debate about rank-and-file union democracy, racism and sexism. It could help to transform U.S. unions into the militant fighting organizations spawned by the CIO during the 1930s. It would strengthen the fight against national chauvinism which has encouraged U.S. workers to look down on workers of color throughout the world as "inferior", thus weakening international labor solidarity.

The present rank-and-file union reform movements existing mainly outside of the South have also been weak in fighting racism and in pushing for their unions to do more organizing in the South. While correctly opposing striker replacement, fast track and other anti-labor legislation, they fail to promote and mobilize around the demand for repeal of Taft-Hartley.

Taft-Hartley has thus had long term affects on the degree of unionization in the South. For example, in 1998 there are more workers in unions in New York state, than in all of the eleven Southern states combined. New York has more than 2.5 million; the South has 2.3 million.¹³ The number in the Southern region is misleading because right-to-work states require that all workers be counted for purposes of union representation, whether they are dues paying members or not.

Thus, the civil rights gains won by the movement led by Dr. King and Student Non-violent Coordinating Committee, have been difficult to enforce and are being reversed, because the Southern working-class is not sufficiently organized in our economic and political relationship to capital.

Privatization: A Component of Corporate Globalization

This major influx of direct investments into the South has led to major bank mergers and buyouts in order to amass and centralize huge amounts of capital for new investments. The development of Nations Bank as the third largest bank in the world indicates the increasing competitive role of the South in the global economy.

As Southern capital continues to invest domestically and overseas, it will make a greater push to shift public capital under private control. Privatization is a major feature of corporate globalization. Privatization of public services will turn them into profit driven businesses. In addition to eliminating jobs with pensions and basic grievance procedures, it will cause competition for vital social services such as health care. In Greenville, North Carolina, the Pitt Memorial Hospital, a major public hospital and

trauma unit depended on by people in 29 eastern majority Black Belt counties, was recently privatized. Equal access to public accommodations, one of the main goals of the fight against legal segregation, is threatened by privatization. This further turns back the clock for African American democratic rights.

Privatization Disempowers and Divides Workers

Many of the Black majority political districts in the South which were mandated by the Voting Rights Act of 1965, to make possible the election of Black officials to better access government resources, have been dismantled by the courts. These attacks on potential zones of Black political and workers power seek to eliminate possible challenges to the unrestrained corporate exploitation in those areas. It is no accident that the dismantling of the two North Carolina Black majority districts are in areas where a major influx of industry and environmental pollution is occurring.

School district mergers, the annexation of towns, and the rezoning of areas, have been used throughout the South to reduce African American influence in educational decisions, municipal planning and corporate locations. White skin privilege reflected by social and economic preferences to whites, leads many whites to fear privatization less than African Americans. The struggle against privatization often breaks down around racial lines.

The increased migration of workers from Latin America and the Caribbean into the South seeking employment has intensified the competition among low wage workers for jobs and social services. The differences in language and cultures are being exploited by the companies and the political system to create another strata of workers, a three tier wage system. This is widening the divisions and hostilities among Southern workers. Along with

increasing conflicts among African American and Latino workers, we are seeing an increase in activities by the klan and other racist groups targeting all workers of color.

Opposing Racism Worldwide: Key to the Struggle Against Globalization

U.S. corporations promote and reinforce racism wherever they are. The historical record of the U.S. in dealing with issues of racism and immigration can be better understood by looking at its internal development. The European colonial systems were outside of their countries. The U.S. organized a domestic colonial system.

African Americans and Chicanos have had their national identities forged during the history of British Colonialism and U.S. national development. Despite living within U.S. borders since it became an independent republic, of fighting in wars, of building the country, African Americans and Chicanos are still not treated as "full" citizens. Native Americans have never received full rights or respect as nations or citizens. U.S. immigration policy is an extension of its system of national oppression.

Racism allows capital to scapegoat workers of color in an effort to align white workers with corporate and government policies that appear to deprive only a segment of the working-class of their democratic rights. This creates the divisions that weaken and destroy worker organizations that unite the working class in combating the abuses of capital and of reaction, such as acts of racist terror. These laws ultimately effect the democracy of the larger working class. The fight against racism worldwide, and particularly within foreign, based U.S. companies, is very important.

Building Social Unionism In the South

A strong Southern trade union movement with an internationalist social vision is a must to help defend and expand worker rights and Black political power as pillars of democracy for all Southern workers and communities.

The general organizing strategy of most unions, reflected in their targeting and organizing methods, mainly seeks to make up for the losses in their memberships over the past twenty years. They focus on identifying "hot shops" for quick elections, have limited ties to the communities and lack labor solidarity involving other unions.

"The organization of a few workplaces here and there will not alter the balance of power between capital and labor."¹⁴ To have any significant leverage against the power and mobility of capital, there must be a broad movement to organize workers. A workers fight-back movement that organizes and mobilizes workers at the workplace and in communities around immediate, industry and South-wide economic and political issues and demands is a must.

Repealing Taft-Hartley, collective bargaining for public workers, living wages, equal pay for women, national health care, environmental justice, decent housing, quality education, affirmative action, Black political power, and opposition to racist violence and political repression are some of the issues which must be taken up by trade unions as part of a long term program for organizing in the South. The various organizations and cultures of the workers must become integrated into the rank- and-file character of these movements, and women workers must play major leadership and organizing roles. The development of an independent working-class based political party is also a key factor in the broader movement to organize worker and Black political power in the South.

Public Sector Organizing: Key to Building a Labor Movement

The organizing of the public sector is strategically important for launching a broad trade union movement in the South. It can help to strengthen the fight against privatization and corporate domination of public resources. It creates a sector-wide worker's movement that helps to overcome the isolation which occurs in single plant organizing, and provides a built-in political factor of allowing immediate worker demands to be made on various levels of state and local government. This will give the organizing a popular character, and contribute to raising the political class consciousness of the workers. Public sector organizing can help to create a climate that stimulates new rank- and-file initiated and led organizing in the private sector.

The unity of public sector unions in the South is thus critically important to the building of a South-wide labor movement. This can help to raise consciousness about the need for a movement to repeal Taft-Hartley. It could be the example for the larger trade union movement about the need for sector and industry-wide unity regardless of union affiliation. Lacking worker majorities, formal employer recognition and collective bargaining contracts makes this unity even more important.

Just as we need a multi-city and multi-plant movement, we need a multi-state movement to establish a critical mass of coordinated activities in the Southern region. We must not allow the old and new rivalries and tensions between our national unions, to prevent us from building the unity that we so desperately need between our unions in the South. This must be a democratic right that we struggle for within our national unions, if necessary.

Rank-And-File Unionism

The process of unionization must begin long before the demand for formal employer recognition. Workers must engage in organizing and mobilizing themselves on the shop floor and communities as the most basic foundation of their power. They must build up their allies, their support apparatus and finances, and must train and educate their members and rank-and-file leaders to be positioned to engage in sustained struggles for long periods of time

Workers must also pick their offensive battles wisely. Their campaigns and demands must focus on creating more space for them to carry out widespread organizing, and that places workers in a position to collectively bargain with employers around issues. Without this rank-and-file foundation, there is no base for challenging the employers and political system when they refuse to bargain in good faith or honor the law.

The false sense of U.S. democracy and legal accountability has led to an over reliance by many unions and workers on lawyers and on lobbying legislators. Many feel that widespread organizing should not be attempted in a serious way until more favorable labor laws can be passed.

Lawyers and lobbying may be integral components of an effective union organizing strategy. However, the weak fines by government agencies, the reversals in labor laws, and the refusal by states to recognize federal legislation¹⁵ (as in the case in Charlotte, North Carolina, where a worker was fired in violation of the Federally enacted Family Medical Leave Act) shows the limitations of lawyers in the courts without public pressure that is generated by the workers. For example, despite the legal issues that were involved, it was the democratic preparation and mobilization of the UPS workers within the Teamsters Union that enabled them to win their demands against a powerful corporation.

Organizing on the Defensive: Non-Majority Unions

The corporate and government attacks on labor and the increasing competition among workers being caused by the global restructuring, have caused major fears among workers about job security. Only a minority of workers are willing to step forward to organize on the job. This has meant that the majority of the formal union elections have been lost. The main danger is not in losing union elections, but in losing the pro-union sentiment of the militant minority of workers in the workplaces that positions the unions to begin organizing campaigns. Unions cannot educate workers about the power of rank-and-file workplace organization from the outside.

The concept of non-majority unions must be applied in forming unions while labor is on the defensive. A worker fight-back movement must begin around a sizable and militant minority of workers, not just at a single workplace, but in several workplaces linked together in industry and sector-wide organizations. "Organize the minority to win the majority" must become a slogan¹⁶ of rank-and-file unionism in the South. The concerted activity provision of the National Labor Relations Act should be more widely used as a form of protection for the right to organize.

African American workers are in a strategic position to initiate and lead the formation of non-majority unions. By linking the fight for improvements on the job to the broader movement for economic and social justice facing African American and working people in their communities, the non-majority unions become part of a labor-community alliance that can increase the leverage of those unions. It also gives the unions a more indigenous and permanent institutional identity within the community and broader social movement.

Building International Worker Consciousness

The defeat of worker governments throughout the world have been pointed to by the capitalist media, as examples of the failures of working-class leadership and systems. They hope to strip workers of all confidence in seeing themselves as a powerful social force capable of effectively challenging the abuses of capital, and of leading movements to democratize and radically transform society.

Without an international consciousness, Southern workers and workers throughout the world, will view it as impossible to challenge capital in its global context. This is especially true for Southern workers, who live inside of the world's most powerful imperialist country, and in a region where workers are the most divided by race, gender and community.

Workers must not allow the competition between the multi-national corporations and nations within the global economy to convince us to go to war against each other, simply because we live in the different competing countries. If we can remove this capacity from the rich, they will have to face us directly and answer for their crimes against our labor, communities and the environment which they have almost destroyed.

By organizing workers and challenging capital in the South, the global strategy of capital would be severely shaken and could be thrown into a crisis that favors working people. It could sharpen conflicts within the U.S. between state and federal policies around questions of regulating capital and environmental protections. It could impact trade agreements like NAFTA and GATT,¹⁷ by workers targeting key sectors of major Southern based indus-

tries in the international production chain, like auto parts. It would also help to strengthen labor's power throughout the U.S., and give it a political direction which challenges instead of cooperating with capital's injustices. The U.S. and international capital will do everything within their power to protect the South's anti-union status.

Workers in the South desperately need the help of this international body assembled at the Southern International Workers School, to spread widely the message about the role of the South in the global economy, about the need to organize the South. Southern workers need also to learn about the struggles of workers in other countries and their links to the U.S. and the Southern region. We need international exchanges, workers schools, conferences and campaigns to build international labor solidarity. We need to make the Southern International Workers School a permanent institution of international labor solidarity and worker internationalism.

**Workers and Oppressed
People of The World Unite!
Organize The South!**

Footnotes

- ¹ *Regional Forum STC Publication*, (Summer 1998, Vol. 11, No. 2), p. 2.
- ² *First Union Bank*, (July 1998).
- ³ R. Wimberly and L. Morris, *The Southern Black Belt* (1997), p. 8.
- ⁴ *ibid*, p. 2.
- ⁵ *Southern Growth Policies board Report*, (1995).
- ⁶ *First Union Bank*, (July 1998).
- ⁷ *Department of Housing and Community Development*, (1998), p. 24.
- ⁸ *Looking Forward-Report of the Committee on Southern Trends*, (1997), p. 27.
- ⁹ *Creating A Common Agenda: A Citizen's Report on National Budget Priorities*, (1996), p. 5.
- ¹⁰ Kim Moody, *An Injury To All* (1988), p. 13.
- ¹¹ *ibid*, p. 101.
- ¹² *First Union Bank*, (July 1998).
- ¹³ *AFL-CIO State By State Statistics*, (1998).
- ¹⁴ Kim Moody, *An Injury To All* (1988), p. 215.