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Capitalism, Imperialism, and Patriarchy: The Dilemma of Third-World Women Workers in Multinational Factories

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Introduction

Female employment in multinational factories in developing countries has recently become the subject of much academic and political interest. Studies have been done analyzing the growth and spread of such employment and its impact on women in particular countries and industries.[1] The findings generally point to a central theoretical and political question that as yet remains unanswered: Is the employment of women factory workers by multinational corporations in developing countries primarily an experience of *liberation*, as development economists and governments maintain or one of *exploitation*, as feminists assert, for the women concerned? Does it present a problem or a solution to the task of integrating women into the development of their countries?

This paper examines the theoretical issues raised by the available case study material, in an attempt to resolve this question. It emphasizes economic analysis, and suggests that the interactions between capitalist, imperialist, and patriarchal relations of production are responsible both for the phenomenon of female employment by multinationals and for the dilemma it poses for women workers and for progressive feminist analysis and political action.

Capitalism, Imperialism, and Patriarchy

Capitalism and the Relocation of Manufacturing Industry to Developing Countries

Capitalism is the economic system prevailing in the parent countries of multinational corporations and in the world market which they dominate. It is a mode of production based on private ownership of capital (the "means of production"), employment of wage labor, and production for exchange on a free market to earn private profit that is accumulated and reinvested for growth and further profit. Whereas the Western nations and Japan are developed economies in a mature or advanced stage of capitalism, many developing countries are embarking on economic programs aimed at further developing the capitalist relations of production first introduced in them by colonialism and world market forces. This colonial heritage, combined with the dominance of the world capitalist system, forces even those new nations that have embraced socialist ideologies of development to tolerate some degree of private enterprise and foreign investment producing for exchange on the world market.

The relocation of manufacturing industry from developed to developing countries by multinational corporations engaged in "offshore sourcing" is part of a new international division of labor and pattern of trade in manufactures.[2] From plants in the Third World, multinational subsidiaries export manufactures to their home countries. From their home countries they import capital and technology in exchange. This is the direct result of two developments in the world capitalist economy which began in the 1960s. First, growth in international trade intensified inter-capitalist competition among the developed nations. In particular, the ascendancy of Japan as a major industrial power and its rapid and highly successful penetration of Western consumer markets led American and European manufacturers to invest in developing countries as a means of reducing costs in competition with the Japanese (Reynis 1976). In the 1970s, the slowing down of growth in Western and world markets further intensified these competitive pressures.

Second, the accelerating development of capitalist relations of production in a number of developing countries resulted in some of their indigenous entrepreneurs manufacturing for export to Western markets, beginning in the 1960s. This placed them in direct competition with Western manufacturers, who were forced to relocate to these same countries in order to be cost competitive in their own home markets. This trend continued through the 1970s on an ever larger and wider scale, particularly in Asian countries like Hong

Kong, Taiwan, South Korea, and Singapore, whose larger local firms have themselves become multinationals operating offshore manufacturing plants in other developing countries.

Thus, Western manufacturers in several industries located plants in developing countries in response to the competitive challenge from other mature capitalist countries, especially Japan, and from newly industrializing developing capitalist countries, mainly in Asia. The crucial factor in the competition was and is the cost of production, which differs between mature and developing capitalist economies according to their stage of development. In the 1960s and early 1970s, the mature Western economies experienced tight domestic labor markets—low unemployment rates, high wages, and chronic labor shortages in many industries. Labor-intensive manufacturing industries—those which employ large numbers of workers in generally unskilled or low-skilled jobs—were the most affected, and these countries began to lose their international comparative advantage in industries such as garments, shoes, plastic toys, and electronics assembly. The developing countries, on the other hand, had relatively abundant supplies of labor, reflected in the rural-urban migration of surplus labor off the farms; high urban unemployment rates; and low wages. Cheap labor, combined in many cases with government-subsidized capital costs, including tax holidays and low interest loans from government banks (Lim 1978), gave these countries a comparative advantage in world trade in labor-intensive products.

It is labor-intensive industries, then, that tend to relocate manufacturing plants to developing countries, thereby becoming multinational in their operations. This is a rational competitive response to changing international comparative cost advantages. In a free world market, factors of production like capital and labor will tend to move to locations where they are most scarce and can therefore command the highest returns from their employment in production. Through the nineteenth and early twentieth centuries, this was reflected in fairly free international migration of labor, but subsequent restrictive national immigration policies together with transportation costs and imperfect market information have increasingly inhibited the mobility of labor across international boundaries, except for the legal and/or illegal immigration of "guest workers." Capital, however, remains internationally mobile, especially from the developed to developing countries, a flow encouraged by policies of the latter's governments that offer profit tax holidays, duty free imports and exports, unrestricted remittance of profits, repatriation of capital, and so forth.

The relocation of manufacturing industry from mature to developing capitalist economies is an outcome of the expansion of capitalism on a world scale, reflecting the different rate and degree of development of capitalist relations of production, particularly the wage-labor market, in different nations. It is aided by state policies in both developed and developing countries, but remains largely a market phenomenon.

Imperialism, Nationalism and the Multinational Corporation

Imperialism—the system of military, political, economic, and cultural domination of the Third World by its former colonial masters—was historically the outgrowth of capitalist development in the West. In the economic sphere, it is characterized by the exploitation of natural and human resources in the Third World by Western capitalist enterprises. Although *bourgeois* economists were in agreement with classical Marxists—including Lenin, Luxemburg, and Marx—that imperialism, or Western investment in developing countries, would be an agent of capitalist development in the Third World, modern-day theorists of imperialism—including dependency theorists and "world-system" analysts following André Gundee Frank and Immanuel Wallerstein—argue that it retards such development.

Most of the latter analysis has been applied to the sectors of primary production for export and import-substituting industrialization in developing countries. But manufacturing for export by multinational subsidiaries also has its critics.[3] It is pointed out that workers' wages are much lower and their working conditions worse than in the multinationals' home countries; that few transferable skills or industrial linkages are generated; that there is heavy dependence on foreign capital, technology, skills, inputs, and markets; that few taxes are paid in the host country and high profits that accrue only to foreigners are mostly remitted overseas.

Although the above are true in most situations, it should be noted that manufacturing for export in developing countries is not the sole preserve of multinationals. Many local firms are also involved, and in some countries—such as Hong Kong, Taiwan, and South Korea—and industries, such as garments, they may outnumber the multinationals. In general, Third World enterprises engaged in manufacturing for export to Western markets are smaller, less capital intensive, and more labor intensive than multinational subsidiaries and are concentrated in simple-technology industries with competitive markets and relatively low profit margins. Wages are usually lower and working conditions worse, sometimes much worse, than in the multinational sector. Skills are low, and there is dependence not only on foreign markets, to which access is less easy than for the multinationals, but also on foreign technology and inputs purchased on the world market. Tax payments and reinvestment rates may be higher than for multinational subsidiaries; but since earnings are less, absolute contributions may be lower.

Comparisons between multinational subsidiaries and local firms in export manufacturing in developing countries suggest that the former may contribute more to the host economy in terms of market access, output growth, total wage-bill, and skill and technology acquisition. Local firms may, however, contribute more to the national development of capitalist relations of production in the long run, in developing a class of indigenous entrepreneurs in the manufacturing sector. They may reinvest more, since they do not remit profits overseas and are less likely to transfer operations. But competition with multinational subsidiaries in factor, input and output markets may inhibit the development of independent indigenous enterprises and entrepreneurs (Lim 1978b; Pang and Lim 1977). A complementary relationship is possible, but it tends to maintain local firms in the dependent position of subcontractors and suppliers to foreign firms and markets.

Despite the validity of many of the criticisms against it, manufacturing for export does enhance the development of capitalist relations of production in developing countries, mainly by spurring the growth of industrial wage labor and an indigenous industrial capitalist class. Multinationals and local firms make somewhat different contributions to this process. Two more questions remain. First, what are the long-run prospects for a multinational-led, export manufacturing sector in a developing country? Second, is it likely to lead to the development of an independent national capitalism in the developing country?

One of the criticisms commonly levelled at manufacturing for export by multinational corporations is that it is likely to be only a temporary phenomenon in developing host countries. Multinationals that relocate manufacturing capacity in these countries are "footloose" because they are not bound to any particular location by a need for local markets or local input sources other than labor, which is abundantly available everywhere. Therefore, it is argued, they will tend to move away from a location if labor market conditions or government policies change to make it less competitive—that is, if wages rise more in one location than in others or tax holidays expire in one location but are offered in other "newer" locations. Although this has happened in individual firm cases, it has not yet threatened the viability of an entire export-manufacturing sector in any country.

On the contrary, in the less developed countries where most of the export oriented multinational subsidiaries are concentrated—Hong Kong, Taiwan, and Singapore—changing comparative costs, particularly the appearance of tight labor markets, have resulted in an upgrading of the industries producing for export. Multinationals, encouraged by host government policies, have begun relocating more capital-intensive, technology-intensive industrial products and processes from their home countries to these location. Labor-intensive processes are replaced or shifted to more labor-abundant locations as comparative advantages continue to change between developed and developing countries and among developing countries themselves.

This suggests that, at least in some developing countries, the multinational-led export manufacturing sector does mature over time, further developing capitalist relations of production. Wages rise, working conditions improve, more skills are imparted, more local linkages generated, more taxes paid, and more profits reinvested locally. Although the countries where this is happening are still a minority in the Third World, they are the ones that have had the longest experience with multinational subsidiaries in manufacturing for export.

But what about local firms and the development of an independent national capitalism? As previously noted, competition with multinationals may inhibit the growth of indigenous enterprises. But as the multinational subsidiaries continue to grow and to upgrade and diversify their products, they generate more local linkages, make more input purchases from local suppliers, and subcontract some of their simpler products and processes to local manufacturers. This may stimulate the growth of indigenous enterprises, though they remain in a dependent position vis-à-vis the multinationals. But from the point of view of enhancing capitalist development, dependence may not be a problem if it results in accelerated growth and the emergence of an indigenous industrial capitalist class. A nationalist industrial policy that excludes multinationals may result in more independence but less growth and thus a smaller indigenous capitalist class since the advantages multinationals possess in stimulating supply sources and in providing technical and managerial training would be lost.

Although dependency theorists and others who argue that multinationals retard the development of capitalism in developing countries are right with respect to their criticisms of the early stages of labor-intensive manufacturing for export, the experience of some important developing countries suggests that bourgeois economists and classical Marxists alike might be right in the longer run. That is, multinationals do foster the development of capitalist relations of production and are often more successful in this than indigenous firms. The relocation of industry between countries continues if firms behave rationally in response to changing comparative advantages. Although multinationals may shift labor-intensive industries out of some developing countries as comparative costs change, so do national firms in these countries, (as in the case of Singapore firms that shifted their labor-intensive processes and products to cheaper-labor countries like Malaysia, Indonesia, Sri Lanka, and Bangladesh); so long as new industries and processes are moved in, capitalist relations of production continue to develop and mature.

Patriarchy and the Female Labor Market

Patriarchy is the system of male domination and female subordination in economy, society, and culture that has characterized much of human history to the present day. In the economic sphere, it is reflected first in the sexual division of labor within the family, which makes domestic labor the sole preserve of women. Their involvement in production activities outside the home varies with different societies and different stages of development, but is, particularly in those countries where capitalist development has penetrated (Boserup 1970), often accorded inferior status and reward compared to the activities of men.

In the pure capitalist model of "bourgeois" economists, conditions of perfect competition prevail in the labor market, where workers are hired solely on the basis of their marginal productivity.[4] Although productivity differences may be correlated with the sex of a worker, sex itself, like race, religion and other *ascriptive* characteristics, is irrelevant in the hiring process. Where there are no productivity differences between the sexes, discrimination cannot exist in a free labor market. The employer who discriminates on the basis of sex will be less profitable than the one who does not because productivity of the worker is the only relevant criterion (Becker 1957).[5] Thus, competition and the progress of capitalist relations of production should eventually eliminate any differences between the sexes in the labor market.

This model is clearly invalid in the real-world capitalist labor market, where sex differences obviously exist. Not only is participation in the wage-labor force lower for women than for men, but they are also concentrated in a narrow range of occupations characterized by low wages, low productivity, low skill levels, high turnover, insecurity of tenure, and limited upward mobility. One of the most distinctive and persistent features of the capitalist labor market is the segmentation of the labor market and occupational segregation by sex (Blaxall and Reagan, 1976). Productivity differences between male and female workers is one explanation for this phenomenon, but they themselves reflect differential access to the determinants of productivity, such as education and skill training and different levels of technology in the jobs to which they are assigned. In addition, there is an element of pure discrimination by employers, that is, discrimination unrelated to any productivity differences between male and female workers.

Patriarchal institutions and social relations are responsible for the inferior or secondary status of women in the capitalist wage-labor market. The primacy of the sexual division of labor within the family—man as breadwinner and woman as housekeeper and child raiser—has several consequences for the woman who seeks wage employment. Socialized to accept this sex role in life, she has little motivation to acquire marketable skills; is often prevented by discrimination from acquiring such skills; and, even after she has acquired them, may be prevented by discrimination from achieving the employment or remuneration that those skills would command for a man.

Discrimination itself is based on the patriarchal assumption that woman's natural role is a domestic one and that she is therefore unsuited to many kinds of wage employment, either because her productivity will "naturally" be lower than a man's in the same employment or because it will be adversely affected by her domestic responsibilities. Family duties do often reduce a woman's mobility, stability, and efficiency as a worker and most women who participate in the capitalist wage-labor market do so because of the inadequacy of the family income earned by their menfolk in wage employment. Attitudes of families, employers, and the women themselves, domestic responsibilities, and their own lack of skills limit their employment opportunities and weaken their bargaining position in the labor market.

It is this *comparative disadvantage* of women in the wage-labor market that gives them a comparative advantage vis-à-vis men in the occupations and industries where they are concentrated—so-called female ghettoes of employment. In the manufacturing sector of mature capitalist economies, women are concentrated in labor-intensive industries where the wages earned are often insufficient to support an entire family. It is assumed by employers and society in general that women work only for "pocket money" for luxuries or to make a secondary income contribution to families where the principal breadwinner is a male. In addition, it is believed that women do not have the need or the inclination to be career-minded and upwardly mobile in the job hierarchy and so do not mind dead-end jobs with no prospects of advancement. They also have certain feminine social and cultural attributes that make them suitable to certain kinds of detailed and routine work, such as sewing garments and assembling electronic gadgets. That is, they are careful and conscientious workers, patient enough to endure long hours of repetitive work (Lim 1978b).

Thus, both the demand for and supply of female labor are determined by the culture of patriarchy, which assumes woman's role in the family as natural and consigns her to a secondary and inferior position in the capitalist wage-labor market. Occupational segregation and differential remuneration by sex is explained by an assumed productivity differential between men and women, based in part on this sex role differentiation. Even where women are acknowledged to be more productive than men, they are often paid less; and prevailing wages are always lower in female-intensive than male-intensive industries and occupations even at equivalent skill levels. This is contrary to the prediction of neoclassical economic theory that higher productivity means higher, not lower, wages.

The labor-intensive industries in which women manufacturing workers are concentrated in mature capitalistic economies are the very industries that are losing their comparative cost advantage to newly industrializing countries. It is likely that these labor-intensive industries maintained their comparative advantage as long as they did because they employed the lowest-paid workers in those countries—women, often women of minority races. Thus it is female-intensive industries that have the greatest propensity to "run away" from the developed countries and relocate manufacturing facilities in the Third World, where wages are even lower than those of women in the developed countries. In the developing countries as well, traditional patriarchal social relations ensure that women occupy a similarly secondary and inferior position in the wage-labor market and so are the preferred employees of multinational and local employers in labor-intensive export industries.

Although the relocation of manufacturing industry from mature to developing capitalist countries reflects changes in world capitalism, the employment of women in these industries reflects the influence of patriarchy on the female labor market in both mature and developing countries. Women's comparative disadvantage in the capitalist wage-labor market enhances the comparative advantage of firms that employ them in labor-intensive industries producing for the world market. This disadvantage—reflected in low wages—is greatest for women in countries where capitalist relations of production are least developed, since there they have the fewest opportunities for wage employment and the weakest bargaining power in the labor market. Patriarchal social relations are also strongest and most restrictive of female wage employment where precapitalist modes of production, like various forms of feudalism, persist. Thus, female employment in export manufacturing industries is most prevalent in those developing countries where capitalist relations of production are developing most rapidly, but traditional patriarchy is sufficiently strong to maintain women in an inferior labor market position.

Imperialism, Patriarchy and Exploitation

Studies of Third World women workers in multinational export factories tend to focus, explicitly or implicitly, on the exploitation of these women by their multinational employers. Absolutely low wages and poor working and living conditions are often cited as evidence of such exploitation. In an earlier work, I pointed out that the concept of exploitation is an established one in all schools of economics, from the bourgeois to the Marxist, though the particular definition of it may vary. All, however, agree that

> exploitation . . . is a *relative* concept, bearing no direct relation to the *absolute* level of wages paid: so long as the worker does not receive the full value of her product, however defined, she is exploited. A higher wage may also entail a higher rate of exploitation if greater intensity

> of work, longer working hours, better equipment and organization of production, etc. mean that labor productivity, and hence the value of the worker's output, is proportionally greater in the higher-wage than lower-wage situation. [Lim 1978b]

Thus, focussing on absolute conditions faced by workers does not lend itself to useful theoretical or political analysis.

In the economic sense defined above, all workers employed in capitalist enterprises are exploited to produce profits for their employers. But the degree of exploitation differs among different groups of workers. In addition to being paid less than the value of the output they contribute, Third World women workers in multinational export factories are paid less than women workers in the multinationals' home countries and less than men workers in these countries and in their own countries as well, despite the fact that in relocated labor-intensive industries their productivity is frequently acknowledged to be higher than that of either of these other groups. Thus, Third World women workers are the most heavily exploited group of workers, both relative to their output contribution and relative to other groups. Although all are subject to capitalist exploitation, Third World women workers are additionally subject to what might be called imperialist exploitation and patriarchal exploitation.

Imperialist exploitation—the differential in wages paid to workers in developed and developing countries for the same work and output—arises from the ability of multinationals to take advantage of different labor market conditions in different parts of the world—a perfectly rational practice in the context of world capitalism. In the developing countries,

> high unemployment, poor bargaining power vis-a-vis the foreign investor, lack of worker organization and representation and even the repression of workers' movements, all combine to depress wage levels, while the lack of industrial experience, ignorance and naivete of workers with respect to the labor practices in modern factory employment enable multinational employers to extract higher output from them in certain unskilled operations. [Lim 1978b:11–12]

Patriarchal exploitation—the differential in wages paid to male and female workers for similar work and output—derives from women's inferior position in the labor market, discussed in the previous section of this paper.

Although multinational employers of women factory workers in developing countries do practice all of the above forms of exploitation, they do so only in response to labor market forces, specifically the international and sexual segmentation of labor markets. Differences in the degree of development of capitalist relations of production and natural restrictions on the international mobility of labor are responsible for differential wage rates between countries whereas patriarchal institutions and attitudes limiting the employment opportunities open to women are responsible for differential wage rates between the sexes. Multinationals may, consciously, attempt to preserve these differentials from which they benefit; but in general they merely take advantage of them since they exist.

In fact, it may be argued that the activities of multinationals in labor-intensive export manufacturing in developing countries might in the long run contribute to a reduction of national and sex wage differentials—in other words, a reduction of the imperialist and patriarchal components of capitalist exploitation of Third World women workers. To the extent that these multinationals contribute to the development of capitalist relations of production, particularly to the growth of demand for wage labor and to the upgrading of skills, wages will rise in the developing countries. If at the same time the relocation of industry from the developed countries reduces demand for labor in those countries, wage increases there will decline. Both factors will reduce over time the wage differential between the developed and developing countries—that is, the degree of imperialist exploitation.

Because multinationals engaged in export manufacturing in the developing countries employ mostly women workers, they increase the demand for female labor more than the demand for male labor. Female wages will then rise relative to male wages, and female unemployment rates will fall. Sex wage differentials, reflecting the degree of patriarchal exploitation of women workers, will narrow. In some countries governments have already expressed concern about the lack of employment creation for men—whom they consider to be the principal breadwinners—in multinational export firms.

So far, the narrowing of national and sex wage differentials has been imperceptible in most cases. In most developing host countries, multinationals manufacturing for export constitute too small a sector of the economy to have a significant impact on the national labor market. Even where, as in a handful of Asian countries, they are an important sector of the economy and have contributed to rising wages, wages have increased just as rapidly in the developed countries with generalized inflation. Furthermore, the relocation of industry has not reduced the overall demand for labor in the developed countries, where capitalist development continues in different sectors. With respect to sex wage differentials, although female wages have risen, high turnover of labor and the short average working life of women factory workers keeps their average wages low. The countries in which female wages have risen most rapidly are also those where male employment creation has been proceeding apace, and male wages have often increased even more rapidly in other sectors of the economy.

Continued imperialist and patriarchal exploitation in multinational factories in developing countries does not, however, imply that the women employed in these factories are worse off than they would have been without such employment. On the contrary, the vast majority are clearly better off, at least but not only in a narrow economic sense, for being subject to such exploitation. For one thing, wages and working conditions are usually better in multinational factories than in alternative employment for women in indigenous capitalist enterprises. Although in the relative economic sense defined previously they may be more exploited in the multinationals, in terms of producing a greater surplus or marginal product over and above the wage they receive, than in indigenous enterprises, in an absolute sense their incomes tend to be higher and they are better off. This is true also when compared with women's traditional economic roles as housewives and unpaid family labor in farms and shops.

Capitalist Development and Liberation from Patriarchy

In developing as in mature industrial economies, the state of development of capitalist relations of production defines the employment opportunities available to wage labor. Patriarchal social structures and cultures divide these opportunities by sex, typically limiting female wage labor to a narrow range of inferior jobs. In this situation the entry of labor-intensive export manufacturing industries and of multinational corporations in particular into sex segregated local labor markets has two somewhat contradictory effects. On the one hand, multinational *and* local employers can take advantage of women's inferior position in the labor market to employ them at lower wages and poorer working conditions than exist for men in the same country and for women in developed countries. This is what I have termed patriarchal and imperialist exploitation. Both local firms and multinationals benefit from the gap between workers' wages in the developing country and final product prices in markets of developed countries.

On the other hand, the expansion of employment opportunities for women in these industries does improve conditions for women in the labor market. In however limited a way, the availability of jobs in multinational and local export factories does allow women to leave the confines of the home, delay marriage and childbearing, increase their incomes and consumption levels, improve mobility, expand individual choice, and exercise personal independence. Working for a local or foreign factory is for many women at least marginally preferable to the alternatives of staying at home, early marriage and childbearing, farm or construction labor, domestic service, prostitution, or unemployment, to which they were previously restricted. Factory work, despite the social, economic, and physical costs it often entails, provides women in developing countries with one of the very few channels they have of at least partial liberation from the confines and dictates of traditional patriarchal social relations.

Given their lack of access to better jobs, women workers usually prefer multinationals as employers over local firms since they offer higher wages and better working conditions and often have more "progressive" labor practices and social relations within the firm [Lim 1978b]. Indeed, the more multinationals there are in any one country and the longer they have been established, the stronger becomes the workers' bargaining position. Exclusive employment of female production workers in labor-intensive export industries creates occasional labor shortages, resulting over time in rising wages, greater job security, and improved working conditions for women in indigenous as well as multinational enterprises.[6] Greater competition for female laborers will tend to reduce the degree of exploitation found in women's work.

Whether or not market forces alone will expand women's employment alternatives beyond the traditional "female ghettoes" of low wage, low skill, dead end jobs depends on the state and rate of development of capitalist relations of production in the economy as a whole. In an economy that is rapidly growing, diversifying, and upgrading itself in all sectors, high demand for labor might eventually propel women into skilled industrial and nonindustrial jobs from which they have previously been excluded by custom, education, or employment discrimination. This will improve the wages and working conditions of women who remain in factory employment as production workers, given the reduction in the numbers of women available for work.

So far, such a situation is an exceptional one among the many developing countries that host multinational corporations in female-intensive industries. Even where rapid growth occurs, employers may escape the tightening labor market by importing migrant labor, by automation, and by shifting labor-intensive processes to other countries, as they have done in the home countries of the multinationals and are now doing in rapidly developing countries like Singapore. In this latter country, growth in other industries and sectors has prevented these actions from having a depressing effect on wages, and the government's high wage policy has furthermore forced firms to shed or shift their labor-intensive activities. Also, when women ascend the job hierarchy, it is usually to take jobs vacated by male workers who have since advanced even higher in the hierarchy of skills and incomes. That is to say, although rapid growth may enable women to improve their position in the labor market in absolute terms, relative to men they remain in an inferior position.

Employment of women in modern capitalist industrial enterprises in developing countries does contribute to an expansion of employment opportunities and thus to some economic and social liberation for women in patriarchal societies that customarily restrict them to a domestic role in the family. But such wage employment on its own or combined with generally rapid capitalist development throughout an economy cannot significantly undermine the patriarchal social relations responsible for women's inferior labor market position on which their very employment is predicated. In other words, capitalism cannot wipe out patriarchy, though exploitation in capitalist enterprises can provide some women with an at least temporary escape from traditional patriarchal social relations.

Exploitation and Liberation: A Dilemma for Political Action

The above analysis has identified the relocation of manufacturing industry from mature to developing capitalist countries as the outcome of the expansion of capitalism on a world scale,, reflecting differences in the development of capitalist relations of production between nations, particularly of the wage labor market. The relocation is carried out by multinational corporations, whose export manufacturing activities in developing host countries can and do enhance the development of capitalist relations of production. The almost exclusive employment of female labor in many relocated industries is based on women's inferior position in the wage labor market, resulting from patriarchal social relations. Although women workers in these multinational factories are exploited relative to their output, to male workers in the same country, and to female workers in developed countries, their position is often better than in indigenous factories and in traditional forms of employment for women. The limited economic and social liberation that women workers derive from their employment in multinational factories is predicated on their subjection to capitalist, imperialist, and patriarchal exploitation in the labor market and the labor process. This presents a dilemma for feminist policy towards such employment: because exploitation and liberation go hand in hand, it cannot be readily condemned or extolled.

Many of the studies of female employment in multinational export factories in developing countries focus their criticism on the multinational corporation as chief perpetrator of all the forms of exploitation that these women workers are subject to in their employment. But although the multinational does take advantage of national and sexual wage differentials and sometimes reinforces them, it is not responsible for creating them and cannot by its own actions eliminate them. National wage differentials are the result of differences in the development of capitalist relations of production between nations, whereas sex wage differentials originate in indigenous patriarchy.

Removing the multinational—the logical if extreme conclusion of an antiimperialist political stand—will, in the absence of a credible alternative form of development, drastically reduce employment opportunities for women in developing countries. This will weaken their labor market position and subject them to even greater exploitation by indigenous capitalists and continued subordination to traditional patriarchy. This is clearly undesirable for the economic and social liberation of women. A less radical solution—attempting to reduce imperialist exploitation by imposing reforms on the multinational or local employer—is unlikely to succeed even if host governments were willing, which is doubtful. Export manufacturers operate in highly competitive international markets with generally elastic supply and, in important industries like garments and shoes, inelastic demand. Host governments and workers can neither demand nor enforce better wages and working conditions in profit-oriented multinationals that are mobile between countries. Local firms are often less competitive than multinationals in the world market and, with their lower profits, are unlikely to be able to absorb the costs of such reforms.

Another possibility for reducing imperialist exploitation is through international action to restrict multinationals from exploiting market wage differentials between nations—for example, by standardizing certain terms and conditions of work in particular industries or occupations. This is clearly unrealistic, given the different stages of development of capitalism and different labor market conditions in different countries. Furthermore, workers in developed and developing countries tend to have opposing interests vis-à-vis the relocation of manufacturing industry. National interests inhibit the development of international labor solidarity. For example, protectionist groups of employers and labor unions in the multinationals' home countries have furthered their own self interest by citing exploitation of women workers overseas as a reason why goods made by these workers should be prevented from reaching their destined markets by means of tariffs, quotas, and other restrictive trade practices. This has the effect of pitting workers in mature and developing capitalist countries against each other.

Because patriarchal social relations are at the bottom of women's subjection to imperialist exploitation, it is logical to turn to an attack on traditional patriarchy as a means of improving the position of women. The successful elimination of patriarchal institutions and attitudes, discrimination, differential socialization by sex, and the sexual division of labor within the family would equalize male and female employment opportunities and incomes, ending the sex segregation of the capitalist labor market. This is also difficult to envisage, given the deep cultural and psychological as well as economic and social foundations of patriarchy, which is found in advanced as well as developing capitalist countries and in socialist countries as well. Furthermore, in developing countries, national identity is very much bound up with a traditional, often feudal, patriarchal culture. An attack on traditional patriarchy may be construed as an attack on national identity and thus arouse the forces of a reactionary nationalism against the liberation of women. Indeed, one of the dangers of multinational exploitation of Third World women workers is that it arouses local antiimperialist sentiment that becomes identified—as in fundamentalist Islamic ideology in Iran—with traditionalism and opposition to wage employment by women.

Even if traditional patriarchy is successfully undermined and equality in the capitalist labor market achieved for women workers, they will remain subject, together with male workers, to capitalist exploitation in a capitalist economy. Capitalist employers themselves are unlikely to be indifferent to the elimination of sex differences in the labor market. Although employers of predominantly female workers may be expected to oppose sex equalization because it would reduce the supply and thus raise the wages of women workers in low skill, labor-intensive and dead end jobs, employers in male-intensive industries where labor is scarce may welcome the entry of female labor as a means of increasing the labor supply and reducing wages. The balance between these opposing interests and the attitude of male workers themselves, depends on the state and rate of development of capitalist relations of production. A nation that is rapidly growing and upgrading into high skill, high wage industries and occupations and experiences rising demand relative to supply of labor is likely to have greater sex equalization in the labor market than one which is only slowly growing or stagnating, with high unemployment and a dependence on low wage, labor-intensive industries. In other words, rapid capitalist development is more conducive to sex equalization in the labor market but by itself cannot be expected to bring about such equalization.

Elimination of worker exploitation altogether can only occur if capitalism itself is eliminated. This presents enormous difficulties for the small developing country in a world dominated by capitalism and imperialism. Domestically, a necessary precondition is the unity of the working class, which is hampered by sex, race, regional, and other differences within the labor force. So long as patriarchal relations of production persist, male and female workers remain divided by occupational segregation and by the tendency for male workers to assume the position of a labor aristocracy. If development is slow and mainly in low skill industries, male unemployment and low wages will limit this aristocracy to a small segment of the male work force, rather than creating a male elite that opposes female workers. Thus, the elimination of patriarchy would facilitate the elimination of capitalism itself. However, the elimination of capitalist exploitation does not necessarily facilitate the elimination of patriarchal exploitation, as the experience of present-day postcapitalist societies indicates. In all the "socialist" countries, including the USSR, China and eastern Europe, women occupy an inferior position in the labor force and in social and political life relative to men (though the difference may be less than in mature capitalist countries). Indeed, in some cases, the struggle against a capitalism identified with imperialist exploitation can lend itself to a reinforcement of traditional patriarchy and opposition to women's participation in the labor force. Finally, to the extent that socialist societies are likely to be less materially successful than capitalist societies—at least in the short and medium run—the elimination of all forms of exploitation may be achieved at the cost of lower absolute wages and standards of living and working for both men and women.

Conclusion

This paper has sought to spell out the complexities involved in an analysis of female employment in multinational export factories in developing capitalist countries and in any attempt to formulate policy or political action on behalf of these women workers. The interplay of capitalist, imperialist, and patriarchal relations of production and the simultaneously exploitative and liberating consequences of this form of wage employment for women, point out the inadequacy of simplistic anti-capitalist, anti-imperialist or anti-patriarchal analyses and strategies to relieve exploitation.

Within the existing structure of economy and society, pro-capitalist and pro-imperialist strategies—for example, encouraging maximum investment by labor-intensive multinational factories—may serve an antipatriarchal aim—by increasing the demand for female labor and raising female wages absolutely and relative to male wages where, as in many developing countries, male wage employment is growing more slowly. Multinationals generally offer a better employment alternative to women than local enterprises in modern and traditional sectors of the economy and also provide a limited escape from the domestic roles imposed by traditional patriarchy. But there are limitations to the success of this strategy in raising women's wages permanently. Because female employment creation in multinational factories is based on patriarchal exploitation—low absolute and relative wages for women workers—the elimination of these conditions may well bring about an elimination of the jobs themselves, given the international mobility of multinational capital and the availability of exploitable female labor in other countries. A similar limitation faces attempts to impose reforms on the multinationals through government policy actions or worker organization and labor union activity on an enterprise, national, or international scale.

In the larger national context, a pro-capitalist, pro-imperialist strategy on behalf of women workers can generate a "backlash" response from traditional patriarchy, making a general and genuine liberation for women more difficult. It also weakens worker solidarity where anti-imperialist and anti-capitalist struggles exist. On the other hand, these struggles are unlikely to succeed so long as the labor force and labor market remain divided by sex, and so these struggles would be strengthened by the undermining of patriarchal relations of production.

Ultimately, it is the existing structure of the economy and society that has to be changed if the exploitation of women in the labor force is to be eliminated. Capitalist market forces and employment based on imperialist exploitation cannot liberate women from patriarchal exploitation that is the very condition for their entry into wage labor in multinational factories producing for the world market. In the long run, capitalism and imperialism only perpetuate and may even reinforce patriarchal relations of production, which in turn reinforce capitalist and imperialist relations of production. Although the liberation of women workers as women and as workers can only come about through some combined struggle against capitalist, imperialist, and patriarchal exploitation, the specific strategies to be undertaken depend on the particular historical, social, economic and political circumstances of each national unit in the context of an international capitalism.

Notes

1. For a few examples of relevant case studies, see Snow 1977, Lim 1978b, Paglaban 1978, Grossman 1979, Fernández Kelly 1980, United Nations Industrial Development Organization (UNIDO) 1980.

2. See, for example, Leontiades 1971, Adam 1975, Moxon 1974, UNIDO 1979, Fröbel, Heinrichs, and Kreye 1980.

3. See, for example, Nayyar 1978, Fröbel, Heinrichs, and Kreye 1978, Takeo 1978; Landsberg 1979, Sivanandan 1980.

4. Marginal productivity is a theoretical concept central to neoclassical economic doctrine: it is the addition to a firm's total output value resulting from the employment of one additional worker or unit of labor.

5. In neoclassical economic theory, this is true in all but the pure and unattainable case of perfect competition in both product and labor markets, where labor is paid exactly the value of its marginal product. In Marxist economic theory, even the "normal profit" or "zero economic profit" earned by perfectly competitive firms—the return just necessary to maintain them in their line of production, which includes a return to capital—represents "surplus value" exploited off labor.

6. Indigenous firms have to compete with multinationals in the labor market; multinationals are the leaders in setting wages and working conditions. In Singapore, the improvement of wages and working conditions in the female labor market are illustrated by the following facts: Starting wages have more than doubled in five years (ahead of inflation); fringe benefits have improved (for example, the extension of paid holiday time to

two weeks in the year); part-time shifts have been instituted to suit housewives; the desired age of workers has risen from sixteen to twenty-three years to up to fifty years; there has been a dramatic reduction in rotating shifts and microscope work in electronics factories; and a five-day week is typical. Singapore workers have become a "labor aristocrary" in the Southeast Asian region.

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