

DRAFT

TRANSFORMING THE GLOBAL ECONOMY: A STOCKTAKING OF TRADE UNION ACTION WITH INTERNATIONAL AND REGIONAL INSTITUTIONS

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REGIONAL DEVELOPMENTS

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EXAMPLES OF NATIONAL LEVEL TRADE UNION ACTIVITIES TO INFLUENCE THE POLICIES OF INTERGOVERNMENTAL ORGANISATIONS

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1. Introduction

The ICFTU Progress Group decided that one task of the Millennium Review would be to consider how increase the trade union “voice” at the international and regional institutions that govern the global economy. As a starting point for this assessment the Progress Group asked TUAC in association with the regional organisations of the ICFTU and ACTRAV to undertake a “stock-taking” of trade union experiences with the regional and international institutions.

A Reference Group was established including representatives of various national organisations, ITSs, ICFTU, WCL and TUAC. It held its first meeting in January 2001 and participants were invited to submit information on activities that they have undertaken in respect of the selected international and regional organisations. The attached material is designed to assist a stock-taking of the international trade union movement’s activities to influence the global economy institutions. It has been drawn up essentially by staff at ILO ACTRAV on the basis of the information received in response to this invitation. It is being circulated to the Progress Group and the Reference Group for comment. In particular you are invited to respond to the issues for discussion in section 2 below.

The objectives of the international trade union movement in respect of the global economy were reviewed at the ICFTU World Congress in April 2000. Two statements were adopted at Durban that establish the main parameters of policy on the global economy for the international trade union movement. These are the statements concerning “International Labour Standards and Trade” and “Employment, Sustainable Development and Social Justice”. It is not necessary to repeat the contents of these detailed statements in this paper but it is important to clearly establish from the outset that the global economy component of the Millennium review is not going to revisit or revise these key policy statements. Rather this exercise is looking at the process: - who are we trying to influence, why, how do we do it, what seems to work and what are the lessons from what hasn't worked?

2. Issues for Discussion

Information gathering:

There remain some obvious gaps in the information that need to be filled – WCL and ETUC activities for example are only touched on briefly. The experience of NGO and Business activities has not yet been added. Input to events such as the Davos World Economic Forum or the recent Porto Alegre rally has not yet been covered. *Are there other significant activities that need to be covered?*

The material can have the purpose both of allowing some conclusions to be drawn in the next stage of the millennium review and providing an information clearing house on activities underway, which could for example be posted on web-sites and updated on-line. *Would more streamlined information be useful, or alternatively should more in-depth case studies be undertaken?*

Trade Union Objectives:

Given the ICFTU objective of “globalizing social justice”, the objective of the international labour movement in seeking to influence international institutions may seem obvious. Nevertheless specific goals may be more differentiated and at least worth specifying with regard to the different institutions. *What balance should we strike between forcing the institutions to regulate global markets, and creating space for unions at a more local level to have increased leverage? Are there distinct regional or national objectives? May these conflict or are they always complementary to global solidarity? How do these differ from NGO objectives? What is the interaction between union action with companies and government responsibilities e.g. through the OECD Revised OECD Guidelines for Multinational Enterprises?*

What has worked, What hasn't:

There have been some important breakthroughs in the last few years. The adoption of the ILO “Declaration on Fundamental Principles and Rights at Work” was against the background of widespread public backlash against globalisation and consequent need for governments to be seen to be doing something in response. The adoption of the Declaration highlights the interconnection between discontent at the grass roots and the deal making that takes place at international level.

Without globalization and the labour standards campaign at the WTO there would have been no Declaration.

Most recently, international trade union action has focussed on extending the impact of the Declaration by trying to integrate core labour standards into the policies and programs of other international organisations. After resisting firmly for several years, the World Bank and other financial institutions frightened by the bad press and public reaction to the WTO are tentatively experimenting with core labour standards and opening their doors to dialogue with unions at international and national level. *Is one lesson from this that a strategic approach is necessary as to where in the international system pressure is applied? How can this best be linked to grass roots campaigning?*

Trade unions have had greatest access to international economic organisations when they have had established structures for input and dialogue e.g. the Worker’s group at the ILO and the

TUAC at the OECD. The tripartite structure of the ILO and TUAC's consultative status with the OECD means that activities are part of a continuing process and not one-off events. Physical proximity to international economic organisations is important with sufficient staff to be interacting effectively. Unions must not only know organisations and their policies, but also the organisation's staff their priorities and their politics. Unions must be able to translate and promote our policies given the culture and the jargon of the relevant international organisation. *Can similar continuity and input be established without the resource and other implications of creating similar formal structures at other institutions?*

Success where it has happened resulted from an integrated strategy across various international systems and forums. *Does this call for even closer integration of trade union work in the ILO with that of TUAC and the ICFTU on economic issues? How do regional organisations and the ETUC fit into this? Are we currently using the Internet effectively for keeping information flowing – can it be improved? Do we risk creating our own digital divide?*

There have also been good examples of division of labour with ITSs in particular on issues relevant to specific sectors. *Nevertheless could this be built upon?*

Many European trade unions have a voice in defining economic policy at the national level and have used their influence with sympathetic governments to get the international trade union agenda into the limelight. With the previous US Administration, the AFL-CIO was playing a similar role on the other side of the Atlantic. *How can national level action and international trade union objectives be more synchronized, and what are the issues for developing and transition country unions in this context?*

In the minds of some policy makers, international NGO's are currently more influential than the International Trade Union movement. *Are there lessons to be learnt from this, or is the inherent role of trade unions so different? What has been the experience of alliances with NGO's in seeking to influence the global institutions?*

Over the last ten years, trade unions, including those associated with the Coordinating Body for the South, have added a social dimension to Mercosur operations, culminating in the adoption of the Mercosur Social and Labour Declaration in 1998. It enshrined freedom of association, the right to bargain collectively and the right to strike as fundamental rights and established a tripartite Social and Labour Commission to promote and review its operation. *Could parallel regional initiatives be feasible? Is there a need for new thinking on joint action on specific issues between unions from the "North" and the "South"?*

In all fora it would seem that the success in influencing organisations or departments that are controlled by Finance and Economy Ministers has been limited. *What lessons can be drawn from this? Can more be done to change this through national action? Given limited resources where should we strike the balance between increasing union influence at those organisations with most decision-making power over the global economy e.g. IMF/Bank or to increase the power of those organisations where unions exercise greater influence e.g. ILO?*

3. International Labour Organisation

The trade union movement has traditionally focussed considerable attention on the ILO. This is natural given that the mandate of the ILO concentrates on the world of work and its activities are closely related to the day to day concerns of all trade unions. Within the ILO, trade union policy is established and advocated by the Workers' Group that is composed of representatives from national union centres. There is broad geographical coverage within the group. The ICFTU has an important role in developing both general trade union strategy and the detailed policy positions that members of the Workers' group advocate in the various committees and conferences that take place at the ILO. The ICFTU has a Geneva office of two policy staff and two support staff and the head of the Office serves as the Secretary of the Worker's Group. The WCL also has a Geneva representative. The Bureau for Workers' Activities (ACTRAV) also plays a significant role and has a staff of some 50 professionals, worldwide.

With respect of the global economy the impact of the ILO does not compare with the Bretton Woods institutions or the WTO. Its government members made up of Labour Ministry officials, rather than Economic or Finance Ministeries. However, given its tripartite structure trade unions have more access and influence within the ILO than in other international organisation. Consequently the strategy of the union movement has always been to try and strengthen the ILO and work in concert with the Office to influence the policies and programmes of the other international organisations with more global economic power.

Three areas where the unions have tried to strengthen the ILO in recent years, are international labour standards; economic and employment policy; and social dialogue, multinational enterprises and socially responsible corporate behaviour.

(a) International labour Standards and the Declaration on Fundamental Principles and Rights at Work

Probably the most important role the Organisation plays is in influencing labour law and practice through the Conventions and Recommendations it adopts. Once ratified, these Conventions create binding obligations for member states, and the ILO has a supervisory mechanism for monitoring the application of ratified Conventions in national law and practice. Despite this supervisory system trade unions have been concerned with the implementation of these standards, because the ILO has few incentives to encourage implementation and no sanctions for non-compliance. The supervisory system relies on moral suasion to promote compliance. Unions have argued repeatedly over the years that more "teeth" should be put into this enforcement process.

With the growth of globalisation in the 1980s and early 1990s there was a resurgence in trade union movement campaign to link international labour standards and trade measures. However, the trade union movement simultaneously had to defend the existing system of international labour standards against some employers and governments that have been trying to weaken the system. Employers had argued throughout the 1980s and early 1990s that the ILO was adopting Conventions that were excessively proscriptive when greater labour market flexibility was required. They pointed out that the more recently adopted Conventions had not been widely ratified and were not being reflected in legislation. According to many employers, and some

governments, the ILO needed to abolish what they considered to be outdated Conventions and place more emphasis in the future on recommendations and non-binding guidelines. To make this argument more acceptable employers talked about returning the Organisation to fundamental issues and concentrating on promoting the most basic principles. It is notable that the employers and many governments continue to promote such arguments and in 2001 the ILO Governing Body is implementing another review of standard setting.

In addition to this attack on standards, the political reforms in Eastern Europe in the early 1990s raised further questions about the relevance and future role of the ILO. It was against this background that the ILO Director General in the early 1990s (Mr. Hansenne) began searching for a way to refocus and restore confidence in the Organisation. He seized on the notion of directing increased attention to a small number of what become known as the “core Conventions”. The process started in 1994 with a strategy to promote ratification of a select group of seven “core” Conventions which, not coincidentally, were the same seven conventions proposed by the ICFTU to be written into a “workers” rights clause at the GATT. This was given impulse at the World Social Summit in Copenhagen in 1995. The inclusion in the Copenhagen Declaration of a commitment to promote respect for ILO core Conventions was a significant step in broadening the concept of adherence to the core Conventions beyond the boundaries of the ILO.²

In 1996 the OECD released its report on trade and labour standards that played an important role in challenging the notion that respect for core labour rights would have a negative impact on trade and other economic variables.³ The WTO Ministerial meeting held in Singapore in December 1996 intensified the spotlight on core labour standards and raised the stakes for the ILO on this issue. Paragraph 4 of the Singapore Declaration that made reference to labour standards and the ILO was interpreted by many people, particularly those outside the trade union movement, as rejecting a significant role for the WTO in enforcing labour standards. Yet it unambiguously accepted the general importance of core labour standards and reaffirmed the ILO and its processes as the appropriate forum to promote calling for continuing existing cooperation between the ILO and WTO.

The ILO Director General’s report to the International Labour Conference in June 1997 contained two proposals for strengthening the Organisation:⁴ (1) the idea of a declaration on fundamental rights; and (2) the idea of “social labeling”. Only the former idea attracted strong interest from employers and governments. The initial trade union reaction to the concept of a declaration was cautious. There was an obvious concern among trade unions that a declaration of principle could be a means for diluting the detailed obligations contained in the relevant Conventions and in particular a means for undermining the jurisprudence attached to freedom of association, including those aspects supporting the right to strike. Despite this concern the trade union movement were

¹ ILO Director General’s Report to the International Labour Conference, 1994, “Defending Values, Promoting Change”.

² Report of the World Summit for social development, Copenhagen, 6-12 March 1995. See in particular Commitment 3 (i)

³ OECD, “Trade, Employment and Labour Standards: A Case Study of Core Workers’ Rights in International Trade”, 1996.

⁴ ILO Director General’s report to the ILC, “The ILO, Standard setting and Globalisation”, June 1997.

supportive of the declaration concept providing it was appropriately worded and combined with a powerful follow-up mechanism.

On the other hand employers favored a declaration that was merely a promotional statement of general principles and providing it contained no sanctions. Those strongly opposed to the declaration were a group of governments led by Egypt, and including some representatives from the Arab States, Asia and Latin America. Negotiations over the text took place in private meetings between mid 1997 and mid 1998 as well as in formal sessions of the ILO Governing Body and finally at the 1998 International Labour Conference.

The final outcome was a compromise between these competing objectives. On the negative side the final text included paragraph 5 in the operative text which “Stresses that labour standards should not be used for protectionist trade purposes, and that nothing in this Declaration and its follow-up shall be invoked or otherwise used for such purposes, in addition, the comparative advantage of any country should in no way be called into question by this Declaration and its follow-up”. These words were included after a bitter debate in which trade unions strongly opposed such language.

On the positive side the trade unions achieved a comprehensive follow up mechanism for the Declaration that provides considerable scope for examining and publicising violations of the core labour standards by those countries that have not ratified them. Importantly this follow up mechanism is based on the same constitutional powers as the ILO freedom of association procedures and providing the follow up mechanism is fully utilised by national and international trade union structures it should develop into a key component in the trade union strategy to globalize social justice. In the period immediately after the adoption of the Declaration the number of ratifications of the core Conventions increased rapidly. This was interpreted by some as indicating the strength of the Declaration follow up mechanism, with governments preferring to be subjected to the existing supervisory system rather than to come under the new Declaration search light.

In the period since 1998 trade union attention has focussed on getting other international organisations to help promote and implement the Declaration (see the section below on Bretton Woods for further information) and feeding the follow up mechanism with the required information about violations of core Conventions to make it effective. Trade unions still have some way to go in perfecting both these tasks.

The ILO is currently undergoing another internal review of standard setting activities due to pressure from both employers and many governments. The attitude of employers remains broadly consistent with the demands they were making in the late 1980s and early 1990s for a more flexible and less prescriptive approach to standards. As noted above the employers have fiercely resisted any new standards on contract labour and they were nearly successful in attempts to sabotage the adoption of standards on home work and maternity protection in recent years. At present many governments also wish to reform what they consider to be an excessively complex supervisory system. Up until now the trade union position has generally been to preserve, as far as possible, the status quo. However trade unions have recognised that it would be desirable to

find ways of making the employers more committed and positively engaged in the standing setting process.

(b) Promoting economic development and employment growth

Historically the ILO had a major mandate in the fields of international and national economic policy. At the end of the Second World War the Bretton Woods institutions were established to safeguard the international financial system, and promote economic development. To maintain a sense of balance between these economic objectives and broader social and labour concerns, the ILO mandate in the fields of international trade and macro-economic policies was made more explicit. The Declaration of Philadelphia adopted in 1944 entrusted the ILO with a special responsibility to examine all international economic and financial policies and measures in order to ensure that they were compatible with social policy objectives and consistent with promoting the welfare of people.⁵

In adopting the Declaration of Philadelphia, the world's leaders recognised the importance of creating a system of checks and balances in the international system to balance economic development, the promotion of trade, protection of the international financial system and promote social advancement. A problem was that primary responsibility for each of these desirable objectives was assigned to different international institutions, with considerable overlap, and adequate measures to facilitate their coordination and consistent application were never created.

Despite the Philadelphia Declaration the ILO has historically been more of an interested observer and commentator on global economic developments than a key influence upon the design of policy. After the creation of the Bretton Woods institutions, the ILO sought to exert some influence in the international economic domain, but it was traditionally excluded from the "inner circle" of finance ministers, central bankers and representatives of the international financial institutions with real power over macro-economic policy and economic reforms.

Nevertheless the ILO proved itself to be an important resource and point of focus for the trade union movement on major economic development and labour market issues ILO policy advice in the fields ranging from macroeconomics, labour markets, wages and social security were extensively by trade unions, particularly in developing and transitional economies, when they were engaged in negotiations with governments and employers at national level.

In response to the pressure generated by globalization in the early 1990s the trade union movement called for greater coordination between itself, the Bretton Woods institutions and the WTO. At the Social Summit trade unions, with the support of governments, managed to get many references to making structural adjustment programmes more sensitive to social considerations into the Summit Declaration and Action Programme. Government leaders promised to enlist the support of the IMF, World Bank and other organisations by integrating the social dimension into

⁵ Declaration concerning the Aims and Purposes of the International Labour Organisation, Annex to the Constitution of the ILO, section 4.

all their policies and programmes. They also promised to protect basic social programmes and expenditures, especially for the poor, from budget cuts. One of the most significant commitments involved “promoting the goal of full employment as a basic priority of ...economic and social policy”.

The ILO, was given primary responsibility for implementing the employment commitments made at the Summit. However, the ILO lacked leverage over government macroeconomic policy and given that there was little or no change in the policies and programmes of the Bretton Woods organisations in the years immediately following the Social Summit the commitment to full employment remained an empty promise.

Following the Asian crisis there was an apparent breakdown in the "Washington consensus" with internal criticism of the institutions coming from some such as World Bank Chief economist Jo Stiglitz. There was also a change in the rhetoric and in some cases policy of the Bretton Woods institutions. In the wake of criticisms from trade unions and others about their handling of the Asian economic crises and the continued failure of some stabilisation and structural adjustment programmes, both the World Bank and IMF have recently moved to place a much higher priority on poverty reduction and social concerns. Since the appointment of Director General Somavia at the ILO the frequency and content of high level contacts between the Bretton Woods institutions and the ILO have been enhanced considerably. Somavia has also made the concept of “joined -up government” at the international level one of his top priorities, which entails making the economic and social policy components of the UN system more consistent.

In sum this represents an opportunity to implement some of the ideals contained in the Philadelphia Declaration and a chance for the trade union movement to promote its objectives. However it remains difficult to discern whether this is real political support from relevant Ministries at government level.

One question is whether, even if the political will is present, the ILO has sufficient staff with the technical economic capacity to act as a counterweight to the IMF. The ILO has very few economists in the developing countries where the collaboration with the Bretton Woods institutions is expected to take place.

If the trade union movement is to achieve its objective of influencing the global economy through concrete collaboration between the ILO and the Bretton Woods institutions the trend of resource allocation in the ILO must be reversed rapidly and steps must be taken to reestablish depth in the technical skills necessary for such collaborative work.

(c) Promoting social dialogue, collective bargaining and corporate social responsibility

The ILO also has a critical role in promoting industrial relations structures and a climate that help contribute to social justice in a global economy. Social dialogue is now one of the four strategic objectives of the ILO and trade unions at various levels, particularly the ITSs, have made it clear that work in this field should be a high priority for the Organisation.

Within the ILO Social Dialogue Sector most resources are devoted to secondary research about national level tripartite consultations and regular tripartite meetings at industry or sectoral level within the ILO. This work programme has not changed significantly in the last twenty years and has failed match the changes in the global economy. In addition the sectoral tripartite meetings held at the ILO have been increasingly frustrated by employers often refusing to engage in meaningful negotiations.

Limited attention is being devoted to new rules and institutions for industrial relations in a globalized economy. The ILO is the only international organisation that is capable and likely to lead the research and policy debate in this field. However, little work is being undertaken within the ILO on issues such as: ways to strengthen and promote framework agreements between the international trade union movement and multinational companies; innovative ways to promote the ILO Declaration on Multinational enterprises and provide leadership in developing and monitoring codes of conduct and other private sector initiatives; the promotion of social dialogue within regional trading blocks; the broadening and upgrading of national level social dialogue to cover key economic issues; the promotion of a legislative and institutional environment that could facilitate international collective bargaining; and ways to extend labour legislation and labour inspection to the informal economy.

Trade unions have tried to push this comprehensive social dialogue agenda in ILO Governing Body meetings in recent years and Director-General Somavia has indicated general support for this approach. In fact his report to the International Labour Conference in June 2001 is expected to touch on such issues

(d) Assessment of "what has worked" in the ILO context

The above priorities only cover some of the ILO work of relevance to the global unions. However, the discussion above would suggest that the trade union movement has at times effectively used the ILO as a link in wider campaigns about the global economy. For example, the adoption of the Declaration on Fundamental Principles and Rights at Work in 1998 was directly linked to the trade union campaign on trade and labour standards and the related developments in other international institutions in the mid-1990s. Governments and employers were prepared to tolerate strengthening of the ILO as a response to and possibly to prevent what they saw as a more draconian development in the WTO. The fact that the ILO Declaration was adopted at the time when employers and some governments were successful in stopping attempts by trade unions to introduce new standards on contract labour underlines the importance for trade unions of having a highly integrated strategy to developments across international organisations. An example of this working was the linking of Korea's entry to the OECD in 1996 to the respect for ILO core labour standards. At the present moment, when the trade union movement is considering what strategy to adopt in the lead to the next WTO Ministerial the lessons of the mid to late 1990s are instructive. In that linkage between trade and labour standards, has led to some progress in other institutions like the ILO.

The linkage between the ILO and other institutions can also work more generally. For example, in the past the trade union movement has been able to use ILO policies on economic development, labour markets, and social security to establish or progress debates on the same issues in other

forums like the Bretton Woods institutions, and also at regional and national levels. There are at least two preconditions necessary to make this strategy effective. First, it requires close linkage between the trade union strategy at the ILO and other campaigns that are being conducted in respect of the global economy. Second, it requires that the ILO have the technical capability and the political will to undertake and publicise innovative thinking and policy development on economic issues. If these policy proposals are not being generated in the ILO technical departments, the trade union movement will require more internal capacity to generate its own medium term research and policy development on economic and social issues.

4. World Bank and the International Monetary Fund

As the focus of economic power has shifted to the Bretton Woods institutions a large number of trade union organisations have been involved in trying to influence the World Bank and IMF. This has been particularly important given the power they hold over governments in developing countries.

(a) Actions by ICFTU to influence the Bretton Woods Institutions

Attempts by the ICFTU to influence the policies of the Bretton Woods institutions can be traced back more than 40 years. In 1954 the ICFTU Executive Board adopted its first comprehensive statement on full employment which included references to the need for global economic expansion, greater liberalisation of international trade, increased aid to developing countries and the establishment of a special UN fund for economic development. Shortly thereafter the ICFTU became concerned with policies being implemented to curtail inflationary pressures which were restraining economic growth and which led to a global recession in 1957-58. In response to these economic conditions the ICFTU began a campaign to organise a World Economic Conference involving the key economic powers of the time with a view to securing support for coordinated action to stimulate economic growth and restore full employment.

From early on there was also a concern about economic conditions in developing countries and there was, in the mid to late 1950s, pressure by the ICFTU for increased foreign investment in developing countries as well as concern about the impact of unstable commodity prices and world food reserves on the economic and social conditions in developing countries. A campaign was also started at this time to promote international aid flows to developing countries.

During the 1950s and 1960s most ICFTU recommendations concerning the global economy were directed at national governments, rather than the institutions themselves. It is not apparent that any systematic link existed at this time between the adoption of policies and issuing of recommendations at the international trade union level and follow up action by national trade union centres.

In the mid 1960s the ICFTU made detailed proposals for international monetary reform calling for increased reserves for the IMF. The reforms being advocated at the time were seen as particularly important for developing countries because balance of payments difficulties were acute in such countries and greater international liquidity was seen as a necessary precondition to allow developed countries to increase foreign aid flows.

In the late 1950s and 1960s the ICFTU relied largely upon reports prepared for the ICFTU Executive Board which were adapted into public statements on the global economic situation. At this time the TUAC to the OECD comprised the European Regional Organisation of the ICFTU and the comparable structure of the WCL. Direct contacts with the Bretton Woods institutions were rare but the ICFTU sent copies of relevant recommendations to international agencies. International conferences were utilised to develop and disseminate trade union views on global economic issues. For example, the economic situation towards the end of the 1950s was considered sufficiently adverse for the ICFTU to convene a World Economic Conference in

Geneva which adopted a 20 point programme calling for action to promote full employment, economic development and social progress.

The issues that prompted the holding of this conference led to the establishment of a Committee on International Trade Questions within the ICFTU in 1962. Also in 1962 the ICFTU issued for the first time a statement on the occasion of the annual meetings of the Bretton Woods institutions. This first statement called for an increase in resources for the International Development Association so that it could provide more soft loans. The statement also called upon the IMF to “liberalise its operations, particularly with a view to assisting developing countries”. Moreover, from the late 1950s and early 1960s the ICFTU also began adopting resolutions and recommendations that called on international organisations to actively consult trade unions about the policies they were advocating.

By 1969 international monetary issues were considered sufficiently important to justify the establishment of new working party on these issues within the ICFTU and in February 1970 an ICFTU delegation met with the IMF Director General in Washington and gave him a memorandum stressing: the urgent need for a more flexible administration of the fixed exchange rate system; measures to lower interest rates; steps to expand the institution of special drawing rights with the IMF in order to increase international reserves; and finally the IMF was asked to assume responsibility for finding ways to stimulate increased aid flows to developing countries.

In the early 1970s attention focussed on the international monetary crisis and the ICFTU issued recommendations calling for coordinated policies to stimulate growth and offset the employment and social impact of the crisis. For the first time reference is made in ICFTU documents to using affiliated national centres to lobby national governments on global economic issues. National centres were asked to send their government a set of recommendations that had been prepared in Brussels in response to the international monetary crisis. The same set of recommendations was sent to relevant international organisations.

In 1971 the ICFTU organised another World Economic Conference involving trade union leaders from 52 countries. It was seen as desirable to involve representatives from international organisations and NGOs in the deliberations, as well as academics such as Professor Tinbergen who had won the Nobel prize for economics.

It is worth noting that little or no reference is made to the World Bank in ICFTU reports relating to the period between the mid 1950s and the early 1970s.

The first global oil crisis of 1973-74 led to a sea change in global economic policies. Inflationary pressures engendered by the crisis were accompanied by a resurgence of neo-classical economic thought and a political shift to the goal of fighting inflation through restrictive monetary policies. The after effects of the first oil crisis also created an economic and political environment which was exploited by those wishing to dismantle the welfare state, make labour markets more "flexible" and diminish trade union power.

In a statement entitled “The World Economy: Reform or Ruin” prepared for the 1974 annual meeting of the Bretton Woods institution the ICFTU categorically rejected the emerging neo-

classical view that unemployment should be deliberately increased in an attempt to control inflation. Instead the ICFTU argued for measures that would promote economic growth in the expectation that the increased supply of goods and services would have a dampening impact on inflationary pressures. Later in the same year (1974) affiliates were asked to start lobbying governments for a global meeting to consider ways of recycling the surplus funds of oil exporting countries to developing countries at low and concessionary interest rates and for measures to reflate the global economy.

By the mid to late 1970s although the term was not used, the notion of globalization was starting to influence trade union thinking. For example a report from this period prepared for the 11th ICFTU World Congress stated:

“Governments must accept that the increasing integration of national economies requires that they collectively accept responsibility for the management of the world economy. The role of international institutions must grow accordingly and likewise the international trade union movement must develop in order to ensure that decisions reached internationally take account of agreed trade union positions.”

From 1977 the ICFTU began preparing annual reviews of the world economic situation. Another development was the adoption in 1978 of a Development Charter “Towards a new Economic and Social Order” which supported the ILO “basic needs and employment strategy”. Involvement of the international trade union movement with the annual G8 summits also dates from this period (see below for details).

The second oil crisis in 1979 and the dramatic contraction of the global economy in the early 1980s were the impetus for a significant expansion in contacts between the international trade union movement and the Bretton Woods institutions. As the ICFTU noted at the time the early 1980s were “amongst the hardest for working people all over the world since 1945” and they responded by increasing the “depth and breadth of its policies on world economic problems and sought to coordinate lobbying of the major intergovernmental meetings”. In its 1983 report to Congress the ICFTU also claimed that this dire economic situation led to more effective cooperation with a number of other international trade union organizations including TUAC, OATUU and the CTUC.

This involved convening a Special World Conference on the “Trade Union Role in Development” in New Delhi in 1981, involving over 250 trade unionists and representatives from a wide range of intergovernmental organisations. Guest speakers included leading political figures and representatives of the World Bank and IMF. It seems this was the first major ICFTU conference in which representatives of the Bretton Woods institutions actively participated. This was followed shortly thereafter by a major lobbying effort to support the Brandt Commission call for a North-South dialogue through the Cancun Summit. The ICFTU prepared a written submission and took a high level delegation to the Summit. Also many national affiliates were engaged in correspondence and meetings with their national governments prior to the Summit. It is worth noting that the trade union strategy utilised for this Summit back in 1981 sounds fairly similar to that used in more recent campaigns on trade and labour standards. In fact the written submission prepared by the ICFTU for the Summit was extremely broad and covered issues like the

international monetary system, official development assistance, a global energy compact, food security, trade policy, social progress and balanced development.

An expert seminar with the Bretton Woods institutions was convened in early 1982. Representatives from the Bank and Fund met with 25 trade union experts from developing and developed countries. The focus was on the world economic outlook and the policies of the Bretton Woods institutions. Reports concerning this seminar suggest that a discussion took place about whether the policies of the Bank and Fund were appropriate given the dramatic slowdown in economic growth and rising unemployment. The ICFTU described the seminar as “a valuable opportunity to exchange views on matters of vital importance” and it would appear this seminar encouraged the international trade union movement to devote more time and resources to such exchanges. For example, the ICFTU convened two further meetings between the secretariat and experts from the World Bank during 1982. Regular contacts were also maintained with the IMF staff. There was however a gap between this dialogue and the appearance of the Regan and Thatcher governments as major political forces.

The assertions of the senior management of the international financial institutions were even than at variance with the actions of their institutions. An ICFTU report of the seminar states that in response to trade union concerns that conditionality attached to stabilization and structural adjustment programmes might impair the ability of member countries to implement ILO obligations, in particularly those concerning freedom of association and collective bargaining, the IMF Managing Director sent a written message to the seminar “assuring the international trade union movement that any such concern was completely unwarranted, he stated that the Fund was required to respect the domestic, social and political objectives of its members, and it would be unthinkable for the Fund to require that, as a condition for using its resources, a member country apply any measure that would limit in any way such fundamental rights of individuals.”⁶ It is worth noting that throughout the 1980s and most of the 1990s there were a very large number of cases before the ILO Committee on Freedom of Association and Committee of Experts concerning breaches of Conventions 87 and 98 resulting from reforms implemented as part of structural adjustment and stabilization programmes. Frequently the government defence in these cases rested on the fact that they were implementing conditions demanded by the IMF and World Bank.

Throughout the remainder of the 1980s and early 1990s there was a consolidation of what subsequently became known as the “Washington Consensus”. Within the ICFTU these developments meant that the pressure for involvement in the global economic debate intensified further. Regular dialogue with the Bretton Woods institutions was maintained and the number of letters from the ICFTU Secretary General to the heads of the Bank and Fund multiplied significantly. Regular meetings with senior staff were also maintained including a meeting in 1985 in Washington between an ICFTU delegation and heads of the IMF, World Bank and ILO. Further meetings between ICFTU delegations and senior staff of the Bretton Woods institutions took place in July 1987, September 1988 and July 1990. Also a second meeting between ICFTU experts and IMF officials took place in Washington in 1996. This meeting was described by the ICFTU as “useful and maintaining the momentum generated by the first meeting”.⁷

⁶ ICFTU, Report of the 13th World Congress, June 1993, p 57.

⁷ ICFTU, World Congress Report 1988, p 51.

Reports from such meetings would suggest that the ICFTU was becoming more vocal and critical of the Bretton Woods policies and programmes yet one also gets the sense that there was considerable optimism about the ability to influence the Bretton Woods organisations. The report referred to above claimed that “the IMF has shown some flexibility in the design of its recovery programmes.... Some steps have been made towards the construction of a framework for closer coordination of the economic policies of the major industrial countries. The ICFTU may fairly claim to have contributed to these shifts.”⁸

In its 1992 report on contacts with the Bretton Woods institutions the ICFTU made the following comments:

“Each of these meetings (between ICFTU delegations and senior Bretton Woods staff) resulted in further progress, contributing in practical terms to a growing awareness of the need to take poverty and living standards into account in the design of policies. One concrete result was seen in 1987 when the World Bank, UNDP and African Development Bank set up a project called the Social Dimension of Adjustment (SDA). The ICFTU could claim a share of the credit for the existence of this programme.”⁹

SDA was one of the programmes referred to above that was supposed to mitigate the worst social impact of the economic reforms but failed to deliver any fundamental change in the economic fortunes of Africa.

From 1988, the ICFTU had reintroduced the process of making regular statements to the Annual Meetings of the IMF and World Bank and began attending these meetings again in an observer capacity. The ICFTU reported in 1992 that because there were no speaking arrangements for NGOs at these Annual Meetings the value of trade union statements depended on affiliates getting their national governments to take up ICFTU proposals in their speeches.

Throughout this period a major objective of the ICFTU was to open up the policy dialogue process at the country level. The ICFTU called on the Bank and Fund to involve national trade union centres in country level negotiations about economic reforms. Economic reform packages usually emerged from rapid and secret discussions between Washington based representatives of the Bretton Woods organisations and the most senior political leaders of a country and their financial advisers. The Bretton Woods organisations responded to requests for increased transparency by claiming that decisions about these matters were the responsibility of the national government concerned and something that the Bretton Woods institutions could not legitimately interfere with.

During the 1990's the ICFTU organised a series a large regional or sub-regional conferences with a focus on international debt, poverty and the impact of structural adjustment. These conferences

⁸ Ibid, p, 51.

⁹ ICFTU, World Congress report, 1992, p44.

¹⁰ Ibid, p45.

were organised with the ICFTU regional organisations in Africa, Latin America (where there were many conferences), and Asia during the second half of the 1980s and early 1990s. Many of the recommendations and resolutions adopted at such conferences were critical of policies and programmes implemented by the Bretton Woods institutions.

Relations between the international trade union movement and the Bretton Woods institutions took on a new dimension in the early 1990s following the political changes in Central and Eastern Europe. The introduction of a market economy in this region meant that the influence of the Bretton Woods institutions increased dramatically and many of the reforms they recommended and the conditions attached to loans were similar to the stabilisation and structural adjustment programmes in developing countries. This represented another challenge for the international trade union movement and became a major focus of international trade union activity in the early and mid 1990s. By 1994 the ICFTU noted:

“The last decade has seen these two institutions (IMF and World Bank) assume a position of unparalleled importance for most developing and formerly communist countries and they now provide the single most important influence over their economic policies.”¹¹

Shortly prior to the changes in Eastern Europe the ICFTU had started to invite representatives from the IMF and World Bank to participate in country and regional seminars being organised under the ICFTU Research Development and Training programme that was operating in developing countries. These were expert level meetings on fairly technical issues. From the early 1990s a new series of national conferences were held concerning the social dimension of adjustment. Several of the early conferences were held in Eastern Europe (Hungary in 1991, Romania in 1992, Bulgaria 1993, Poland 1994) and attracted considerable attention from the new governments in these countries. Similar conferences were held in some dozen or more African countries during the first half of the 1990s.

It was decided to build on the contacts that had been established with the Bretton Woods institutions through both the high-level delegation meetings and also the more technical training seminars by actively involving representatives of the World Bank and IMF in these social dimensions of adjustment meetings. In some cases follow up meetings between trade unions and officials from the World Bank and IMF were arranged in the hope that this would lead to ongoing contacts.

Attempts were made to influence Bretton Woods's policies in Eastern Europe through various other channels. For example, in early 1992 the ICFTU General Secretary led a delegation of trade union leaders from the region to meet the President of the World Bank and the IMF Managing Director. Around the same period the ICFTU together with WCL and FIET (as it then was) organised a joint conference with the IMF and Bank involving trade union leaders from industrialized, developing and transitional countries. This conference examined a wide range of issues including the debt crises, trade, structural adjustment and privatisation. In reporting on this conference in the mid 1990s the ICFTU noted that the IMF Managing Director had addressed the

¹¹ ICFTU Activities report 1991-94, p8.

conference and this “provided evidence of the increased interest of the IMF and World Bank in contacts with the trade union movement.”

Throughout the 1990s the ICFTU continued to prepare statements to the IMF/World Bank Annual meetings which criticised these organisations for their narrow emphasis on short-term financial considerations and their failure to take account of the social costs of their policies. By the middle of the 1990s the structural adjustment policies of the Bretton Woods organisations had been in operation for a decade and a half and had adequate time to generate some positive economic impact. However, most independent analysis of their impact were extremely negative and the number of policy makers, NGOs, academics and other elements of civil society that were highly critical of these institutions was beginning to mount as shown by the "50 years is enough campaign". At the same time the Bretton Woods organisations started to come under attack from various “right wing” isolationist groups.

It was against this background that these international financial institutions started to try and improve their public image and give the impression of greater transparency. In the case of the World Bank this was more deeply felt than the Fund. This included inviting representatives of the international trade union movement and other international organisations like the ILO to make comments of the drafts of their flagship publications (World Development Report and World Economic Outlook). The Bank institutions also started to put considerable resources into organising training seminars to explain their policies and programmes to trade unionists. The union movement responded positively to these invitations and considerable effort went into preparing comments on certain publications. For example, a significant effort was made to influence the contents of the 1995 World Development Report on “Workers in an Interdependent World”. Probably as a result of this work the Bank acknowledged for the first time that trade union “voice” could have positive economic value. Despite this the Bank remained sceptical about the economic impact of collective bargaining and critical of bargaining at industry, regional or national level.

It was at this time (1994) that the ICFTU and several ITSs decided to open a Washington Office to act as a contact point with the Bretton Woods institutions. The office currently has one policy and one administrative staff member. In recent times this Office has been able to provide the international trade union movement with extremely valuable and up to date information and analysis on the IMF and World Bank. The Office has also facilitated new and deeper dialogue between the Bretton Woods institutions and a wide range of trade union organisations and has made follow-up of discussions much more systematic.

In the latter part of the 1990s two issues dominated dialogue between the international trade union movement and the Bretton Woods institutions. First, the Asian economic crises led to a intensification of high level contacts between the ICFTU and the leadership of the Bank and Fund. For a period in the late 1990s the then Managing Director of the Fund Mr Camdessus regularly attended ICFTU meetings and addressed the ICFTU Congress in 1996. More regular contacts also took place with the World Bank President. Also throughout 1998 and 1999 the ICFTU and APRO organised a myriad of meetings and produced many publications concerning the Asian crisis, making policy proposals to restore economic stability and growth. Representatives of the Bank and the Fund were involved in many of these activities. While it is difficult to assess the impact of these contacts on the economic policies adopted by the Bretton Woods institution and Asian

governments many observers have acknowledged that collaboration with the IFIs, in the context of the Asian crisis, probably helped promote a higher degree of social dialogue in some countries of the region. Questions remain over the durability of this.

Second, following the adoption of the ILO Declaration on Fundamental Principles and Rights at Work in 1998 considerable effort has gone into getting the Bretton Woods institutions to promote the Declaration and all the core labour standards. Historically they had been extremely reluctant to promote core labour standards and had hidden behind a narrow interpretation of their Constitutions or Articles of Agreement that they claim prohibit them from interfering in national political affairs and require them to only promote policies that have a beneficial economic impact. In the past they have argued that because of these rules they have a particular difficulty in promoting the core Conventions concerning freedom of association and collective bargaining. It was therefore significant that the 1998 G7 meeting of Finance and Labour Ministers in London, where trade unions were present called on the Bank and the Fund to support the ILO work.

Fully integrating the Bretton Woods institutions in the promotion of the ILO Declaration was one objective of two large ICFTU missions to Washington (January 1999 and October 2000). The second of these missions took place in October 2000 when the trade union delegation was comprised of some 61 people led by Bill Jordan and including union leaders from 25 national trade unions, general secretaries from six ITSS, and representatives from ETUC, TUAC and the ILO Workers' group. An important innovative feature of these two missions was the effort devoted to dialogue with the Executive Directors of the Bretton Woods institutions (these are the governments representatives on their Boards) rather than just dealing with the leadership and staff of the two institutions.

The October 2000 ICFTU mission to the Bretton Woods institutions yielded promises of closer collaboration on various issues and some discussions about establishing a trade union consultative structure with the Bretton Woods institutions. Mr. Wolfensohn proposed the exchange of staff on secondment and training programmes between global unions and the Bank. However a core labour standards discussions with the World Bank on this issue were particularly difficult. The joint ICFTU-IMF -World Bank report on the October 2000 meeting contains the following statements:

“Mr. Wolfensohn noted the Bank’s constraints on core labour standards, including the difficulty in imposing them on unwilling countries and internal dissent on the Bank Board of Directors. He welcomed increased consultation with the ICFTU and agreed to develop a workable mechanism for it.”

Paradoxically the discussions with the IMF seemed more productive. The above-mentioned report states:

“On core labour standards, staff indicated that the Fund management and staff fully support the objective of improving social conditions of labour, including the observance of labour standards, and called for enhanced ILO surveillance of the implementation of such standards.”

It is therefore interesting to note a change in tune from the World Bank in the months following this mission. This can be attributed to follow up work by the ICFTU but may also be related to a campaign that Public Services International (PSI) has conducted in early 2001 involving direct dialogue with Dr. Robert Holzmann, Director of Social Protection Unit at the World Bank. The campaign included the issue of World Bank support for the ILO core labour standards. After a heated exchange of messages Dr. Holzmann, informed the PSI that:

“The Bank fully and unambiguously supports the promotion of all four Core Labour Standards (elimination of child labour, a ban on forced labour, equal opportunity/anti-discrimination, and the right of freedom of association and collective bargaining). To this end the Bank has: (i) developed a training course for Bank staff on trade union relationships; (ii) developed a tool kit on CLS for Bank staff preparing CASs; (iii) explored with the ILO and the International Confederation of Free Trade Unions (ICFTU) the involvement of unions in the PRSP process; (iv) encouraged country directors and mission leaders to establish working relations with trade unions in client countries; and (v) established an annual consultation process with the ICFTU. This promotion is in line with the 1998 ILO Declaration.”

This statement by Dr. Holzmann is of considerable importance and the trade union movement should now utilise all means possible to ensure that the World Bank honours this undertaking to “fully and unambiguously” promote all core Conventions. This result may also have implications for trade union tactics in future campaigns. The PSI have suggested that there may be a lesson to be learned from their campaign against Dr. Holzmann:

“There is a case for more direct and more person-specific targeting in progressing social justice issues. Over-reliance on broad campaigns aimed at entire institutions, or institutions in general, can be less than effective. This may be because those who actually make decisions and policies are able to hide behind the institution itself. I believe that Dr Holzmann has responded faster and more positively because he has been personally targeted in a relatively narrow campaign”¹².

It is also relevant to note that since the beginning of 2000 an ICFTU/ITS/TUAC forum (electronic discussion group) has been established which allows in particular the ICFTU/ITS Washington Office to provide useful and up date information on the IMF and Bank.

¹² Letter from Hans Engelberts (PSI General Secretary) to ILO Director General, 27 February, 2001.

(b) Actions by other international trade union organisations to influence the Bretton Woods Institutions

The WCL has actively lobbied the World Bank and the IMF, arguing for similar policy proposals as the ICFTU. The WCL has also issued statements at the time of Bank and Fund annual meetings, taking policy stands similar to ICFTU. During some of the contacts with the IMF and the Bank in the early 1990's the WCL participated alongside the ICFTU delegations. More recently however it has pursued its own channels. Economists from the CSC in Belgium have also been seconded to the Bank and the Fund on behalf of the WCL for short periods.

The primary collective ITS initiative with regard to the World Bank and IMF has been their involvement in the ongoing dialogue between the Bretton Woods institutions and the international trade union movement. This dialogue has been given added emphasis by the two ICFTU/ITS/World Bank meetings in January 1999 and October 2000 referred to above.

The ICFTU/ITS/World Bank meetings have enabled individual ITS representatives to meet the Director General of both institutions, a number of executive directors and other senior officials and policy advisors. This benefit is however inherently limited to those ITSs that were able to send a representative to Washington. The ITSs attending the meetings have been able to articulate the particular concerns of their members at sectoral level as well as address the global concerns of all workers. More particularly the meetings have enabled various ITSs to develop closer links with particular departments and sections and even individual staff members of the Bank.

The focus of follow-up has been sectoral specific activities by various ITSs.

Education International (EI) has worked to change World Bank and IMF policies since its formation in 1993.¹³ In the early 1990s the structural adjustment programmes of the World Bank and IMF were to blame for the damage done to education systems of most developing countries undermining employment conditions of teachers and other employees in the education sector.

EI responded to this challenge and capitalised on increasing militancy amongst teacher organisations around the world by adopting a clear policy at its constituent congress in 1993 to change the policy of the World Bank and IMF, and similarly to change economic policies impacting education in OECD countries. In 1990 the Bank had joined UNESCO, UNICEF and UNDP to sponsor a conference on Education for All and had made commitments to triple lending for education on the basis that investment in education, particularly primary education of both boys and girls, was the best investment a country could make in its future. This policy and commitment by the Bank was however set against the backdrop of structural adjustment and founded in the belief that education for all could only be achieved if the education spending of national governments were cost effective. EI has worked since 1993 to demonstrate the conflict between these two principles and to influence the policy development of both the IMF and the World Bank.

EI has had no success in developing constructive dialogue with the IMF; the IMF demonstrated readiness to meet with ICFTU and WCL but not with sectoral ITSs. EI have had greater success

¹³ Education International (EI) was formed in January 1993 by the merger of the International Federation of Free teachers Unions (IFFTU) and the World Confederation of Organisations of the Teaching Profession (WCOTP).

in terms of dialogue and policy development with the World Bank. It should be noted that this is entirely consistent with the experience of the wider international trade union movement in its relations with the IMF and World Bank; the World Bank has demonstrated a growing preparedness to at least listen to the concerns of the trade unions whilst the IMF seeks to argue that it has a restricted mandate to deal solely with purely macro economic issues where its clients are governments.

EI established contacts within the Education department of the Bank and by 1995 was able to make detailed comments on chapters of a policy paper being prepared by the Bank. This provided a focus for the expression of trade union opinions and also enabled EI to keep its affiliates informed of Bank education policy, but EI was aware that greater influence would be needed to bring about major changes in Bank policy.

EI therefore launched a campaign aimed at the political level of the Bank; affiliates were given a summary of the main points of the Banks education policy paper, the points and contention and changes proposed by EI and the contact details for each Executive Director of the Bank. EI requested all affiliates to contact the Executive Director of their country or group of countries, many affiliates responded sending mail to Washington and some even managed to meet with the Executive Directors concerned. As a consequence of this action, when the policy paper was presented to the Board for approval there was a lively debate and certain points of key concern to EI were sent back to the staff for modification. EI achieved some significant shifts in the formulation of policy, particularly on the issues of hiring qualified personnel and class size. Politically EI also proved to the Bank that it could marshal its arguments and mobilise its members.

The Banks education policy paper was published in June 1995. EI used the occasion of its first World Congress in July 1995 to hold a special meeting between developing country delegates and representatives of the Bank. The EI Congress adopted resolutions condemning structural adjustments whilst calling for further development of this dialogue. EI subsequently held a seminar in Brussels with Bank representatives and national leaders from some of the countries that had been hardest hit by structural adjustment. The seminar resulted in a joint realisation that the dialogue should be further developed: EI and the Bank sought ways to continue the exchange of views between the two organisations at sub regional and national levels. Workshops were subsequently arranged in Latin America, Africa, Asia Pacific and Central and Eastern Europe thus developing both the quality and institutional coverage of the dialogue between EI and the Bank.

In January 1997 the Bank agreed to provide EI with a draft of its study on 'Management of Teachers'. EI circulated the draft to its board members and staff for comments before presenting its responses to Bank staff in Washington in March 1997. In the subsequent redrafting of the report EI noted a definite increase in weight given by the Bank to union positions.

EI dialogue with the Bank has also begun to translate into concrete action at National level. A pilot project in Ghana involved two EI member unions in the planning, implementation and evaluation of a programme of education reform supported by lending and technical assistance from the Bank. Ghana was selected for the project as it was seen as a World Bank success story and the unions are well organised; despite this, EI reported that it was extremely difficult to establish

a process of genuine consultation and the unions required help from EI head and regional offices. Ultimately the unions were able to play a key role in a National Education Forum attended by over 500 participants from civil society, which critically examined the performance of the entire education system of the country.

In March 1998 EI and the Bank convened a workshop in Burkina Faso with affiliates from African Francophone countries which had been badly hit by CFA devaluation. The workshop adopted the 'Ouagadougou Trade Union Declaration' which laid out a strategy for union influence on the Bank and the governments of the region. African delegates at the 2nd EI World Congress held in Washington in July 1998 were invited to a seminar with the Bank. The head of the Bank's Education Department also addressed the EI Congress. Agreement was reached between EI and the Bank for a series of sub regional workshops to be held from 1999 - 2001 (a total of 7 will have been held by June 2001): the report from the pilot project in Ghana was used as a basic reference for the sub regional workshops in Africa, Latin America and Asia.

In April 2000 the Bank, UNESCO, UNICEF and the UNDP convened a forum in Dakar, Senegal to review progress made in achieving the Education for All commitments made in 1990. Although there was not much progress to report it was notable that the attitude of the Bank had changed. The Bank did not dismiss evidence that cost cutting theories had inflicted enormous damage on the quality of education in developing countries. The strength of EI and its affiliates has also been reinforced by forming a coalition with key NGOs including Oxfam International, Action aid and the NGOs of the 1999 Global March against child labour. The Bank publically supported the coalitions Global Campaign for Education for All, notably with an article in the International Herald Tribune signed jointly by Bank President James Wolfensohn and EI General Secretary Fred van Leeuwen. EI credits this success to its strategy and mobilization, helped by the Bank's general movement towards greater openness in its relations with NGOs and civil society in general.

EI considers that there is still much work to be done - it remains difficult to get national level negotiations moving and the different interests of the many departments of the Bank do not always coincide. Whilst the Education department may be moving down the path of partnership advocating quality and equity through public education, other departments continue to press the privatisation agenda, supporting trade liberalisation in services as promoted by the WTO. The IMF continues to stand aside from the EI dialogue with the Bank maintaining that it does not intervene in sectoral issues. On the union side, it is crucial to provide training to national leaders so that they can negotiate effectively on budget and policy issues in order to maximise the opportunities created by the campaign work carried out by EI over the last 8 years.

The recent **Public Service International (PSI)** campaign against World Bank employee Dr. Holzmann was mentioned above. In addition, PSI and the **International Transport Federation (ITF)** are similarly concerned with promoting and protecting public services and have sought to engage the IMF and World Bank in dialogue on a range of issues including quality in public services, privatisation and contracting out issues, structural adjustment and general cutbacks in public services. PSI reports that the IMF has shown virtually no interest in talking to either PSI or its affiliates; this is consistent with the experiences reported by other ITSs.

The World Bank has in general been much more willing to discuss issues with the trade union movement and has gone as far as establishing a formal partnership with PSI and ITF with ICFTU and TUAC, known as PERL-NET, the Public Enterprise Reform and Labour Network. As the name suggests, the network was established to develop constructive dialogue between the Bank and labour organisations on issues surrounding public sector reform and its consequences. Neither PSI nor ITF have yet reported any significant policy advances achieved through PERL-NET but it is seen as an important step in strengthening dialogue and a recognition in itself of the increasing strength of labour's voice in the World Bank.

PSI has, along with other ITSs, and ICFTU, been consulted by the Bank in the preparation of a number of recent publications of the World Development Report. PSI played a particularly strong role in drafting the 1997 WDR 'The State in a Changing World'; the Bank subsequently approached PSI to be involved in the electronic consultation on the preparation of the 2000 WDR on 'Poverty Reduction'. PSI found the Bank to be very positive toward the ideas and language proposed by it. This positive relationship changed dramatically however in June 2000 when Ravi Kanbur, the chief editor for the 2000 WDR writing team resigned over what he claimed were unacceptable attempts to get him to rewrite whole sections of the WDR to reflect a more traditional conservative Bank line.

In contrast to EI, PSI has reported that requests to affiliates to lobby Executive Directors of the Bank thus addressing the Bank at political level have met with almost total failure. PSI has attributed this to a lack of confidence amongst affiliates to tackle their own government or senior Bank officials on such seemingly technical issues. PSI have responded to this challenge and sought to meet the needs of their affiliates with a new publication called 'Stop the World': unusually this is a living text published on the PSI website and is regularly updated. 'Stop the World' explains globalization and its consequences for PSI members, the text analyses the organisations and institutions which govern and impact the global economy and explains why and how PSI and its affiliates can seek to influence global economic policy. The publication has been extremely well received by PSI affiliates and the wider trade union movement and is considered to be PSI's most successful publication ever. Printed copies are made available to those affiliates that do not have internet access.

In addition to 'Stop the World' PSI has produced a range of publications addressing issues related to promoting and protecting public services including a series called Policy, Programme, Practice (PPP) which tries to outline either PSI policies on these matters, the experience of affiliates or guidelines for affiliates strategies. PSI also produce 'Briefing Notes for Public Sector Debates' which are more research based which affiliates can use to produce their own research papers, speeches and submissions; and other "one off" materials explaining how the World Bank and IMF operate or polemical material such as the World Bank comic book.

The **International Federation of Building and Wood Workers (IFBWW)** has campaigned since 1996 for the inclusion of core labour standards in the procurement guidelines, standard bidding documents and loan agreements of the World Bank.

This policy is based on the principle embodied in ILO C.94 concerning Labour Clauses (Public Contracts) which aims to ensure minimum labour standards in the execution of public contracts.

The policy arose from IFBWW concern that many workers in its industries are being forced out of traditional employment situations and into informal work arrangements. Workers in the building, construction, wood and forestry industries, like many others, are often employed on a short term, casual or contract basis and do not have the benefit of whatever employment law protection might be available to them. These workers are also difficult for trade unions to organise and protect.

As a result of globalization, labour practices are no longer necessarily defined at the workplace or national level. The strong influence of international trade and investment is weakening the public sector and resulting in increased deregulation: multinational enterprises becoming the dominant force in employment. The World Bank and International Monetary Fund (IMF) also exert a strong role in defining the economic and development policies of borrowing governments.

This has a number of consequences on the environment for trade union organising and the exercise of trade union rights:

- . Governments are borrowing international funds in order to finance infrastructure development. Conditions are attached to these loans which influence government policies;
- . Development projects are opened up for competitive bidding and are no longer automatically given to the public sector;
- . Increasing numbers of multinational companies are operating in all areas of the world;
- . The public sector has less work and is employing fewer workers. The private sector is growing but using large numbers of temporary workers;
- . Unions are losing traditional organising strength in the public sector and have little experience of organising in the private sector;
- . Many multinationals operate outside national legislative frameworks and actively resist trade union organising: this is a particular problem in export processing zones (EPZs) but it is not limited to EPZs.

A significant proportion of infrastructure funding in developing countries is provided by international institutions including Development Banks such as the World Bank, Inter-American Development Bank, Asian Development Bank and the African Development Bank. Since its creation, the World Bank has provided nearly US\$ 250 billion in financing for some 5,000 development projects. The average annual lending of the Bank is now US\$22 billion and approximately 30,000 contracts are awarded each year to borrowers of World Bank funds. These contracts create employment for thousands of workers, many of whom are engaged in the building, construction wood and forestry industries.

The World Bank and other development banks have Guidelines for Procurement which offer general policy advice and guidance to borrowing countries and Standard Bidding Documents

(SBDs) and Loan Agreements which are legally binding. Most of the SBDs incorporate the terms of the FIDIC¹⁴ Conditions of Contract. The FIDIC conditions for procurement of works have two parts; part I contains obligatory or mandatory conditions whilst part II contains additional optional clauses which can be used to supplement part I.

IFBWW has focussed its policy on the fact that the labour components of SBDs are deficient on a number of grounds; the mandatory clauses are minimal and are capable of very subjective interpretation by borrowing countries, whilst the use of optional clauses places too great a reliance on the willingness of the borrower to observe sound labour practices. These provisions are tied to existing laws in the borrowing country and offer no real protection to workers in the event of poor or non-existent laws. Neither the mandatory clauses nor the optional clauses which supplement them, incorporate the seven core Conventions of the ILO. These labour clauses also fail to require the Contractor to recognise collective agreements or the right to organise.

The IFBWW also argues that the labour clauses contained in the Procurement of Works do not fully reflect the provisions of ILO Convention No.94 concerning Labour Clauses in Public Contracts. The FIDIC terms do not recognise conditions established by collective agreement and /or arbitration and do not contain any enforcement or procedural provisions governing the implementation of the labour clauses.

The IFBWW has pursued this initiative at various levels of the Bank.

In Washington, the IFBWW has addressed correspondence to the office of the Director General and has engaged in a more detailed dialogue with the Operational Core Services Department (OCSD) of the Bank that is responsible for procurement. This dialogue has been supplemented by a number of meetings with the staff of the OCSD.

In the field, IFBWW has carried out an information campaign to inform affiliates about core labour standards and the potential use of labour clauses as an additional means to secure their implementation. Affiliates have been encouraged to send any information they have concerning World Bank funded projects to the Secretariat; IFBWW has then sought to address the Bank with the help of its affiliates within the borrowing country.

The IFBWW has achieved some success with this strategy; the Bank recently announced that it will upgrade the optional sub clauses on labour contained in the SBDs to the status of mandatory. Some wording on environmental procurement will also be included in the new SBDs. It is unlikely that the texts will include clauses incorporating the core labour standards - the Bank policy on freedom of association in particular is not sufficiently clear to allow for such a development at this time. The Bank is however considering the inclusion of some wording to give effect to ILO C.182 to ensure that the worst forms of child labour are not employed on Bank funded projects but this is not yet confirmed. The revised SBDs will be published in May 2001.

¹⁴ Federation Internationale des Ingenieurs Conseils.

A meeting will take place in Geneva in early 2001 between the ILO, World Bank, CICA and the IFBWW to discuss possible cooperation on the issue of workers rights. This meeting will be facilitated by the ILO SECTOR.

The IFBWW has also managed to achieve some success at project level: in the Philippines a multi-sectoral monitoring team will now be established to monitor labour standards on a new highway infrastructure project the 'National Road Improvement and Management Project' funded by the World Bank. This initiative was proposed by the Bank following an intensive lobby by the IFBWW local representative and affiliates, the monitoring group will include IFBWW affiliates, the Department of Public Works and Highways, the Department of Labour and Employment and the ILO.

The Chad Cameroon Pipeline project involves a consortium of three major oil companies: Exxon, Shell and ELF. In June 2000 the Bank approved a loan package for the project despite strong international opposition from environmental groups and human rights organisations. In consequence the Bank insisted on the creation of a review board to monitor the spending of the oil revenue; this includes civil society and the ICFTU affiliate in Chad has been invited to participate. The Bank has also established its own independent monitoring agency.

During the ICFTU/ITS meetings with the Bank in October 2000, the IFBWW met with the Bank's senior energy economist for the Africa region and discussed IFBWW involvement in monitoring and verification of labour conditions in the project. Contact has now been made with the general project manager based in Houston USA who has undertaken the project; follow up is expected shortly. The IFBWW and its affiliates in the region aim to secure a collective agreement applicable to workers in both Chad and Cameroon.

The World Bank adopted a Forest Policy in 1991 which was designed to be used as a guide for Bank funding of forest based projects or those which affected forest areas. The policy is largely environmental and does not give any detailed consideration to forest workers, their rights, working conditions or livelihoods. Neither has the Bank sought any inputs or advice from forest workers or their representative organisations.

The IFBWW has sought to influence the work of the World Bank in this area. The Bank has announced that it will not review its forest policy in the classic sense but that it will present new 'key areas'.

Union Network International (UNI) has adopted a different campaign approach to the World Bank and IMF and has a direct presence in Washington D.C. Jim Sauber, Research Director of the Letter Carriers Union, now devotes part of his time to monitoring and lobbying the IMF and World Bank and the related financial institutions in Washington D.C..

UNI's objectives will be to develop a database of projects, provide early warnings of World Bank missions, ensure consultation with local affiliates, develop a UNI manual on the World Bank and establish guidelines on labour and employment issues for World Bank financed restructuring initiatives that impact on UNI members.

(c) Actions by national unions to influence the Bretton Woods Institutions

The concept of working more closely with the Executive Directors of the Bretton Woods institutions builds upon efforts by several national unions, including the AFL-CIO, to exert more influence over their national Executive Directors through lobbying efforts and by having their governments pass legislation that requires government representatives to use their “vote and voice” to promote various trade union objectives such as the promotion of core labour standards. The AFL-CIO has worked very closely with Jubilee 2000, and the US Congress and the Administration to secure full funding for the US portion of the enhanced HIPC debt relief initiative in 2000. The AFL-CIO has also strongly argued that the IMF and the World Bank should not require some borrowing countries, including HIPC countries, to impose or expand user fees on primary education and health care as a condition for receiving loans and relief. These user fees provide little revenue and impose long-term costs on school attendance and basic health. The AFL-CIO has insisted that no lending agreement, decision point document or poverty reduction strategy paper contain such a requirement and has asked the US government to make it clear to the Bank and the Fund that future support for these initiatives will depend on the institutions’ assurances that user fees have been eliminated.

The final section of this paper contains more information on activities by the AFL-CIO, the Nordic Trade Union Council and RENGO regarding the global economy.

5. World Trade Organisation

(a) Background

The World Trade Organization (WTO) is the only international organization dealing with the global rules of trade among nations. Its primary function is to ensure that trade flows as smoothly, predictably and freely as possible.

The multilateral trading system has been developed and refined under the supervision and control of GATT and now the WTO: it is portrayed as a strong and prosperous trading system and is largely credited with the exceptional growth in world trade which has taken place over the last 50 years.

As the principle determiner of global trading policy and practice, the WTO plays a significant role in the development of economic globalization. Indeed early WTO negotiations concluded between 1995 and 1999 have led to agreements on telecommunication services, information technology products and banking, insurance, securities and financial information; these agreements have included wide-ranging liberalisation measures that go beyond those agreed in the Uruguay Round and which will certainly fuel the process of globalization.

As noted in the section covering the ILO the trade union movement has long raised the link between trade and labour standards, and have sought to address this throughout the international system. In the 1970s and 1980s the international trade union movement lobbied extensively for the establishment of a working party on labour standards within the GATT. The ICFTU continued this

initiative in 1994 in Marrakech when the final agreement of the Uruguay Round was signed and the WTO established. Since the Singapore WTO Ministerial in particular there has been a widening of trade union concerns to cover issues wider than just labour standards questions.

The information below focuses on activities coordinated by the ICFTU that many national affiliates and other international trade union organisations have participated in. Many national and international union organisations have prepared documents and organised activities beyond this general ICFTU campaign.

The ICFTU responded to the creation of the WTO with a stronger campaign aimed at ensuring that an open, fair and transparent system of international trade was developed which includes mechanisms to ensure social and economic protection, specifically the observation and implementation of core labour standards within the WTO¹⁵.

(b) Developments since 1996 on trade and labour standards

The first WTO Ministerial Meeting was held in Singapore in 1996. Prior to the Ministerial, the ICFTU organised a meeting of its affiliated unions, TUAC, the ETUC and the ITS, as well as a public conference. These meetings provided an opportunity for the ICFTU to inform participants of its strategy on core labour standards and trade, and to explain why core labour standards should be part of the WTO architecture.

Campaign activity by the ICFTU prior to and during the 1st Ministerial was aimed at securing the creation of a working group on core labour standards within the WTO. This was not approved by the heads of state, but the inclusion of text on core labour standards in the final Ministerial Declaration was seen as a success at least establishing the subject of labour standards as an issue for discussion within the WTO.

'4. We renew our commitment to the observance of internationally recognized core labour standards. The International Labour Organization (ILO) is the competent body to set and deal with these standards, and we affirm our support for its work in promoting them. We believe that economic growth and development fostered by increased trade and further trade liberalization contribute to the promotion of these standards. We reject the use of labour standards for protectionist purposes, and agree that the comparative advantage of countries, particularly low-wage developing countries, must in no way be put into question. In this regard, we note that the WTO and ILO Secretariats will continue their existing collaboration.'

At the Singapore meeting some thirty trade union representatives took part as NGOs but working together as an "ICFTU" team. This can be contrasted with the Marrakech Ministerial meeting of GATT which agreed the Uruguay Round where there was no ICFTU representation. There were also informal meetings in Singapore with the some of NGO's, notably Third World Network, who were taking an outright hostile position on trade and labour linkage.

¹⁵ The attention of the Reference group is drawn to the evaluation report prepared by Mark Anner for LO Norway, which provided an analysis of the Campaign and provides indicators for future development of the campaign.

Following the Singapore meeting, the ICFTU analysed the campaign and noted that there was a need to more comprehensively involve and incorporate the views of affiliates generally and particularly those from the South. To facilitate communication, share information, and jointly develop future activities, the ICFTU established an ad hoc task force, later formalised as the Task Force on Trade, Investment and Labour Standards (TILS), which was made up of representatives of member organisations, ITS, the ETUC and TUAC.

Prior to the second ministerial conference of the WTO, which took place in Geneva in May 1998, the ICFTU held a three-day Conference which was addressed by the Director Generals of the WTO and the ILO, and the Secretary-General of UNCTAD. The principal objective of the pre-Ministerial conference was to prepare unions to lobby their governments on the issue of core labour standards.

The second Ministerial Meeting was largely a celebration marking the 50th anniversary of the GATT, several heads of State including Bill Clinton and Nelson Mandela made speeches in which they expressed support for core labour standards. For the first time the WTO became the object of public demonstrations by anti-globalisation groups which at times turned violent.

In the eighteen-month period between May 1998 and the 3rd Ministerial Meeting held in Seattle in December 1999 the WTO experienced a period of unprecedented internal political difficulty. Ruggiero's term of office as Director General came to an end in mid 1999 and negotiations between member States to find a successor were deadlocked for several months. The result of this leadership battle was to leave the WTO and its Secretariat without a Director General in the crucial period leading up to the Ministerial. It also emphasised the inherent difficulties of the consensus based decision-making structures of the WTO - this is discussed in greater detail below. Eventually Mike Moore of New Zealand took up the post of Director General but only after he agreed to divide his term with Supachai of Thailand.

In preparation for Seattle, the ICFTU developed a four-part strategy on the basis of a seminar held in Geneva in December 1998. First, the ICFTU would develop the overall arguments and rationale to support the strategies of the campaign. Next, through regional and sub-regional activities, affiliates would be informed about and discuss the goals. National affiliates would then be called upon to lobby their governments. Governments would then, it was hoped, support the trade/labour rights linkages at the Seattle Ministerial¹⁶. In addition the ICFTU created a Trade and International Standards (TILS) task force composed of representatives of national affiliates, ITSs, TUAC and ETUC to develop and coordinate this campaign. The establishment of a web site and e-mail discussion group were also effectively utilised to develop and implement this campaign. The latter has remained post-Seattle as a central means of communication on for the labour movement on WTO issues.

An example of this strategy working was the change in the EU position. In September 1998, the EU position for a new WTO round did not include labour standards as a negotiating objective and at the time the European Commission took the view that the ILO was a sufficiently strong

¹⁶ This campaign strategy is explained and evaluated in the Evaluation Report by Mark Anner.

mechanism to protect labour standards. To counter this position the trade union movement made extensive use of the TILS e-mail list launched in March 1999, and close collaboration between the ICFTU and the ETUC was utilised to ensure all the major EU affiliates took part in successive waves of lobbying of governments, particularly prior to major meetings such as the EU Council in Germany in June 1999 and the Article 133 Committee meetings in October 1999 to decide on the EU's strategy for Seattle. Affiliates were involved at both the political level and the technical level in interactions with trade ministries. Feedback was also received from affiliates on a continual basis on the intelligence from their governments. As a result, it was possible to react on a same-day (often within hours) to what unions were told about the latest Commission proposals for text, and to propose ways of strengthening the language concerned to achieve something satisfactory for the unions' movement. After a slow start, EU member governments got the message that the unions were not going to go away and that this was a priority for them. Germany was a good example of a country whose officials did not want to accept labour standards, but which ultimately had a political direction from the top, and so reluctantly began to support labour standards strongly when they came to Brussels for their weekly Article 133 Committee meetings). Ultimately the Commission's whole proposed package for Seattle was delayed and when it was finally approved two weeks behind schedule, in late October 1999, it included language on labour standards which went some way to meeting trade union objectives.

The 3rd Ministerial Meeting of the WTO was the subject of massive international press attention, which had the immediate effect of moving trade policy to the centre of governments' political agendas. In addition to large trade union demonstrations the meeting was marked by the sometimes violent protests of some anti-globalization NGO's which extended significantly beyond the concerns and campaign activities of the international trade union movement. The weaknesses of the WTO decision making processes was further emphasised when, amid spectacular publicity the Ministerial was ultimately suspended with no agreement concerning future negotiations; a stark contrast to the perceived success of the early post Uruguay negotiations. Public confidence in the WTO and the multilateral trading system remains low in both developing and industrialised countries. This in itself has dangers but also creates a window of opportunity for the trade union movement to articulate its concerns and to suggest alternative solutions and policy initiatives.

The future of discussions on core labour standards within the WTO is not yet clear. As with the 2nd Ministerial there was no statement within the final Ministerial Declaration relating to core labour standards. This was a disappointing outcome in light of earlier indications that certain governments would support the establishment of some form of body to further this issue within the WTO. In October 1999 the US government expressed support for a working party within the WTO. The European Union favoured a joint standing forum between ILO and WTO on trade globalization and labour issues, the proposal favoured the use of positive incentives to developing countries that respect core labour standards. In contrast to these two proposals, the G-77 countries announced their objection to any discussion of labour rights within the WTO.

During the course of the Ministerial a series of closed room meetings were held on core labour standards chaired by Costa Rica. 'The Costa Rica Document' which was emerging from the discussions proposed the creation of a discussion group which would address trade, globalization, development and labour with a view to promoting a better understanding of the issues involved through a substantive dialogue among governments and relevant NGOs. It was proposed to open

participation in the discussion group to other relevant international organisations such as the ILO, World Bank and UNCTAD, and that factual summaries of the discussions should be made publicly available.

The Costa Rica Document was on the table when the Ministerial was suspended and as such was not formally adopted by the Ministerial and it does not have the status of a consensus text. It is currently nevertheless the starting point of at least the European commission's approach to "dealing with" trade and labour standards prior to the Qatar WTO Ministerial in November 2002.

A stocktaking of the WTO campaign was also made by the ICFTU itself in its July 2000 Statement¹⁹. The procedural points of this are relevant to the current stocktaking:

- "...Close attention and involvement is also required to our work with the media, with NGOs, inside the trade union movement and with employers' organizations.
- Without in any way lessening the emphasis we place on the WTO, we must equally take all opportunities to advance the core labour standards agenda in other fora such as the IMF, the World Bank, the OECD and the ILO. At all these institutions, there is a danger that the secretariat and government representatives will succeed in confining the agenda to one focused narrowly on "traditional" issues rather than looking at trade, globalization and labour standards. This is of particular importance if it takes some years before the WTO is again in a position to launch trade negotiations.

Trade union actions by national affiliates, the ICFTU, ITS, TUAC and regional organizations, in the run-up to and at Seattle, have certainly moved core labour standards higher up the WTO agenda. But the progress made so far has been fragile, as shown by the current uncertainty about the South African government, once one of our strongest supporters. Neither can the position of industrialized countries be taken for granted. The international trade union movement will need to maintain continuous pressure on those governments which supported our proposals at Seattle in order to keep core labour standards at the top of their priorities, and thereby maintain them as a part of that consensus package needed for an agreement on further WTO trade negotiations. We must ensure that the WTO and its principal member governments recognize how badly they need to maintain the support of the union movement for the WTO system, in the post-Seattle context of deep uncertainty about the future direction of trade liberalization.

(c) Transparency at the WTO

The ICFTU also call for a reform of the WTO decision making structures. The problems in Seattle have raised serious questions concerning the internal transparency and democracy of the WTO. Decisions within the WTO are theoretically made by consensus of the entire membership. The

¹⁷ The full text of the Costa Rica documents is contained in Annex 3 of the Evaluation of the ICFTU Campaign prepared by Mark Anner.

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¹⁹ Building a WTO that can contribute effectively to Economic and Social Development Worldwide, ICFTU, July 2000.

Secretariat does not have the decision-making role that other international bureaucracies are given. The Member States make their decisions through various councils and committees, whose membership consists of all WTO members. Topmost is the Ministerial Conference that has to meet at least once every two years. The Ministerial Conference can take decisions on all matters under any of the multilateral trade agreements.

Three bodies, the General Council, the Dispute Settlement Body and the Trade Policy Review Body handle day-to-day work in between the ministerial conferences. They are in fact all the same body meeting under different terms of reference and all consist of all WTO members. The General Council is normally comprised of ambassadors and heads of delegation in Geneva but occasionally officials are sent from members capitals.

Whilst these structures appear to be democratic, effective participation requires a certain level of financial capacity which is not available to all members of the WTO, particularly to the developing countries. It has been suggested by the international trade union movement that the WTO needs to develop some system of financial and technical assistance to ensure that all members are available to participate fully in the various activities and procedures of the WTO. Until such measures are in place the most economically powerful States will continue to dominate the WTO.

The ICFTU has also called for a closer link and co-ordination between the WTO and other international institutions, notably the ILO. There has been a longstanding call by the ICFTU for the WTO to set up consultative structures for trade unions and business as well as parliaments, non-governmental organisations and other elements of civil society. This should include consultations in the context of the WTO dispute settlement procedures and its Trade Policy Review Mechanism (TPRM).

The ICFTU decided in 1997 to start preparing detailed statements examining labour standards in countries that are undergoing a TPRM review. These are factual statements, based largely on official ILO documents that highlight the record of the country concerned in respect of labour standards. These statements are prepared and distributed in the weeks prior to a TPRM meeting. They are sent to ICFTU affiliates, a range of international organisations including the WTO, ILO, IMF and World Bank. Most importantly however these statements are sent to WTO trade delegations in those countries that may raise questions about labour standards in the context of a TPRM discussion. In the past the governments of Norway, France and the US have on occasions used these statements to ask questions about trade and labour standards. Also on one or two occasions governments (Switzerland and US) which are the subject of a TPRM have responded to issues raised in the ICFTU statement in their own report to the WTO. It is not surprising that those governments opposed to any link between trade and labour standards in the WTO have been highly critical of any government that has attempted to raise labour standards in a TPRM meeting. Given this context the impact of these ICFTU statements within the WTO has necessarily been limited. However they have clearly served a valuable role in keeping the trade and labour standards debate alive while also generally highlighting abuses of labour standards.

Although the WTO has no formal links with the ILO, it has already signed agreements with the IMF and World Bank for future collaboration and cooperation in recognition of the fact that

globalization has resulted in an ever-growing interdependence among different areas of economic policy.

The WTO/IMF agreement was signed in Singapore on the opening day of the 1st Ministerial Meeting: it focuses on three main elements. First, it lays the basis for carrying forward the WTO's Ministerial mandate to achieve greater coherence in global economic policy by cooperating with the IMF as well as with the World Bank. Secondly the Agreement provides channels of communication to ensure that the rights and obligations of Members are integral to the thinking of each organization. Thirdly, the Agreement accords observer status to the IMF and WTO in certain of each other's decision-making bodies. Thus, it grants the WTO observer status to appropriate meetings of the IMF's Executive Board, when it considers trade issues, and in turn grants observer status to the IMF on most WTO bodies.

An agreement was later signed between the WTO and World Bank in April 1997 that follows the same lines and principles as that signed with the IMF. The Agreement also provides the WTO Secretariat with access to World Bank information, which is essential to the work of the Trade Policy Review Body, the Committee on Trade and Development and the Sub-committee on Least Developed Countries. In turn, the World Bank has access to the Integrated Database of the WTO and to WTO Members' schedules of market access commitments and concessions in goods and services.

These agreements establish the grounds for cooperation and coherence in global economic policy making, an area where the WTO, the IMF and the World Bank each have distinctive roles. Cooperation also takes place between WTO and UNCTAD. The respective heads of the two organisations signed a formal memorandum of understanding in 1997 that increased cooperation without any formal decision by their respective governing bodies.

There is also informal cooperation with UNEP organising expert meetings on trade and the environment prior to relevant WTO meetings. This has the effect of ensuring that environment ministry officials, as well as relevant NGO's are present at the time of WTO meetings. The OECD Trade Committee also acts as a de facto caucus for OECD members prior to WTO meetings.

These examples show that agreement could be reached between the WTO and ILO, particularly if WTO, IMF and the World Bank are able to officially recognise the inextricable links between social and economic policy. Even a more limited agreement to share information would be beneficial; if resourced properly the information available within the ILO could contribute to the work of the WTO in the same manner as that found in the data bases of the World Bank.

Following the failure of the Seattle Ministerial the ICFTU has broadened its policy agenda with regard to the WTO and is seeking to link core labour standards to other development related issues. This reflects the fact that the well being of workers is determined by far more than core labour standards and many issues such as debt reduction and market access are of direct concern to trade unions and their members. This is also a strategic move that will allow the union movement to develop alliances with other like minded and representative NGOs thus adding greater volume to the union voice. Addressing environmental and sustainability issues is also a means by which the trade unions may more easily gain access to and establish an active dialogue

with some southern governments, which in turn may facilitate a discussion on core labour standards.

The ICFTU has already developed policy statements on environmental protection and trade in services, these are also contained in the statement to the WTO in ICFTU Circular 42 (2000). The ICFTU agenda on environmental protection is focussing on respect for the most universally endorsed Multilateral Environmental Agreements (MEAs) as legitimate exceptions to trade rules. The ICFTU calls for the WTO General Council to further agree that a global environmental and social impact assessment should be undertaken, to monitor the impact of globalization and of any proposed future WTO trade liberalisation on environmental and social protection.

The ICFTU is also seeking to influence General Agreement on Trade in Services (GATS). The current negotiations under the GATS have serious social implications, particularly in the health, education and water sectors, relating to existing national regulations; the implications for public services and public/private sector balance; the effect on standards; and the capacity for continuing state support. Countries must be able to retain the right to exempt public services from any agreement covering the service sector. The WTO General Council should include explicit reference to social and environmental concerns in the ongoing WTO negotiations on trade in services in order to anticipate and prevent the conclusion of any agreements that undermine vital and socially beneficial service sector activities. Countries must have the right to take a future decision to increase the public sector role in their services sectors (for example following a change of government) without facing penalties under WTO rules.

ITS initiatives towards the WTO

ITSs have supported the ICFTU actions and campaigns on the WTO and many ITS representatives have attended the WTO ministerial meetings and participated in ICFTU preparations for them.

The General Agreement on Trade in Services (GATS) was created in April 1994 and aims to liberalise trade in services, as such it has been an obvious source of concern to trade unions and a focus for the attention of several International Trade Secretariats.

Public Service International (PSI) and Education International (EI) have joined together to campaign for the protection and promotion of their members interests in relation to trade in services. This alliance stems from the vulnerability of government services under GATS.

GATS specifically excludes the coverage of services “in the exercise of governmental authority”, but it remains unclear and untested as to what this actually means. The WTO Secretariat does not give legal interpretations. It says this can only happen following the outcomes of disputes hearings. It does, however, give advice or explanations. Recently PSI asked several questions by letter of the WTO Secretariat on this issue. The essence of the answers is that the term “in the exercise of governmental authority” means “not in commercial operation”, whether or not there are other service suppliers in the same sector. This means that it is still not clear under GATS whether certain government services are commercial operations or not. It leaves the whole question of the protection of public services very uncertain.

PSI and EI are particularly concerned about the potential drain on the skills base in the public sector created by increased international mobility and reduction of working conditions where the use of foreign labour is used to undermine local wages and conditions.

The PSI/EI campaign was launched in a joint publication entitled 'Great Expectations - The Future of Trade In Services' which explained the issues surrounding GATS which are of importance to their members. The document also seeks to create support for campaign action. The subsequent campaign operates at global, regional and national level and uses networking and publicity to lobby governments at national level and within the WTO itself. PSI and EI seek to support affiliates in campaign action, specifically they have undertaken to track and oppose the privatisation of health care and education; track US companies that are providing health services in other countries; share information on education institutions promoting cross-border services; tell target nations about the effect of these companies on the health or education system.

As a part of the work on GATS, PSI and EI have produced two publications in a new series 'Common Concerns for Workers in Education and the Public Sector' which address the potential effects of GATS on health and education services: 'The WTO and the General Agreement on Trade in Services: What is at stake for public health?' and 'The WTO and the Millennium Round: What is at stake for public education?' In March 2001, the PSI endorsed an NGO's sign-on "GATS-ATAACK" campaign that calls for a moratorium in the GATS negotiations.

Union Network International (UNI) has also focussed attention on GATS and notes that the negotiations which began in February 2000 will impact on almost the entire membership. UNI maintain close contact with the WTO secretariat but, like all trade union organisations, will not be permitted a formal role in the negotiating process. UNI has launched a report on 'GATS - UNI must wade in' stressing the need for trade union campaigns at global, regional and sector level to ensure that the voice of workers is heard at national level and at the WTO.

The International Transport Federation (ITF) also pays close attention to developments within the WTO and has worked with its affiliates to lobby governments on issues related to transport services under GATS. Other ITF contacts with the WTO concern maritime and civil aviation issues. ITF has sought to develop its dialogue with WTO at an institutional level and invited WTO representatives to attend the ITS summer school and to participate in discussions with members.

The International Federation of Building and Wood Workers (IFBWW) has followed the issue of Government Procurement Agreements within the WTO as a compliment to its work on procurement issues with the World Bank. During the Uruguay Round, a new and expanded agreement on Government Procurement was concluded, including procurement for products and for services including construction services.

The Agreement on Government Procurement establishes a framework of rights and obligations with respect to laws, regulations, procedures and practices regarding government procurement that must be enacted into the national legislation of all signatories. The Agreement opens up government procurement markets to industry in all its Signatories by guaranteeing non-discriminatory access to public procurement contracts, subject to measures consistent with the

WTO or GATS. However the Agreement does not make any reference to social and workers rights.

The WTO is currently working on a draft international agreement on public procurement. The building industry world wide will be heavily concerned by this new agreement. In the future national procurement practices will have to apply to this new international standard and social components in national procurement regulations could become obsolete.

A committee consisting only of government representatives is preparing the draft International Agreement on Public Procurement and there is no NGO access to the process. The IFBWW requested the WTO to draw the attention of the working group members to the provisions of ILO Convention 94 on Labour Clauses (Public Contracts), which aims to ensure that minimum labour standards are observed in public contracts.

Workers representatives have not been invited to participate in the WTO working group: IFBWW has therefore requested the ILO to secure proper representation within the WTO working group.

6. Organisation for Economic Co-operation and Development

The OECD (Organisation for Economic Co-operation and Development) is an inter-governmental organisation made up of primarily industrialised market economy countries. It was established in 1962 as a successor to the institutions involved in the Marshall Plan notably the OEEC. Some 200 Committees and working groups backed up by a secretariat based in Paris do the main work of the OECD. They bring together government officials and occasionally Ministers from the member countries. In addition to being a research and statistics body for its members, its main function is to act as co-ordinating body for policy formulation between its members. Although focused on economic issues, the OECD covers most areas of government policy with the exception of defence. The OECD Committees therefore span most government ministries. Informally, it helps to create and define an “ideological” centre of gravity for economic and social policy for the industrialised world.

There are relatively few formal powers of the OECD but the process of peer group pressure on members gives a fair amount of leverage. In a few areas the OECD does go beyond the indirect role of policy co-ordination and has negotiated formal legally – binding agreements – the majority of these are in the area of financial markets, capital flows and in the area of the environment. The OECD recently concluded a legally binding treaty on outlawing the bribery of foreign officials in business transactions. The most spectacular area of the failure of negotiations was the inability of OECD governments to conclude Multilateral Agreement on Investment in 1998.

The membership of the OECD was traditionally made up of countries of broadly similar economic and social systems - “industrialised market economies” and until 1989 was a form of economic NATO. However, since the early 1990s the membership has expanded to thirty – taking in Mexico and Korea and also the four “Visograd” countries in Central and Eastern Europe (Czech Republic, Slovakia, Hungary and Poland). An outreach programme has also established a range of meetings with non-members and a number are signatories of different OECD agreements or

are observers on OECD Committees. The OECD also acts as a co-ordinator of ODA development assistance programmes from the side of the donor countries through the Development Assistance Committee (DAC).

(a) TUAC

The trade union advisory committee (TUAC) was established in 1948 as an advisory body to the Marshall Plan and subsequently continued in a similar role to the OECD after 1962. With the exception of the tripartite structure of the ILO and the formal consultative mechanisms within the European institutions the TUAC–OECD structure is the most formalised and systematic trade union interface with any of the global economy institutions. It has therefore often been used as an example or precedent when the international trade union movement has been seeking greater access to other institutions such as the Bretton Woods Institutions and the WTO.

The TUAC is financed almost entirely by membership affiliation fees, although receives some administrative support from the OECD e.g.– meeting rooms, some limited interpretation and publications. It is itself made up of trade union confederations from the OECD member countries coming from both the ICFTU and WCL families, and currently some 95% of membership are from ICFTU affiliates. It has three and a half policy staff and three administrative staff approximately 400 trade union representatives take part in OECD on TUAC meetings in an average year. The TUAC has not played the role of an international trade union confederation in the sense of the ICFTU, WCL or ETUC. Its objective has not been to become an exclusive body of trade unions in the industrialised countries, but rather to help co-ordinate trade union policies vis-a-vis the global economic institutions and also serve as a tool for influencing governments at the international level. In the development of responses to globalisation therefore it has also provided a point of access to governments for trade unions from non-member countries. This covered issues as central as trade union rights for example when Korea joined the OECD.

The prime goal of the TUAC is to increase trade union influence and ensure that their views are taken account of at the OECD and in the discussions at the OECD. At the same time TUAC has the opportunity to be part of intergovernmental discussions and can thus also act as a source of information to unions on how government policy making may be likely to affect them – in both a positive and a negative sense. The more intensive access to government officials also involved in other international institutions has also allowed this intelligence to be used in other institutions and dialogues. TUAC has played an active role in the efforts to influence the Bretton Woods institutions and WTO described above. The TUAC also provides a point of internal discussion between the three main blocs of industrial country unions – North America/ Europe/Japan on economic and social policy questions, although bilateral dialogues have also now been developed through the North Atlantic dialogues and the ASEM process.

The role and functioning of TUAC has varied as the role of the OEEC/OECD has changed over the last 50 years. In the 1950s, the TUAC was heavily involved in the tripartite structures of the OEEC such as the European Productivity Agency, engaged in the process of European post-war reconstruction. In the 1960s the OECD was focussed on macro-economic policy co-ordination and Keynesian in its orientation. At this time the TUAC discussions often covered issues such as responses to Prices and Incomes Policies. As noted above at that time the TUAC comprised the

European Regional organisation of the ICFTU and the forerunner of the WCL. In the 1970s the OECD was involved in the response to the first oil price shock and the International Energy Agency was created as oil-importing countries' response to the OPEC cartel. It was also at this time that the OECD Guidelines on Multinational Enterprises were first developed. During the 1980s the OECD shifted again to be monetarist and supply side in its outlook with the impact of the Reagan and Thatcher Governments. It was the leading exponent of labour market flexibility and fiscal and monetary conservatism. TUAC's role therefore shifted to be on the defensive, using some of the heterogeneity of the OECD's departmental and Committee structure to counteract the supply-side orthodoxy, in a way that was easier than in the institutions dominated by Finance Ministries. In the late 1990s the OECD was in a process of change again with a shift now away from deregulation to one of "shaping" globalisation and international economic governance. This is again affecting TUAC's role.

TUAC meets in a Plenary Session, twice a year consisting of all affiliates, and five working groups back up this work. TUAC's current priorities - adopted by the Plenary in successive work programmes are:

- Employment and economic issues and in particular work on the OECD growth project and public sector questions;
- Globalisation and labour standards including following up the OECD report on Trade and Core Labour Standards and integrating labour issues into the Development Assistance Committee's work on Poverty Reduction;
- Corporate regulation and multinationals and in particular the follow-up and implementation of the Revised OECD Guidelines for Multinational Enterprises, corporate governance and anti-corruption work;
- OECD relations with non-member countries and recent members, notably the maintenance of the OECD monitoring process of labour rights in new members such as Korea.
- Sustainable development including climate change and general preparations by OECD for the RIO+10 sustainable development review, as well as work with the UN and responsible health, safety and environmental bodies (this work is co-financed and carried out jointly with the ICFTU).

The openness of the OECD to trade union views varies between Committees and Departments and also over time. As with the Bretton Woods institutions, since the 1980s it has been extremely difficult to make an impact on the thinking of the Economics Department, which remains focussed on deregulation and supply side orthodoxy. In 1998 the then President of the TUAC Bob White summed this up at the 50th Anniversary Seminar of TUAC: "The OECD has always played an important role in setting the economic policy agenda of member governments, through research and through discussions which lead to the development of a consensus. Unfortunately, OECD work in the 1980s and 1990s has been dominated by neo-classical "free market" philosophy and the organisation has seen growing unemployment largely as a function of labour market "rigidities", rather than as the result of the restrictive macro-economic policies it has prescribed.

The OECD has also tended to uncritically embrace market liberalisation, as in free trade, deregulation and privatisation, minimising the need for governments to put a social context around markets if they are to result in shared progress. TUAC has had some influence on the internal debate within the OECD, and those who follow the work of the organisation closely will know that it is far from monolithic. The TUAC role will, hopefully, become more central now that it has become clear that the radical liberalisation agenda has failed to build a stable and growing international economy, and has fuelled growing inequality and exclusion. The OECD could and should be at the cutting-edge of developing a new, more balanced consensus over the necessary role of both markets and regulation in a democratic society, and TUAC will continue to push the organisation in that direction”.

Paradoxically, however, parallel to the continuing difficulty to influence Economic and Finance Ministries, there is a growing openness from other parties in the OECD to have a dialogue with trade unions and also to take account of our views. This has been seen particularly in those departments - such the DAFPE (Financial Affairs) who were affected by the outcome of the MAI and already stated there has been some success in shifting the direction of overall policy to the “re-regulation of globalisation”.

(b) An assessment of “what works”

In assessing “what works” in getting access a number of factors would seem to be important:

- The origin of the OECD TUAC relation were in the immediate post-war reconstruction period of the Marshall Plan when governments needed the support of unions to get the plan implemented. Despite the political changes, the OECD currently still has an initial philosophy of dialogue with both sides of industry and consultation. Although this is less intense than in the European Institutions. TUAC does have a consultative status with the OECD, which means that activities are part of a continuing process and not one off events. Indeed in the last five years there has been an intensification of TUAC’s input with more in-depth engagement in the OECD with a number of Committees.
- To be effective, work requires the co-ordination of action at the OECD level by TUAC with activity at the national level by affiliates and in particular when it is necessary to develop pressure by unions on their governments to adopt stances at the OECD which can be mutually reinforcing of the union position.
- On key issues there is also a need to link campaigns at the OECD to wider campaigns of the trade union movement (such as debt relief and core labour rights) and close partnership exists in particular with the ICFTU.
- It has proved useful to form alliances with other groups - on occasion with NGOs and environmental groups and on occasion with the BIAC and individual employers.
- Physical proximity to the OECD is important with sufficient staff to be interacting effectively (TUAC has three full time policy staff and one position shared with the ICFTU which has proved to be a minimum to function).

- There has also been a division of labour with ITSs in particular on the sector work and in some areas of work the ITSs are effectively TUAC.

It can be useful to examine to what extent the above factors are repeatable in different contexts.

7. G7 /G 8 Summits

The annual Summits of leaders from the largest industrialised countries have provided the international trade union movement with regular opportunities over the last 25 years to make known trade union concerns and policy proposals on some of the key international economic issues. The practice of what started as the "Group of Seven" and now the "Group of Eight Summits" began in 1975 and has been held annually since that year. The first Summit was hosted by President Giscard d'Estaing of France and was motivated by the French and German desire to improve coordination of economic, financial and monetary policy among the major industrialised countries in light of the first oil price shock of 1973/74. Its main result was to agree a system of exchange rate intervention which linked the European currencies with the Dollar and the Yen. The first two Summits included only six countries (United States, Germany, France, United Kingdom, Italy and Japan), Canada was included in the process latter, and the European Commission was recognised as a full participant in 1982. Russia also become a participant in the 1990s.

No international organisation, apart from the European Commission, has been formally involved in the Summits. However there is a clear connection with the OECD Ministerial Council that meets one month before the Summit, and in fact the economic aspects of the communiques of these two meetings are usually very similar if not identical.

An internal review undertaken by TUAC back in 1993 of trade union involvement with the G8 process noted that the impact of the Summits had varied considerably depending on the political and economic context prevailing in the largest member states. The early Summits did achieve some concrete results, for example: exchange rate cooperation in 1975, economic stimulus in 1978, and oil import limitations in 1979. However in the early 1980s, with the election of governments in most member states that eschewed government intervention and strongly favoured market solutions, the member governments saw little or no role for internationally coordinated policies to address economic problems. As a result, in the 1980s the Summits increasingly dealt with political issues like terrorism, drugs and money laundering around which there was more scope for internationally coordinated action. Also during the 1980s the Summits expanded significantly from private meetings between leaders into events involving thousands of participants, including other ministers. The attention of the media on the Summits also increased dramatically during the 1980s.

In the period between the 1993 TUAC review and 2000 the election of more "centre-left" governments in the United States, United Kingdom, Germany, France and Italy and the demise of the so-called "Washington consensus" in respect of economic policy provided more scope for dialogue about international coordination of economic policies. Over the period 1991-94

employment related issues moved from being entirely omitted to be a prominent feature of the G8 summits. This new direction was emphasised in 1994 when the G7 held a special “Jobs Summit” in the US.²⁰

Trade union involvement with the Summits commenced in 1977, when the TUC arranged an ad hoc meeting with the British Prime Minister and Summit host, Jim Callaghan. The delegation consisted of trade union representatives from the Summit countries plus the ICFTU President, P.P. Narayanan, who brought a non-industrialised country dimension to the discussions. The delegation advocated the adoption of more expansionary economic policies in light of the problems engendered by the oil price crisis. The meeting used a text prepared by TUAC for the OECD Ministerial Council meeting. For the Summit the following year the DGB organised a meeting with German Chancellor Schmidt, preceded by a symposium involving trade union centres from summit countries, plus Belgium, and Holland. In addition the ICFTU, WCL, ETUC, NFS and TUAC were also invited. For this meeting TUAC was asked to prepare a statement which was adopted at the plenary session of TUAC.

This procedure has been followed since 1980 and a written statement has been delivered to the host of the Summit for transmission to the Summit meeting. The statement used for the Summit is essentially the same as the statement produced for the OECD Ministerial Council. The format for trade union involvement in the Summits has varied. The most common practice has been a preparatory session followed by a meeting with the head of the host Government and often accompanied by discussions with government officials. On many occasions this has been supplemented with seminars or conferences with public or trade union friendly institutions. Since the 1970s it has been general practice that the international trade union organisations ICFTU, WCL, ETUC and TUAC have been part of the trade union delegation. Invitations have always been the prerogative of the organisations hosting the meetings but these have been sent following bilateral consultations with those concerned.

The review undertaken by TUAC in 1993 stated that in assessing the influence that the trade union movement has been able to exercise over the global economy through these Summits there are two factors to consider. First, one has to consider the influence that discussions between the leaders and ministers of the G8 countries has on policy decisions that are ultimately taken by national governments and the impact of any instructions or signals they may give to the international financial and trade institutions. This in turn largely depends on the dominating economic and political perspective among the G8 countries at the time. As noted above in the 1970s governments did appear prepared to try and influence some key economic variables, like exchange rates, through coordinated action. The scope for such action diminished in the 1980s under the dominance of neo-classical economic thinking.

During the 1990s and particularly towards the end of the decade as concerns about the equitable distribution of the benefits from globalisation have intensified, the G8 governments have seemed more willing to contemplate using their annual meetings to indicate that they are sensitive to these concerns and they have been prepared to provide some very general signals about the need for improved governance of the global economy. In particular, the inclusions of positive statements

²⁰ ICFTU Activities Report 1991-94, p8

about core labour standards and international debt relief in Summit conclusions in recent years are encouraging. For example, in May 1998 the G8 Leaders meeting in Birmingham UK, stated “We renew our support for global progress towards the implementation of internationally recognised core labour standards.” Also in October 1998 the G8 leaders mandated the World Bank to draw up a set of general principles on social policy but the Bank has effectively managed to dodge this instruction. More recently the G8 Summit in July 2000 called for a new WTO trade round with an “ambitious, balanced and inclusive agenda, reflecting the interests of all WTO members”. It also included a statement that any new trade round should ensure “that trade and social policies, and trade and environmental policies are compatible and mutually supportive”.

What works?

The importance of these G8 statements are underlined when we consider the number and strength of anti trade and labour standards messages that were issued during 2000. For example, reports that categorically oppose the linkage between trade and labour standards in the last year included the UNDP Human Development Report; report by the UN Sub- Commission on Promotion of Human Rights; Group of 77 Summit Conclusions; Group of 15 Summit Statement; Non-aligned Movement Statement; and the ASEAN Labour Ministers meeting statement.

The G8 both reflects and creates a climate of opinion of the key governments and as such is an important forum for the trade union movement in attempting to promote one of the main trade union objectives and offset the messages emanating from various other inter- government forums. Nevertheless the G8 has its limitations and can be easily criticised. For example, it normally stops short of detailed or prescriptive solutions to the problems generated by globalisation and its conclusions are not necessarily binding on governments or other bodies. Part of the problem is that the Summit process does not have an institutional framework and this produces major problem for follow up.

Second, as TUAC noted back in 1993 the influence that the trade union movement can exert through the Summit process also depends on the quality of our internal preparations and the access we have to governments involved in the Summit, particularly the host government. Generally speaking the internal preparations now conform to a pattern involving the following elements: preparation of the trade union statement; contacts with government before the summit; the meeting itself; evaluation and follow up of the meeting. While, no doubt there is always room for refinement we can be fairly confident that this process is as efficient and effective as possible given the time and human resources the international trade union movement currently makes available for this task.

However the key factor the extent of access that the international trade union movement, and particularly TUAC has with the host government. Naturally this largely depends on the prevailing domestic political situation. For example, the recent meetings of Labour Ministers in Turin and Environment Ministers in Trieste, are a success for the trade union movement and we managed to have the majority of our concerns reflected in the communiqués. This was largely because of the close connections that exist between the current Italian Government and the national centres. Because of these connections TUAC was given open access to the “sherpas” preparing the Summit who were looking for ideas and issues to inject into the discussions. Given the importance

of this factor electoral changes raise questions over the influence that the trade union movement can hope to exert on the global economy through the Summit process.

A further question is posed by the growing NGO's protests around the G8 of both on peaceful and a violent nature. The union movement as in Seattle has both to show that it can mobilise its members on these issues, and yet that our concerns are differentiated from at least some of the NGO's.

8. United Nations Global Conferences of the 1990s

The United Nations held a series of large international conferences throughout the 1990s to heighten awareness of key global issues and set far-reaching agendas of international priorities for action. The main conferences were related to the environment (Rio de Janeiro, 1992), human rights (Vienna, 1993), population issues (Cairo, 1994), social development (Copenhagen, 1995), gender equality (Beijing, 1995) and cities' and shelter issues (Istanbul, 1996). All of these conferences with the exception of Habitat have finished unsatisfactory fifth anniversary reviews and are starting to plan their tenth anniversary review agendas.

The first six UN summits were significant in both the breadth of their coverage and the depth of their proposed solutions. They in the most part produced lasting and generally positive outcomes. Under the glare of publicity, governments felt compelled to agree to a number of commitments across the board. The final consensus documents were not legally binding but nevertheless provided a good roadmap of key priorities and areas for immediate action.

The five-year review sessions were not nearly as successful. At most, forward-thinking government negotiators tried to retain gains made at the original summits. Agreed text tended to be weak and desultory. A few new areas of concern were mentioned without great fanfare. No five-year review was particularly noteworthy.

The following will give a general overview of the main summit achievements as well as trade union priorities for some of these summits. Trade unions were usually involved both in assisting with final text negotiation as well as participating in corollary civil society forums. Since all of the conferences usually involved three to six official names, only the major conference names will be used below.

The Conference on Environment and Development (UNCED)- June 1992 , Rio de Janeiro)

The Rio Conference (the Earth Summit) was a global environment extravaganza. Over 100 world leaders gathered in Rio to emphasize the importance of environment and development. The Conference adopted the compact but beautifully written Rio Declaration, and the forty-chapter Agenda 21. Agenda 21 was a comprehensive plan of action to be taken globally, nationally and locally by organizations of the United Nations System, Governments, and Major Groups. World leaders also signed the Framework Convention on Climate Change and the Biodiversity Convention. The Global Environment Fund (GEF) was established under the auspices of the World Bank, UNDP and UNEP to fund projects related to the implementation of those two

conventions (and eventually others). African countries used the Rio opportunity to gain support for a Desertification Convention to draw attention and new resources to battle the environmental consequences of drought conditions in Africa. A Forestry Convention was not to be: in spite of serious lobbying by a number of countries, leaders would only agree to a Statement of Principles for the Sustainable Management of Forests. The Commission on Sustainable Development (CSD) was created in December 1992 to ensure effective follow-up of UNCED, and to monitor and report on the implementation of the agreements at the local, national, regional and international levels.

The Earth Summit was a success for trade unions. Unions were officially named a “major group” and a full chapter (chapter 29) was devoted to their work in Agenda 21--“Strengthening the role of workers and their Trade Unions”. It proposed the following objectives for accomplishment by the year 2000:

- a. To promote ratification of relevant conventions of ILO and the enactment of legislation in support of those conventions;
- b. To establish bipartite and tripartite mechanisms on safety, health and sustainable development;
- c. To increase the number of environmental collective agreements aimed at achieving sustainable development;
- d. To reduce occupational accidents, injuries and diseases according to recognized statistical reporting procedures;
- e. To increase the provision of workers’ education, training and retraining, particularly in the area of occupational health and safety and environment.

Chapter 29 also called on governments and employers to promote the rights of individual workers to freedom of association and the protection of the right to organize. Even the chapter on “Strengthening the role of Business and Industry” called on industry and business associations to cooperate with workers and trade unions to continuously improve the knowledge and skills for implementing sustaining development operations. In 1996, the CSD held a “Day in the Workplace” highlighting the good practices and partnerships of trade unions and business in implementing sustainable development in the workplace. ICFTU has been the lead organisation coordinating trade union involvement in all CSD programs and activities.

In stark contrast, the Earth Summit plus Five review produced measly gains. The final negotiated text underlined that little progress had been made since Rio. After a full week of day and night meetings, negotiators were not able to agree on the text of a shorter Declaration. The mood during negotiations was generally hostile with developing countries angry that financial commitments made at Rio were not met and that consumption and production patterns of the North were responsible for much of the world’s degraded environment. Even the arrival of dozens of world leaders including Mandela, Clinton, Gore and Blair did nothing to improve the mood or speed of negotiations. The dichotomy between the speeches of the world leaders and the reality

of negotiations painted a picture of a follow-up conference completely divorced from real government policy agendas. The new leaders wanted the accolades of a Rio Conference, without making the difficult decisions leading up to a new Rio.

The United Nations Fourth World Women's Conference -- 30 August- 15 September 1995, Beijing, China

The Fourth World Conference on Women set a broad gender equality and development agenda that will not likely be repeated for another twenty years. The Conference adopted a Declaration and Platform for Action, that laid out an expansive set of priorities and action plans in twelve key critical areas, including poverty, health, armed conflict, the economy, decision-making, human rights, media, the environment and girl child. The sections relating to women's reproductive health and sexual rights were the most progressive set of agreed conclusions on women's rights ever agreed at an international governmental conference.

On the trade union front, the document contained solid references to basic trade union rights and discrimination in employment. These references were achieved as a result of trade union lobbying efforts both in the preparation for the conference and at the conference itself. Representatives of the ICFTU and International Trade Secretariats attended the United Nations Fourth World Women's Conference and the NGO Forum '96 in Beijing.

Key references to trade union rights in the Beijing Platform for Action include:

Article 166 (l) requests governments to "safeguard and promote respect for basic workers' rights, including the prohibition of forced labour and child labour, freedom of association and the right to organize and bargain collectively, equal remuneration for men and women for work of equal value and non-discrimination in employment...",

Article 178 (h) and (i) specifically call on *inter alia* governments, employers and trade unions to "recognize collective bargaining as a right and as an important mechanism for eliminating wage inequality for women and to improve working conditions" and to "promote the election of women trade union officials and ensure that trade union officials elected to represent women are given job protection and physical security in connection with the discharge of their functions."

The Special Session of the UN General Assembly entitled "Women 2000: Gender equality, development and peace for the 21st Century", also referred to as "Beijing +5" (New York, 5-9 June 2000) was not nearly so successful. (Mary Robinson often refers to it as Beijing minus Five.) The final document was barely a step forward from the original Beijing Platform for Action. Most government negotiators were struggling to retain gender equality gains made in Beijing not looking to advance new agenda items. The only major gains were new language relating to trafficking of women, and stronger language on violence against women.

The trade union delegation was able to achieve a clear endorsement of the ILO Declaration on Fundamental Principles and Rights at Work. The text adopted on core labour standards committed governments to "Respect, promote and realise the principles contained in the ILO

Declaration on Fundamental Principles and Rights at Work and its Follow-Up and strongly consider ratification and full implementation of ILO conventions which are particularly relevant to ensure women's rights at work." The text on women and the economy states that "Equal pay for women and men for equal work, or work of equal value, has not yet been full realised. Gender discrimination in hiring and promotion and related to pregnancy including through pregnancy testing, and sexual harassment in the workplace still exist." The text also provided explicit recognition of trade unions as partners in the promotion of gender equality.

International trade unions had monitored closely the Beijing follow-up and took part in every annual session of the UN Commission for the Status of Women (CSW) from 1996-2000 assessing progress made since Beijing.

(The following is extracted from the information provided by PSI for this mapping exercise.)

PSI women's committee had determined that the issues related to women and their place in the economy should be their primary focus at Beijing + 5. PSI's overarching goals were to mobilize support for worker rights and prioritize ILO conventions 100 and 111. Specifically, PSI attempted to,

- . Raise the level of understanding and support for linking fundamental rights at work and trade issues;
- . Seek to mobilize support from the women's movement in the international union movement on fundamental rights at work;
- . Give emphasis to Conventions 100 and 111 of the ILO Fundamental Declaration on Rights at Work;
- . Debate the issue of fundamental labour rights and trade at the Special Session.

All of these goals were achieved, primarily by adhering to the following strategy:

- 1) Defining a clear objective for the B+5 process;
- 2) Producing easy to read material targeted to NGOs and activists for lobbying in all the lead up meetings;
- 3) Ensuring PSI had a delegation at all regional conferences and the final conference;
- 4) Working with NGOs.

PSI credits much of its success at Beijing +5 to its close working relationships with like-minded NGOs. Union positions were given enhanced weight, credibility and influence when they were championed by some of the more powerful women's NGOs.

But in spite of the joint efforts of unions and NGOs, a number of key paragraphs were deleted in the final document, including those related to engendering social dimension in trade through the observance of core labour standards, recognizing the increasing incidence of irregular forms of work as a result of globalization and encouraging the ratification and implementation of ILO Convention 182 on Child Labour.

Regardless of the disappointments, Beijing Plus Five was positive in terms of solidifying good relations between the trade union delegation and the women's NGOs. This warm relationship was exemplified by a joint declaration covering inter alia, the need for compliance by all governments and multilateral institutions with the ILO Conventions covered by the ILO Declaration of Fundamental Principles and Rights at Work.

The UN Social Summits

As seen above the Social Summit in Copenhagen was a significant as national governments strengthened commitments to social development and agreed to common strategies for improving the human condition. The summit discussions centred on the three core themes of the eradication of poverty, the achievement of full employment and the promotion of social integration. The final documents of the summit established a collective consensus on treating social development as one of the highest priorities of national and international policies and placing the human person at the centre of development.

The international labour movement was remarkably successful in achieving its principal goals at the original Social Summit. It was the occasion for a major ICFTU international mobilization aimed at reinforcing the role of the ILO as social pillar in the reconfiguration of the multilateral system for the emerging era of globalization. Initially viewed with suspicion by the ILO, the Social Summit became a vehicle for the ILO to increase its standing in the international system, largely as a result of ICFTU's efforts.

In the UN's Preparatory committees in New York, culminating in the third Preparatory Committee in January 1995, the ICFTU was represented by a high-level team from all regions. The trade union movement played a significant role in these committees, writing texts for the draft summit documents and participating with a strong delegation in the meetings and debates. The United Nations Ambassador with special responsibility for the Summit, Mr. Juan Somavia, took part in several meetings with the ICFTU in Brussels, Geneva and New York.

The ICFTU, in cooperation with the Danish LO, held a conference just before the summit to help finalise the trade union negotiating position, which was then taken up with governments during the summit.

The Social Summit produced the Copenhagen Declaration on Social Development and Programme of Action. The Programme of Action highlighted the ILO's core labour standards as an essential component of development strategies for employment creation, poverty reduction and social cohesion. The Declaration stressed the concepts of economic development, social development and environmental protection as mutually reinforcing components of sustainable development.

Overall, trade unions were pleased that their concerns about employment, international labour standards, democracy, equality, education and training, sustainable development and a range of other issues figured prominently in the final document. The successful outcome in the final statement was clearly the result of close team-work between the trade union representatives in

different government delegations to put sustained pressure on their government leaders to make an explicit reference to core labour standards.

The ICFTU published a “User’s Guide to the UN Social Summit” to help its members understand the Copenhagen Declaration and Programme of Action. The Guide focussed on the “ten commitments”, with the aim of highlighting the major points and providing a readily usable reference. The Guide suggested that member unions write to their governments and ask for details on the establishment, membership and timetable of National Commissions. The ICFTU Guide emphasised that National Commissions should involve trade unions and other main NGOs. The Guide also recommended that unions look carefully through the Declaration and Programme of Action, identify issues of particular interest and take those issues up with the relevant authorities and organisations and report results back to the ICFTU.

The United Nations General Assembly Special Session entitled “The World Summit for Social Development” (or Copenhagen + 5 or Geneva 2000) was not nearly so successful as its original namesake. Suffering from conference fatigue, biased chairmen, a small but intransigent set of opposition countries, and a fuzzy agenda, the conference flagged early and never recovered. Virtually no major breakthroughs were made during the week of Geneva 2000, when government negotiators faced their greatest amount of public lobbying pressure and media publicity.

The ICFTU was disappointed that negotiators did not mention the 1998 ILO Declaration in the final Copenhagen+5 declaration. The ILO Declaration and the ILO Convention on the elimination of the Worst Forms of Child Labour were the two greatest multilateral achievements of the labour movement since the original Social Summit. There was also no explicit mention in any of the Copenhagen + 5 documents of the need for governments to address the social consequences of globalisation.

The ICFTU was very active in making inputs to the preparatory process at various junctures, including the Commission for Social Development in February 1999, the first Preparatory Committee in May, 1999, the Inter-sessional consultation in August 1999 and the ILO consultation in November 1999.

The ICFTU participated in the UN Commission for Social Development from 8-17 of February, 2000 as well as an Inter-Sessional consultation from 21-25 February. The ICFTU presented written and oral Statements to the Commission for Social Development, the Preparatory meetings and Intersessional consultations. On request from the ICFTU, affiliates had lobbied their governments on trade union priorities ahead of the major preparatory meetings. The regional bodies ICFTU-APRO, the ICFTU-AFRO and ICFTU-ORIT participated in regional NGO preparatory meetings and brought regional trade union perspectives and priorities into the lobbying work centered in New York. The ICFTU also worked actively at both substantive and organisational levels, coordinating with Geneva and New York for effective trade union involvement in the Special Session and in the Geneva Forum events.

The ICFTU statement to the Special Session urged governments to agree to a document that strongly reaffirmed the Copenhagen commitments they adopted five years ago, and outlined further effective measures to end poverty and social exclusion and bring about sustainable

economic growth with full employment and respect for basic workers rights. The Statement also set out twelve priorities which the ICFTU wanted to see incorporated in the final documents adopted by the Special Session. During the Special Session, the ICFTU delegation worked effectively with a number of developing country governments to promote the availability of drugs to fight HIV/AIDS.

The final Copenhagen Plus Five document contained a number of key statements important to trade unions. These included:

- . A call for ex ante assessments and continuous monitoring of the social impact of economic policies at both the international and national levels. (para 8);
- . A range of measures to address the volatility of short term capital flows, including considering a temporary debt standstill (para 13 a);
- . Re-evaluation of national fiscal policies, including progressive tax mechanisms, with the aim of reducing income inequalities and promoting social equity (para 27d);
- . Improving the productivity of the informal sector by increasing training and access to capital, improving working conditions through respect for basic workers rights, enhancing social protection and facilitating its eventual integration into the formal economy (para 27i);
- . A number of references to promoting fundamental workers' rights, defined as "prohibitions on forced labour and child labour, safeguarding of the rights of freedoms of association and collective bargaining, equal remuneration for women and men for work of equal value, and non-discrimination in employment";
- . Call for new, financial commitments for education, estimated to cost on the order of \$ 8 billion a year;
- . Establishing a world solidarity fund to contribute to the eradication of poverty and promote social development in the poorest regions of the world (para 110);
- . Call for the 25 African countries most affected by HIV/AIDS to adopt time-bound targets for reducing infection levels such as reducing infection levels in young people by 25 percent by 2005 (para 122);
- . Ensuring structural adjustment programmes include social development goals (Commitment 8);
- . Analysis of proposals for new and innovative sources of funding to dedicate to social development and poverty eradication (eg. capital transaction tax or Tobin tax) (para 142g);
- . Extensive references to promoting gender equality including closing the gender gap in primary and secondary education by 2005, ensuring free compulsory and universal primary education for both girls and boys by 2015 (para 80a) and achieving a 50 percent improvement in levels of adult literacy by 2015, especially for women (para 80 c). It was

agreed to establish a co-ordinated action-oriented framework to link the Copenhagen plus 5 and Beijing plus 5 outcomes.

According to a PSI analysis submitted in response to this mapping exercise, unions were not successful in advancing their agenda at Geneva 2000 because the necessary preparation before Geneva 2000 had not occurred. PSI identified four principle areas requiring further attention by trade unions:

- . Defining a clear objective of the intervention (ie. what language did we want in the text, which issues were we going to focus on);
- . Production of clear/simple material aimed at participants in the process;
- . Strong relationships with NGOs and participation in caucuses;
- . Lobbying governments before arriving.

In particular, PSI stressed that the union caucus at Geneva 2000 was not inclusive of NGOs and union officials rarely attended NGO caucuses. This meant that few NGOs championed major union positions. In its report, PSI underlined the importance of having labour issues discussed, understood and supported in a wider forum of NGOs and governments. In sum, the PSI report said, “ We need to identify those NGOs we can work with and maximize our influence with governments.”

9. UNCTAD

UNCTAD was established in 1964, at a time when much of the world had decolonised and joined the United Nations but before the 1970s cry for a fairer international economic order. Its main goal was to maximize the trade, investment and development opportunities of developing countries. Trade unions heralded the birth of UNCTAD as an important step towards making the international trade and economic order work for all, particularly the world’s poorest countries. But UNCTAD never lived up to its potential. It spearheaded commodity agreements and commodity funds, which set a base price for commodities like coffee, sugar or tin. The Agreements stabilized commodity prices for a while but could not sustain themselves over a long term market downturn. The Tin Agreement fiasco in the late 1980s soured governments tastes forever for international price stabilization mechanisms.

In March 1987, UNCTAD instituted a process of annual consultations with trade unions, involving all the international trade union organisations. Generally, these discussions took place during the ILO Conference, providing an opportunity for unions to build up direct contacts with the UNCTAD Secretariat and influence their views. Discussions focussed on the link between workers rights and trade and usually also touched upon questions of trade, debt, commodity issues, and least developed countries.

UNCTAD today is a 350 person organisation, based in Geneva, with the formal mandate to provide guidance to developing countries in trade negotiations. It defines that mandate very

narrowly and rarely injects a labour, gender or environment perspective into its trade debate discussions.

The recent UNCTAD X meeting in Bangkok (12-19 February, 2000) adopted a Plan of Action, setting out the UNCTAD work plan for the next few years. It mandates UNCTAD to continue its work related to globalization and development, international trade, investment, and the trade service infrastructure (eg. customs, transport etc.) The UNCTAD X meeting was not well attended by national level unions, except small delegations from AFL- CIO and the Italian trade unions. The ICFTU prepared a detailed written submission for the meeting calling for the globalisation of social justice and a renewed commitment to the development of the world's poorest states. The Public Sector International (PSI) also made a useful contribution to the preparation of background briefing papers.

To the relief of many trade unionists, the final UNCTAD X Declaration did not include a negative reference to the concept of labour standards and trade linkage. Dr. Supachai Panitchpatkdi, the future head of the WTO who chaired the Conference, again called for setting up a ministerial dialogue on this subject, organised by a neutral party that was neither the WTO nor the ILO. Unions feared that he would propose that UNCTAD should lead inter-agency work on labour standards. Trade union officials believe that UNCTAD as an agency is unsuitable for leading that debate, given its lack of competence in promoting better labour conditions. It is feared that the trade and labour standards issue would be marginalised because UNCTAD is not taken seriously by most northern governments and could never garner sufficient political will for meaningful change.

That said, like the proverbial wasp at a summer picnic, UNCTAD needs careful attention to prevent it from ruining the core labour standards party. For example, UNCTAD gave out an instruction kit to trade negotiators from developing countries at the WTO ministerial in Seattle, advising them not to agree to core labour standards. This had little impact given the overall results of Seattle, but potentially could have had serious ramifications for the labour movement and the labour standards question.

10. United Nations Environmental Programme (UNEP)

The United Nations Environmental Programme (UNEP) is the main UN body with the responsibility for implementing the environmental component of sustainable development, within the United Nations system. Its headquarters are in Kenya, with regional offices on every continent. It has a Governing Body which meets biennially and is composed of member States that chose to join. UNEP has responsibility for monitoring the environment for the purposes of early warning environmental assessments and in developing programs related to environmental law, environmental policy implementation, technology & industry, regional cooperation, as well as the overseeing the administration of certain Conventions, ie. for ozone depletion, desertification, climate change, Prior Informed Consent(PIC), Basel Convention, biological diversity, and endangered species. It also has responsibility for implementing certain aspects of Agenda 21 Chapters, i.e. for, chemicals, wastes, water and atmospheres.

Unfortunately, UNEP has never lived up to its original promise. It chronically lacks funding: it does not have the luxury of assessed contributions like most specialised agencies and lives off paltry voluntary contributions that wane with economic or political exigencies. Headquarters in Kenya puts UNEP leaders on the horns of a dilemma –spending time in Nairobi keeps them away from UN decision-making in New York, but if they want to keep a pulse on developments in New York, they are not managing hands-on their organisation in Kenya. They also suffer from chronic staff shortages and other difficulties due primarily to their distant location.

The result has been that UNEP was sidelined in the 1990s and any new environmental initiatives distanced themselves from UNEP headquarters in Nairobi. The new Secretariats to the Desertification and Climate Change conventions are in Bonn and the Secretariat to the Biological Diversity convention is in Montreal. The post-Rio Commission for Sustainable Development in New York has taken the spotlight from UNEP on many environmental issues.

But the fight to save UNEP is not over. Over the years, UNEP has developed into a first class research facility, especially on fresh water and earth science issues. Klaus Topfer, ex-German Minister of the Environment, ex-Minister of Urban Affairs and a principal mover and shaker at Rio, was called on in 1998 to re-ignite the environmental flame, enhance UNEP's profile internationally, manage better the UNEP organisation, and bring major Euro money into the UNEP family. There was also tiny rumblings that he might be a good founder of the first World Environmental Organisation that would have the standing, the knowledge and the bucks to meet the World Trade Organisation head-on.

Until recently UNEP has quite strictly defined its work as touching only the environmental arena and has maintained a distance from the dealing with the social dimension of sustainable development. However, in the last five years, or so, a social interface with environment has begun to emerge in UNEP's work, especially as related to poverty, population and regional economic development.

In general, trade union issues (workplace participation, worker involvement, and employment) have not played a significant role in UNEP discussions and debates. However, because of the increasing roles accorded to NGOs and Civil Society, there is an opening for these questions to find their way into UNEP's policies and practice. Trade unions have, for the most part, not been involved in the UNEP processes, despite UNEP's invitation for them to do so. The ICFTU, has official NGO status with UNEP and is invited, as a matter of course, as an observer at its Governing Body and other meetings. On occasion, ICFTU has nominated trade unions (e.g. for PIC, biological diversity, and climate change), however, overall participation remains rather spotty and issue based.

Mr. Klaus Topfer has mentioned the roles of workers and trade unions in speeches (e.g. about Central and Eastern Europe and Rio+10, for example), signalling an openness to include unions in debates. Mr Topfer was Chair of the CSD in 1994, when the ICFTU first began to make progress, as part of the multi stakeholder dialogue that has become common practice today. His relations with the German trade union movement on environmental issues remains quite good.

More recently the Division of Technology, Industry and Economics (DTIE) in Paris has taken an interest in including trade union participation within its policy framework and both ICFTU and TUAC have taken up the mantle, especially with regard to DTIE's work on Voluntary Agreements, the Global Reporting Initiative and the Global Compact. This Division is currently seeking to obtain a mandate to work on implementing the Global Compact, and it seems to have intensified efforts to include a social dimension in its work, in particular workers rights and employment issues. This is significant because the DTIE works quite closely with industry, undertaking joint projects and research, which is almost totally funded by industry. Some ITS (ICEM, IUF) have participated in DTIE work (e.g consultations, publications, etc) and TUAC is invited now, as a matter of course, to the yearly meetings organised by DTIE with industry representatives.

UNEP has been selected as the main coordinating body, along with the CSD, for the public preparatory process, leading to RIO+10, beginning with the regional Round Tables, to begin in May-June, 2001. UNEP, despite the constraints mentioned above will have a role in shaping the outcome of Rio+ and trade unions would find themselves welcome if they were to take a more in depth interest in the work of the organisation.

UNEP and ILO have recently renegotiated an old agreement, which seeks, in part, to have the ILO play a role in bringing in the social dimension into its environmental work. However, in the past the ILO has not demonstrated very much interest in implementing the agreement, and now UNEP appears poised to do some of this work on its own.

11. ASEM

The Asia-Europe meeting (ASEM) gathers the European Union's 15 heads of State and Government—as well as the President of the European Commission—and the leaders of ten Asian nations--Brunei, China, Indonesia, Japan, South Korea, Malaysia, the Philippines, Thailand, Singapore and Vietnam. Russia, New Zealand, Australia and Switzerland are in the membership queue. ASEM has a much broader mandate than APEC; leaders work to foster political and security dialogue, reinforce economic co-operation and promote socio-cultural exchanges. The first ASEM meeting took place in Bangkok in 1996 and the second in London in 1998, the third in Seoul, and the fourth will be in Denmark in 2002.

The ICFTU/APRO submitted a statement to the first-ever ASEM summit in April 1996. Subsequently, an ETUC/ICFTU/APRO statement to the 1998 ASEM summit in London was prepared and discussed with the British Foreign Minister hosting the summit in March 1998.

The ICFTU, together with ICFTU/APRO and the ETUC, held an important conference in Seoul in October 2000 that endorsed a follow-up programme of actions and in particular called for a social pillar to ASEM.

At the most recent ASEM meeting in Seoul in October 2000, behind closed doors, leaders adopted the Asia-Europe Co-operation Framework 2000, a roadmap to guide ASEM over the next decade. It describes plans to make Asia and Europe "an area of peace and shared

development" and sets out a common vision for the ASEM process such as respect for democracy, equality and human rights and a commitment to eliminate poverty. Leaders also forged closer security ties, and focussed on improving networking and information exchange relating to crime, including human trafficking. A round table with NGOs and trade unions discussed the economic and political impact of globalization.

While the ASEM Summit is essentially a high level talk-fest, it can also be a good barometer of the degree of consensus among or within regional groups on key economic issues. At a 1999 meeting in Berlin, European and Asian ministers were not able to bridge their differences on labour rights and other WTO issues, dashing EU (and especially German) hopes to issue an "ASEM message of support" for the Seattle talks a few weeks later.

While ASEM remains an informal dialogue-based process, there are nevertheless a small number of corollary institutions and programmes:

- the Asia-Europe Foundation (ASEF) located in Singapore, promotes exchanges in the intellectual, social and cultural fields;
- the Asia-Europe Environment Technology Centre (AEETC) located in Bangkok, aims at promoting Asia Europe co-operation on key environmental themes;
- the ASEM trust fund, has the objective of providing technical assistance in both the financial and social sectors for Asian countries affected by the financial crisis. This is complemented by the European Financial Expertise Network (EFEX), as a means of providing financial-sector expertise.

Asian and European labour leaders denounced the Seoul ASEM agenda as reinforcing a free-market approach to economic issues while ignoring people's basic rights. Activists feel that the leaders focussed on economic issues to the exclusion of political or social issues. Union leaders called for a new set of priorities for ASEM based on freedom of association and the right to organise, respect for human rights, sustainable growth, full employment and social inclusion.

The ASEM 2000 People's Forum served as a counterpart to the official ASEM Forum. Co-chaired by the President of the Korean Confederation of Trade Unions (KCTU), it held plenary sessions on ASEM and economic globalization, human-centered security and peace, and poverty, unemployment and the responsibility of governments. Over 20,000 labour, environment and other activists held a rally opposing "neo liberal globalization" and the ills of globalization during the Seoul summit. A resolution entitled "People's Vision" was sent to the heads of state attending the official Seoul ASEM. It called for the official ASEM to have another parallel body, a "Social Forum" that would co-ordinate the participation of civil society representatives in the various ASEM meetings and programmes.

12. Commonwealth Secretariat

The Commonwealth Trade Union Council (CTUC) was founded in 1979. Since its foundation the CTUC has lobbied the Commonwealth Secretariat on labour issues, in particular by submitting a memorandum to the meeting of Commonwealth Heads of Government (CHOGM) which takes place every two years. The CTUC has also lobbied meetings of Commonwealth Labour Ministers and Finance Ministers. Occasionally the CTUC have forwarded documents drawn up by the ICFTU to the Secretariat prior to particular meetings. The CTUC does not have sufficient resources to draw up its own submissions on every issue.

CTUC has also worked with its member organisations in developing countries to lobby regional bodies on labour issues, for example in Southern Africa in co-operation with SATUCC. Information gathered from regional and national training activities is used to ensure that submissions made to external bodies properly reflects the views of CTUC members. Education and training activities are also used to try to involve grassroots members in debates about the issues that affect them.

CTUC is also beginning to work in the area of corporate social responsibility; the Commonwealth Business Council is the key counterpart body in this area. CTUC is currently involved in a dialogue with CBC about the adoption of a set of principles for their members.

REGIONAL DEVELOPMENTS

The Americas

At the Summit of the Americas held in Miami from December 9th through 11th, 1994, the leaders of all the nations in the Western Hemisphere except Cuba agreed to begin negotiating a treaty to create a Free Trade Area of the Americas (FTAA) to be ready for signature by 2005. This involves the progressive dismantling of barriers to trade and investment and the full operation of a free trade area by 2005. The upcoming Third Summit of the Americas in Quebec City, Canada, 20-22 April 2001 will seek to reinvigorate this process.

The Free Trade Area of the Americas is intended to be just that: a free trade agreement, not a customs union or common market. The Plan of Action sets out a list of specific trade policy areas in which "balanced and comprehensive agreements" will be sought. These areas include: tariffs and non-tariff barriers affecting trade in goods and services; agriculture; subsidies; investment; intellectual property rights; government procurement; technical barriers; safeguards; rules of origin; antidumping and countervailing duties; sanitary measures; dispute resolution; and competition policy.

FTAA negotiations are well on their way. A hemispheric meeting of Ministers of Trade in the next few weeks in Buenos Aires will assess progress to date on the implementation of a Plan of Action. A Civil Society Committee is mandated to bring the concerns of civil society to the negotiations—a first in international trade negotiations. The government of Canada launched last month a Framework for Conducting Environmental Assessments of Trade Negotiations in order to ensure that environmental impacts and opportunities are identified and considered during the FTAA negotiations.

The FTAA is expected to unite 34 countries of the Americas in a market with a combined population of over 800 million and a GDP of almost \$12 trillion.

The growing importance of regional integration has been the focus of many ICFTU/ORIT efforts co-ordinated by the ICFTU/ORIT Working Party on Hemispheric Integration. At the Miami Americas Summit meeting, ICFTU/ORIT proposed to the heads of State and government that, in addition to the seven working groups responsible for framing trade and investment measures, an additional working group and a regional forum should be created for tripartite discussions on how to incorporate the social clause in the FTAA. The majority of governments, however, continue to maintain that the ILO is the competent organisation for labour matters.

High level labour summits were held prior to government meetings in the FTAA process in Denver (June 1995), Cartagena (1996) Brazil (1997) and Chile (1998).

ICFTU/ORIT play a leading role in the Continental Social Alliance, which brings together trade unions and many other civil society groups with diverse aims, but an agreement that if the FTAA neglects adequate attention to social issues, it will not be acceptable.

The integration process in the American hemisphere is currently progressing along three parallel tracks. First, the Summit countries have established a series of working groups in which their trade ministers will lay the groundwork for the substantive FTAA discussions that lie ahead. Second, existing Regional Trade Agreements, especially the G-3, NAFTA and MERCOSUR, continue to consolidate and establish their basic integration regimes. Finally, the process of bilateral trade relationships continues, with fewer new bilaterals agreements created but existing ones consolidated.

1. MERCOSUR –Common Market of the Southern Cone

Mercosur was formed by the Treaty of Asuncion, concluded on 26 March 1991, between Argentina, Brazil, Paraguay and Uruguay. The Treaty provided for the gradual construction of a free trade zone between the four countries and for a common external tariff with the rest of the world. Mercosur is therefore an “imperfect customs union” with special tariff regimes until the year 2006 when it hopes to become a Common Market.

Its four member States (Argentina, Brazil, Paraguay and Uruguay)together account for 45 % of the total population of Latin America (almost 200 million) and 50 % of its product. Chile and Bolivia participate as associate members.

Between 1990 and 1995, intra-Mercosur trade rose by 200 percent while the block’s foreign trade rose by 80 percent. Mercosur is cited as the first successful trade block among developing countries and is taking steps to conclude or negotiate tariff preference or free trade agreements with other groups or countries (US, Canada, Chile, EU etc.)

Even though exports in the region have increased dramatically since the birth of Mercosur, the employment consequences have been rather dismal. The change in the composition of jobs has led to more low quality jobs, underemployment and a deterioration in real wages. Between 1990 and 1996, four out of every five new jobs in the Mercosur regions were created in the informal sector. The Assistant Director General of the ILO and Director of the ILO Regional Office for the Americas, Mr Victor E. Tokman, signalled in 1997 the Mercosur trend towards “the constant growth of the informal sector with a greater percentage of workers with precarious employment contracts and new forms of subcontracting between enterprises.” He added that “by means of this “defacto flexibilisation” enterprises have managed to increase their capacity to adjust to an uncertain, changing and competitive market, but this has also been to the detriment of the right of workers to stable, secure and well-paid jobs.”

The original Treaty of Asuncion did not contain any standards respecting workers. On 9 May 1991, less than 2 months after the signature of the original Asuncion treaty, the Labour Ministers of the four signatories issued the Declaration of Montevideo which made reference to: 1) the need to give due attention to the labour aspects of Mercosur in order to ensure that it produced an effective improvement in employment conditions; 2) a proposal to establish a working subgroup on labour matters within the organic structure of Mercosur; and 3) an initiative to study the possibility of adopting a Mercosur social charter.

Sub-working group 11 (currently WSG 10) on Labour relations, employment and social security was established for this purpose. It set up eight committees to examine labour relations, employment and migration issues, vocational training, health and safety at work, social insurance and labour costs in specific sectors and international labour standards. The meetings of the subgroup itself, and of each of the committees, were composed not only of government representatives but also of a substantial number of representatives of employers’ and workers’ organisations, and recommendations were generally adopted by consensus. These sectors were represented by the main trade union and employer confederations of each country. For example, the Committee on Principles proposed and conducted studies on the possible nature, content and effectiveness of a Social Charter. The promulgation of a Mercosur Social Charter had been a top priority of trade unions in the region. A detailed preliminary draft entitled “Charter of Fundamental Rights of Mercosur” had been drawn up by the Trade Unions Coordinating Body for the South for review by WSG 11.

In 1994, the Additional Protocol to the Treaty of Asuncion was signed in Ouro Preto, Brazil and established the Social and Economic Advisory Forum (*Foro Consultivo Economico-Social*). It is made up of the trade union federations and business chambers of the member countries, as well as representatives of other sectors, like consumers, members of cooperatives and university graduates. It is the only existing Mercosur body with specific competence in labour matters. It is purely a consultative body that may only submit recommendations to the decision-making bodies of Mercosur, making it always subordinate to higher powers.

The Mercosur Social and Labour Declaration (*Declaracion Sociolaboral del Mercosur*) was signed by Heads of State of the four member countries at the end of 1998. It is a solemn, forward-looking proclamation of the fundamental principles and rights in the world of work of Mercosur.

It enshrines freedom of association, the right to bargain collectively and the right to strike as fundamental rights.

The Declaration also establishes a tripartite Social and Labour Commission to promote the objectives of the Declaration. The tasks of the Commission are extensive: examine reports made by state parties on the application of the Declaration; create action plans to apply the Declaration in member countries; review observations regarding derogations or difficulties resulting from the application of the Declaration; clarify the meaning of Declaration terminology; and, suggest future modifications to the Declaration. Although the Commission has no “teeth” per se, its wide range of duties and responsibilities may propel it to take a leadership role on labour issues in Mercosur.

Trade unions have been the driving force behind the early development of the social dimension of Mercosur. They have played an important part in defining and constructing Mercosur’s social space, particularly through the Mercosur Trade Union Commission, within the Trade Unions’ Coordinating Body for the South. The Coordinating Body played a vigorous and effective role both in the former WSG No 11 of Mercosur and during the period leading up to the formation of the Economic and Social Advisory Forum. It now has a permanent place both within the Forum and in WSG No 11.

As well, ICFTU/ORIT submitted a statement to the Ministerial Meeting of European Union and Latin American countries in Bolivia in April 1996. In June 1996, a regional seminar on “The Processes of Latin American Integration” was held in Brussels prior to the ICFTU World Congress. The ICFTU/ORIT, ETUC and WCL/CLAT held a seminar on European Union-Mercosur relations in May 1998 in Montevideo, Uruguay.

2. CARICOM --Caribbean Common Market

The Caribbean Common Market (Caricom) was formed as part of the Caribbean Community in 1973 by the 13 English speaking countries of the Caribbean Basin, replacing the earlier, more limited Caribbean Free Trade Association, established in 1965. The Community had three principal integration objectives: 1) economic integration, emphasizing coordination and joint action among the small member state economies; 2) regional cooperation in infrastructure and basic services projects including health, education, information, and broadcasting; and, 3) coordination of foreign policy. Caricom countries never met target dates for introducing a Common External Tarriff and have only recently redoubled efforts to achieve a common market as soon as possible. The protocols have been signed in 2001 for the establishment of a single Caribbean market and economy.

In an effort to deal with hemispheric integration and to build leverage in trade negotiations with other trading blocs, Caricom leaders decided in 1999 to move quickly to complete a regional common market with ambitious future plans for a common currency. Caricom countries were concerned that they would be adversely affected by changes in the global economy and be unable to deal with blocs such as Nafta and Mercosur as well as not participate effectively in the proposed Free Trade Area of the Americas. Caricom leaders hoped that a common market would allow the region to effectively co-operate with the countries of Central America in weathering expected problems from the progressive liberalisation of the global economy.

The community revised its 27-year-old treaty to allow the free movement of capital, skills and services among members; it negotiated multilateral investment treaties, intellectual property rights agreements, and new, more open provisions for sea and air transport. It created a customs union with common tariffs on imports from third countries. A nascent regional capital market is encouraging cross-listing of stocks on the Barbadian, Jamaican and Trinidadian exchanges, with exchanges being planned for Guyana and the Windward and Leeward Islands. A special protocol will address the special difficulties of particularly disadvantaged countries (eg. Haiti, Guyana and Belize).

The Caribbean Court of Justice, which is to replace the Judicial Committee of the Privy Council in London as the supreme judicial body for the former colonial Caribbean islands, will be created in 2001. It will not only be the highest appeal court for Caribbean nationals in civil and criminal cases, but will also have the authority to apply and interpret the treaty governing the Caricom single market.

Caricom countries have agreed to work towards a common currency, but this will depend on achieving economic convergence among members. Achieving such convergence will be difficult for the community because of widely differing economic policies and varying levels of development among the Community's members.

At the most recent Caricom heads of government meeting in Barbados in February 2001, regional leaders decided that member states would establish Inter-Ministerial Consultative committees and would encourage the establishment of business and labour advisory committees. Leaders also established a Prime-Ministerial Sub-Committee for the Caricom single market to give impetus to its establishment and operation. This Sub-Committee would be supported by a Technical Advisory Council comprising members from regional institutions, civil society, private sector and labour organizations.

The Caribbean Congress of Labour (CCL) has made regular submissions to Caricom and has organized high-level tours to meet regional leaders and impress upon Caribbean governments the importance of trade union proposals. It has made presentations but has not remained in the meeting room beyond the period for the regional presentations from employers, workers and NGOs.

The CCL is seeking to have the opportunity to meet and have inputs on a broader basis. Governments may be moving to respond, since some governments have CCL affiliates on their national negotiating teams, and do include labour in some trade and protocol overseas missions. It is to be hoped that the Regional Negotiating Teams for both the Americas and for Europe will increasingly include CCL and draw from its inputs.

CCL has put forward a submission for a Caribbean Social Charter to be a prerequisite for the establishment of a single labour market. Efforts have also been made for the harmonization of certain labour legislation. This has been so far rejected, because some countries have found that workers protection was lost. The draft legislation is still very visible.

3. NAFTA–The North American Free Trade Agreement

After heated debate, the North American Free Trade Agreement (NAFTA) came into effect in 1994, establishing a free trade zone throughout North America from the Arctic circle to the Yucatan Peninsula.

It was originally negotiated under the first Bush presidency, signed on December 17, 1992 and presented to Congress under a different administration—the first instance since the establishment of the modern trading system in which a trade agreement signed by one President was presented to Congress by a different President. Ambivalent on NAFTA during his presidential campaign, President Clinton only accepted NAFTA with the addition of supplementary environment and labour agreements. Two agreements were quickly negotiated and Congress approved the NAFTA total package in November 1993 in a dramatic and very close vote.

NAFTA is a wider and deeper version of the very controversial 1988 Canada-US Free Trade Agreement—with a new partner-- Mexico.

The stated objectives of the NAFTA were to eliminate both tariff and non-tariff barriers to trade in, and facilitate the cross-border movement of, goods and services between the member states; promote fair competition within the free trade area; increase investment opportunities; and protect and enforce intellectual property rights.

The Agreement is a thick book of 22 chapters and lengthy annexes. It covers such topics as trade in goods, government procurement, trade in services, including telecommunications and financial services investment and intellectual property. It has two trade-related dispute settlement mechanisms. Chapter 19 allows companies to ask for a binational panel review of anti-dumping, countervailing duty and injury final determinations. The panel decides whether a final determination is in accordance with the law of the importing country—not some international standard. The second dispute settlement mechanism under chapter 20 allows government parties to request a dispute settlement panel to adjudicate disputes covering the interpretation or application of the NAFTA.

Unions in Canada and the United States fought tooth and nail against the agreement. Unions in the United States argued that jobs would move to Mexico and put downward pressure on wages and health and safety standards in the workplace. Unions in Canada worried that closer integration with the US economy would hinder the Canadian government's ability to implement "made in Canada" social, cultural and economic policies. Unions in Mexico supported the agreement for bringing jobs and opportunities to Mexico.

The addition of the quickly drafted North American Agreement on Labour Cooperation (NAALC) did not mollify North American unions. Supporters say that it is the first international labor agreement linked to a trade treaty. It provides an elaborate machinery under extensive public scrutiny and publicity, involving the highest echelons of political power, to review and pronounce on violations of key labour standards on the territory of any of the contracting parties.

Detractors say that it does not protect core labour standards. The US labor movement opposed the NAALC because it did not penalize violations of collective rights with monetary sanctions, and the most fundamental worker rights like freedom of association or the right to strike remained unprotected. Mexican PRI unions opposed NAALC, arguing that Mexican workers fundamental rights were protected adequately by Mexican labor law.

The NAALC sets forth objectives that include promoting 11 basic labour principles, promoting international cooperation in the labour arena, improving working conditions and living standards and ensuring the effective enforcement and transparent administration of labour laws. The NAALC countries agree to a set of six obligations that relate specifically to the effective enforcement and transparent administration of local labour law. Countries have not agreed to common laws or any international standards. They have agreed to apply their own labor law in their own countries.

The Agreement established an organization structure for implementing the agreement. It creates the Commission for Labour Cooperation, headed by a Council of Ministers made up of the cabinet level minister or secretary responsible for labour matters in each nation, and an international Secretariat to support the Council. Each government has also established a National Administrative Office (NAO) within its ministry of labour to receive communications from the public in that country, to provide information, and generally to facilitate participation under the Agreement.

According to recent NAALC Secretariat publications, the Agreement “creates an international discipline on enforcement of domestic labor law.” This means nothing and that is precisely the problem.

The treaty sets up a hierarchy of labor rights with various levels of protection according to the nature of the protected right. Collective rights like freedom of association receive the lowest level of protection. In the event of an alleged violation, relevant “persons” like trade unions or legal representatives can file a submission to a NAO specifying details of the complaint, including an explanation of how the matter is inconsistent with a party’s obligations under the treaty. If accepted for review, the NAO must issue a public report with findings and recommendations. If deemed necessary, the matter may merit “consultations at the ministerial level”, the highest level of review for alleged violations of freedom of association or collective bargaining. An alleged violation of “technical labor standards” like forced labor can merit evaluation by a Committee of Experts. The highest level of review is given to complaints involving occupational health and safety, minimum wage and child labor: arbitral panels may decide that sanctions are appropriate for a “persistent pattern of failure” to enforce these rights.

To date, the Commission likes to suggest an educational tripartite workshop to deal with most violations. For example, UNI’s North American postal affiliates filed a complaint in 1999 against the Government of Canada for failing to meet its legal obligations with regard to its treatment of rural letter carriers. The result was a workshop. Thanks to NAFTA, the North American labor movement enters the 21st century challenged with turning “the workshop” into a finely honed tool to protect the North American worker.

4. Other Developments

ICFTU/ORIT has maintained close contacts with the Inter-American Development Bank (IDB) such as a joint ICFTU/ORIT/IDB Conference on "Dialogue for development, democracy and equity" held in Caracas in January 1995 and participation of the ICFTU/ORIT General Secretary in an IDB conference on Informatics held in Washington in September 1997, which included a meeting with the IDB President. A high level round table with the IDB President took place in February 1998 and led to agreement on holding annual round table meetings with trade unions.

A high level working group was established between the Inter-American Development Bank (IAB) and the ICFTU's Inter-American Regional Organization of Workers (ORIT) in September 2000. The Working Group is the first formal institutional relationship between trade unions and a multilateral development bank.

The first meeting in September 2000 discussed the following issues:

- effects of globalization and economic integration on hemispheric labour markets and on core labour standards;
- upcoming changes in the IAB's evaluation procedures and the possibilities for trade unions to participate in evaluation of projects and policies;
- the reform of social services in the Americas and labour's role therein; and,
- proposals for a joint IAB/ORIT programme of promotion of ILO Conventions 182 (elimination of the worst forms of child labour) and 111 (prohibition of discrimination).

At the conclusion of the meeting, the two delegations agreed on the following actions to take place in the period leading up to the next meeting of the Working Group in the spring of 2001:

- (a) IAB Vice-President Paiva would work with senior management of the Bank to promote awareness of IAB support for ILO core labour standards.
- (b) The IAB, ILO and ORIT would seek agreement on a programme of joint/parallel research on globalization, with terms of references being presented at the next meeting of the Working Group.
- (c) A pilot project for the promotion of ILO Convention 182 was to be designed by ORIT to be submitted to the IDB for support.
- (d) Vice-President Paiva would inform IDB country representatives that trade unions should be included in action plans for civil society consultations.
- (e) The next meeting of the Working Group will focus in part on the economic integration process in the Americas.

- (f) The IDB's country/sector evaluation process will be discussed at the next meeting.

Asia and Pacific

1. APEC

The Asia Pacific Economic Cooperation Forum (APEC) is a group of nations in the Pacific Rim that aims to assist economic integration and co-operation in the Asia Pacific region through non-binding consensus decisions. It is primarily concerned with the promotion of free trade and investment but has also extended its agenda to other forms of economic co-operation. The grouping represents 60% of the world's population, half of the world's trade and half of global GDP.

The objective of APEC is to sustain growth and development in the Asia-Pacific region, to contribute to improving living standards, and more generally, growth of the world economy. APEC focuses on economic rather than political or security issues, and attempts to advance common interests and foster constructive interdependence by encouraging the flow of goods, services, capital and technology. It seeks to strengthen an open multilateral trading system and is not directed towards the formation of a regional trading bloc.

The Canberra meeting of November 1989 was the first APEC ministerial meeting. US President Bill Clinton hosted the first "Leaders summit" in Seattle in November 1993. The summits are now the major APEC showcase event and are held annually every fall on a rotating basis.

The summits typically produce a major declaration or communiqué on APEC's program and forward work plan. The summits are at the top of the APEC structure, which also includes ministerial meetings, senior officials meetings, APEC working groups and meetings of the Eminent Persons Group (EPG). APEC has working groups covering such topics as energy, fisheries, human resource development, trade promotion, transportation and trade and investment.

APEC is primarily limited to economic cooperation. Its role as a facilitator of trade and investment liberalisation has gained prominence (especially after the Bogor Declaration—see below) but it has attempted to expand its agenda into other areas of economic co-operation such as customs harmonisation, alignment of national standards, mutual recognition of industrial standards, infrastructure, trade promotion and the provision of data on trade and investment.

The APEC vision of free trade by 2020 was adopted by Leaders at the 1994 summit in Indonesia – the so-called Bogor Declaration. This commits industrialised countries to liberalize their economies by 2010, while developing countries agreed to do so by 2020. The Indonesian Summit also adopted non-binding investment principles for APEC member countries. The Subic Declaration of 1996 was significant because it included social language for the first time with references to a "shared vision of community", "the need for sustainable growth and equitable development" and the importance of the "full participation of women and youth". In Kuala Lumpur, the Leaders' communique addressed the need to strengthen social safety nets, financial

systems individually and globally, human resource development, economic infrastructure and business and commercial links.

APEC has always been an institution of promise rather than achievement. Efforts to coordinate trade liberalization among a small group of diverse countries have proved very difficult, presaging even worse difficulties at the WTO. A high ranking US senator (D-Baucus-Montana) complained in the US Senate that not enough was achieved on the trade front at the New Zealand summit in 1999--leaders had not agreed on agricultural issues like tariffs, trade-distorting domestic subsidies and government trading companies and the leaders' statement on trade in services was quite weak. APEC also lost significant momentum during the Asian crisis. While there are signs most Asian economies are emerging from the worst of the crisis, free-trade proponents have a lot of lost ground to recover.

But APEC still has an important role to play in building consensus on key economic issues in the Asia-Pacific region. At the New Zealand summit, APEC trade ministers supported a swifter round of global trade negotiations with a package deal trade agenda rather than a piecemeal "opt in or out" approach. APEC ministers also called on the next WTO round to abolish all agricultural export subsidies – a clear dig at their European counterparts. APEC is also a good place to practice high-level personal diplomacy and build trust and understanding for differing positions. At the Subic Bay meeting, President Clinton and President Jiang Zemin of China agreed to hold state visits, and Mr Jiang and the Japanese Prime Minister lowered the temperature in a bitter dispute over a group of Islands in the China Sea.

The ICFTU organised a conference for affiliates in the APEC region that took place in Melbourne, Australia in September 1995, hosted by the ACTU. The conference established the ICFTU Asia Pacific Labour Network (ICFTU/APLN) with the objective of working for a social dimension to the APEC processes with arrangements at different levels for regular consultations with trade unions. The APLN consists of the affiliates of ICFTU in APEC countries as well as the associated sectoral unions grouped in international trade secretariats. The APLN through the secretariats ICFTU, APRO and ORIT has provided regular analysis and commentary on APEC communiqués. As well, the ICFTU/APLN met with the Prime Minister of Japan, the host of the 1995 APEC Leaders meeting in October 1995. In successive years, the ICFTU again organised conferences of the ICFTU/APLN accompanied by meetings with the host country's head of government, in the Philippines (hosted by the TUCP in October 1996) Canada (hosted by the CLC in October 1997) and Malaysia (hosted by the MTUC) in September 1998. These initiatives of APLN have had limited impact on APEC to date.

The labour movement has worked hard to put a human face on the consequences of APEC economic decisions. It has joined with NGOs and academics in organisations like the Asia-Pacific People's Assembly (Appa) to put forward alternatives to unbridled free trade and to marry economic issues with their social, cultural, labour and environmental effects. Trade unions have also cited human rights violations, including workers' rights, in condemning APEC extravaganzas. Before the Bogor, Indonesia summit, 76 members of the U.S. House of Representatives joined with trade unions in urging President Clinton to use the APEC forum to "demonstrate that ...we will not tolerate flagrant violations of internationally recognized workers' rights."

The labour movement has called on APEC to broaden participation in its ongoing work e.g. to include a labour forum like the current APEC business forum so that workers concerns could be communicated to APEC leaders. ICFTU affiliates in the ICFTU/APLN have lobbied their governments for greater recognition of the trade union role in APEC, which has thus far led to the setting up of a project on human resources development with trade union participation.

Despite an ICFTU representative being refused admittance to an APEC seminar on human resource development (HRD) in Hong Kong in May 1999, the ICFTU/APLN has since been able to make presentations at various APEC HRD meetings including a presentation by AFL-CIO president John Sweeney at the third APEC Labour Ministerial (Washington, July 1999) and a discussion with APEC HRD working group in Sapporo, Japan in January 2000.

A recent OECD/APEC conference on regulatory reform held in Singapore in February 2001 had both TUAC and APRO representation and follow up is planned with trade union involvement.

The APLN has pushed for the inclusion of social concerns including employment objectives in the APEC Investment Principles. (One principle already states that "Member economies will not relax health, safety and environmental regulations as an incentive to encourage foreign investment.") The APLN has argued that this should be extended to include reference to the ILO Tripartite Declaration of Principles on Multinational Enterprises.

2. ASEAN

ASEAN was established in 1967, based on the Bangkok Declaration, with the objective to promote economic growth, social progress and political stability in the region. It is the only formal institution to cover the East Asian Region. In the early 1990s, it accelerated the process of establishing the East Asian free trade zone as a counterweight to NAFTA and the EU. The ASEAN Singaporean Declaration, adopted by the 4th ASEAN Summit in 1992, introduced a common effective preferential tariff and required member States to respect "the schedule of tariff reduction (reduction to 0%-5% within a time frame of 12 years)", which is considered an important step towards the Asian free trade agreement.

The Asian financial crisis has led to a debate over regional economic cooperation, particularly in the area of finance. As a result policy makers in the region has discussed the necessity of monitoring capital flows and establishing a fund to stabilize currencies. A proposal for an Asian monetary fund, first suggested by the Japanese Government in 1997 and objected by the U.S. government, has recently attracted considerable attention. As the first step towards establishing an Asian monetary fund the ASEAN plus three (China, Japan and South Korea) have agreed to the expansion of ASEAN Swap Arrangement and a bilateral swap and repurchase agreement facility.

ICFTU-APRO has sought to have ASEAN reflect trade union concerns in their policies. However, there has been little progress in establishing a dialogue with ASEAN. The relevant resolutions and conclusions adopted by the ICFTU include:

- ICFTU-APRO, Regional Executive Board Meeting, Singapore, 27 - 28 October 1997: “calls upon regional governments and international institutions such as APEC and ASEAN to include the trade union movement in their consultations regarding economic and social development; ”
- ICFTU-APRO, Regional Executive Board Meeting, Wellington, 15-16 October 1998: “There is a need to intensify efforts by the ICFTU and its regional organizations to seek recognition and establishment of a labour forum in the regional economic grouping, such as the APEC process, the ASEAN and similar structures. In doing so, consideration needs to be given to involving trade union organizations outside the ICFTU in order that the labour voice will have greater credibility and authority.

Despite the lack of formal recognition within the ASEAN structure, the trade union movement has continued to try and exert some influence by commenting upon debates taking place within ASEAN and at times making alternative policy proposals. For example, as a counterproposal to the Asian monetary fund, ICFTU-APRO drew up a plan for establishing a Asian Partnership Fund (AFP). In order to promote dialogue on these ideas, Rengo organized an international symposium, involving among others the former Deputy Minister Finance, and General Secretaries of ICFTU and TUAC.

As well, ICFTU/APRO has been able to improve relations with the Asian Development Bank after much effort, most notably through a meeting with its senior staff at its headquarters in Manila in July 1998, which led to an agreement to improve co-operation with trade unions.

International Social Security Association (ISSA)

ICFTU – APRO is in contact with the Regional Office for Asia and the Pacific of the ISSA since 1998. It started after APRO embarked on its concerted efforts in the area of social safety nets particularly in view of the social disruptions caused by the Asian financial and economic crisis. APRO has since its first contact with them been inviting them to participate at its workshops and conferences on the issue of social safety nets.

World Health Organisation(WHO)

In view of the plans by ICFTU-APRO to start activities in the area of HIV/AIDS contacts with WHO will be made in the future. APRO at its recently held 17th Regional Conference decided to include HIV/AIDS in its future activities. In fact since then it has mapped out a plan to initially carry out a survey on the subject of HIV/AIDS among its affiliates. Other activities will follow.

United Nations High Commission on Refugees(UNHCR)

Since ICFTU-APRO has for sometime been involved in the issue of Burma the ensuing refugee problems cannot be ignored. APRO is working with the ICFTU headquarters on the issue and thus contact with the UNHCR is inevitable. However any direct contact so far is done through Brussels

International Cooperative Alliance- Regional Office for Asia and the Pacific (ICA ROAP)

The ICFTU-APRO, in order to effectively respond to the labor market challenges of the market led neo-liberalism, is also cooperating with other institutions. Together with ICA ROAP it organized a regional workshop on: "Employment Generation, Poverty Alleviation and Human Resource Development" in October 2000. And as a follow up, the APRO is in the process of evolving a joint project on the informal sector. The ICFTU-APRO is also helping the ICA ROAP on the revision of ILO Recommendation 127 on "Cooperatives".

UN Economic and Social Commission for Asia and the Pacific (UN-ESCAP)

The ICFTU-APRO participates in the annual meeting of the UN-ESCAP. In such meetings, the relevant publications of the APRO are circulated. In the annual meeting in April 2001, the ESCAP Secretariat has been informed about the plans of APRO to circulate 200 copies of the Regional Conference Thematic Paper and APRO publication "Workers' Balance Sheet of Globalization". The ICFTU-APRO is also planning to increase the participation in the different related deliberations of the ESCAP

Africa

African trade union leaders, have consistently argued that more vigorous action by governments is required to promote recovery and to reform the international economic and social system to reduce the risks of future recessions. Trade union delegations in Africa have brought to the attention of the IFIs that there is need to: build a much stronger social dimension into the process of international market integration; reform the international system to reduce the volatility of financial markets; and stimulate recovery in developing countries facing the worst effects of recession.

There is much scope for unions to influence decisions at international levels. The IMF, World Bank and the WTO policies have a direct bearing on the world of work in Africa. Other institutions of equal importance include the OAU, other sub-regional economic groupings, the ABD and the UNECA. Dialogue with these institutions is important for the sake of impressing upon them the labour and social implications of their programmes, and to convince them to re-orient their policies towards the long-term development of Africa.

Unfortunately, despite the above-stated demand for action, there is a general lukewarm response to the formulation and implementation of employment policies in most countries in Africa. African trade unionists have linked this lack of response to the onset of economic liberalisation policies which have diminished the importance of employment creation in practically all African countries. Instead governments have brought about retrenchments in both the public and private formal sector, with the economies still unable to provide significant employment opportunities even in the most dynamic sectors.

Various trade union forums have been called to address these issues in Africa. They include the regional educators' workshop on "the Role of Trade Union Education in Employment Creation in Africa" organised by the ICFTU-APRO (Nairobi September 1999), Trade Union Educators Conference (Kampala October, 1993) and the ILO/ICFTU-AFRO Workshop on "Employment Creation and the Informal Sector: The Trade Union Role" held in Johannesburg in May 1999. These forums have underscored the importance of unions' active participation in national economic decision-making as the only way of guaranteeing the incorporation of their concerns into development programmes. Through forums such as these trade unions have campaigned to be effectively consulted on all matters that affect workers' well being and to be part and parcel of the national budgeting process as well as the investment plan formulation.

Similar strategies and arguments have been pursued at national level. For example trade unions in Zambia have considered the subject of employment creation quite important for the social and economic progress of their country. In a national seminar (December 2000), the Zambia Congress of Trade Unions invited other social partners to continue prodding the government to formulate and implement a national employment and labour market policy in which all stakeholders are involved. In 1977, at the initiative of the trade unions the government engaged social partners to design a national labour market policy. The participants were concerned that the draft national labour market policy has not been brought up for national debate to agree on key parameters before implementation. Other national level examples are provided in Box 1.

Poverty is an issue that has preoccupied unions in Africa for a long time now. It is also a subject that the IFIs have a lot of interest in and although the World Bank's World Development Report "Attacking Poverty" in 2000/1 suggested that the Bretton Woods Institutions have adopted a new approach to Africa's development dilemma, the practical experience of trade unions does not confirm this suggestion. In fact trade unions in Zambia are concerned that the Interim Poverty Reduction Strategic paper (dated 7 July 2000) compiled by the Government of Zambia, with the assistance of the Bretton Woods Institutions, has not given the issue of employment creation the prominence it deserves.

In order to articulate better the trade union agenda for poverty alleviation in the new millennium, the ICFTU-AFRO plans to have a high-level symposium on the theme "the Role of Trade Unions in Poverty Alleviation and Employment Creation in Africa" on 22 May 2001, in Nairobi.

Despite the rhetoric above poverty reduction, the IMF/World Bank-sponsored Structural Adjustment Programmes continue to be embraced by the many governments in Africa, with disastrous implications for the functions of the labour movement. Of particular importance has been the degeneration of living standards and economic recession caused by the massive devaluation of national currencies, reduced public spending, and higher external debt payments. ICFTU-AFRO and national trade union centres in Africa have been in the forefront in offering alternative policy prescriptions to offset the negative effects of implementing economic reforms. In fact, much ICFTU, ICFTU-AFRO and ITS work have been done to respond to these crises, with some effect. The ICFTU has organised, and continues to organise, several regional and national conferences on the subject of economic reforms. The basic objective of these conferences has been to assist national unions make an impact on government policy and on public opinion in general, by providing a forum where government, employers, the ILO, the IMF, the World

Bank, the media and other interested groups could discuss national economic and social policies based on an agenda set by the trade unions. For example, besides participating in practically all ICFTU-AFRO organised Pan-African and sub-regional conferences, the Bretton-Woods Institutions have involved in national conferences on the social dimensions of adjustment. The national conference have been held in Zambia, Mali, Niger, Ghana, Uganda, Morocco, Chad, Burkina Faso, Kenya, Gabon, Senegal, Mozambique, Central African Republic, Tanzania, Cameroon, Guinea, Zimbabwe, Togo, Benin, Mauritius, Rwanda and Malawi.

The fundamental problem with the IMF and World Bank-supported adjustment programmes is that they have not taken into account the close connection between social development and economic policies and the need to establish a broad consensus over the purposes and timing of reform through widespread consultation. Although both the IMF and the World Bank have expressed increasing concern about the social dimensions of structural adjustment and demonstrated a willingness to meet and discuss their policies with unions, they have not in practice undertaken the in-depth reform needed to manage a world economy that is failing to serve the needs of the majority of the world's population.

Many of the countries with which the IMF and the World Bank are most closely engaged have only recently established a democratic basis for government. The process of economic reform and the way in which the dialogue between governments and the IMF and the World Bank is conducted, can have a profound impact on the process of political reform and the building of democratic institutions including free trade unions. Meeting the conditions required by the "Bretton Woods" institutions places considerable strain on still fragile mechanisms for participation and accountability. In many cases structural adjustment programmes have provoked political crises that have set back both democracy and development, particularly in countries where governments have failed to consult and involve organisations of civic society organisations, like trade unions. Indeed in an increasing number of African countries, the IMF and World Bank have hired pro-deregulation consultants on labour market issues rather than use the expertise of the ILO. This has been the case in Uganda, Senegal and Chad. Pressure from the IMF and World Bank to cut public spending has in many cases gravely weakened social security systems.

Despite the concerns mentioned above trade unions in Africa have tried to actively engage with the IFIs, through involvement in the SAPRI process. The main aim of the trade union call for more consultations with the Bretton Woods institutions is the need for more socially oriented and more long-term policies. The inadequate attention to poverty alleviation, employment creation and social dimensions in general is a matter of serious concern to unions. The fact that "Social Protection" has become operational gives some indication that the Bank is responding to trade union concerns.

However, much as issues like child labour, social security, pensions, etc. are being given some consideration, aspects related to labour markets and workers in particular are conspicuously absent in most documents and operations of the IFIs. In other words, there still exists a "social deficit". Providing adequate education and health care for all their people must be the objective of all countries.

As well, the African Development Bank maintains good relations with ICFTU/AFRO and has sent representatives to many national and continental conferences organised by ICFTU/AFRO.

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