REIMAGINING ‘THE WORKER’ & RESISTANCE IN THE NEO-LIBERAL ERA

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MAY 2018
The Law & Society Trust (LST) is a not-for-profit organisation engaged in human rights documentation, legal research and advocacy in Sri Lanka. Our aim is to use rights-based strategies in research, documentation and advocacy in order to promote and protect human rights, enhance public accountability, and ensure respect for the rule of law.

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Published in May 2018

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"The general outcome is lower wages, increasing job insecurity, and in many instances loss of benefits and of job protections….Given the violent assault on all forms of labour organization and labour rights and heavy reliance upon massive but largely disorganized labour reserves in countries such as China, Indonesia, India, Mexico, and Bangladesh, it would seem that labour control and maintenance of a high rate of labour exploitation have been central to neoliberalization all along."\(^3\)

Introduction

On the 5\(^{th}\) of September 2017, President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe launched the government’s policy framework titled, ‘V2025: A Country Enriched’, which revealed the economic goals that the National

\(^1\) This paper is built upon the research work initiated by the late Vijay K. Nagaraj, the former Head of Research at LST, and Prashanthi Jayasekara, former Research Officer at LST. The author would like to express his gratitude to Dr. Vagisha Gunasekara, Rakhi Shegal, Dr. Morten Koch Andersen, and Dinushika Dissanayake, the former Executive Director of LST, for their valuable comments when a working draft of this paper was presented at the LST Labour Conclave held in November 2017. The author also thanks Andi Schubert and Lakmali Hemachandra for the initial support given by them when the author started his research work.

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\(^3\) David Harvey, *A Brief History of Neoliberalism*, (Oxford: Oxford University Press, 2005), 76.
Unity Government plans to achieve over the coming years. Although it is not uncommon to witness the showcasing of various charters, agendas and policy documents at public events, more often than not they end up unimplemented. *V2025* seems to be more or less a pronouncement of the Government’s economic vision, which is in line with the Government’s overall economic policy.\(^4\) In addition, it falls within the guidelines\(^5\) proposed by international donor agencies, which the Government has to rely on heavily in the context of servicing a massive foreign debt trap.\(^6\)

*V2025* identifies a low percentage of female participation in the workforce (35.9\%) as a key issue. According to the Department of Census and Statistics, labour force participation rates of men and women at the end of the first quarter of 2017 were 75.1\% and 37.6\% respectively.\(^7\) 60\% of the labour force belongs to the


\(^6\) The Government’s total debt increased to Rs. 9,387.3 billion and the debt to GDP ratio was 79.3\% by the end of 2016 [Annual Report 2016. (Colombo: Ministry of Finance, 2017), 87].

informal sector.\textsuperscript{8} According to V2025, the labour market in the country is not flexible due to archaic labour laws, which purportedly constrain the growth of productivity. The Government has expressed its willingness to facilitate part-time and flexible working arrangements for women as a step towards increasing the percentage of women participating in the labour force. The Government stated that 40% of Sri Lanka’s employed population is in vulnerable employment and went on to highlight the need for establishing a contributory retirement benefit system for informal sector employees.\textsuperscript{9} Moreover, V2025 puts trust not in the trade unions, but in the Employment Relations Counsels in order to strengthen the employer-employee relations. This line of thinking clearly demonstrates the willingness to diversify the working arrangements of the workers in order to increase the labour force participation whilst facilitating the employers to make use of diverse and less formalised working arrangements, which in turn paves the way to control the workforce in an unprecedented manner. This is clearly in line with the expressed neo-liberal economic policy in which the Government grounds its dream of “...transforming Sri Lanka into the hub of the Indian Ocean, with a knowledge-based, highly competitive, social-market economy”.\textsuperscript{10} Accordingly, the two developments we are supposed to witness in the coming years are the following:

\textsuperscript{8} Ibid


\textsuperscript{10} Ibid
○ Efforts to increase female participation within the labour force
○ Informalisation of labour through flexible labour practices (this again is the main strategy to draw women into the labour force, many of whom are unable to secure formal working arrangements due to their household work)

This paper attempts to explore the multiple forms of informalisation of labour through flexible labour arrangements and their collective impact on workers. This paper also attempts to highlight the need to rethink the way(s) in which emancipatory politics should deal with this phenomenon by reframing the notion of resistance in the socio-economic context detailed above.

**Informalisation of labour**

Capitalist production is fully focused on an unconditioned development of the productive forces of society and the relations of production, which are founded upon an exploitative class relationship. The entire system is organised around the expansion of capital. As Marx has clearly pointed out, the real barrier to capitalist production is this continuous need for the self-expansion of capital.\(^{11}\) In order to get away with this inherent barrier, capitalism always seeks to expand into new territories and develop newer exploitative methods and

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conditions. In the late 1960s, the success story of Fordism, which reached its pinnacle during the 1950s, started facing numerous difficulties due to declining profitability and productivity that came about as a result of inflation, fiscal problems and the devaluing of the dollar. Therefore, the Fordist economic model was showing signs of inability to address the inherent barrier of capitalism, and a new round of changes was required to sustain this contradictory system.

The rigidness of labour contracts and commitments of the State, such as social security rights, pension rights, and the actions of the organised labour force—such as strikes—were identified as serious barriers to the expansion of the capitalist system. This situation clearly highlighted the need to intensify the control of labour and to find strategies to bypass the power of unions. This led to a series of changes that were based on relaxing the labour processes, labour markets, products and patterns of consumption, and making them flexible. In summary, it was shifting from the rigidness of Fordism into a system in which the flexibility of labour was the key characteristic. David Harvey names this phenomenon as 'Flexible Accumulation':

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12 Fordism is a Regulation School economic model that emphasises macroeconomic growth based on domestic mass production and stabilising economic policies. It stems from the manufacturing model introduced by the Ford Motor Company for mass-scale manufacturing. Production heavily depended upon the use of machines, assembly lines and permanent unskilled labour force. Workers were paid higher wages in order to make it affordable for them to buy the products they made, and it was assumed that this mass production and mass consumption will lead to economic prosperity.

13 David Harvey, A Brief History of Neoliberalism, (Oxford: Oxford University Press, 2005), 76.
“It has entrained rapid shifts in the patterning of uneven development, both between sectors and between geographical regions, giving rise, for example, to a vast surge in so-called 'service-sector' employment as well as to entirely new industrial ensembles in hitherto underdeveloped regions.”

In this new context, labour was diversified in order to make it flexible and less regulated by labour laws. These laws governed formal working arrangements, which were more stable and unambiguous. Diverse, new working arrangements resulted in the creation of different categories of workers in the same factory, sometimes doing the same jobs. These categories included permanent labour, casual labour, contractual labour, probationary labour, trainees, interns etc. These categories of labour could not be seen in the earlier forms of labour arrangements, which were more static, rigid and formal in comparison to new forms of labour.

In 1973, Keith Heart categorised these new working arrangements into a separate category named the ‘informal sector’. Writing about a community in Accra, the capital of Ghana, Heart describes several clusters of people who make use


of both legal and illegal economic opportunities in this society. These included market gardeners; building contractors and associated workers; self-employed artisans; money lenders; petty traders; porters, musicians; launderers; shoe shiners; barbers; night-soil removers; photographers; vehicle repair and other maintenance workers; beggars; sex workers; burglars; petty thieves etc.\textsuperscript{17} Workers had to depend on the generosity of kinsmen and neighbors—or take loans in order to make both ends meet—as the income from wage employment was less than their monthly expenditure. Unemployment was high in the community. Even the employed had fears about their job security. The context of ‘one man, one job’ was not an affordable option. People used to do more than one job, and work both day and night shifts.

The International Labour Organisation (ILO) was one of the very first organisations to use the category of ‘informal sector’ as a tool to understand the complicated set of economic activities that were kept out of the accepted economic framework. Some policy makers tried to use informal economic activities as evidence that the poor have an entrepreneurial spirit that can be used for economic development. However, there were criticisms against this concept as it encompasses a wide array of social practices into one residual category. Although the idea has been the subject of various discussions, one thing was clear i.e., the formal/informal dichotomy is a useful tool to understand the complicated economic activities in society, and

\textsuperscript{17} \textit{Ibid}
informality always has to be understood in relation to the formal, as it is the negation of the formal.\textsuperscript{18}

**The historical backdrop of Sri Lanka**

Since independence, Sri Lanka started many initiatives with the intention of creating an economically flourishing country. The most notable of them started after the introduction of an open economic policy, which was first introduced in 1977. It has been the economic system of Sri Lanka ever since.\textsuperscript{19} On the 15\textsuperscript{th} of November 1977, after explicitly pronouncing Sri Lanka as a capitalist country in his budget speech to Parliament, Ronnie de Mel, the Finance Minister of the newly appointed United National Party government, visited many Western countries and expressed Sri Lanka’s willingness to receive trade, aid and investment. Thereafter, the World Bank and International Monetary Fund (IMF) became decisive players in determining the country’s economic strategies.\textsuperscript{20}

The main initiatives that changed the socio-economic fabric of the country after this dramatic shift were the Free Trade Zones


(FTZs), the Accelerated Mahaweli Development Scheme and the Greater Colombo Development Scheme.\textsuperscript{21} During the pre-1977 era, the working class of Sri Lanka comprised plantation workers and clusters of urban workers, all of whom were relatively smaller in number compared to the rural population who were engaged in non-industrialised seasonal agriculture. New open economic initiatives made dramatic changes to the fabric of the working class in Sri Lankan society. However, even today, due to the phenomenon, which is explained by the concept of ‘underdevelopment’,\textsuperscript{22} Sri Lanka has a large proportion of the labour force that depends on the agriculture-based rural economy, which did not go through the capitalist transformation of becoming proletariat\textsuperscript{23} in the traditional Marxist sense.\textsuperscript{24} However, due to the country’s unique geography\textsuperscript{25} and the changes that occurred in agrarian

\textsuperscript{21} Ibid, 155-64.

\textsuperscript{22} Underdevelopment is often viewed as a problem where there is non-transformation to capitalism, in terms of the character of the dominant capital and of the dominant classes. Underdevelopment encompasses the traditional peasant economy and the export sector, where the ‘modernising’ influence of colonialism was felt. This is the key feature of many post-colonial economies.

\textsuperscript{23} A class of people who depend solely on selling their labour for their livelihood.


relations after the introduction of an open economic policy, the mobility of the population increased and a pattern of proletarianisation can be identified even in the rural areas of Sri Lanka. The Government encouraged labour migration to the Middle East, which started in the 1980s. The thirty-year civil war and post-war developments also contributed to making the overall picture of the labour force in Sri Lanka more complicated. Therefore, the informalisation of labour has to be viewed against this socio-historical backdrop. In addition, the economic recession of 2007-8 and the loss of trade concessions granted under the Generalised System of Preference Plus (GSP+) have all contributed to this process.  

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29 Sri Lanka lost the GSP+ concession in 2010 August and regained it in May 2017.
The Sri Lankan trade union movement was initiated in late 19th and early 20th centuries. By the time of independence, it had been able to gain significant achievements with respect to workers’ rights. Due to the strong network and support these trade unions (and the leftist parties to which they were affiliated) had amongst the urban working class, they were able to make serious demands in terms of labour rights and managed to achieve them. Moreover, the welfare state model that was adopted by the Sri Lankan State in the early decades of its post-independence era granted legal protection against extreme exploitative methods and against hire and fire practices through the passing of important legislation. When Sri Lanka liberalised its economy and welcomed foreign investment capital into the country, these strong labour laws were considered to be a discouraging factor for investors. During the last four decades of an open economy, there have been many attempts to loosen the grip of these legal protections. With the incumbent Government’s accelerated enthusiasm about investment capital, it is not surprising to witness, in turn, an acceleration of efforts to make labour protection laws more flexible. In this context, stringent employment protection laws

30 The first trade union in Sri Lanka was formed in 1873 by printing workers (at H. W. Cave & Co.) and the first strike was organised in 1896 by laundry workers. By the 1920s, it had become a well-organised movement under the leadership of E.A. Goonasinghe.


in the country were identified as one of the main issues impeding the efficiency of the labour market in Sri Lanka.\textsuperscript{33}

Therefore, consecutive governments during the last 40 years have followed strategies to deregulate social protections enjoyed by workers. Some of these strategies include:

- Introducing anti-labour, pro-capitalist legislative and policy interventions;
- Introducing new diverse forms of working arrangements, which make worker identity complicated and exclude them from the fixed-term labour force (thereby getting rid of employer responsibility);
- Disempowering the trade union movement.

Accordingly, the recommendation on labour in V2025, which was discussed at the beginning of this paper, is another clear manifestation of this strategy. The next part of this paper will explore the different working arrangements—created with the intention of informalising labour through deregulation—and how workers have become vulnerable as a result of these forms of labour arrangements.

\textsuperscript{33} \textit{Sri Lanka State of the Economy 2017: Demographics, Labour Markets and Growth} (Colombo: Institute of Policy Studies of Sri Lanka, 2017), 57. Sri Lanka has the highest cost of laying off a worker. In Sri Lanka, a worker who has worked 20 years should be paid a compensation amounting to a total salary-based amount of 39 months. Latin America, Africa, OECD countries and other Asian countries have an average of 16, 12, 7 and 6 months salaries in this respect (\textit{Ibid}, 68).
Deregulating labour through the use of manpower agencies

Although the manpower business started in Sri Lanka in the early 1980s, it became a subject of public debate after most of the public and private institutions started hiring their workforce through these agencies in the post-2008 recession period. Today, both the public and private sector hire employees through manpower agencies instead of recruiting them directly to their business establishments.

The following is a quantum of outsourced manpower by type of economic activity in 2015:34

<table>
<thead>
<tr>
<th>Industry Category</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>2.7</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>0.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>31.4</td>
</tr>
<tr>
<td>Electricity, gas, steam and air conditioning supply</td>
<td>1.7</td>
</tr>
<tr>
<td>Water supply, sewerage, waste management and remediation activities</td>
<td>0.0</td>
</tr>
<tr>
<td>Construction</td>
<td>0.4</td>
</tr>
<tr>
<td>Wholesale and retail trade; repair of motor vehicles and motor cycles</td>
<td>38.7</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>0.5</td>
</tr>
<tr>
<td>Accommodation and food service activities</td>
<td>4.8</td>
</tr>
</tbody>
</table>

When manpower workers are hired, they become employees of the manpower company and not of the business entity at which they are deployed to work. Hiring manpower workers is profitable for the companies in many respects. Firstly, they have no or minimal obligation towards the workers i.e., most of the time the company does not have to pay any benefits, such as EPF, ETF, gratuity etc. Secondly, due to their job insecurity, workers generally agree to work in harsh working conditions in which permanent employees may not agree to work. Thirdly, manpower workers rarely engage in trade union activism or in other spaces where they would demand for their rights, primarily due to their job insecurity. Therefore, manpower labour is more ‘tamed labour’ for the employer.\textsuperscript{35} As a result,

\begin{tabular}{|l|c|}
\hline
Information and communication & 1.3 \\
Financial and insurance activities & 7.5 \\
Real estate activities & 0.1 \\
Professional, scientific and technical activities & 2.4 \\
Administrative and support service activities & 1.0 \\
Public administration and defense; compulsory social security & 0.8 \\
Education & 1.8 \\
Human health and social work activities & 3.8 \\
Arts, entertainment and recreation & 0.1 \\
Other & 0.8 \\
Total & 100 \\
\hline
\end{tabular}

\textsuperscript{35} L. Hemachandra. Interview with the Author, November 2, 2017.
almost all of the employers prefer to hire manpower workers and sometimes pay higher daily wages for manpower workers than the wages they pay for a day’s work to a monthly salaried permanent worker. For example, in the Katunayake FTZ, a manpower worker earns a daily wage of Rs. 1,000-1,200 whereas a permanent worker earns only Rs. 700-800 per day. Despite this, manpower workers are not entitled to the same allowances as permanent workers, such as attendance and travelling, and incentives such as work targets and grades.\textsuperscript{36} Accordingly, from an employers' point of view, the overall cost of a manpower worker is significantly less than the overall cost of a permanent worker.\textsuperscript{37}

“I lost the sight of my left eye from an accident that occurred during the work. The company told me that it is because of my old age and not because of an accident during the work. Since I couldn’t work anymore with this poor eyesight, I stopped going to work” – Male manpower worker\textsuperscript{38}

“We were given daily targets by the field supervisor of the company. They are very high targets. Especially

\textsuperscript{36} If a permanent employee does not take leave within a certain month, he/she is eligible to claim the attendance allowance (this can vary from Rs. 3,000 to 10,000 depending on the factory). If travelling facilities are not provided by the factory, permanent employees will be paid a monthly travelling allowance (Rs. 500-800). Employees who meet the given work targets will be paid an extra remuneration calculated on the basis of the extra number of units they make.

\textsuperscript{37} P. Weerasooriya. Interview with the Author, November 6, 2017.

\textsuperscript{38} P.M. Kumarasiri. Interview, October 22, 2017.
female workers find it difficult to meet the targets. If someone fails to meet the target for three consecutive days, there is a risk of not getting work from the manpower company. So we worked very hard, sometimes we had to skip the lunch as we couldn’t waste that 30 minutes which could be used to meet the target” – Female manpower worker

The practice of hiring manpower employees has become widespread and has expanded beyond the FTZs. At present, it is common to see manpower companies operating in the newly-opened garment factories in the North and East as well as in large-scale banana plantations established by multinational companies in the Uva Province. In many cities, almost all of the public and private establishments hire workers from manpower companies for their cleaning and security services. The public sector, which used to recruit permanent employees for security and clearing duties, has stopped that practice and instead has started hiring manpower workers. Another tendency amongst both public and private sector employers is to establish their own manpower agencies and recruit workers to those agencies instead of recruiting employees to the primary business establishment. This was the case with the struggles witnessed at Sri Lanka Telecom and Ceylon Electricity Board in recent times. A number of private banks have created their own manpower companies (e.g. Commercial Bank recruits its


40 For many years, Sri Lanka Telecom and Ceylon Electricity Board had been hiring workers from manpower companies established by themselves. However, the workers started demanding that they should be recruited directly to Sri Lanka Telecom and Ceylon Electricity Board. These struggles were amongst the major labour activism movements in the year 2016-17.
employees to Commercial Development (Pvt.) Ltd. to be employed at the Commercial Bank branches). It is apparent then that the sectors which were once considered formal, secure and privileged are also subjected to informalisation, thereby leading to greater exploitation due to loss of job security and legal protection, both of which are attributes usually attached to the formal sector.

**Sub-contracting/Outsourcing**

Many companies have started outsourcing their work to smaller companies or to self-employed persons. This again has enabled employers to shirk the responsibility of maintaining standard working/production conditions and giving welfare benefits to the employees. This in turn has led to an increased vulnerability amongst the workers at small-scale business entities and self-employed people who mostly work in their households. Unilever, the renowned British-Dutch multinational consumer goods giant, took steps to outsource its food processing products to minor companies that hire manpower labour. Almost all of the clothing stores in Kiribathgoda, Nugegoda and Maharagama have outsourced their production to small-scale garment manufacturers who have less than ten employees and to the self-employed households in the respective areas.

In addition to abandoning employer responsibility, clothing stores have eliminated the burden of maintaining their workforce during the off season by outsourcing production. This has increased the vulnerability of the workers in the hands of sub-contractors.
“Sometimes we don’t have work. Our boss gives us mandatory leave because we don’t have enough orders during the off season. But in the months prior to April and December we don’t even get time to rest. Sometimes we work 18 hours a day, sometimes more. We have to work when we get work” - Worker at a small scale sub-contracting garment factory.41

Other forms of exploitative working arrangements

Even establishments such as the military, which is primarily considered part of the formal sector, have adopted informal practices by deploying their personnel for non-military work, such as construction and agriculture.42 This is the case with the Civil Security Department, which has a workforce of over 40,000.43 One personnel of the Civil Security Department explained his vulnerable condition:

“Every year we have to work in a construction site for one month. We are deployed as labourers. We have to work from 7.00 a.m. to 5.00 p.m. irrespective of whether we are willing to work, whether we are fit to work—those things don’t matter. We are controlled like


the military. We cannot say ‘no’. We have to follow orders. Sometimes the site owners do not even give us a proper meal. In such instances, we have to spend from our own pocket. What to do, we have no other option.”

The construction sector is another example of where workers are exploited through informal working arrangements. With the exception of skyscrapers and development projects managed by Chinese companies, all of the other construction sites employ local daily-waged labourers. This has become one of the main income generation sources for rural youth, especially for those from the North, East and Up-country communities. Many construction contractors do not keep records of the labourers nor do they issue identification documents (IDs) for them. The daily work is allocated to them when they arrive at the site in the morning and the corresponding wage is paid in cash at the end of the day. More often than not, safety conditions in these sites are virtually non-existent, and in the unfortunate event of an accident, the construction company can avoid responsibility or counter charges of negligence as the workers have no identification documents or any other form of proof to show that they were working at a particular construction site during the time of the accident.

“If they want work, they can come the next day or they can leave and find another job.”

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Tourism is another growing sector that has left persons deprived of employment benefits. As Gunasekara, Phillips and Nagaraj have pointed out, the growing tourism sector in the Eastern coast has not produced formal, secure jobs; instead, the sector has created low wage, insecure jobs with no proper employment contract.⁴⁷

There are many other forms of outsourced work and self-employment that women in households take up in order to support their families. Most often the income they earn from these activities is extremely low and is not perceived as proper work. But studies have shown that these practices are not as simple or unexacting as they appear or as they are framed. Jayasekara and Najab explain the severe health hazards involved in beedi rolling, the amount of time spent by the women and the poor wages earned by them. Furthermore, it is incorrectly viewed as a leisure activity, although beedi rollers are in constant stress as they are forced to meet the targets set by factory supervisors. It is, therefore, only the responsibility of the employer that has been abandoned in this working arrangement, whilst control over the work is maintained through an informal network.⁴⁸

Similarly, the women who are employed as domestic workers are not considered as a category of workers. Consequently, the

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rights of domestic workers have rarely been the subject of discussion within the labour rights discourse. They are considered as ‘servants’ who belong in the domestic sphere, always treated as separate individuals, and not as part of the working class.\textsuperscript{49}

With the insecure nature of existing employment and the inadequate income associated with it, employees often seek other income earning activities in addition to their main source of income. The increasing number of three-wheelers operating in urban areas and burgeoning towns points to this financial insecurity. Most informal workers and some workers in the formal sector operate three-wheelers as a part-time job. According to the 2018 budget speech made by the Minister of Finance and Mass Media, Mangala Samaraweera, there are 1.3 million registered three-wheelers operating in the country.\textsuperscript{50}

“I work as an attendant at the National Hospital. I come to work in my three-wheeler from Padukka. After my shift is over I run hires with my three-wheeler for 2-3 hours before I go home.”\textsuperscript{51}

“I am a carpenter. I do carpentry work at my home during the daytime. I get orders from my village community. But in the night I come to the town and

\textsuperscript{49} Sri Lanka Domestic Workers and Civil Society: In Sight but Out of Mind (Colombo: Verite Research, 2015), 26.

\textsuperscript{50} “Budget Speech-2018 (part 5),” YouTube, https://www.youtube.com/watch?v=R0YsMsr4OXA, accessed November 9, 2017

\textsuperscript{51} Chulabaya, Interview, October 26, 2017.
Challenges faced by the trade unions in the face of informalisation of labour

Notwithstanding a clear perception amongst workers about the exploitative nature of informal working arrangements, the continuous attempt to exit these arrangements and the willingness to be incorporated into the formal sector, it is also true that the workers are not willing to move out of informal working arrangements (manpower, outsourcing, sub-contracting, self-employment etc.). Therefore, it is important to closely examine how these workers perceive their work. Usually they are seen as people who have no agency and who are waiting to be emancipated by someone else.

As previously mentioned, a manpower worker earns more than a permanent employee and is therefore able to take home his/her earnings at the end of the day instead of waiting until the end of the month for payment. Most manpower workers have very little or no savings and it is important for them to have a daily wage that they can use for their daily expenditure and or to meet unexpected financial needs. Most of the present-day workers are trapped in a vicious cycle of debt. However, the schedules of instalments for repaying their loans are not in line with the monthly salary dates of the employers. This is one of the reasons why they prefer a daily wage over a monthly wage. In addition, manpower agencies or construction sites that hire people on a daily basis do not demand continuous work. As a

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52 Kapila, Interview, November 04, 2017.
result, workers do not have an obligation to apply for leave nor do they have to suffer any consequences, such as concerted attempts by employers to deprive incentives and to take discriminative administrative decisions.

In contrast, a permanent worker has a limited number of days of paid leave per year; and applying for leave involves procedures, such as submitting medical certificates to the employer in case of illness. Many others come to work seasonally (after the harvesting period) and some workers only come to the cities and seek employment when they are facing a serious financial crisis. They engage in daily paid temporary employment and when the next crop-season starts or when they have earned enough money to temporarily overcome their financial crisis, they return to their villages. This flexible working arrangement also suits women’s roles in families, particularly where daughters, sisters and mothers are the primary caretakers and/or breadwinners in their families. Due to the flexibility of the work, and notwithstanding the hardships and insecurities, these workers prefer to hire workers from manpower agencies or outsource work out of the factory (e.g. households). One interviewee who sews bed-jackets and housecoats (garment industry) at her home for a clothing store in Pamunuwa, in the suburban town of Maharagama, ran through her daily work schedule:\textsuperscript{53}

\begin{tabular}{ll}
4.00 a.m. & Wake up and start sewing \\ 5.30 a.m. & Start preparing breakfast, wake up the children and help them get dressed to go to school \\
\end{tabular}

\textsuperscript{53} Thilaka. Interview, November 14, 2017.
7.30 a.m.  After children and husband leave the house, have breakfast and do the daily laundry
9.00 a.m.  Return to sewing
1.00 p.m.  Have lunch and a nap
2.30 p.m.  Feed the children when they return from school
3.00 p.m.  Return to sewing
6.00 p.m.  Prepare dinner, help with children’s and husband’s work, have dinner and watch TV
9.30 p.m.  Return to sewing after children go to bed
11.00 p.m.  Finish sewing and go to bed

The interviewee works about ten hours every day and earns only around Rs. 16,000-20,000 per month, which is a relatively low income when compared to the monthly salary of a garment factory worker. However, she still prefers this working arrangement as it allows her to carry out her responsibilities as the primary caretaker of the household. Therefore, the gender norms placed on women also produce very clear conditions and patterns of exploitation.

With the rising cost of living, it is not uncommon to see permanent employees work in manpower companies after their formal working hours or during the weekends. Yet, when both permanent and manpower workers are employed in a workplace, it is the manpower workers who have to carry out

the most hazardous and/or difficult work. In addition, they are the first people to lose jobs when there is any crisis in production or instability in the market (as already mentioned there are strict laws governing the termination of a formal worker). When the license of W.M. Mendis & Co. Ltd. was cancelled by the Excise Department due to the non-payment of taxes, the first step taken by the said company was to get rid of manpower workers.\textsuperscript{55} It was as simple as informing the manpower agency not to send workers the next day (as they have no obligation towards the workers whom they hired through a third party).

In contrast to permanent workers, manpower workers usually do not have job descriptions; therefore, they have to carry out any duty that is demanded of them by their supervisors. The following extract by a manpower worker clearly illustrates this situation:

“I used to work at State Printing Corporation (SPC), but I was not recruited to the SPC. I was hired by a manpower company and was paid daily wages. The manpower company told me that my duty was to unload the paint buckets from the lorries. There were three of us hired by the manpower company along with the permanent staff of the SPC doing the same job; the latter had to work in a roster as there were day and night shifts. One day, when we were doing the day-time shift, our supervisor at SPC came to the three of us and requested us to take the night shift. We told him that it

\textsuperscript{55} “Mendis Distillery Stops Production”, Daily Mirror, \url{http://www.dailymirror.lk/article/Mendis-distillery-stops-production-145191.html}, accessed February 5, 2018
was not us in the roster for the night shift, but three permanent workers. But he insisted that we have to do the night shift, therefore we stayed. In the night, a big truck came with huge paper reams and we were asked to unload them. It was not humanly possible to do it. So we refused to do it. In the morning, an agent from the manpower company arrived and demanded an explanation as to why we refused to do the work. We told him that the manpower company had told us that we were hired to feed the paper to the printing machines and unload ink containers (not heavy) from the lorries occasionally and we never expected to do this type of humanly impossible hard work. He told us that if we were not willing to do any of the work given by the SPC supervisor, we had to leave. So we left.” – Manpower worker

There is a clear distinction between permanent workers and manpower workers in many workplaces. As trade unions are organised according to sectors, they are unable to absorb a group of workers who have no permanent workplace and whose labour is flexible. Even when they are employed in the same workplace for longer periods—such as manpower workers employed in banks, Sri Lanka Telecom and the Electricity Board—it is not possible to unionise them along with the permanent workers as manpower workers are not considered as employees of the workplace to which they are deployed. For example, the manpower employees in the banking sector are unable to get membership in the trade unions although an overwhelming majority of permanent employees in the banking sector is

56 H. Kumara, Interview, October 25, 2017.
unionised. By creating a group of employees who are not unionised within the banking sector, the power of trade unions operating in the sector has been significantly weakened.\textsuperscript{57}

Due to all of the aforementioned reasons—which demonstrate the complex and interwoven dynamics of neoliberal economic changes and the expanding informal economy—the trade union movement in Sri Lanka is now facing a serious challenge. It was initially crippled by the repressive crackdown of the 1980 strike\textsuperscript{58} and the socio-political context that restricted union leaders from working in the North and East due to the racist ideology championed by successive governments throughout the thirty-year civil war. Equally fatal to the movement was the racist turn that the Janatha Vimukthi Peramuna (JVP) took during its 1987-89 insurgency.\textsuperscript{59} The end of the war marked the peak of this and the voices for rights came under pressure from the distended rhetoric of patriotism. In such a context, traditional trade union activism had no structural flexibility to accommodate these new working arrangements. Data from the Department of Labour shows a rapid decrease in trade union

\textsuperscript{57} L. Hemachandra. Interview, November 2, 2017.

\textsuperscript{58} In July 1980, the Sri Lankan trade union movement organised one of its largest strikes ever. The United National Party government attacked the public meetings organised by the protesters viciously using their party supporters, and banned all of the public meetings. The Government censored all of the news related to the strike. Almost all of the public and private enterprises were declared as ‘essential services’ and employees who did not report to work were dismissed. The total number of workers who lost their jobs was estimated at approximately 80,000.

\textsuperscript{59} Balasingham Skanthakumar, “Labour’s lost agency,” Himal South Asian, \url{http://m.himalmag.com/labours-lost-agency-history-sri-lanka-trade-union/}, accessed January 20, 2018
membership. By 2014, it was less than 5.2% of the total employed population (7,700,489).60

Reproduction of conditions for ethnic/religious segregation

Racist sentiments have become another barrier to solidarity amongst workers. Many employers strategically maintain and reproduce conditions for such sentiments. After the end of the war, young women from the North and East started moving to the southern parts of the country, mainly to the FTZs, searching for employment. However, in some cases, they were treated differently by employers. For example, employers provided them with a separate uniform, separate buses for travel and even their meals were different from their Sinhalese counterparts and often low in quality.61 This segregation continues to exist in different forms even today. The hegemony of the Sinhala Buddhist extremist ideology has paved the way for recurring cycles of discrimination experienced by Tamil workers. For example, at one of the garment factories in the Wathupitiwala FTZ, Sinhalese employees protested recently against a decision to give Tamil employees the upper floor of the factory and to keep the Sinhalese employees on the ground floor.62

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However, segregation is maintained by employers due to the unwillingness of Sinhalese permanent workers (who are relatively more aware of their rights and unionised) to interact with their Tamil counterparts. This has in turn left space for employers to further exploit Tamil workers. For example, only Tamil female workers were provided hostel facilities by certain companies. No outsider was allowed to visit the hostel and workers were given a separate bus service to travel to and from the factory. The sole purpose of keeping these Tamil workers in a vacuum was to exploit their labour at will.\(^{63}\) It was reported that when urgent deadlines had to be met, the factory would send the bus to the hostel and the workers had to be prepared to go to work at any given time.\(^{64}\)

The ideological influence of religious institutions (mainly by hegemonic Sinhalese Buddhist actors) in relation to one’s economic life is an unexplored dimension within labour discourse. But similar to Protestant ethics, which became the spirit of capitalism,\(^{65}\) the religious virtues propagated by authoritarian and religious ideologues can become an integral part of one’s world view and way of life. This can ultimately normalise and legitimise exploitative working arrangements. The author of this paper reiterates that this is a particular area that requires more in-depth research.


\(^{64}\) P. Weerasooriya, interview, November 6, 2017.

Confronting the challenge

The following extract is from a street drama named ‘Ekamuthuwela wadak karamu’ (Let’s do some collective work), which is performed by the drama team of the Women’s Centre at the FTZ garment factories.  

Entrepreneurs: Who are you?

W. Janatha (people): D.R.W.Janatha…Dukwidina Ralalage Janatha (translates to ‘suffering people’)

Entrepreneurs: We are here for you. What problems do you have?

W. Janatha: I am unable to make both ends meet. Cost of living is getting high day-by-day.

Entrepreneur 1: (in a serious tone) Inflation.

W. Janatha: Workers are sacked, no compensation, we have to work for very low wages.

Entrepreneur: (in a serious tone) Exploitation

W. Janatha: Each time they move the target one level up.

Entrepreneur 2: (in a serious tone) Market competition.

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66 Yakku, (Ja-Ela: Women’s Centre, 2010), 14-15.
W. Janatha: Days off are on the book. But we can’t get them when we need it the most.

Entrepreneur 3: (in a serious tone) Human rights violations.

W. Janatha: Company closures, workers are losing jobs.

Entrepreneur 4: Capital travels beyond borders and boundaries

W. Janatha: I don’t understand any of those. What should I do?

The question asked by the worker at the end of the dialogue is an important one (“What should I do?”). It is easy to describe vulnerable situations through terms such as exploitation, market competition, human rights violations and the expansion of capitalism; however, the question that should be considered is this: Do vulnerable subjects perceive the same and then resist the vulnerable working arrangements that reproduce their vulnerability? It is important to rethink whether the existing definition of the ‘worker’ encompasses all of the diversified and informalised working arrangements that have become the sites of modern day exploitation, thereby providing much needed clarity for developing strategies of resistance against these exploitative conditions. This need for reframing becomes critically important in a context where trade union activism has dramatically declined and weakened.

According to traditional Marxism, capitalism will simplify the class antagonisms by splitting society into two hostile camps i.e.,
the bourgeoisie and the proletariat. Marx argued that when
the proletariat is “…unified into closely knit, militant and organized
class…” absolute governments will fall, and the bourgeoisie and
proletariat will fight each other, and the proletariat victory will
pave the way for communism. By bourgeoisie, he meant the
owners of the means of production and employers of wage
labour. Proletariat is the class of modern wage labour who has
no other way of living other than selling his/her labour power.
Marxist scholars such as Eric Hobsbawm have argued that whilst
Western countries have gone through this capitalist
transformation and created these two ultimate classes,
underdeveloped countries that have not gone through a similar
transformation and still possess archaic characteristics within
their mode of production. He further emphasised that
underdeveloped countries will have to follow the path that
Western industrialised, capitalist countries have gone through in
order to create the required conditions for revolution.

Rajesh Bhattacharya argues that this “…essentialist and
teleological framework of historical materialism has crippled Marxian politics in many ways”. According to him, this image of
capitalism has restricted activists and thinkers from exploring


70 Rajesh Bhattacharya, "Capitalism in Post-Colonial India: Primative Accumulation Under Dirigiste and Laissez Faire Regimes," Scholarworks @ UMassAmherst, https://scholarworks.umass.edu/open_access_dissertations/252/, accessed December 14, 2017
and/or analysing the other forms of class resistances, such as self-employed peasants and manufacturers, and tribal and primitive communist societies, which existed in the non-Western world. These societies have generated spectacular mass resistance movements against capital. Bhattacharya emphasises the need for taking the idea of heterogeneity of class in the capitalist social formation into consideration without restricting it to historical determinism.\textsuperscript{71} In this neo-liberal context, where capital has become freely mobile throughout the globe, the Fordist model of factory labour (which conventional trade union activism is based on) has been challenged. Instead, new locations of labour have emerged and these locations have created a new relationship between labour and capital.\textsuperscript{72} The new labour is located in households, in one’s own artisan workshop and is free-floating flexible-labour, where the employer and worker relationship has been dismantled. In summary, the new locations of labour are situated in the informal sector, which is the key subject of this paper. In this context, Marxist class politics has to reinvent itself to address informal labour.

In a lecture delivered at the Rosa Luxemburg Foundation, which was titled, ‘\textit{Rethinking Working Class: Postcolonial Perspectives on a Revolutionary Concept}’, Dipesh Chakrabarty\textsuperscript{73} presents a

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\textsuperscript{71} \textit{Ibid}
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fascinating argument against this historical determinism. According to him, the ‘proletariat class’ is a philosophical category and the ‘working class’ is a sociological category.\textsuperscript{74} It was assumed that the category of working class would carry out the work assigned to the philosophical category of the proletariat. Therefore, without restricting oneself to historical determinism, one can reimagine the philosophical category encompassing the present realities of exploitation. The new imagination of the worker will provide flexibility to include the diverse forms of present-day exploitation outside the conventional Fordist model of the factory. It will pave the way for new forms of resistance within new sites, and develop new strategies, methods and possibilities for the struggle. In doing so, the answer to the question of the present-day worker —‘What should I do?’—will emerge out of this reimagining of the worker in the present-day context.

\textsuperscript{74} \textit{Ibid}
Bibliography


