

## Ch12 Alienated Labour

**Karl Marx (5 May 1818 – 14 March 1883)**

### Analysis of Capitalism and Labour

**Thesis:** *In a capitalist economy, the more goods workers produce, the less valuable is their labour*

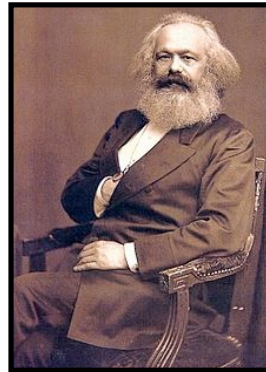
In other words, in a capitalist economy, labour and labourers themselves become commodities

Human resources?

**Argument:** Ordinarily, when one builds or makes something, that thing is an extension of oneself.

That is, the created work reflects the intentions and physical capacities of its maker

*Homo faber: Man the creator*



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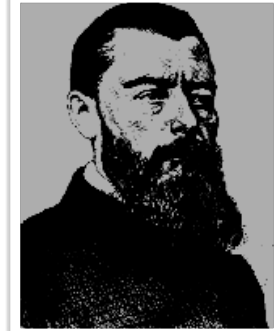
But, in a capitalist economy, the worker creates objects for the purposes of others.

Thus, “the more the worker expends himself in work the more powerful becomes the world of objects which he creates in face of himself, the poorer he becomes in his inner life, and the less he belongs to himself....What is embodied in the product of his labour is no longer his own. The greater this product is, therefore, the more he is diminished.” (Marx 132)

**From Feuerbach:** “It is just the same as in religion. The more of himself man attributes to God the less he has left in himself.” (132)

**Aside:** Ludwig Feuerbach argued that, in religion, humanity projects its greatest values outside of itself onto a supreme, but completely other, being.

In consequence, humanity becomes “alienated” from its own values, and sees itself as lowly, etc.



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Feuerbach believed that once we realize that what we call God is really the best in ourselves, we will no longer be alienated from our own good qualities

**Marx:** In a capitalist economy, workers produce merely to subsist (remain alive), and thus their production is not their own

So workers become themselves objects in the production process

### I. Alienation of Labour (workers from their products):

- (i) in capitalism, the work does not flow from the nature of the worker; that is, the work isn't done to satisfy a direct need of a person to create or build, but merely the “animal” need for food and shelter, etc.; as a result
- (ii) worker don't fulfil themselves in work, but become “physically exhausted and mentally debased” (132); so
- (iii) the worker only feels at home during leisure time, and feels “freely active” only during animal functions, such as eating, drinking and making babies

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**II. Self-alienation in Labour:** “This is the relationship of the worker to his own activity as something alien and not belonging to him, activity as suffering (passivity), strength as powerlessness, creation as emasculation, the personal physical and mental energy of the worker, his personal life (for what is life but activity?), as an activity which is directed against himself, independent of him and not belonging to him” (133)

**III. Species-life (or species-being) alienation:** the natural behaviour (life activity) of a species flows from “the whole character of a species, its species-character” (134)

“free, conscious activity is the species-character of human beings. Life itself appears only as a *means of life*.” (134)

Marx holds that the nature of (other) animals is completely given in their life activity

Human beings, however, since they are *self-conscious*, can make their life activity itself “an object of [their] will and consciousness” (134)

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Man, in his species being, “recreates” nature in his own image, and reflects upon himself and his products while so doing

“Alienated labour reverses the relationship, in that man because he is a self-conscious being makes his life activity, his being, only a means for his *existence*.” (134)

It takes away this “species-life” by making production simply “a means of physical existence” (134)

In other words, in a capitalist economy, the worker ceases the natural human activities of imagining and producing their own products, and instead produces these things for others, simply to survive

As a result, even workers’ mental lives become alienated from them

**IV. Alienation of persons from each other:** This alienation occurs because the “product of labour ... belongs to *a man other than the worker...*” (135)

The worker is related by alienation to the capitalist (“or whatever one likes to call the lord of labour”)

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Marx argues that alienation of worker from labour creates the idea of “private property”

The idea is that the bourgeois class owns the means of production, and thus what it produces

Marx is talking about private, “productive” property, not private, personal property

Marx argues that the modern, capitalist notion of private property says that “an object is only *ours* when we have it, when it exists for us as capital or when it is directly eaten, drunk, worn, inhabited, etc., in short, *utilized* in some way” (135)

How else would Marx have us think of objects as “ours”?

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## **Chapter 17: Sweatshops and Respect for Persons**

(Denis G. Arnold and Norman E. Bowie)

Kant’s principle of respect for person implies that Multinational Enterprises (MNEs) and their contractors should:

- a. obey local labour laws
- b. not use coercion
- c. meet minimum safety standards
- d. and provide a living wage for employees.

A “living wage” and proper health and safety conditions will not cause greater harm than good.

### **I. RESPECT FOR PERSONS**

Second Categorical Imperative: “Act so that you treat humanity, whether in your own person or in that of another, always as an end and never as a means only” (190)

Kant’s argues for CI<sub>2</sub> from the fact that humans are capable of rational, self-governing activity

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As such, people are capable of moral activity, that is, of autonomy, and so have *dignity*

To be consistent, any moral being should grant moral dignity to other moral beings

Such respect means that we can’t be indifferent to the welfare of other moral beings

Treating people as ends in themselves means ensuring their physical well-being and supporting and developing their rational and moral capacities.

### **Implications for MNE’s behaviour:**

The United Nations uses Kant to defend human rights, such as “freedom from injustice and violations of the rule of law; freedom to decent work without exploitation; and the freedom to develop and realize one’s human potential” (192)

The World Bank also notes that it has not paid “adequate attention to the quality and sustainability of growth,” in its promotion of free markets

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**The World Bank:** “Functioning markets and liberalization are crucial” to poverty reduction. “But so is acknowledging the limits of the market and an essential role for governments *and other stakeholders* in the reform process.” (193)

## II. OUTSOURCING AND THE DUTIES OF MNEs

In the 1970s, MNEs started outsourcing the production of goods to developing countries.

The World Bank and the IMF encouraged developing nations to create “free trade zones” with tax incentives and minimal regulations

### MNEs outsourced because of:

1. **Capacity.** They can focus on marketing instead of “investing in plant capacity, employees, and upgrading capital equipment”  
Companies can also meet special orders that might go beyond their own factories’ capacity
2. **Specialization.** Companies can sell products needing skill or machines that the firm does not have itself
3. **Reduced Production Costs.** using lower cost producers all across the globe.

4. **Cycle Time.** Companies can more quickly meet consumer demand and avoid carrying large inventories.

5. **Flexibility.** Companies can transfer the expense of e.g. developing new samples to the factory that hopes to receive the order.

e.g., Nike outsources all of its production.

But MNEs should be sure that their business partners respect employees’ human rights

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Santoro: “[M]ultinational corporations are morally responsible for the way their suppliers and subcontractors treat their workers. The applicable moral standard is similar to the legal doctrine of *respondeat superior*, according to which a principal is “vicariously liable” or responsible for the acts of its agent conducted in the course of the agency relationship. The classic example of this is the responsibility of employers for the acts of employees. Moreover, ignorance is no excuse. Firms must do whatever is required to become aware of what conditions are like in the factories of their suppliers and subcontractors, and thereby be able to assure themselves and others that their business partners don’t mistreat those workers to provide a cheaper source of supply.” (194)

MNEs have considerably more power than their subcontractors and suppliers since there are many export factories to choose from

But this also means they have the power and obligation to require that their contractors and suppliers behave ethically

## III. THE RULE OF LAW

MNEs very often ignore worker rights, often violated local laws on “wages and benefits, forced overtime, health and safety, child labor, sexual harassment, discrimination, and environmental protection”

Examples:

1. In Mexican maquiladoras (export processing zones) companies often require women to be screened for pregnancy  
Women are refused employment if they test positive  
But employment discrimination because pregnancy is against Mexican law.
2. In Guatemala, fewer than 30% of maquiladoras make the legally required payments for workers’ access to national health care.

3. El Salvador: A Ministry of Labor study “found widespread violation of labor laws, including flagrant violation of the freedom to organize and unionize, in maquiladora factories that supply MNEs. The report was suppressed ... after factory owners complained” (195)

4. In North and Central Mexico, MNEs and their contractors have largely ignored environmental laws

5. In Haiti, clothing manufacturers (under license with Disney), paid workers much less than the Haitian minimum wage.

**Kantian critique:** We have a **pragmatic contradiction**, if the generalized maxim of an action promotes actions “that would be inconsistent with one’s purpose if everyone were to act upon that principle” (196)

**The maxim in this case:** “It is permissible to violate the legal rights of others when doing so is economically efficient.” (196)

But MNEs themselves need the rule of law to e.g. guarantee “that their contracts are fulfilled, their property is secure, and their copyrights are protected”

So, without the rule of law they flout, MNEs would cease to exist.

#### IV. COERCION

Coercion doesn't respect a moral being's rational capacity to choose their own actions

**Physical coercion:** at a shoe factory in Guangdong, China, 100 security guards prevented 2,700 workers from leaving the factory

**Psychological Coercion involves:**

1. A desire by the coercer about someone else's will
2. A desire by the coercer to force the victim to act according to (1).
3. Success at making the victim act according to the coercer's will

**Relevance problem:** "When people make a choice that seems highly undesirable because there are no better alternatives available, are those people coerced?" (197)

The authors say no, given their definition of "psychological coercion"

Does their definition satisfy Kant's C<sub>12</sub>? Explain.

If anything coerces such people, what might it be?

Psychological coercion in sweatshops is commonplace

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- Bangladesh factory workers have to work almost every day of the year

- Employees who refuse to comply are fired.

- El Salvador: Most companies require workers to work overtime, or be fired

- Such demands are bad for health and also prevent workers from meeting their family obligations

- Sometimes, workers have to sleep at work because of late shifts, even though there are no sleeping arrangements

...Since most developing economies don't have social welfare programs, losing a job can mean no income at all

Many workers are forced to continue working, when they are sick or injured

Clearly, if supervisors threaten sick or injured workers with termination if they can't meet a quota, the threat is coercive.

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Some factory workers were told they would lose their jobs, if they got medical help.

E.g., in El Salvador a pregnant woman, who began to haemorrhage, wasn't permitted to leave the factory

She miscarried, and took her foetus home to be buried

Respecting workers means that they should be free to refuse overtime work without fear of being fired.

It also means that if they are injured or ill, they should be allowed to get medical attention and be given work that does not worsen their health

#### V. WORKING CONDITIONS

**Fire safety:** When workers are locked into their factories, fires can trap workers

E.g., In 1993 in Thailand (Kader Industrial Toy Company), more than 200 locked in workers were killed and 469 were injured.

The factory was producing toys for Hasbro, Toys "R" Us, J.C. Penney, and Fisher-Price

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Workers are also exposed to dangerous toxic chemicals and airborne pollutants: In Vietnam at a 10,000 person facility, workers were exposed to *toluene* varying between six to 177 times that allowed by Vietnamese law.

**Toluene exposure leads to:** (at low levels) "fatigue, sleepiness, headaches, and nausea. CNS depression and death have occurred at higher levels of exposure" (199)

Since the report, Nike has helped bring about substantial health and safety improvements at its Southeast Asian factories

Maquila workers in Mexico were required to work with **lead** without any protective clothing or washing facilities

Clearly not using proper safety measures involves using employees as "mere means" and not as beings with dignity

The "International Labour Organization's ... Conventions and Recommendations on safety and health provide an excellent template for minimum safety standards,... [so] ethicists, business people, and labour leaders ... can [easily] agree on a minimum set of health and safety standards that should be in place in factories in the developing world" (200)

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## VI. LIVING WAGES

Employees of ALCOA in Ciudad Acuna, Mexico, determined that to buy the “most basic food items needed by a factory worker—items such as beans, tortilla, rice, potatoes, onions and cooking oil, and excluding such ‘luxuries’ as milk, meat, vegetables and cereal—cost U.S. \$26.87 per week. At the time, weekly wages at the plant ranged only from \$21.44 to \$24.60” (201)

### Useful definition of a living wage:

1. Find the cost of a basic food basket that will provide 2,100 calories per person.
2. Determine the share of the local household income spent on food. Divide into 1 to get total budget multiplier.
3. Multiply that by food spending to get the total per person budget for living expenses.
4. Multiply by half the average number of household members in the area. (Use a higher share if there are many single-parent households.)
5. Add at least 10% for discretionary income. (201)

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Respect for persons requires respect for basic physical health and rational and moral development

So, MNEs and suppliers must provide ... adequate wages to satisfy both basic food needs and other needs.

MNEs and suppliers must also pay “appropriate host nation taxes and meet appropriate codes and regulations to ensure that they contribute in appropriate ways to the creation and maintenance of the goods, services, and infrastructure necessary for the fulfillment of human capabilities” (202)

## VII. ECONOMIC CONSIDERATIONS

Nike has granted: “Several years ago, in our earlier expansion into certain countries, we had lots to learn about manufacturing practices and how to improve them.”

Nike now claims that it will try to pay higher wages, eliminate child labour, and create healthier working condition.

Nike admitted that without public pressure it would “Probably not [have responded to problems] as quickly, probably not to the degree.”

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### Maitland's traditional economics counterargument:

1. “Workers in the urban, formal sector of developing nations earn better wages than do workers in the rural, informal sector.
2. The imposition of wages or labor standards greater than that demanded by the market increases costs.
3. Increased costs result in layoffs and slow investment in the formal sector.
4. Formal sector layoffs result in a surplus supply of labor in the informal sector.
5. A surplus of informal sector workers depresses income in the informal sector.
6. **Conclusion:** Higher wages or labor standards increase poverty and limit economic growth in developing nations.” (203)

### Contra Maitland

1. Maitland does not himself defend an unrestricted market approach.  
He argues that even if responding to ethical criticism best encourages current profitability, it is morally undesirable, since it will produce higher unemployment and slower economic growth.

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**Contradiction!** Maitland argues for improvements in market outcomes, but also against them, because it will have bad moral consequences

More importantly, improved wages lead to healthier, more loyal and productive workers

**Efficiency wage:** “... a wage that if reduced would make the firm worse off because of a decrease in worker productivity as the efficiency wage” (205)

There's empirical evidence that increased productivity from better nutrition makes up for higher wages.

**Objection:** Surely MNE managers are aware of the correlation between wages and productivity, and have taken this into account

### Response:

1. Workers in developing nations are frequently paid less than the efficiency wage
2. An El Salvadoran Ministry of Labor study [revealed that] “...some companies use North American and Asian efficiency and productivity levels as a parameter for establishing production goals, without considering the different nutritional conditions and technical capacity of our workers.”

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**Regarding increases in the minimum wage in the US:** “In every case ... the estimated effect of the minimum wage was either zero or positive.”

Increased labour costs did not increase unemployment

Economists William Spriggs and John Schmitt: “The overwhelming weight of recent evidence supports the view that low-wage workers will benefit overwhelmingly from a higher federal minimum.” (206)

[So] the burden of proof is on those who say that increased labour costs always leads to higher unemployment

### **VIII. CONCLUSION**

Kant's CI2 says that “MNE managers who encourage or tolerate violations of the rule of law; use coercion; allow unsafe working conditions; and provide below subsistence wages, disavow their own dignity and that of their workers. In so doing, they disrespect themselves and their workers” (206)

Further, this Kantian moral analysis is not undermined by utilitarian (economic) considerations.

### **In class discussion:**

1. How might working at Wal-Mart be said to be alienating in Marx's terms? (First explicitly define the relevant forms of alienation, then make clear how specific conditions at Wal-Mart might be said to meet those conditions)
2. Does Wal-Mart show respect for persons in the jobs it offers? Explain in terms given in “Sweatshops and Respect for Persons”
3. Does utilitarianism support or condemn Wal-Mart's practices? Explain clearly in utilitarian terms. (You should also consider any factors affecting overall well-being that Ian Maitland may have ignored.)