

## **Our Labour Rights in the Face of the Onslaught of Corporate Power: Feminist Visions and Alternatives**

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Summary of the presentations  
made during the Feminist  
Economics School webinar  
on 17 November 2020.



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**The World Social Forum on Transformative Economies, DAWN's School of Feminist Economics** organised another webinar which gave participants the opportunity to understand the debates around the role of work, using a feminist lens of the main trends imposed by global corporate power.

The Statement by Alejandra Scampini 'Corporate capture is a feminist issue' opened the webinar together with a thought-provoking video<sup>1</sup> **Transnational Institute** on the role of transnational corporations within States and in our lives. The **webinar** provided an overview of the role of corporate power in global economic dynamics, its influence on the structure of global economic governance and on the delimitation of public policy spaces in countries and then focused on the implications of this power on the working conditions of workers. The COVID-19 pandemic has since intensified corporate impunity, state opacity and weakened the social contract of labour.

Against this backdrop, the following questions were posed: What new forms of corporate capture exist and how are they reinforced in contexts of pandemic? How can we intersect struggles for gender justice and environmental justice in the face of the onslaught of corporate power? How do we strengthen collective advocacy work on the public sector, for the defence of human rights and democracies? And finally, what opportunities and tools do we have to move forward together to challenge these contexts and create a way out of the pandemic that places the sustainability of life at the centre?

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1- Watch the full TNI video at the following link: <https://www.facebook.com/130455360339579/videos/1037729066729425/>

## The Deepening of Commodification of Life and the Dismantling of Labour Rights

Corina Rodríguez Enríquez started her presentation with a brief overview of the measurable reality in terms of corporate capture. She highlighted that “the volume and size of certain transnational corporations - measured by their turnover - and their share is greater than the GDP of most countries in the global South”. We arrive at this moment of global financial capitalism, which began in the 1980s through the processes of deregulation, which also manifests itself in the movement of capital and a retreat and withdrawal of the State.

This process is characterised by two simultaneous trends: deregulation and technological advances in transport and communications, which allow the delocalisation of production and the formation of global production chains in which capital begins to move around the world and sets off in search of the most advantageous positions in each place.

In this context, the neoliberal paradigm proposes that it is the market that drives the economy, presenting the State as an inefficient and corrupt agent that “slows down” and has no capacity for innovation. In this way, a process of privatisation and commodification of multiple dimensions of life takes place, and many of the human rights of people, their ability to participate economically and to produce monetary income, are left at *the mercy* of the markets (in the face of a withdrawn State). It is within this setting that gender gaps are produced, where women are left behind in participating in commercial exchanges, as life becomes commodified, care work begins to be the mainstay of life and of the system.

The process of defunding of the State deepens leading to the State’s withdrawal and the difficulties it faces in providing services, which encourages the provision of services by transnational companies. States thus begin to compete with each other to attract capital and to finance development policy, competing by lowering environmental, labour and fiscal-tax standards, enabling the concentration of economic power.

This process was made possible by the weakening of global governance, with institutions that should protect and control the abuses that result from these processes of concentration. Current governance at the State and Regional level does not allow for the regulation of the private sector, transforming transnational corporations into actors more powerful than the State itself.

However, during any time of crisis, the State continues to be the guarantor of the system, as was the case in the 2008 crisis and as it is the case now, in the midst of the pandemic. The effort that States are making in policies to address health crises and policies that attempt to start economic recovery leads to fiscal efforts that result, in some cases, in high indebtedness, also leading to various fiscal adjustment processes.

Within this context of crisis and economic instability, labour conditions are weakened, despite the measures taken by some governments to avoid unemployment and wage cuts. Companies also take advantage of these contexts to demand compensation from States. For example, State bailout policies are based on supporting companies by maintaining wages. The truth is that there are revenue transfers from States to companies, but this does not translate into the protection of jobs and wages.

Another aspect relates to the acceleration of business in some sectors. In particular, the need to stay at home (to limit the spread of the virus) has accelerated the expansion of technology companies, teleworking and platform jobs. This was just the window of opportunity for the expansion of companies in providing services to maintain this infrastructure, a trend that was already happening but which has accelerated during this crisis, especially in the countries of the global South. There is no adequate regulation and the adoption of which has been slow in relation to the acceleration of the expansion of telework as a predominant modality leading to increased attention in relation to care work. The weakening of labour rights due to a weakening of care rights, as well as the intensification of women's time and labour to sustain care and employment has been used to the advantage of increasing the power of private corporations.

## The Urgency of Confronting State Capture<sup>2</sup>

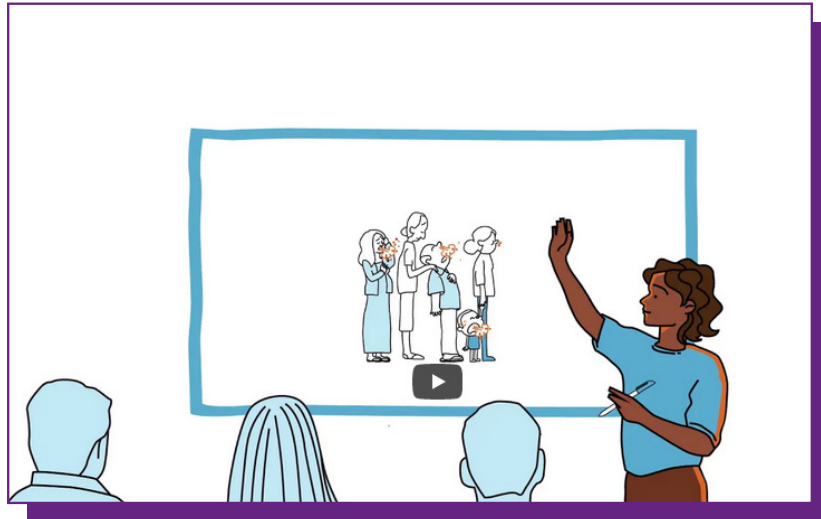


Image from the [video](#) What is corporate capture?

Fernanda Hopenhaym agreed with Corina that business elites have increased their privileges and space for action, accumulating more power. A lack of regulation illustrate complicity and failure of States as the ultimate guarantors of rights and democracies. In her presentation, Fernanda called for the recognition that the problem behind the accumulated power of companies is State capture: “exacerbated power of private capital that is unduly interfering in public life, in our democracies and in the functioning of States. They are not necessarily only corporations, they are also other very strong economic powers, such as organised crime, etc.”

Fernanda reminded us that this concept is not new and that it was first introduced in 2000 by the economists Daniel Kahneman and Heilmann to analyse the case of Indonesia under the dictatorship of Suharto, who was in office for 31 years (1967-98). During this period, Suharto appointed several of his relatives in public

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2- This phenomenon is defined as the undue or exacerbated interference of the private sector in public life and arises when private and public entities make institutional arrangements to impose their will and interests over the needs and rights of society as a whole.

management positions and gave away a lot of power to corporations because they fulfilled a role that once belonged to the State, leading to privatisation which allowed the flow of capital into the country resulting in the power of capital. They developed the dynamic of *crony capitalism*.

### **According to different studies, the manifestations of *State capture* are:**

- 1.** Legislative interference and relaxation of laws to favour companies.
- 2.** Interference in the judiciary.
- 3.** The use of public forces such as the army or the police to defend private projects and attack communities or groups that denounce corruption or defend jobs, territories, etc.
- 4.** The capture of science, which generates evidence and defence on extractive projects.
- 5.** Revolving doors, the exchanges of positions from key policy-making positions in the executive and legislative branches and regulatory agencies to the private sector or vice versa, within the same sector of the economy.
- 6.** The influence or manipulation of leaders, interfering in group debates, communities when they defend themselves against abusive corporate processes.
- 7.** Lobbying of business owners with leaders to influence public policies, or to adapt the rules of the game.
- 8.** Capturing narratives and making them dominant (in favour of processes of dispossession).

Among these forms of State capture, Fernanda highlighted the capture of the narrative of the extractivist development model, which displaces populations and exploits or over-exploits natural resources. *This narrative is dangerous and is part of the corporate capture.*

For Fernanda, it is key to analyse how *the advance of corporate power has not stopped since the pandemic causing more poverty and inequality*. In Latin America, it is predicted that 37% of the region's population will begin to live below the poverty line. Globally, 96 million people will start living in extreme poverty on less than US\$1.90 a day, of which 47 million will be women. At the same time, the owner of Amazon has increased his wealth by US\$76 billion just between March and August 2020 (Forbes Magazine, 2020). The pandemic has allowed a company like Amazon to capture different areas of the public sphere in all the countries where it operates.

Another alarming aspect has been the declaration of “essentiality” of some sectors during the pandemic. In Mexico, for example, there were many who advocated for some sectors to reopen during the pandemic, the mining sector being one, which was declared essential when Mexico was at the peak of Covid infections. The same argument was given for the beverage and brewing sectors, platform work, shipping, technology sectors, largely also because of the capacity of these sectors to influence the State. These sectors managed to negotiate bailout packages even though they were not the ones that were most in need.

## **State Capture must be an Issue on the Feminist Agenda**

As Corina said earlier, it is important to look at these events from a gender perspective. Fernanda agreed that corporate capture especially affects women, as most of the affected labour force are women and within a context aggravated by the increasing rate of violence against women, both domestic violence and violence in the public sphere. This is happening where we are unable to mobilise, whilst being controlled by the police force, using the argument of preventing contagion.



Fernanda placed special emphasis on combating *State capture* as part of a feminist agenda, being the biggest structural problem we face. This capture is a glass ceiling that prevents us from making human rights effective for everyone, to be able to fundamentally change the dynamics of the capitalism in which we live and to be able to dismantle the *corporate impunity* of capital and redistribute wealth.

## Corporate Abuse: The case of the Amazon

Bettina Müller<sup>3</sup> from TNI shared how the pandemic crisis gave rise to more cases of corporate abuse of labour rights, with Amazon being one of the companies that benefited the most from the pandemic. In Germany, they have a turnover of 10 billion euros a year and 13 centres where they package their products with their labour force consisting of many permanent employees as well as a number of temporary employees. In none of these 'fulfilment' centres, do they pay the agreed wages according to the wholesale and retail sector. However, since 2013, the workers have started to strike demanding higher wages. Amazon have not given in despite more than 300 days of strike during these last seven years. In Germany, a large number of the labour market are members of a trade union. Amazon, however, is known globally for its anti-union policy and its harassment, monitoring and control of workers. They use technology, with every step that is taken during the work process being recorded through manual scans. There have been examples where workers who did not record what they were doing for a few minutes were called in by their managers and told that if they did not work well they would be fired.

There are many workers who are not working under any employment contract, so they can easily be terminated which puts more pressure on the rest of the workers

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3- Bettina Müller is a researcher on trade and investment issues at the Transnational Institute (TNI) and co-author of the benchmarking study "Juggling. Latin America between the pandemic crisis and investment arbitration".

who work for the company. They have a system that is based on their performance, with performance being monitored all the time, which creates competition with the rest of the workers. In another city where Amazon is based, one of the managers of the centre mentioned that “comradeship” is not allowed and that he is doing his best to prevent workers from talking to each other to avoid creating solidarity, which can lead to dismissal.

In addition to the Amazon example, there are delivery companies, where workers who began to unionise and organise strikes were terminated from their jobs during the pandemic. In many instances within Amazon, it was reported that there were no masks for the workers, and these packing and distribution centres did not stop working. “Amazon is a company that has a huge turnover of millions and millions of euros per month, but does not provide its workers with face masks. It is not surprising that on average 20% of these workers are sick in Germany.”

## **The Growth of e-commerce in Argentina: The Unicorn Companies**

Flora Partenio brought us similar examples from Argentina. She analysed the *unicorn company* dedicated to buying, selling and payments on the Internet that has made the most profit during the pandemic: the case of “Mercado Libre”. She went over “the capture of the State through the capture of narratives, as well as interference in decision-making processes”. This company benefited along with others in the software and “knowledge economy” sector in Argentina when a law was promulgated in 2019 that granted large tax benefits. Platform companies operate in an area of deregulation, in an expanding market, where they control a large market for services, logistics and payments through e-wallets. Business models such as “Mercado Libre” encompass an ecosystem of exchanges that includes logistics and distribution, for example, for those who work in warehouses, in the logistics parts, and do not have protective equipment protocols (similar cases have occurred in Amazon warehouses). At the same time, there are trade union demands for unionisation, as companies prefer to locate in areas where

bargaining agreements are favourable to them. “Mercado Libre” has promoted the narrative of *cooperation, collaborative economy and entrepreneurship*. However, this “collaborative economy” destroys working conditions and allows these mega-markets to expand without any fiscal-tax liability or obligations as an employer sector. This is a business model that hides the employment relationship: for example, for those who sell their products in online shops, they are outside any labour protection, in particular for women who you find in these online sales platforms which allows them the possibility to generate income from their homes.

## **Corporate Capture as an Imperialist Project**

From Zimbabwe, Nancy Kachingwe raised the following questions: What is the economy? Why are we not part of that economy? Is our work not part of the economy? Is our reproductive labour not part of the economy? And why is the economy defined as certain sectors and excludes other sectors? Corporate capture, what is being captured? And whose is it? What has been the purpose of capturing the State? Nancy stated that corporate culture and State capture are an imperialist project to capture the control of all resources, including labour and natural resources. What we are trying to resist here is the corporate power capture of as many resources for production and accumulation as possible. Another issue concerns women’s labour and work and the gendered nature of work.

Why are distinctions being made, particularly when it comes to women’s labour, which is excluded from being considered as labour? And what are the mechanisms at stake? The tools, the narratives, the technologies that are put at stake to make sure that we can take out half of people’s unpaid work and say it has no value and only count other kinds of work, which even now we are saying has less and less value within the system.

When we talk about migrants and the value of labour and the creation of hierarchies of what is real work and what is not real work, the ways in which gender and

race come into play. It is key to analyse how these equations for the construction of this model of corporate capture come into play, which is not just the phenomenon, it is a project.

In this model, the destruction of labour rights is the first of the most important and key pieces in dismantling the whole human rights framework. Therefore, it is important to see this **binding treaty** and corporate responsibility around human rights as only one element, because it is very important to keep the human rights framework intact as it is not only a corporate attack on labour rights. The intention is to undo the whole human rights framework completely.

I think in many ways the new business model aims to abolish the notion of a worker and the idea of an employer. To move us from being employees to being self-employed, to being entrepreneurs who market. In this context, Amazon is not an employer. It has workers, but it also takes labour from other places, apart from its workers, in an invisible way, to create those huge profits.

## Discussion and Concluding Thoughts

Some of the questions that were raised among the participants of the School of Feminist Economics included a worrying concern about the relationships between large companies, organised armed groups and State capture. This is because in some countries such as Colombia and Guatemala in Latin America, close relationships have been identified between political power, multinational companies, paramilitary forces and industries such as stockbreeding. In the exchange, Corina highlighted research being carried out by DAWN on illicit flows of funds derived from illegal activities such as arms trafficking and human trafficking (in many cases for labour purposes). This **study** found that the money originating from these activities circulated through the same circuits and operated under the same mechanisms and devices as tax evasion money.

Another of the questions raised during the webinar was in relation to the impacts on women in the current context. There is a need to continue constructing arguments

that demonstrate, with new evidence and data, what are the difficulties that prevent the feminist agenda from being heard when it comes to public policy decision-making in the current context.

Thinking specifically about the scarce employment options available to women in scenarios of high unemployment, the speakers were asked about the narrative of “entrepreneurship” which tends to appear as key to “getting out of the current crisis” from certain sectors of power.

The speakers responded that these are very precarious options that do not include labour protection, social security or health frameworks. Corina believes that it is essential to have a critical view of this type of narrative, which does not help to break out of the cycle of poverty and the survival economy. In Bolivia, a large number of women work in commerce, services and small businesses (micro-enterprises). The domestic and care burden is still on them, and with the pandemic this has worsened. In the exchange with the participants of the School, the question arose: what options could be made visible in order to be implemented or proposed as public policy? The discussion was about development models and what implications these models have for the generation of economic opportunities and for whom are these opportunities available? It was stressed that employment is not the only way to access income and that States have to guarantee access to basic needs and to basic income.

On the effects of State *capture* on the rights of women and girls, Fernanda responded that there are no studies that identify additional gender issues. However, she responded that this links to another question regarding what are the new forms of weakened care rights evident during the pandemic. It was highlighted that women are the first to be affected when the State withdraws from providing in any sector, thus generating more violence against women, a growth in the informal economy, and an increase in the time spent on care.

Finally, the panellists invited discussions to build a feminist agenda around the implications of State *capture* by systematising the evidence of what has been happening in different regions and how it is deepening during the pandemic. There was

a call to use creativity to resist in contexts of pandemics, in contexts of demobilisation and/or control of social mobilisation. The strengthening of democracies and the creation of spaces for civil society participation must be part of this agenda. Continuing to generate feminist knowledge and training on these issues is essential to collectively think about how we can confront corporate power and how we can resist this concentrated power.



**Click here to watch the recording of the event.**



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**17 November 2020**

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### **SPEAKERS**

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**Development  
Alternatives with  
Women for a  
New Era**

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