

# Exploitation

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## Definition

*Exploitation* is defined here one group of people appropriating another group's labor-power for what Karl Marx in 1867 called *surplus value* (net profits), benefiting by paying them less than the necessity-value (actual cost of wages) produced in a day. For example, assume in an eight-hour day, in the first three hours, a worker produces what it costs a capitalist to pay the wage and cover overhead, equipment, and other operating costs. That means the next five hours the capitalist appropriates labor-power (skill, experience, & activity of the worker) to expand surplus value. If a worker produces \$50 worth of goods or services each hour (paying for wages & overhead in 1<sup>st</sup> 3 hours), then that last five hours worked adds \$250 in surplus value (net profit). Marx's formula for surplus-value exploitation is well known:

$$S = s/v \text{ times } V; S = P \text{ times } a'/a \text{ times } n.$$

The individual terms are defined as follows:

- S is mass of surplus value supplied by individual workers in an average day.
- 's' is the variable capital advanced to purchase one worker's labor-power.
- 'v' is sum total of variable capital (V).
- P is the value of an average worker's power.
- The degree of exploitation is defined as  $a'/a$  (surplus-labor/necessary-labor).
- 'n' is number of workers employed.

The greed for surplus labor value is such that many firms are motivated to stretch the working day, and insure entire segments of society, classes, races, ethnicities, or nations are available for not just exploitation, but superexploitation.

## Conceptual Overview

### Superexploitation

Workers paid above a living wage are exploited to the extent that surplus value exceeds the time workers need to work to cover necessities, but workers paid less than living wage is what post-Marxists call, *superexploitation*. Superexploitation is an

elevation of exploitation to what Marx said was ‘vampire-like.’ Capital sucks the living blood out of labor, and the Vampire lives the more it sucks labor dry. Every last drop of blood, nerve, and muscle is exploited.. That is how labor-power purchased from labor is consumed.

### **Critical Commentary and Future Directions**

**Ethics** The ethics of superexploitation can be researched. Superexploited includes slavery, colonialism, and contemporary global systems of sweatshop supply chains. Superexploitation violates Immanuel Kant’s categorical imperative because humanity is treated as a means-to-an-end: maximizing surplus value through superexploitation, rather than treating humanity as end-unto-itself. Greed that harms one segment of humanity while ceding surplus value to another is legitimated by “practical reasoning ethics” overworking a class of workers is the means to benefit another segment or class (lower prices at Wal-Mart for consumers; higher dividends to shareholders; humungous salaries for executives).

Super-exploitation of one class, race, gender over another means that there is racism, sexism, or ethnocentrism-ideology in force legitimating inequitable pay for equal work. For example, Pakamani Basebanz reports that in 1986 average monthly earnings of an African worker was 28 percent of those of a white worker; People of color, and Indian workers earned 35 percent and 52 percent respectively of monthly earnings received by whites.

**Performativity** Performativity, defined by Marx, as working labor unto death, can be researched. Calculating systems are set up to use up the life of a work within a set number of years. Performativity is embedded in the *calculating system* multinational corporations contract set with subcontractors, in terms of production quotas, time-to-complete tasks, etc? Do these *calculating systems* perpetuate the performativity of superexploitation? Farm and garment-sweatshop workers often work at piece rates set by a contracting food or retail corporation (e.g. Wal-Mart or Nike). The piece rates and daily quotas are preset so workers can supposedly earn a subsistence wage in 8 or 10 hours, but oftentimes it can take 12 to 16 hours, and there is no pay for overtime. Jim Rosenbaum

reports tomatoes workers picking in the field and processing in canneries get 4%, the farm owners get 9%, while canneries like Libby's and Campbell's get 83%. It's all about the calculations. In the U.S. 300,000 farm workers fell ill from toxic pesticides and herbicides used in the fields. Besides cancer, there were chronic skin rashes, kidney and liver, and chest cavity problems. Rosenbaum says women workers on these farms were 7 times more likely to have miscarriages compared to women not working on farms. The small firms who hire immigrant workers are often contracted by large global monopolies to avoid paying union workers. This outsourcing

### **Globalization and Superexploitation**

Globalization or what Marx called the “whirlpool of an international labor market dominated by the capitalist mode of production” seeks to extend the working day to 24 hours, snatching minutes or hours from workers by pilfering rest, meal, and leisure time. The vampire's hunger for surplus-labor results in the slow sacrifice of humanity in global sweatshops that degenerate population of mostly young women, sacrificing their health in long hours of misery in some over-crowded, poorly ventilated ‘House of Terror.’ Vampirism turns the natural day into night, “as a palliative.” The Vampire quenches its thirst of living blood of labor by usurping their time for body maintenance, growth, and development. The vampire steals labor time required for fresh air and sunlight while haggling over breaks and meal times. Where possible, as in the Charlie Chaplin film, the work eats while they work. The vampire steals our time to sleep and recuperate. Our bodily power is drained in the sweatshops until we are dead labor.

Contemporary vampirism includes ways mostly young women are exploited in garment and food production supplying commodities to major Western retail companies such as Wal-Mart, Tesco, McDonald's, Nike, etc. Globalization of production feeds on mostly young women, located in Africa, Asia, and Latin America. They make garments and grow food for firms subcontracting to major Western corporations without time to revitalize. According to Barry Mason, 75% of women in Chile's agricultural sector are hired to pick fruit on temporary work contracts. They put in over 60 hours a week during the season. They earn below minimum wage. Mason reports that less than half of the women working in Bangladesh's textile and garment export firms have a work contract.

The majority has no maternity or health coverage. In China's Guangdong province garment factories, young women work 150 hours of overtime each month. Again most have no written contract and 90% have no access to social insurance.

Supply chain subcontractors compete with one another to offer cheapest rates of labor to buyers from Western retail companies. Developing countries created some 3,000 Export Processing Zones (EPZs) in industrial parks that offer tax breaks, and exempt subcontractors from heeding worker rights, as ways to attract subcontractors supplying to the large Western retail companies. The supply chains of sweatshop and agricultural sweat-labor are is exploitation of local workers (mostly women) by global business.

There are several ways besides paying non-living wages and unequal pay that can be studied. For example, super exploiters can derive higher levels of surplus value: illegal systemic deductions from wages for overcrowded dorms or worm-ridden food, forcing workers to sign in early and work after punching out, sacking high-paid workers while replacing them with low-paid workers, understaffing production and retail or farms while keeping the quotas the same, under-spending on training and equipment-safety, non-existent or over-expensive health benefits, and stealing meal and break time are common ways of superexploitation.

### **Micro versus Structural Superexploitation**

Micro-level superexploitation is what organizations do to workers in terms of differential working conditions, overwork, and pay inequity for one group, race, or gender of workers over another. Structural (macro-level) superexploitation is when organizations collaborate with the state to create segments of the populace with no option but to accept superexploitative work. For example, in Mexico, the Korean ambassador bargained to exempt 600 Korean maquiladora firms lowering legal wages and age requirements. This sets up structural inequities, stacking the deck against the workers, denying basic human freedoms, like the right to join a union, and escalating physical, sexual, and verbal abuse in unsafe working conditions. The Kukdong factory (with Nike & Reebok orders) oftentimes locked factory doors to prevent the workers from leaving, a common characteristic of sweatshop, the hazard of being burned alive. And after the young women, endured the brutality of a gauntlet of club swinging thugs and militia, and

persevered to win their right to organize, what is the result? The conglomerates canceled their contracts. Kukdong reenacts a very old story. In Marx telling, 'Factory Inspectors' allowed the mill-owners to cheat the worker out of wages by making them start 15 minutes early, keep working 5 minutes into breaks, and could total as much as 5 hours and 40 minutes each week in uncompensated work time. As with Marx, monitoring reports were issued by corporate-contracted agents. For more on Kukdong, see Boje et al.

Research into superexploitation is not limited to developing nations. A 2004 study by Job Watch, a Victorian (Australia) employment rights legal service, reports that young people working in fast-food outlets are prone to injury and super-exploitation. Cobon and Price, reporting on the study provide several insights that I will summarize:

- 46% of fast food workers suffered injury or illness at work, but 24% did not report it
- 33% were not supervised adequately to ensure health and safety instructions were followed
- 35% experienced bullying and violent assault, including sexual harassment at work
- 10% were not paid the legal minimum wage
- 23% were paid nothing for attending staff meetings
- 32% worked 11 hours or more per day
- 53% worked shifts longer than eight hours

Besides factory, farm, and retail worker superexploitation, there are such types as sex labor, animal, and natural resource superexploitation.

### **Sex Labor Superexploitation**

When structural inequity occurs, leaving starvation as the only option for poor families, they sell their children to the sex industry. 'International Labor Organization' reports that ten million children work in the globalized sex industry; one million enter each year. According to 'Human Rights and Equal Opportunity Commission,' well-to-do, oftentimes Westerners, become sex tourists, 250,000 sex tourists visit Asia each year, with 25 percent coming from the United States, 16 percent from Germany and 13 percent from both Australia and the United Kingdom. Mutilation of the female body occurs when vaginal operations are performed to renew virginity, exacting higher prices from Johns. Debates rage on whether to consider voluntary prostitutes exploited by

sexism, while only those forced into the trade, physically abused or paid less than living wage.

### **Animal Superexploitation**

Animals are exploited to extract surplus value from their work and their meat. When animals are slaughtered while living, abused by over crowding in cages, or their body mutilated or genetically altered to increase production, the threshold is crossed into superexploitation. People for Ethical Treatment of Animals (PETA), for example, negotiates with McDonald's, Wendy's and Kentucky Fried Chicken for humane animal growing, and killing processes, that cut into surplus value extraction.

### **National Resource Superexploitation**

When corporations cut the old growth forests so severely there is no renewal, and desertification occurs; when species-diversity continues to decrease, and corporations patent seeds to deprive indigenous farmers of their livelihood, this too is superexploitation.

### **Story Apologetics**

Marx argues that superexploitation requires a story or ideology and a 'capitalistic anthropology' to justify and excuse its material practices. One of the most persistent fantasies is 'free market capitalism.' Free market capitalism is practical reasoning, that overwork, under pay, and unsafe conditions are price developing nations pay to join the global economy, that every nation began in slavery, and pulled themselves up by the boot straps, and that without government or activist interference, markets will be efficient, giving incentive for firms to be more humanitarian, when other firms become too superexploitative.

Organizations superexploiting workers, is storied as a "market failure" such as with monopoly. Many organization theories (transaction costs, principal-agency theory) reverse the premise, focusing on how exploited capitalists are by their transaction-agents

(managers or executives who embezzle), as well as by (lazy) labor, and by the state that taxes corporations to pay for public goods, thereby making the market less efficient.

Another contemporary form of super-exploitation detailed in Donna Haraway's *Cyborg Manifesto*. In 'informatics of domination' new social forms of exploitation accompany a utopia-for-capital cover story. Marc Bousquet, suggests mostly young women become 'integrated circuit' of production, consumption, and exchange in new-media technologies, while being paid superexploited wage, accompanied by systematic destruction of health, education, welfare, and worker's rights, especially for women of color.

Corporate storytellers argue that sweatshop or sex work is an option to the drudgery farm or agricultural labor or to people starving if no such employment existed. It is argued that the subcontractors to multinationals must provide better conditions and pay than indigenous firms, thereby raising everyone's boat.

The minor improvements that have been realized in the conditions of the farm, sweatshop, and sex workers in recent years have been due to the militant action of the workers themselves, and supportive collaboration from activists. Without activism there is retrogress, as Marx said, old brutalities soon blossom out again.

### **David M. Boje**

See also Critical theory, Labor and Offshoring, Storytelling, Sweatshops

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