Spaces of hope? Fatalism, trade unionism and the uneven geography of capital in whitegoods manufacturing

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ABSTRACT

By engaging with the 'politics of scale' labour geography challenges the fatalism and consequent passivity that pervades much of the labour movement. Similarly, new forms of labour internationalism and union organisation offer the *potential* to open up new space for confronting corporate power and intervening effectively in restructuring processes. This paper examines these theoretical and organisational innovations by means of a study of restructuring and patterns of investment in the global whitegoods industry, with particular reference to trade union responses to restructuring in Australia.

Introduction

Silver (2003, 16) suggests that fatalism has demobilised the labour movement, puncturing a century old belief that worker solidarity could challenge capital's logic. Unions have no mechanism to reverse these decisions and appear impotent in these circumstances (Wills, 2001, 181). Consequently, these organisations are 'paralysed' in the face of corporate restructuring and their strategies have led into a 'dead end' (Moody, 1997, 1,2).

This paper considers this impasse in relation to the optimism underlying the work of David Harvey and other scholars working in the emerging field of 'labour geography'. This work is engaged through an analysis of corporate restructuring in one sector, white goods manufacturing. The first section of the paper outlines the way in which leading corporations have shaped a new geography of production that has undermined trade unionism. The second section considers the optimistic view of agency central to the work of labour geographers such as Harvey and Herod. Labour can shape the landscapes of capitalism; corporate logic can be challenged. The final section confronts this optimism of agency with the reality of corporate power in the white goods industry, exploring the tentative steps of an Australian metal union to work towards challenging the capacity of these corporations to exploit the uneven geographic evaluation of labour. Thus far, these endeavours have largely failed yet it is argued that an engagement with issues of scale and new forms of organisation and internationalism offer real potential for constructing more effective responses to corporate power and restructuring agendas.

Whitegoods restructuring and the uneven geography of capital

Workers' passivity is, in part, a product of their sense of powerlessness when confronted with closure. The essential character of restructuring is that work organisation decisions (work intensification, casualisation, outsourcing, closure and the relocation of production to geographically distant lands) are viewed as a managerial prerogative. These decisions are the business of shareholders, not workers and their unions. Strategy decisions are an exclusive managerial right. They are off limits to any form of bargaining. Casting power in this unilateral fashion meant that white goods companies were unimpeded in shaping a new geography of production as a principle method of competitive warfare. Competition was fought out through spatial fixes that exploited geographical difference in labour standards and the uneven geographical evaluation of labourers.

The strategy of the leading corporations in this sector demonstrates that the accumulation of capital is indeed a 'profoundly geographic affair' where spatial reorganisation and the exploitation of uneven geographic development stand at the very centre of the way competition is played out (Harvey, 2000, 57). Within this dynamic, a clear geographic pattern emerges marked by factory closures and relocations.

In North America, white goods factories move southward to Mexico and across the Pacific to China; in Europe, there is an eastwards drive into Central Europe; in Asia, a movement from Korea and Japan to China; and in Australia, a movement to China and Thailand. In each of these corporate restructures, the magnet is the absence of effective independent unionism and the uneven geographical evaluation of labourers. These locational shifts can only be slowed to a degree if workers concede to increased work intensification and casualisation. Power to impose this unilateral restructuring derives from the highly concentrated structure of the industry in the late Twentieth Century. The five largest corporations control 30 percent of the market with a combined turnover of 45 billion US dollars in domestic appliance revenues in 2002 (Euromonitor, 2003). Table 1 shows that the top two whitegoods giants alone controlled 15 percent of global volume sales while the ten largest corporations account for 44 percent of the global market. Five North American and European MNCs have secured just over one third of world sales (35.6 percent). Four Japanese MNCs achieved 14 percent of world sales, with the emergent MNCs from China and Korea rapidly growing their market share. This high degree of concentration is the outcome of a process of capital accumulation driven by intense competition between private corporations where 'one capitalist always strikes down many others' (Marx, Vol.1: 929).

TABLE 1

Ten largest Whitegoods* Corporations (as measured by share of total global volume sales) 2001 and 2002

		% volume	
		2001	**2002**
Whirlpool	(US)	7.9	7.9
Electrolux	(Sweden)	7.3	7.1
Bosch-Siemens Hausgeräte	(Germany)	5.8	5.7
General Electric (Appliances)	(US)	5.3	5.4
Haier Group	(China)	3.2	3.8
Matsushita	(Japan)	3.1	3.2
Maytag	(US)	3.0	3.1
LG Group	(Korea)	2.4	2.6
Sharp	(Japan)	2.6	2.6
Merloni	(Italy)	2.3	2.5

Source: *Euromonitor: Global Market Information Database*, 'The world market for domestic electrical appliances', November 2003.

The present status in the industry is that the two leading producers, *Electrolux* and *Whirlpool* are head to head in the United States and European markets, with *Whirlpool* the stronger in America, whilst *Electrolux* is more dominant in Europe, both having achieved this pre-eminent position through an aggressive acquisition and merger strategy. The competitive war between the major players is waged through lean production restructuring and an engagement with cheap labour zones. *Whirlpool* and *General Electric Appliances* (GEA), the industry's third largest producer, have led the way by taking advantage of the NAFTA to relocate production from North America to non-unionised plants in Mexico's 'maquiladora' free trade zone. Having established these production bases in the mid to late 1990s, Mexican workers are now confronting threats to relocate production to China (BusinessWeek, 6 August 2001) as a means of suppressing rising real wages, eroding benefits, and allowing for 'flexibility' in replacing permanent staff with casual employees (Bacon, 2003).

All the major players are pursuing precisely the same form of competition to the point where they are all leveraging the advantage of uneven geography. This pushes the boundaries of how space is used to competitive advantage even further. New, previously unimagined, fluid and effective strategies are evolving in this battle of the giants. Here the Swedish MNC Electrolux has led the pack. Faced with a falling rate of profit in 1996 and 1997, the company engaged in aggressive cost cutting to restore margins. As Electrolux's 2000 report shows, these results were achieved by a zealous strategy of closures and downsizing that led to stock market values climbing sharply between 1997 and 1999 (Forbes, 24 July 2000: 56-57). During 2002, the company closed cooker

factories in Sweden, Italy and Germany, relocating production to Romania and, similarly, it has shifted some production capacity from a Spanish refrigeration plant to an established plant in Hungary. The wave of rationalisations continued through 2003. An air-conditioning plant in New Jersey in the United States was closed, resulting in the loss of over 1300 jobs. In Europe, the company announced its plans to close three facilities - a refrigeration plant and a cooking hob factory in Germany and a cooker plant in Norway (Electrolux Annual report, 2002: 17-18). This restructuring has continued unabated during 2004. A vacuum cleaner plant in Vastervik, Sweden was closed resulting in the loss of 600 jobs and a refrigeration plant in Greenville, Michigan was axed with 2 700 workers out of work. A new refrigeration plant is planned for Mexico. There is a significant geographic pattern to this restructuring. Essentially, the MNC is moving out of high waged, unionised Europe, the United States and Australia into cheaper labour zones, free of democratic unionism.

Whilst the extent of the Electrolux restructuring and closures is remarkable, especially in Germany and Sweden, it appears similar to the spatial fixes of the other significant corporations in the industry. Electrolux is now pushing the boundaries of the spatial fix by constituting a new form of space competition within the MNC itself, a process that has been labelled 'regime shopping'. This strategy is evident when bargaining at a specific factory is linked to other sites within the corporate production network, thereby leveraging agreements to restructure, (intensify labour, downsize and casualise), by threatening closure and relocation of productive capacity to another Electrolux site where labour costs are lower. An example of this strategy is a series of agreements struck between Electrolux and Italian unions, which have substantially restructured employment relations in the face of threatened closures or relocation to lower wage nations in Europe such as Romania (EIROnline, 28 October 1997; Bordogna & Pedersini 1999; EIROnline, 28 July 2000).

This analysis of corporate restructuring highlights a profound power inequality underpinning the change process. This geography of power is imposed through the spatial organisation of production of these companies, which demonstrates how the production of space and scale can erode any alternative power base, thereby disorganising and demoralising trade union opposition. Unions accede because there appears to be no alternative, given actual and threatened spatial fixes. The relatively recent emergence of a labour geography questions this fatalism. Is there indeed no alternative?

Labour geography and the optimism of agency

> Where, then, is the courage of our minds to come from? (Harvey, 2000, 237)

Fatalism that characterises much of the trade union response to global corporate restructuring is a product of structural and ideological forces. There is a transformation in structural conditions highlighted above and a transformation in the discursive environment that has led to a decline in the idea and the belief in the power of workers to challenge this logic (Silver, 2003, 16). In this context, the optimism in agency underlying labour geography provides theoretical insights that may well open new horizons in the organisational and political praxis of trade unions. In exploring this avenue in relation to the predicament of trade unions in the white goods sector, we will concentrate principally on the work of Herod (2001, 2002) and Harvey (2000).

The optimism of agency is a central vein in Herod's (2001: 1) Labor Geographies where he challenges the view that the global power of capital is the singular force shaping contemporary economic geography from the very local to the truly global scale. From this perspective, those on the receiving end are perceived to be powerless 'as the juggernaut of global capital marches on, recasting in its wake the planet's economic landscapes'. Herod contends that this is not the whole story and that 'there is always opposition to power and domination, a fact that is seen everyday in countless workplaces, fields, offices…' A key to unlocking this possibility is the development of an understanding of how space and spatial relations may serve as sources of power and objects of struggle (Herod, 2001, 5).

The notion that workers could become proactive in this way raises critical issues. How can workers who are forced into submission by workplace authority structures and surveillance systems and who are pushed to the limits by work intensification, the insecurity of casual employment contracts, the fear of closures and job loss, become the agents of change?

Marx and Polanyi respond to this question by arguing that labour is a 'fictitious commodity' and any attempt to treat human beings as a commodity like any other would necessarily lead to deeply felt grievances and resistance (Silver, 2003, 16). Harvey (2000, 117) contends that such resistance arises because the 'transformative and creative capacities' of persons can 'never be erased'. For Harvey, a person is 'the bearer of ideals and aspirations concerning, for example, the dignity of labor and the desire to be treated with respect and consideration as a whole living being'. When treated as a commodity, persons still have the capacity to 'contemplate alternative possibilities' (2000, 199) even in the darkest of times when there is an absence of any obvious blueprint for social change or any social movement with plans for social change. A crucial element in the long hard struggle against unconstrained corporate power is a notion of the creative, imaginative capacity of persons, what Fromm (1947, 96) refers to as productive personality in contrast to the commodified market personality. Harvey (2000, 201) captures this in his adoption of the figure of the architect as a metaphor for human agency. Like architects, persons are capable of 'thought experiments', of imagining and struggling with passion and commitment for an alternative social order. In stressing this positive view of agency, these theorists are highlighting leadership, which is the crucial element in the unfolding of a new kind of labour movement, seriously building a capacity to challenge corporate power.

Whilst the question of leadership is crucial to resistance, serious obstacles in confronting corporate power need to be addressed, given the changing nature of that power. Bauman (1998: 8) contends that it is the global corporation's 'independence from space' that is central to their transformed power position. This is reflected in 'a consistent and relentless wrenching of the decision-making centers, together with the calculations which ground the decisions such centers make, free from territorial constraints – the constraints of locality'. Whilst managers and workers are locality bound, shareholders are in no way space tied. 'They can buy any share at any stock exchange and through any broker, and the geographical nearness or distance of the company will be in all probability the least important consideration in their decision to buy or sell'. Shareholders are 'the sole factor genuinely free from spatial determination'. Since companies 'belong' to them, they are the real force behind the throne, exerting intense pressure for short term maximisation of returns. Restructuring is the natural derivative of such social force and its consequent psychological and social impact is absent from the calculus, for as Bauman observes, 'Whoever is free to run away from the locality, is free to run away from the consequences.' (Bauman 1998: 9).

Thus, when power is dislocated, when it is free of the limits of place, then those subordinated may wait in the ring, but they find no opponent. They appear to have no point of attack. The persons they speak to are no longer the decision makers. This changing character of power renders theorising labour geography all the more vital. Recognition of the changing scale and character of power is central to this project, hence it is not by chance that Herod's new 2002 book is entitled, Geographies of Power in which a further deepening of our understanding of the production of scale is the key focus. Can workers contest corporate power through imagining new forms of unionism based on engaging the local through a new understanding of the potential of the politics of scale?

A variety of spatial scales exists (personal, local, regional, national, global) at which a class politics must be constructed, connecting the microspace of the body with the macrospace of globalisation. The nature and the possibilities of these connections 'is an acute problem that must be confronted and resolved if working class politics is to be revived' (Harvey, 2000, 49, 50). Harvey situates this challenge within the problematic we captured in detailing whitegoods restructuring. The factory was the traditional starting point of trade union organisation 'but what happens when factories disappear or become so mobile as to make permanent organising difficult if not impossible?...Under such conditions labor organising in the traditional manner loses its geographical basis and its powers are correspondingly diminished. Alternative modes of organising must then be constructed' (Harvey, 2000, 50).

The recent work of labour geographers (Herod, 2001, 2002; Wills, 2001) addresses 'the grossly underdeveloped' issue of scale and the need for alternative modes of organising. How does one define the scale at which struggles against corporate restructuring should be fought? Scale is a socially constructed material entity that is subject to ideological and political contestation (Herod, 2001, 38). Hence, workers can produce geographic scale in an attempt to challenge the unilateralist restructuring decisions of corporations. Cox (1998) makes an important distinction

between what he calls 'spaces of dependence' and 'spaces of engagement'. The former is more or less localised social relations upon which persons depend for the realisation of their essential interests. The latter refers to spaces in and through which social actors construct associations with other actors located elsewhere. The production of scale is seen as emerging contingently out of the ways in which actors build spaces of engagement that link spaces of dependence. Hence, jumping scales is not a movement from one discreet arena to another but a process of developing networks of associations that allow actors to shift between spaces of engagement. This does not mean that jumping scales is a move to a larger scale only, for actors may also focus on local action to challenge global corporations. A key issue is how workers and their unions make and contest scales as part of their political praxis, how they build networks of interaction at various geographic resolutions (Herod, 2001, 43). We address this question in relation to trade unions in the white goods sector.

Contesting Whitegoods restructuring

The significance of these theoretical interventions is that they have *potential* to transform the fatalism that pervades contemporary unionism. This potential will only be actualised if these insights are transmitted into trade union discourse. In this there is a choice between contrasting approaches to labour internationalism, between the social dialogue, global collective bargaining approach of existing labour internationalism and creation of a new labour internationalism (NLI), which, in the mould of Harvey's (2000, 200) 'will to create', imagines and then explores novel ways of challenging rather than accommodating, albeit often under protest, rampant corporate power.

Waterman and Wills (2001) make a significant contribution to our understanding of the challenges faced in the construction of this alternative approach and how trade unions, as they are presently constituted, 'appear ill suited' to this endeavour (Waterman, Wills, 2001, 2). In attempting to transform unionism, the NLI addresses three major challenges identified by labour geographers, which we highlighted in the above section on agency. Firstly, the new approach centres on constructing 'alternative modes of organising' that are network based and that link the hierarchy of spatial scales. Secondly, a new kind of leadership is critical to mobilising such an endeavour. Whilst such leadership has emerged most forcefully in the south, there are isolated signs of a similar shift in the north. Thirdly, the new form and dynamic of corporate power is addressed through targeting company boards and shareholder meetings.

The new labour internationalism (NLI) is consonant with the new labour geography and is therefore a key mechanism for the transmission of these perspectives on space, scale and agency. The NLI seeks to develop a capacity to 'identify geographic possibilities and strategies through which workers may challenge, outmaneuver, and perhaps even beat capital' (Herod, 2001, 17). In particular, the NLI assumes a global campaign orientation and social movement style of organising, whilst the established internationals generally limit their action to political lobbying, social dialogue and attempts to apply a collective bargaining model globally. However, as the following analysis of trade union responses in white goods will show, there are instances where a dynamic interplay between the established and the NLI may emerge.

Identifying different forms of labour internationalism is pertinent for, in general, the established orientation has not effectively challenged the MNCs prerogative to command and produce space in shaping a new geography of production. In contrast, the NLI strives to make and contest scale so as to reconfigure the geography of power, hence labour geography is being played out in and through the NLI. In the south, the formation of the *Southern Initiative on Globalisation and Trade Union Rights* (SIGTUR) fourteen years ago is one expression of these tendencies. These orientations provide a basis for assessing the prospects of unions in the white goods sector.

Unions in *General Electric* (GE) have evolved a strategy within the established labour internationalism. As early as the 1960s, GE unions in the United States recognised that geographic scale was important in the collective bargaining process and therefore formed a Coordinated Bargaining Committee (CBC) of GE unions to develop a common position across geographically dispersed production sites. Union leadership contends that this structure has become even more important under globalisation and its purpose is to enhance collective bargaining strength through scaling up the process.

The CBC has an international committee that networks with unions in GE plants across the globe and they have recently publicised the denial of union rights and the victimisation of union leaders in GE plants in India and in Malaysia. They highlight, 'General Electric's globalisation of anti-unionism'. The goals and the commitments of the CBC is seen to be strengthened through participation in the *International Metalworkers' Federation* (IMF), which has led to the formation of a GE World Company Council (WCC) comprising plant and national level leaders. The promotion of WCCs is central to IMF strategy, which is trying to make these structures more effective. Whilst the IMF (1999, 2) has stressed an 'action program' of 'internationally coordinated campaigns' to deal with 'urgent situations', as yet, campaigns to challenge the right of MNC to shape a new geography of production have still to emerge.

In Australia, leaders advancing strategies that transcend the GE workers' traditional internationalism are being given a voice within the corporate restructuring debates. In this process, labour internationalism, so critical to the labour geography project, is a deeply contested terrain. This Australian experience will now be explored as it provides a fine illustration of the struggle between fatalism and the political and organisational will to challenge corporate restructuring in the terms labour geography theorised.

When *Electrolux* bought out *Email*, the last remaining white good producer in Australia in October 2000, part of the deal was the closure of a cooker plant in Melbourne that employed 650 workers, which is a large factory by Australian standards. Fatalism marked the initial trade union response – management's decision was final and could not be challenged. The *Australian Workers Union* (AWU) organised a brief symbolic work stoppage and street protest. At this point SIGTUR intervened, having formulated a global resistance strategy which aimed at swiftly creating a new network within *Electrolux*. The network would be constructed through the IMF, which could act as a bridge between the Swedish and Australian unions, setting up a global meeting to formulate a strategy challenging the announced closure. Pressure on the MNC would be phased with initial discussions advancing the position that restructuring and consequent closures should not be imposed. Change of this magnitude had to be negotiated. Workers and communities had the right to be an integral part of the restructuring decision making process with the freedom to collectively oppose management plans if they so chose. If *Electrolux* refused to negotiate, then the IMF would enter into discussions with the *International Transport Federation* (ITF) to explore the possibilities of tracking and then disrupting the company's container movements until such time as they agreed to bargain on the issue of the *Chef* closure.

This imagined spatial fix was however stillborn. The IMF eventually responded by saying that they did not have the resources for such a degree of campaigning on a single closure. Furthermore, they were of the view that the Swedish workers were conservative and would not engage in such a radical global campaign. SIGTUR's response was firstly that Electrolux and other leading MNCs in white goods were all committed to shaping a new geography of production that involved a spatial fix based on closure in unionised countries and investment in union free zones where labour could be more severely exploited. Unions may discover a way of challenging this logic through experimenting within an action orientated NLI, thereby creating a new model of effective global resistance. Secondly, politics is about winning workers over to a cause. Surely Swedish workers could be enthused into the campaign, given that they were reeling from similar closures as factories move eastwards. Despite its initial support for this model of engagement, the AWU did not follow through its initial intervention and pressure the IMF to act, hence the initiative was a failure. After this brief flicker of hope, fatalism again permeated the *Chef* closure with little response from the Australian trade union movement except to oversee redundancy arrangements. This was indeed a sad retreat for workers in the plant had been briefed on the plans. The alternative energised them. They were ready to stand up and fight hard at a local level. Plans were afoot to try and get the local Council to support a blockade of the factory, thereby preventing *Electrolux* from moving *Chef* machinery to Brazil and to Adelaide. When they learnt that the global action plan had not been adopted, the energy, enthusiasm and hope dissipated in an instant. Gloom, despair, fatalism again prevailed.

A similar scenario is once more being played out in Australia. Electrolux continue to demonstrate just how effectively they can command and produce space, creating a new geography of production that advances a singular goal - shareholder value. The company's spatial fix is a US$50 million

of new investment upgrading its factory in Changsha in the inland Hunan province to a 'global production platform'. The production of fridges will expand from 650 000 per annum to 1.3 million by 2006. The new global production platform has implications for Australian workers and communities for, in May 2004, the MNC announced a fifty percent cut in the workforce of a factory in Orange in the central west of New South Wales. Four hundred workers will lose their jobs. Another 200 jobs will be cut at *Electrolux*'s operations in South Australia. The unions have been informed that they will have no say over redundancies and there is a fear that shop floor leaders will be targeted. As the Chinese production lines in Changsha expand over the next two years, it seems likely that the entire factory in Orange will close.

In the context of threatened relocation and the reconfiguration of organisational culture in Orange to discourage collectivism and to facilitate work intensification (Lambert et al., forthcoming) fatalism has been the predominant response. An internal memorandum from union organisers in the town argues that a majority of the workforce view the loss of their jobs as inevitable. They do not believe that they have the capacity to 'turn it around' with only a 'small minority' being 'prepared to take industrial action'. The majority feel betrayed by the company. They had turned their back on the union and sided with the company during the enterprise bargaining process only to find that Electrolux has rejected them. The union organisers believe that the majority of the workforce have become 'very conservative and are unable to comprehend the implications of free trade and global competition on their day to day lives in Orange' (Australian Manufacturing Workers Union, Internal Memorandum, 11 May, 2004).

The initial response of union organisers in Orange is also fatalistic with the primary focus on how redundancies are handled by the company thereby assuming that the restructuring decision cannot be challenged. In the same report, the site organisers argue for voluntary redundancies rather than forced redundancies, suggesting that *Electrolux* should provide funding assistance for training to 'enhance the employment prospects' of the fired workers. The organisers argued for the establishment of a combined union campaign committee that could organise a forum in the town to discuss 'the future viability of the plant'. Overall, however, the organisers are pessimistic, noting that the restructuring will undermine the viability of the union maintaining a branch in the town as reduced union membership will create financial strain. They doubt 'long term viability of the plant' due to its reduced status in the global production chain and *Electrolux*'s global capacity to absorb what will be left of Orange over the next three years.

Within the AMWU, fatalism at the coalface is countered by the serious consideration being given to a NLI response to the crisis. The AMWU is a left wing union with a historical tradition of promoting activism in the workplace through elected delegates and democratic unionism. Senior union officials are committed, experienced internationalists and are active within the IMF at an international and regional level. The union has also been at the forefront of trade debate in Australia, challenging the logic of free trade and arguing for fair trade that links the degree of trade openness to recognition of union organising and bargaining rights. The union has already laid a foundation for such a NLI response when they organised a three day workshop of Australian, New Zealand and Swedish *Electrolux* union delegates in Sydney in November 2003. A positive outcome was a commitment to the building of a global workers network within *Electrolux* modelled on the one set up within the mining MNC, Rio Tinto. Addressing the meeting, a co-ordinator of this initiative argued that successful networks were built through 'strategic campaigning' that was empowered by the following principles. Firstly, the starting point is the local membership creating potential for a two way education process in which the local membership learns of the global nature of the corporation and the union leadership discovers how far the membership will go in terms of local action – 'what they will fight for?' Secondly, the network has to research and discover all that they can 'about the boss' so that potential weaknesses and contradictions can be targeted. Thirdly, workplace issues need to be framed as social justice and human rights challenges, thereby attracting and involving the wider community. Fourthly, the emerging network needs to evolve this broad base, incorporating concerned citizens and civil society movements. Fifthly, the action strategy has to be thoughtfully devised in a manner that starts small and then increases in intensity, maximises the impact on the corporation's public image and creates real financial costs.

Conclusion: Spaces of hope?

Harvey (2000, 49) observes that in an age where class struggle has receded, 'the painting of fantastic pictures of a future society' is ever more vital. The new labour geography, in stressing the potential of agency, maps a pathway of hope that stands in stark contrast to the bleak, predictable acquiescence of most union responses to the new geography of production. Herod's (2001) major work is bristling with positive case studies, which indicate that workers can indeed be proactive in shaping the landscapes of capitalism, provided that they engage the issue of scale.

The constraints standing in the way of incorporating multiple scales of action and of moving towards a social movement and NLI orientation are considerable. Firstly, unions remain primarily national entities, preoccupied with national politics and national industrial relations bargaining. Virtually all resources are channelled into fielding local organisers. If unions are to take the NLI route and confront the power of these corporations to command and produce space as a way of weakening unionism, they will have to shift resources to building new networks as the embryo of a future globally oriented unionism. The conundrum is this: restructuring and closure cuts union membership and erodes the finances of national unionism, rendering it difficult for them to keep existing organisers, far from employing new personnel to manage and build new networks. Yet, unless there is an initiative to expand the scale of union activity, this slide will continue, for it is only in confronting the issue of the geography of power that decline can be addressed. Secondly, as the experience of the Australian workshop reveals, there is an uneven development of trade unionism across the globe that can mitigate against a common approach to corporate power. For example, Swedish unionists at the AMWU's Sydney workshop adopted a relatively accommodating position on issues of corporate restructuring and emphasised a specific national tradition of industrial stability and compromise. Thirdly, in both Australian cases where there was an attempt to globalise the response, local unionism was weak and this provides no real springboard to widen the agenda. Fourthly, the bureaucratic and diplomatic form of existing union internationalism mitigates against commitment to a sustained global action program.

The right of trade unions to genuinely bargain over corporate restructuring is the cardinal working class issue of the early Twenty-first Century, just as bargaining for a shorter working day led the mid Nineteenth Century agenda of the emerging union movement. Trade unionism in that Century was defined by an historical transition from narrow based craft unionism to industrial unionism that built a culture of solidarity and collective action in many sectors, thereby forcing concessions from powerful corporations. Unless there is the will to create another momentous transition from nationally bound industrial unions to a social movement orientated, global unionism, that forges a new kind of power, fatalism will prevail.

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