

CATHOLIC SOCIAL TEACHING AND HUMAN LABOR

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*This article situates Catholic social teaching on labor within the received tradition of papal teaching from Leo XIII to John Paul II, and historical developments in Europe and the Philippines regarding the issue of workers' conditions and rights. Labor movements inspired by the new conditions during the early twentieth century contributed significantly in advancing the cause of workers' rights. These labor movements were also active in the Philippines through organizations founded by Filipino socialist and communist leaders. However, it can be observed that economic and social conditions in the Philippines significantly differed from that of Western countries, and hence the principles of Leo XIII's *Rerum novarum* had minimal impact in shaping Catholic perspectives on social and economic questions in the Philippines. With the entry of globalization, however, the Philippines was placed in a marginal position vis-à-vis other countries that had the hegemony of economic resources. Recent social encyclicals, especially by John XXIII, Paul VI and John Paul II, extensively commented on the dangers and pitfalls of globalization, as exemplified in new forms of injustice against workers. Specific attention is accorded to the Catholic Church's response to the contractualization of labor, which accentuates the marginal condition of Filipino workers.*

LABOR AS AN ISSUE OF SOCIAL JUSTICE

The question of human labor was not a prominent social justice issue until the nineteenth century, when it became one of the central concerns of Catholic social teaching. Leo XIII issued his papal encyclical "On the Conditions of Workers" (*Rerum novarum*) in 1891, but concerns over labor had earlier been noted by political-economic analysts like Adam Smith, David Ricardo and Karl Marx. They contended that, with the emergence

of the Industrial Revolution and capitalism in the eighteenth century, labor assumed a crucial role in the economic system. They all agreed on the role that labor played in the production of material goods and the creation of wealth, but they also pointed out the collateral diminution laid upon human labor by the demands of the capitalist system. While Adam Smith, in his *Wealth of Nations*, extolled government-constrained enterprise (later to become known as *laissez-faire* capitalism), he noted that the system was responsible for the stultification of workers.¹ For his part, David Ricardo, in his *Principles of Political Economy and Taxation*, predicted the inevitable and continual depression of workers' wages to subsistence level because of rapid population growth. Karl Marx issued his indictment of capitalism for its oppression and exploitation of workers, thus causing the alienation between exercise of labor and workers' fundamental humanity.

FROM CONDITION OF WORKERS TO LABOR MOVEMENTS

There can be little doubt that the conditions of workers, especially of women and children, in the early factories of the nineteenth century, were miserable: 14 to 16 hours every day were spent on repetitive tasks in noisy, foul-smelling, and unsanitary surroundings. The workers' homes were equally unhealthy. These were the conditions of workers in the nineteenth century that *Rerum novarum* decried. It was at this period that the "social question" arose in Catholic social teaching: why should poverty continue to exist in a nation that had the capacity to produce enormous quantities of goods? Answering this question produced new social philosophies, as well as social and political movements that have had major impact on society. During the 1830s in Britain, there developed a movement toward *general unionism*, which was directed at establishing national organizations, and drawing various organized trades into alliances as modern unions

¹ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, vol 1, eds. R. A. Campbell and A. S. Skinner (Indianapolis, IN: Liberty Fund, 1981).

to serve workers' interests. With the issuance of *The Communist Manifesto* in 1848, Karl Marx and Friedrich Engels launched communism as a social philosophy asserting the historic role of the working class and issuing the call, "Working Men of All Countries, Unite!" And then as offshoots of the failed efforts of the *First International* in 1864 and the *Second International* in 1889 to unite all workers' unions and all communist and socialist parties across the world under one umbrella organization, national labor parties were organized to represent the working class in parliamentary political processes and to endeavor to attain and exercise political power as workingmen's parties. Thenceforth, labor had become a crucial area of polarized contention for dominance and directing the trajectory of social change.

THE SITUATION OF FILIPINO WORKERS

During the late nineteenth century, restiveness among Filipino workers was also brewing. Although far smaller in number compared to the peasantry, the nascent Filipino working classes were able to organize themselves earlier than the peasants. Among the first ones to lead the emergent workers' movement were barbers, lathe and woodworkers, carpenters, and workers in the tobacco industry and in the printing presses. In 1889, the first strike in the country erupted at the printery of the liberal newspaper *La Independencia* on demands for higher wages and against maltreatment of workers. The arrival of socialist literature in the country gave impetus to the early growth of unionism. In 1902, workers in Manila organized the first workers' federation, the *Union Obrera Democratica* (UOD). UOD took the lead in workers' protest actions. However, arrest and incarceration were the price they had to pay for their struggles.

In a similar move, the *Congreso Obrero de Filipinas* (COF) was founded on May 1, 1913. It grew to be the largest and best organized workers' federation in the country. In 1929, COF was split because of ideological differences. Crisanto Evangelista founded his own union, the *Katipunan ng mga Anakpawis sa*

Pilipinas (KAP), and founded the *Partido Komunista ng Pilipinas* (PKP) in 1930. In 1931, both KAP and PKP were declared illegal organizations and their leaders thrown into prison. Meanwhile, non-communist leaders were unable to take advantage of the power vacuum that ensued within the workers' movement.²

From a historical point of view, it can be said that labor in the Philippines did not yet meet the usual problems encountered in the West in the nineteenth and twentieth centuries. As capitalism did not fully develop within the country's dependent colonial economy, the conditions of production that prevailed in the West was quite largely absent in the Philippines. Consequently, the nascent development of the working class was hampered by a thin demographic base and placement of workers in un-strategic areas of production. Thus, the labor movement took off less towards the direction of trade unionism and more towards comprehensive political anti-colonial struggle. It would not be surprising, therefore, that a landmark document such as *Rerum novarum* made little impact on Philippine society, a society that exhibited very little of the conditions of workers that Leo XIII discussed in the encyclical. If there was any sector in the country that exhibited similar conditions as those of the workers in the West at this time, it was the peasantry.

LABOR MOVEMENTS' GAINS

Meanwhile, in the West, trade unionism and political labor movements began to score some victories for workers. Legislation to protect the rights of children and women were enacted. A shorter working day was a major demand of trade unions in most countries during the latter part of the nineteenth century and the first half of the twentieth century. As technological progress made one hour of labor more productive, employers had less reason to resist shorter working hours. During World War I, the eight-hour day and the six-day 48-hour week

² Translated from an unpublished manuscript of *Sa Tubig at Dugo: Ang Kasaysayan ng Simbahan sa Aurora*, ed. Diego G. Quejada (Baler, Aurora: Prelature of Infanta, 2012), 46-47.

became standard in American factories. Most European countries also made substantial gains toward achieving the 48-hour week during the 1920s. Many of them signed the international convention, sponsored by the newly formed International Labor Organization (ILO), which declared the eight-hour day or 48-hour week as the standard working hours.

The gains, however, that the labor movement had won for the workers would eventually be subjected to continual jeopardy, as the capitalist system experienced what is now known as periodic or cyclical crises such as, stagflation, inflation and economic depression. In the twentieth century, these crises found their resolution in two world wars, and in relatively smaller conflicts staged by contending economic powers in what came to be known as the Third World (e.g. Korea, Indo-China, Mozambique, Angola, and the Middle East).

At this time, Catholic social teaching drew the clear connection between the pursuit of social justice and peace. In 1931, Pius XI issued *Quadragesimo anno*. Apart from simply commemorating the fortieth anniversary of the promulgation of *Rerum novarum*, Pius XI called for the reconstruction of the social order that would ensure a long term beneficial lot for workers amid the contending claims of unbridled capitalism and totalitarian communism. Subsequent encyclicals would echo similar calls, such as Paul VI's *Octogesima adveniens* (1971), John Paul II's *Laborem exercens* (1981) and *Centesimus annus* (1991).

IMPACT OF GLOBALIZATION

John Paul II was hailed by international labor confederations as the Workers' Pope for his encyclicals *Laborem exercens* and *Centesimus annus*. In these works, John Paul II brought the issue of labor from the tradition set by *Rerum novarum* to reflection and critique of the contemporary context of the last decades of the twentieth century. But not long after the issuance of *Centesimus annus* in 1991, a phenomenon that has long been developing was soon to engulf all fields of human endeavor. Globalization, as it has come to be called, would eventually have

profound consequences in rearranging the economy on a world-wide scale and significantly altering the relations of production.

Sociologists Martin Albrow and Elizabeth King define globalization as “all those processes by which the peoples of the world are incorporated into a single world society.”³ In *The Consequences of Modernity*, Anthony Giddens argues that globalization “can thus be defined as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa”.⁴ In a similar vein, David Held and his associates explain that globalization

can be located on a continuum with the local, national and regional. At one end of the continuum lie social and economic relations and networks which are organized on a local and/or national basis; at the other end lie social and economic relations and networks which crystallize on the wider scale of regional and global interactions. Globalization can be taken to refer to those spatial-temporal processes of change which underpin a transformation in the organization of human affairs by linking together and expanding human activity across regions and continents. Without reference to such expansive spatial connections, there can be no clear or coherent formulation of this term...A satisfactory definition of globalization must capture each of these elements: extensity (stretching), intensity, velocity and impact.⁵

³ Martin Albrow and Elizabeth King, eds., *Globalization, Knowledge and Society* (London: Sage, 1990), 8.

⁴ Anthony Giddens, *The Consequences of Modernity* (Cambridge, UK: Polity Press, 1990), 64.

⁵ David Held, Anthony G. McGrew, David Goldblatt and Jonathan Perraton, *Global Transformations: Politics, Economics and Culture* (Stanford, CA: Stanford University Press, 1999), 15.

In 2000, the International Monetary Fund (IMF) identified four basic aspects of globalization: trade and transactions, capital and investment movements, migration and movement of people and the dissemination of knowledge. With regard to trade and transactions, developing countries increased their share of world trade, from 19 percent in 1971 to 29 percent in 1999. However, there is great variation among the major regions. For instance, the newly industrialized economies (NIEs) of Asia prospered, while African countries as a whole performed poorly. The composition of a country's exports is an important indicator for success. Manufactured goods exports soared, and are often dominated by developed countries and NIEs. Commodity exports, such as food and raw materials were often produced by developing countries, and the commodities' share of total exports tended to decline over the same period.

Following from this, capital and investment movements can be highlighted as another basic aspect of globalization. Private capital flows to developing countries soared during the 1990s, replacing "aid" or development assistance, which in turn fell significantly after the early 1980s. Foreign Direct Investment (FDI) became the most important means of capital flows. Both portfolio investment and bank credit rose but they have been more volatile, falling sharply in the wake of the financial crisis of 1998 and beyond.

Migration and movement of peoples can also be highlighted as a prominent feature of the globalization process. In the period between 1965 and 1990, the proportion of the labor forces migrating approximately doubled. Most migration occurred between developing countries and Least Developed Countries (LDCs). The flow of migrants to advanced economic countries was claimed to provide a means through which global wages converge. They noted the potential for skills to be transferred back to developing countries as wages in those a countries rise. Lastly, the dissemination of knowledge has been an integral aspect of globalization. Technological innovations (or technological transfer) benefit most the developing and Least Developing countries (LDCs), as for example the advent of mobile phones.

Economic globalization refers to increasing economic interdependence of national economies across the world through a rapid increase in cross-border movement of goods, services, technologies and capital. Whereas the globalization of business is centered on the diminution of international trade regulations and tariffs, taxes, and other impediments that suppress global trade, economic globalization is the process of increasing economic integration among countries, leading to the emergence of a global marketplace or a single world market. Depending on the paradigm, economic globalization may be viewed as a positive or negative phenomenon. Opponents of globalization regard the phenomenon as the promotion of corporatist interests. They also claim that the increasing autonomy and strength of corporate entities shape the political policy of countries. They advocate global institutions and policies that they believe better address the moral claims of poor and working classes, as well as emerging environmental concerns. Economic arguments by fair trade theorists claim that unrestricted free trade benefits those with more financial leverage (i.e. the rich) at the expense of the poor.

Critics also argue that globalization results in, first, poorer countries suffering more disadvantages as compared to developed countries. While it is true that free trade encourages free flow of goods, some countries tend to protect their domestic suppliers. The main export of poor countries is usually agricultural goods, while developed countries often subsidize their farmers (e.g. EU's Common Agricultural Policy), which lowers the market price for foreign crops. Second, globalization allowed corporations to move manufacturing and service jobs from high cost locations, creating economic opportunities with the most competitive wages and worker benefits. Third, surplus in cheap labor, coupled with a growing number of companies in transition, weakened labor unions in high-cost areas. Unions lose their effectiveness and workers their enthusiasm for unions, and soon membership begins to decline. Fourth, countries with weak protections for children are vulnerable to infestation by rogue companies and criminal gangs that exploit them. Examples include quarrying and farm work, as well as trafficking, forced labor, and prostitution.

CONTRACTUALIZATION: THE FACE OF ECONOMIC GLOBALIZATION

The gravest and most pervasive consequence of economic globalization on Philippine labor is what has been called contractualization. Stemming from growing surplus in cheap labor and growing number of enterprises in transition that have in turn been spawned by globalization itself, contractualization is the new practice put in place for hiring workers. Workers are hired and contracted to work on a possibly renewable, five-month term basis only. The practice skirts around the legal provision in the Philippine Labor Code compelling employers to provide permanent status to workers reaching their sixth month of employment. It also in effect exempts employers from giving the usual benefits to workers, such as SSS, 13th month pay, PhilHealth, PAG-IBIG, and others.

The practice has also brought about a new arrangement in hiring and recruitment: job applicants do not directly apply to companies; they submit their job applications to their respective job recruitment agencies that in turn process these applications with the companies. In effect, therefore, the employer-employee relations are blurred, so are the parties in a probable bargaining situation made unclear. Furthermore, with the surplus in the labor market kept stable, if not growing, wages are also kept in stagnant or depressed rates. On top of all these, however, workers are kept in perpetual contractual status, with no job security of tenure.

CONCLUDING THOUGHTS: FILIPINO WORKERS AND CATHOLIC SOCIAL TEACHING ON GLOBALIZATION

It is not difficult to see why Filipino workers have so damned contractualization as the new blight of labor in the Philippines and the main issue of their present struggles. For Filipino workers, contractualization is the concrete face of globalization; it represents the adjustment or reinvention that capitalism has been able to achieve in dealing death blows to the hard-earned gains achieved by workers' struggles in more than one

hundred years – higher wages, job security, and workers’ organized strength in unionism.

In 2008, workers’ unions and federations in Metro Manila, with the support of the Association of Major Religious Superiors in the Philippines (AMRSP) through Urban Missionaries, AMRSP’s mission partner in labor apostolate, organized the *Koalisyon Kontra sa Kontraktualisasyon* (KONTRA) to promote an organized response against contractualization in the picket lines, with the media sector, and in lobbying in Congress. In 2010, the same organized workers’ groups, together with Urban Missionaries and the Archdiocese of Manila Labor Concerns (AMLC), established the Church- Labor Conference (CLC) to serve as a strategic solidarity formation between the workers and the Church. Since its foundation, CLC has adopted a long-term action/advocacy program against contractualization.

It is not difficult either to see why Catholic Social Teachings in liberation theology judge contractualization, and with it, economic globalization as “evil” or “the anti-thesis of the Kingdom of God”. Carlos Abesamis has this to say about globalization as he issues the following call to action:

Globalization is the anti-thesis of the Kingdom of God. Motivated by Jesus summons, let us join our present hosts – organizations of youth, environmentalists, women, workers, peasants, mothers, overseas workers, drug and alcohol rehab groups, indigenous peoples, small vendors, urban poor and other grassroots organizations – who assert, in word and action, that something of the new earth has got to be visible and tangible today. Kingdom-work means to join in the global project to find alternative paradigms for living and being in the globe, our home. Like our hosts and like Jesus, may we be able to say: “The Kingdom of God – or something of it – is already among us.”⁶

⁶ Carlos Abesamis, *A Third Look at Jesus* (Quezon City: Claretian Publications, 1999), 128.

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