

Globalisation, labour markets and communities in contemporary Britain

Findings
Informing change

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This study explores impacts of and responses to globalisation in three UK communities. It examines the connections between communities, workers and global processes, and how globalisation has shaped people's employment experiences.

Key points

- Academics' and policy-makers' concepts of globalisation differed from how local people experienced and understood global processes such as migration and increasing use of contract labour. These processes sparked powerful reactions at local level because they impacted on people's everyday lives, contrasting with policy-makers' emphasis on global processes enhancing opportunities for trade, travel and communication.
- Globalisation's impact on communities was uneven, both between and within areas. Migration and labour market flexibility and deregulation were experienced differently. Some people in an area benefited from globalisation while others were marginalised or excluded.
- Respondents experienced the globalisation of labour markets through subcontracting and labour migration, often with negative effects on working conditions, job security and pay.
- Workers and communities challenged these experiences through campaigning and collective action, and by mobilising their wider connections to broaden disputes, for greater impact. However, workers in the two disputes investigated were unable to alter underlying global processes such as downward pressure on wages and conditions and the use of subcontracted labour.
- The authors conclude that conflicts among different groups in communities are far from inevitable. Evidence of 'progressive localism' suggests the need for outward-looking community strategies for negotiating global processes, to create positive links between places and social groups.

The research

By a team from the
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Background

This study switched the emphasis away from ‘top-down’ models of globalisation to a ‘bottom-up’ perspective, highlighting the diverse experiences of communities, individuals and social groups. It defined globalisation as a set of ongoing and uneven processes, facilitated by new technologies, through which people and places have become increasingly interconnected. To make globalisation relevant to the lives and experiences of the research participants, it was necessary to relate it to specific global processes such as ‘offshoring’ (relocating a business process from one country to another), firms’ search for cheaper supplies of labour, subcontracting, labour migration, the growth of information and communication technologies (ICTs), and greater cultural connections between places.

Discussions of globalisation typically emphasise ‘external’ processes of trade, financial integration, technological innovation and supranational governance. However, this study was concerned with the domestic effects of ‘internal’ globalisation, highlighting local experiences and impacts of wider global processes on the UK. It focused on three case studies representing three forms of connection to global processes: the ‘Heathrow Village’ in West London, as an outwardly connected community; the area around the Lindsey Oil Refinery in North East Lincolnshire, as an example of ‘defensive connection’; and young unemployed people in Greater Glasgow, as representative of disconnection.

Uneven impacts of globalisation

Globalisation, as a term readily understood in academic, political and policy-making circles, was not widely used within local communities in relation to people’s everyday lives. However, case study respondents had their own understanding of the role of particular global processes.

I think at a certain level of the trades union movement globalisation is discussed, but I think very quickly the discussion boils down to what I suppose one might describe as specific aspects of globalisation. So you’ll have fairly well-developed thinking around outsourcing, for instance ... I think an understanding of globalisation and different interpretations of what globalisation means are still at a fairly basic level and I think the value of the concept is limited because I don’t think the trades union movement has decided yet about how economically damaging or how economically beneficial globalisation is. (Trades union official, Greater Glasgow)

Respondents experienced globalisation through specific global processes which impacted directly on them, such as the ‘credit crunch’ and global recession and increased international labour market competition.

In-migration was one of the most concrete impacts of globalisation affecting people’s lives, often sparking fears about competition for jobs and services. All three case study areas had distinctive histories of immigration and social change. For example, West London has attracted successive flows of immigrants since the 1950s, changing the social composition of communities as earlier migrants move on, leaving space for more recent arrivals. In North East Lincolnshire, recent immigrants from Eastern Europe have tended to work in relatively low-paid work sectors such as fish processing, while less-skilled locals have been connected to global labour processes through obtaining short-term work cleaning pipes in refineries during periodic shutdowns. In Greater Glasgow, the arrival of asylum seekers as part of the UK government’s dispersal programme in the early 2000s generated considerable tensions in the disadvantaged working-class communities in which they were housed, largely because of existing economic and social exclusion.

The importance of internet access emerged as a key theme, but it was not a straightforward facilitator of outward global connections. In addition to the digital divide between the majority of households with internet access and the minority remaining without it, this ostensibly global technology was often used for local ends such as interacting with friends and local organisations. Moreover, the case studies indicated that the internet was of limited value for job searching if applicants lacked the skills to write a proper covering letter to employers. Critically, internet connection by itself is not an automatic source of empowerment and inclusion.

Labour market connection and disconnection

A key theme of the focus groups with unemployed young people in Greater Glasgow was dissatisfaction with Jobcentre Plus, reflecting a lack of tailored support and advice. Respondents felt that they were simply being processed through a mass welfare system that took no account of individual circumstances. They emphasised their willingness to work and frustration at their inability to find a job over the previous couple of years, highlighting the effects of prolonged unemployment in terms of boredom, lack of confidence and stress. Any compulsion to undertake

voluntary work or enter low-quality employment or training would be likely to increase feelings of disaffection and disempowerment among jobseekers, without addressing the basic skills needed to improve their job prospects.

A key global process evident in all three case studies was labour migration. Many respondents saw this as a threat to 'local' jobs, feeding into existing media and policy stereotypes about 'British jobs for British workers' (following the use of this phrase by the then Prime Minister, Gordon Brown, in 2008). In Greater Glasgow, young people in the focus groups discussed the threat of cheaper labour from Eastern Europe; Polish workers were perceived as being willing to work for lower wages than locals. At the same time, however, a worker from Glasgow Citizen's Advice Bureau reported that increasing numbers of Polish workers were seeking advice on exploitation (non-payment of wages, for example).

The dispute at Lindsey Oil Refinery was triggered by employers' use of foreign labour, although the core of the complaint was that employers were using less-qualified Italian workers through a subcontractor, at lower rates, in breach of national collective bargaining agreements. In West London, employers' use of cheaper European labour was also a key issue articulated by British Asian workers.

We are not against European people, but they are not from our [directly employed] teams, they are keeping teams from the agency because they don't want inside people. So that's why they kick out the inside people. They are kicking people out so they can bring in cheap labour ... So the company wanted to change, like they want no sick pay, they don't want organised persons, they don't want anybody going for sick, they don't want to pay pay-rise; they want their good option which is agency, minimum wage. And one person who worked 20 years, he can gain £10 an hour or £8 an hour, so they are getting £5.50, £5.60 per hour so they can keep two people, they have a cheaper option. (British Asian man, Gate Gourmet (airline catering company) focus group)

In both the Lindsey and Gate Gourmet disputes, workers were closely connected to global processes of outsourcing, cost reduction and labour mobility, but felt undermined by the negative effects on their job security, pay and conditions. These grievances sparked spontaneous action in response to what were seen as unfair management decisions. Both disputes had an immediate wider impact because of disruption of flights from Heathrow airport and, in the Lindsey case, sympathy actions at other UK oil and gas plants. An official resolution was reached in response to Lindsey, and some Gate Gourmet workers accepted deals. But the underlying sources of the grievances – downward pressures on pay and conditions, the growing use of agency and contract labour – were never really addressed. Despite the immediate impact of the disputes, the ultimate effect was to interrupt rather than alter the operation of global labour processes.

Community experiences of globalisation

Respondents described the 'Heathrow Village' as a 'tight', yet ethnically diverse community, on the basis that so many people worked at Heathrow in a variety of roles such as catering, transit, baggage handling and customer service. Similarly, some working-class communities in Glasgow were described as strong and active because of their common industrial history of shipbuilding, with the social relations outlasting this source of employment. In general, community was a less central theme of the research in North East Lincolnshire. This partly reflected the mobile character of the refinery workforce and disconnection with the surrounding communities.

Different understandings of 'whiteness' surfaced in all three case study areas. Migrant white workers were often conflated with migrant non-white groups in the language of white British respondents. Polish people were seen as 'differently white', for instance, appearing to have more in common with non-white groups than the white British population. This perception of different forms of whiteness was structured through migration flows from Central and Eastern Europe associated with EU enlargement in 2004, compared with earlier waves of immigration to the Heathrow area from South Asia, North Africa and East Asia. Although the Lindsey workers adopted the slogan 'British jobs for British workers', this was strongly opposed by some participants in the dispute.

Multiculturalism is often imagined as a form of 'bridging' social capital between 'native' and 'immigrant' communities or between discrete minority ethnic groups. This is a problematic notion in locations such as Ealing in West London, where many different cultures and ethnicities – and social and economic classes – intersect. Such diversity also challenges top-down approaches to multiculturalism which prioritise the roles of key community leaders as speaking for discrete communities.

In this regard, it is more useful to engage with grassroots or everyday forms of multiculturalism. These reflect day-to-day practices of community building where difference is negotiated and seen as mundane rather than a threat. Looked at in this light, a major reason why the 'British jobs for British workers' message failed to resonate with many residents in North East Lincolnshire was because of the region's longstanding connections to the North Sea maritime trade and fishing industry, involving the movement of people between Humberside, continental Europe and places like

Iceland. Thus, responding to perceived 'anti-foreign' motivations presented by some media coverage of the strike, one Immingham resident noted:

I don't think it really caught fire. I don't think people said that it was a race type issue. I think it was an employment issue and a contract issue. And I think most people thought the same way. There certainly wasn't any uprising of feeling ... If local people had've really wanted to do something about it ... they could've soon sorted that out; there wasn't that depth of feeling. I hate to say it, but it was kind of an idiot response; you haven't got a contract, nobody was prepared to go to the unreasonable terms that they wanted and then they made it into a race issue and said "it's all about foreign workers". This area's too used to foreign workers for that. (Local regeneration officer)

Conclusion

Conventional understandings of globalisation have assumed that increased connection to global processes creates opportunity and empowerment for individuals and communities. This tends to be the experience of professional and educated groups, who often already have the social networks and skills to take advantage of global processes. This study demonstrates that the experience of 'ordinary' communities is frequently very different. Some forms of global connection, particularly where they increase competition and insecurity in local labour markets, are associated with disempowerment and marginalisation.

Rather than assuming that globalisation will benefit all social groups and communities in the long run, researchers and policy-makers at all levels need to focus more on understanding and addressing the (often simultaneously) positive and negative impacts that key global processes such as ICTs, subcontracting and labour migration have on UK communities.

About the project

The study was conducted by a team of researchers in the Human Geography Research Group within the School of Geographical and Earth Sciences, University of Glasgow. The case studies were chosen to reflect a range of local impacts of and responses to globalisation, emphasising that different communities do not just passively experience the impacts of global processes, but can be active in shaping and contesting them.

The research employed a qualitative methodology, based on interviews and focus groups with workers, young people and representatives of community groups, local authorities, trades unions and interest groups. Interviews were carried out with a total of 43 respondents between June and September 2010. In addition, the Lindsey case study drew on analysis of material from the BearFacts internet forum, set up and run by and for workers in the engineering construction industry.

For further information

This *Findings* is part of a programme of work on Globalisation, UK poverty and communities. See www.jrf.org.uk/globalisation

The full report, **Globalisation, labour markets and communities in contemporary Britain** by Danny MacKinnon, Andrew Cumbers, David Featherstone, Anthony Ince and Kendra Strauss, is available as a free download at www.jrf.org.uk

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