



## The pursuit of alternatives: “Extractivist” development and feminist workers’ resistance in Thailand

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*Despite economic growth and declining poverty levels across Asia, inequality continues to grow, with large groups of society remaining economically and socially marginalized. The “future of work” debate pressures governments to restructure their development models towards innovation, digitalization and automation. Thailand’s economic strategy, “Thailand 4.0”, promises to respond to the multiple challenges of the middle-income trap: imbalanced development and inequality through innovation and digital transformation, but stays true to the old concepts of neoliberal, “extractivist” capitalism and is structurally biased towards investors (Kosaikanont, 2019). Therefore, it fails to transform the economy towards gender and social justice. Local experiences of feminist workers’ organizing can show alternatives to the current model.*

For Zo Randriamaro, a Malagasy feminist academic, “extractivism” is characterized by two key elements: the process of extraction of raw materials and industrial forms of production, which involves seizing resources, and the conditions for the extraction process that are based on an unequal relationships and serial violence (Randriamaro, 2018). As such, this extractivist development model “organizes the political, socio-economic and cultural relations within the respective country or region: the economy and class structures,

gender relations, the state and public discourse” (Brand, 2013, cited in Randriamaro, 2018). The common pattern of extractivist capitalism is neo-colonial, the extraction of the resources of the Global South for the benefits of the Global North (Randriamaro, 2018).

Thailand’s modern development path is not based on resource extraction in the traditional sense, yet many characteristics described above are extractivist. Exploitative capitalism applies to industrial production



and services in South East Asian countries. The industrialization of production and service provision, especially in the tourism sector, extracts not only cheap labour as the raw material for cheap input, but also creates various forms of negative outputs (e.g. inequality, pollution, sexual exploitation). Even though Thailand has not been formally colonized, the extractivist development model in Thailand can be traced back to multiple complex relationships between the Global South and North (i.e. Japan and Western companies investing in extremely “extractivist” activities in Thailand), between the country and emerging economies (i.e. China invests and extracts relatively cheaper labour and raw materials from Thailand), and other southern countries (i.e. Thailand exploits resources, raw materials and cheap labour from the neighbouring countries of Laos, Myanmar, Cambodia, and Vietnam).

Since the 1950s, the country’s development strategy has followed the neoliberal “Washington Consensus”, a narrative of economic growth, efficiency, market mechanism, free trade and financial liberalization. This has been translated into the investors’ favourable measures namely tax and non-tax privileges for Foreign Direct Investment (FDI), special visa arrangement, rights to 100% land ownership for foreign investors, relaxation of investment laws without minimum guarantees for technology transfer, special industrial zones that prohibit the establishment of labour unions, and laws to protect investors’ rights. The benefits that Thailand gained in exchange for these investor-friendly policies – apart from impressive economic growth records– are the number of wage workers employed with limited social security guarantees, reduced tax revenue and low adherence to the standards of environmental, labour, and related laws.

### **The neoliberal economic miracle and its consequences**

It should be emphasized that since the beginning of Thailand’s development path, the International Monetary Fund (IMF) and the World Bank (WB) always have played significant roles in promoting



and reinforcing this neoliberal model of economic development. Their influence was assured via their advice on Thailand’s national economic plan and the occasional IMF Economic Structural Adjustment Programmes, imposed as a remedy for the economic crisis. In the early 1990s, Thailand has been dubbed as the “economic miracle” and has been used as the example by the World Bank. However, the Thai economic miracle did not last long because it was clearly built on shaky ground – very unsustainable, highly imbalanced, and unequally built upon the backs of women (Bell, 1996).

With the economic crisis in late 1997, this became clear. Contributing to the impressive GDP growth and economic miracle prior to the crisis, Thailand’s top 10 export products were footwear, garment, electronic parts, and tourism, which had a high concentration of female labour (Bell, *ibid*). As a result of the crisis, these female workers were laid off and pushed into an even more vulnerable position in the unprotected informal sectors and subcontracting work. Some investors also moved their production base to further exploit cheap labour in the neighbouring countries.

During the economic crisis, women’s lives –which were already negatively affected by the lay-offs – bore the burden from the government’s budget cuts to social welfare, especially the health care and education systems. Budgets have been allocated to schools and hospitals according to the “efficiency” based approach introduced by the Asian Development Bank (ADB) that still is in use today. “Efficiency” in health care service provision means that the quality of service and recovery is rated by the number of days a patient stays in the hospital, which should be the smallest possible number (Kosaikanont, 2003). In reality, the patient has not fully recovered upon discharge, but as the hospital is desperate for the allocated budget, it discharges patients prematurely. This causes extra burdens for female caregivers, who must attend to the relatives upon their return home. In the educational sector, the ADB has set a ratio of students per teacher at the “optimum number”, negatively impacting the schools in remote areas that do not have sufficient student enrolments and had to close down. Shutting



down schools creates additional travel expenses for students and often forces students to drop out.

In Thailand, women are the household financial managers. Extra expenditure equates to further financial burden for women. Overall, women are the backbone of Thailand's economic development under the extractivist development model, which extracts as much (material and non-material) resources as it can, regardless of the consequences. While serving as a social safety net of Thai society during the crisis, Thai women received disproportionately less benefits from development.

### The economic miracle reloaded

Launched in 2016, "Thailand 4.0" remains focused on generating economic growth to get the country out of the middle-income trap. Even without direct IMF and WB support this time, the policy framework reveals the GDP growth fetish. With "Thailand 4.0", the government plans to promote innovation, digitalization, digital transformation, automation and high-value production with the slogan "do less but earn more". However, as Thailand does not have technological capacity and knowhow, the government has to further increase its measures to attract FDI into the country. Although it is early in the policy's implementation, there has already been job loss for workers in some sectors (e.g. food and agro-industries, finances, banking, and car manufacturing). The newly established food factory of the largest company in Thailand, Chareon Pokphand (CP), is an example of how the labour market in Thailand can be affected. It operates 24 hours a day and hires only 7 people to operate the automated machines and robots (interview with Dhanin Chearavanont, 6 March, 2017).

The debate of "Thailand 4.0" and "the future of work" misses a much more relevant question. Should GDP and growth really be the centre and goal of our development? Or rather should the ultimate ends be the wellbeing of people, a good and liveable environment, a peaceful and just society, and the capability of people to live freely irrespective of their gender, class, and ethnic origins? When the end targets change, the measurement methods and the indicators

used in the development progress must change as well. Indicators have to be inclusive and should focus on the advancement of the well-being of the people and ensuring an equal and free society. To get there, development policy processes must be altered as well and carried out in a democratic and participatory manner with citizens', especially women's, counsel. Lives must be put at the centre of development goals, with indicators and processes to achieve socially just economic development.

### Feminist workers organizing for economic alternatives

Democratic participation, rights and justice are always outcomes of social struggles. Strengthening the organisation of workers and women will be crucial to boost pressure for change. The story behind the brand "TRY ARM" is a good example of how local struggles for justice can be very constructive in building economic alternatives. Try Arm is a lingerie brand and the name of a women's organising group. The members of Try Arm were formerly workers of the international multinational company "Triumph International" who were unfairly dismissed in 2008 and 2009.

In 2008, it started with a protest camp between "Triumph International" workers and their Trade Union. Jitra Cotchadej, the president of the Triumph International Thailand Labour Union, had been first unlawfully dismissed by their employer due to her own personal political activism. After Jitra wore a t-shirt displaying a political message, the company's management demanded that Jitra resign for damaging the company's image. She refused. Nevertheless, she later got dismissed by the company.

Following Jitra's unlawful dismissal, an additional 1,959 female factory workers were laid off during the subsequent months, citing reasons of lower demand and economic downturn. The 1,959 (female) union members went on a 46-day strike in front of the company knowing that this is the company's tactic. The strike aimed to defend





workers' rights, show solidarity, demand reinstatement as well as insist on the right to freedom of expression. Most importantly, the strike aimed hold the company accountable to comply with the previously agreed upon working conditions that had been negotiated by the labour union. This included consultation before dismissal and compensation that is higher than the rate defined in the labour law. However, the company denied both the reinstatement of all labour and the previously agreed upon compensation.

Having failed to reach an agreement, the union decided to move their camp to the Ministry of Labour in October 2009. After many months of protest, the remaining 560 labours smuggled nine (9) sewing machines to the protesting site. All the workers, who were from different departments, collaborated to design, draw patterns, cut and plan for production. The name Try Arm was used to represent the solidarity of female workers and create a lingerie brand with a similar sounding name to the world-renowned lingerie brand.

The first model of the lingerie was a male underwear design. The model is called 1959 as a reminder of all 1,959 unfairly laid-off workers. As for funding, the first investment came from a loan from the Union's fund. Additional styles of underwear were produced and sold at a reasonable price to raise funds and provide a living for the protestors.

Inspired by the experience of injustice during the months of protest, Triumph's former unionized employees and Jitra came up with the idea to create a fairly operated undergarment company on their own. Building on their extensive manufacturing experience and an unwavering social conscience, they established TRY ARM, honouring the principles of sweat-free labour and workers' democratic self-management. Since then, with its 450 sewing machines, TRY ARM has produced

high-quality products at reasonable prices. Each TRY ARM cooperative member has an equal, vital stake, founded on a non-exploitative and non-extractive relationship. They do not ask for a donation. Instead, they request the conscientious consumers' decision in supporting Try Arm by buying their reasonably priced high-quality underwear.

### Putting life at the centre

Extractivist economic development models dominate and influence the production and investment processes in many parts of the world. In Thailand's case, extractivism may not occur based on the extraction of natural resources in the traditional sense. Nonetheless, extractivist characteristics and exploitative capitalist model are reflected in Thailand's neoliberal economic order, which believes in flow of investment, tax privileges, free trade and GDP growth, regardless of the social and environmental consequences. It creates a system that allows the resource- and powerful investors to extract the cheap inputs and exploit labour in Thailand.

The experience of the alternative company TRY ARM - founded by labour and feminist activists in protest to the exploitative capitalist model - can be seen as a movement to question the grand narrative of the Washington Consensus: "Try Arm" Underwear "Fair Trade Fashion". The movement demonstrates that the alternative economic production and development model, which puts "lives at the centre", is possible. With support from responsible consumers, alternative production and development models like TRY ARM can become a sustainable reality. Change often starts with the right questions. What does the country really need to do to get out of the middle-income trap? Is the GDP-fetish helpful in furthering the well-being of the people? What is my personal stance in the struggle for social and gender justice and a life worth living? ●





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Romyen Kosaikanont is an assistant professor at the School of Management, Mae Fah Luang University in Thailand. Her research interests are on the issue of gender and economics, internet mail order brides, gender and social inclusion. She also actively works with local communities to create sustainable living and contributed as a commentator to the Idea Labs of the African Feminist Reflection and Action Group.

### The Feminist Dialogue Series

The Idea of the Feminist Dialogue Series was born during an International Workshop on Political Feminism in Africa organized by the Mozambican Feminist Platform Forum Mulher and the Friedrich-Ebert-Stiftung (FES) in October 2016 in Maputo. The gathering brought together over 50 feminist activists and scholars from all over the continent. Inspired by the stimulating discussions and interventions at the workshop, this series is intended as a platform to share important feminist reflections. In this way the series wants to contribute to the development and spreading of African feminist knowledge to transform political and economic conditions on the continent towards social and gender justice.

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