

Free Zones or Zones of Unfreedom? Debunking National Mythologies of "Happy" Jamaican Call Centre Workers

Part II

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Read Part I:



From Colonialism to "Neoliberal Capitalism": Low Wage "Special Economic Zones". Integrating Developing Countries into Global Supply Chains: The Case of Jamaica

By <u>Tina Renier</u>, December 16, 2023

"I have to create affirmation cards to boost my self-esteem whenever I go to work daily.

I keep up the facade of happiness to meet daily targets and customers' satisfaction. I have to keep up a facade of happiness even though I am paid less than my regular monthly salary.

Call centre workers are not treated as human beings. We are treated as robots or business transactions."

(Online testimony from a 21-year-old woman working at a BPO company for 2 years and 2 months, Daily Observer, February 21, 2022).

For decades, special economic zones (SEZs) have been pivotal development strategies to promote economic growth, international trade, foreign direct investment, and job creation for several developing countries. Special economic zones (SEZs) are also known as "free zones", "free trade zones" or "export processing zones" and they are geographically delimited areas within which governments facilitate industrial activity through fiscal and regulatory measures as well as infrastructural support (UNCTAD, 2019). Globally, SEZs have proliferated throughout the world and there are over 7,000 special economic zones employing more than 100 million people. More than 1,000 special economic zones have been established in the last five (5) years (UNCTAD, 2022).

Jamaica serves as a peculiar case study on special economic zones' integration in global supply chains (GSCs) because it is a small island developing state in the Caribbean region with 213 special economic zones across 10 out of 14 of its parishes which employs 53,000 people. The nation was also a host of the 8th Annual Conference for the World Free Zones Organisation in 2022. Jamaica has positioned itself as a hub for private investment in the business product outsourcing (BPO) sector in the Latin America and Caribbean region. One of the main policy objectives for the Government of Jamaica (GOJ) is to promote job creation through economic growth while creating an enabling environment for local and foreign investors (National Investment Policy of Jamaica, White Paper, July 2022).

In this interpretive essay, I argue that the Government of Jamaica's use of special economic zones as key policy instruments obscures the attention from the quality of jobs created and therefore, this undermines the sustainable development imperative, which is also a core aspect of its policy objective outlined in its National Investment Policy White Paper.

Sustainable development is defined as ensuring that the needs of the present generation are met without jeopardizing future generations and it is a form of development that pays keen attention to economic, social, and ecological considerations. Drawing on Sara Ahmed's (2010) conceptual frameworks of "promise of happiness" and "cognitive capitalism" this essay explains that Jamaica's neoliberal capitalist government regime, business product outsourcing (BPO) corporations, employers, BPO industry experts and private sector investors serve a powerful discursive function in which they construct and produce "happy" narratives and images of call centre workers while profits and foreign direct investment revenue have been maximised.

On the other hand, the majority of call centre workers describe their deplorable working conditions as akin to slavery and hence, free zones or special economic zones can be considered as 'zones of unfreedom'.

Cognitive capitalism refers to the exploitation of creative and emotional labour and purports that the dominant subjective interpretation that work is a major contributor to the economy while thoughts, desires and feelings are quantified as expressed solely in terms of monetary value (Marini, 2007). Finally, this essay highlights how significant changes such as the post-COVID-19 pandemic context, global supply chain disruption, global geo-political crises, pessimistic projections for an incoming new year (2024) and the Fourth Industrial Revolution (artificial intelligence-driven work) pose serious implications for not only decent work creation in special economic zones but also for the Jamaican decision-making landscape concerning special economic zones.

Special economic zones undermine the Government of Jamaica's sustainable development imperative because immense emphasis has consistently been placed on profit maximisation and the number of jobs created rather than the quality of jobs created.

This is evident in the fact that it was reported that the business product outsourcing sector (BPO) within special economic zones contributes USD\$136 billion to the Jamaican economy which is equivalent to 6% of the Gross Domestic Product (GDP) (Williams, 2023). Local and foreign investors are entitled to a wide array of benefits under Sections 3 and 4 of the 2016 Special Economic Zones Act of Jamaica. Local and foreign investors are exempted from customs duties, exempted from income taxes on profits derived from rentals of property within zones and a 12.5% tax rate on income of the developer or occupant (Special Economic Zones Act of Jamaica, 2016).

One of the primary legal rights of a zone occupant is to transfer funds freely in and out of Jamaica under Section 39 1 h of the 2016 Special Economic Zones Act and as mentioned previously in the first part (Part 1) of this essay, this reinforces the hegemonic power of business product outsourcing (BPO) or call centre transnational corporations whereby they are effectively able to wield leverage over the Government of Jamaica's local regulatory and investment policy frameworks to suit their agendas.

Transnational corporations expert, John Madeley (2008:18) argued that governments of developing countries often overlook the deeply problematic social costs of integrating into global supply chains and social costs associated with hosting transnational corporations in their countries because developing country governments are more concerned about pressing economic needs such as addressing high unemployment rates, chronic debt and the need for generating foreign exchange revenue from investments. As a result, developing country governments end up defending corporations that are exploiting the country (Madeley, 2008, p.18).

Madeley's postulation is seen in the example of Government of Jamaica and its correspondent agencies and ministries utilising the media (online news headlines) as an avenue to establish constructs of "happy news" about the creation of more BPO/call centre jobs by marketing and promoting Jamaica as an ideal investment location because it has a proven track record in foreign direct investment, nearshore advantage to North America, a highly educated and English-speaking workforce, competitive labour costs and quality infrastructure (JAMPRO, 2017). Competitive labour costs are the code words for low-waged, low-valued added, indecent work as the cost for wages in Jamaica are 40-60% lower than the corresponding salaries in North America.

Sara Ahmed (2010) in her book, "**The Promise of Happiness**" offers a critical decolonial and feminist perspective and an incisive interpretation of happiness where she defines happiness as a technique of power relations and a crucial industry that maintains hierarchical relations in societies through texts, popular images, messaging, and several forms of media. Ahmed (2010:3) postulates that happiness narratives or national stories are often cited in old or new media when the social realities of oppressed groups do not reflect the national mythologies of happiness.

The national mythology of happiness associated with business product outsourcing (BPO) work is widely shared in newspaper headlines by industry experts, government, BPO employers, private investors, and even high-ranking government officials such as the Prime

Minister of Jamaica, The Most Honourable Andrew Holness who boasts,

" Jamaica has the largest BPO market in the Latin America and Caribbean region and the industry has created "job opportunities that has transformed people's lives" (Angus, Jamaica Information Service, June 7, 2022).

Without a doubt, massive transformation has been associated with creating thousands of BPO jobs but what is not mentioned in the national mythology or national frenzy of happiness is the fact that the transformation is highly uneven, as the nation still suffers from high inequalities in income, life expectancy and access to social and economic opportunities for majority of its population (UNDP's Human Development Report, 2021) and the fact that the transformations lay bare the enduring history of labour exploitation that stems from its colonial past.

The transformation to which Prime Minister Holness speaks is not transformative per se either in potential or reality but is rather highly extractive. The harsh social ramifications of special economic zones' integration in global supply chains are revealed in the quotes from testimonies of call centre workers at the beginning of this interpretive essay who have openly shared that despite slavery-like, waged jobs, they are forced to mask their real emotions on the job by pretending to be happy. This is referred to as emotional labour. Emotional labour involves more than being polite to customers. It involves suppressing genuine emotions with happiness because most call centre workers' job security and wages are on the line and their working conditions are primarily characterized by emotive performance (Granday, Rupp and Brice, 2015).

Thus, happiness about working in Jamaican call centres is treated like a script to be followed as deviations from the script of happiness deployed by employers, private investors, BPO industry experts and governments would be perceived as not only a deviation from happiness but unsettling the broader macroeconomic, social, spatial-ecological, epistemological, and political conditions of oppression? Similar to Ahmed (2010:50), I ask the question, "How can one justify the unequal distribution and exploitation of labour and say such a form of labour makes people happy?" How can Jamaica's call centre workers be happy about low wages, gruelling working hours, customer, peer and employer mistreatment, abuse and harassment, excessive surveillance of job performance, limited or no social protection benefits, limited or no job security, myriad occupational health illnesses associated with call centre work and no union representation to advocate on their behalf?

The zones of unfreedom established by the previous and the current neo-liberal capitalist government regime continue to court foreign direct investment and hold economic growth as the sole metric of development without any serious emphasis on the quality of jobs created.

The severity of the BPO/call centre dilemma has gained the attention of the Governor of the Bank of Jamaica, Richard Byles who has explained that BPO jobs are not only low waged but low value-added as most of them primarily rely on customer call service operations and they are like the low waged jobs that have created two decades ago. For the Government of Jamaica to achieve its sustainable development imperative, the Government of Jamaica must place urgent focus on ensuring the special economic zones as central strategies of development or policy instruments court both foreign direct investment while creating decent work with adequate attention to

designing and implementing progressive or inclusive labour demand and labour supply policies. Adequate attention must be given to designing and implementing progressive or inclusive, labour demand and supply policies because the vast majority of the populations in the Latin American and Caribbean region are working jobs (including call centre work) that do not pay enough that lift them out of poverty and people living and working in poverty experience the highest deficits in decent work (Abramo, Cechini and Morales, 2019, p.14).

Secondly, special economic zones undermine the Government of Jamaica's sustainable development imperative because there are several labour and human rights violations even though national laws and policies have outlined that employers should adhere to legislation governing interactions with employees.

Fundamental rights and freedoms of Jamaican workers including the right to freedom of association and freedom from discrimination under Chapter III- Fundamental Rights and Freedoms in Jamaica's Constitution (Amended 2011) have been seriously breached in special economic zones.

In fact, as a country, we have been categorized for repeated labour rights violations of workers, according to the 2022 International Trade Union Confederation Global Rights Index. These unlawful actions should exemplify greater social advocacy and movement towards reforming Jamaica's Constitution to better reflect not only today's socio-economic realities but to ensure rights of every Jamaican are both effectively upheld and enforced presently and for future generations. Additionally, from a right-based perspective, the United Nations Common Multi-Country Analysis (UN CMCA) Report in 2021 referred to the limitations of most Caribbean Constitutions. The report illustrated that most Caribbean countries do not provide guarantees for economic, social and cultural rights in their domestic legislations or constitutions.

Therefore, one potential area for improvement or a recommendation for the Government of Jamaica's effort at constitutional reform is to ensure that our constitution fully reflects the values and principles enshrined in the 1966 UN Covenant for Economic, Social and Cultural Rights along with stronger enforcement mechanisms to ensure accountability and more punitive measures for individuals and or entities that are in breach of legally binding principles. Two powerful, online testimonies were posited in the Jamaica Daily Observer article entitled, "Sweatshop: Call Centre workers employed in a Slavery-like Working Environment and Unfair Treatment" dated February 21, 2022.

A 30-year-old call centre worker working at a BPO company explained in the Jamaica Daily Observer article:

"This sector is like modern-day slavery as you are easily drained, overwhelmed and replaceable. Base pay is not enough and the slightest mistake results in the loss of monthly incentives".

A 22-year-old woman call centre worker, who works a year and 11 months at another BPO company noted in the Jamaica Daily Observer article:

"I have 10-hour shifts with no breaks or lunch. You have to do everything on time and if you are late for work, it comes out of your monthly pay. You earn a sick day every 22 days and when you get sick, they do not pay for it. The industry offers good salaries only at the managerial and occupational levels."

In the same article, Khadea Folkes who is an Attorney-at-Law observed that according to Jamaica's labour laws, workers are entitled to ten (10) sick days annually and these workers' experiences and concerns underscore the need for the enforcement of the 2017 Occupational Health and Safety Act which would allow employees to experience decent work conditions without jeopardizing their health and well-being. The online testimonies of these call centre workers mirror a completely different reality from the ambitious statements examined in policy documents or "happy" national announcements of the creation and establishment of more zones of unfreedom with BPO sector jobs.

Sara Ahmed (2010) expresses that happiness means to follow someone else's directives and when one or a group becomes unhappy or speaks about the source of their happiness is seen as a source of defiance especially if one or a group of oppressed people are expected to recede in the background."

Ahmed's explanation is quite relevant to these Jamaican call centres as their testimonies have not only assisted in debunking national mythologies of happiness, as zones by their very restrictive spatial design add to call centre workers' unfreedom alongside surveillance but their testimonies also embody resistance against the national tropes of happiness and inequitable, extractive transformation that BPO brings to their lives. These testimonies also show how cognitive capitalism is embedded in the psyche of workers and is popularized by the time is money and money is time, adage. In a country where wages are 40-60% less than comparable wages of North American workers and where globally, the cost of living, inflation, and devaluation of developing countries' currencies like Jamaica have impacted negatively on wages and purchasing power, we simply cannot expect Jamaican call centre workers to be happy or to "recede into the background by silencing stories that need to be told- stories that unsettle national fabrications of happiness.

To add insult to injury, **there is more "unhappy" news** from the 2022 International Labour Organization (ILO) publication has expounded on the fact that erosion of wages affects all wage earners in developing, emerging market and industrialized countries but a more disproportionate impact is faced by wage earners from low-income households, especially in the post-pandemic context. The report also calls for renewed attention on rebuilding people's sense of social justice. We can only rebuild a sense of social justice when the local sustainable development agenda is pursued both on paper and, as well as when our development strategies are people-centred coupled with a serious focus on environmental sustainability.

Finally, the Government of Jamaica should observe the trends in global development that will affect the local, policy decision-making landscape concerning special economic zones, as we are a small, island developing states that are becoming ever more vulnerable to exogenous shocks. On a global scale, it is predicted that this year and the incoming years (2024 and beyond) will be characterized by rapidly shifting macroeconomic conditions, global supply chain disruptions both due to the COVID-19 pandemic's long-lasting implications and geo-political crises, banking sector turmoil in the US and Europe, the Fourth Industrial Revolution and increased vulnerabilities for developing countries (United Nations, 2023). Already business product outsourcing (BPO) mainly consisting of call centre jobs is experiencing the headwinds of accelerated artificial intelligence which is expected to slash seventy (70%) of BPO with more than 38,000 of an estimated 55,000 people employed being without work (Editorial, Jamaica Gleaner, April 13, 2023). Excuse my pessimism which might be seen as an act of political troublemaking! but we must collectively rethink, reimagine, and develop policies to ensure a more equitable

transformation beyond the current exploitative, extractive model of neoliberal and cognitive capitalism associated with these zones of unfreedom.

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