

Building Capacity, Building Rights? State Capacity and Labor Rights in Developing Countries

by

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State capacity has often been hailed as a cure-all for the ailments of the developing world, and has been linked to improvements in human rights outcomes, economic development, and the protection and enforcement of property rights. More recently, low state capacity has been highlighted as one of the primary obstacles to overcoming poor labor rights in global supply chains. Using quantitative models of a measure of the protection of labor rights across developing countries from 1985 to 2002 (Mosley and Uno 2007), we test the relationship between state capacity and labor rights. We find that state capacity has a small positive effect on the protection of labor rights *only* where the political representation of labor is likely to be strong. On the other hand, we find *no* empirical evidence that increases in overall state capacity lead to improvements in the promotion and protection of labor rights in the absence of other contributing factors. Although political elites may possess the capacity to protect labor rights, they also possess the discretion to neglect them – either because other goals take precedence, or because the repression of labor is an explicit economic or political strategy. Policymakers looking to protect the rights of workers must thus take seriously the domestic political configurations that work to actively constrain and curb labor power.

We also offer two brief illustrative case studies of Bangladesh and the Dominican Republic. In Bangladesh, working conditions remain poor and labor rights weakly protected, despite increases in state capacity. On the other hand, labor protections in the Dominican Republic have improved in spite of stagnant or even declining state capacity. These cases highlight the fact that increasing state capacity is neither a necessary nor a sufficient condition for improving labor rights.

Prepared for the Shanghai Social Studies Colloquium (SSSC) hosted by ESSCA in Shanghai, PRC on November 5, 2013. Presented by Jennifer Noveck.

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