

# Exploitation, Economic Performance & Global Value Chains

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# Introduction

- How is labour positioned within Global Value Chains?
- What are the changing dynamics of GVCs and implications for workers?
- Reflections on impact of global crisis

# Global Value Chains

- Changing dynamics of southern trade through GVCs
- GVC – GPN analysis:
  - social embeddedness of firms;
  - commercial power
- Civil society campaigns:
  - poor working conditions
  - codes of labour practice

# Changing Dynamics of GVCs

- Financialisation of GVCs
- Expansion in low-price high volume markets
- Exploiting bi-lateral trade agreements
- Competitive pressures – value chain rationalisation
- China repositioning

# Implications for Workers

- Labour supply post China/India opening
- Global labour sourcing/labour contractors
- Buyer purchasing practices vs. codes of labour practice (double standards?)
- Expansion beyond niche brands: Price point over workers' rights
- Expansion within south:
  - Low vs. high road
  - Commercial vs. developmental tensions

# Impact of Global Recession

- Speed of impact
- Consequences for vulnerable workers
- Development impacts
  - poor rural & urban households
  - gender impact
  - vulnerability, risk of exploitation
  - lack of protection
- China – highest profile example

# Reflections Now?

- Impact of global crisis on workers – ‘social time bomb’
- Waged work key to poverty reduction
- Reflections:
  - Protectionism?
  - Voluntary vs. regulatory approach?
  - Pressure for more ‘moral’ ‘regulated’ financial markets?