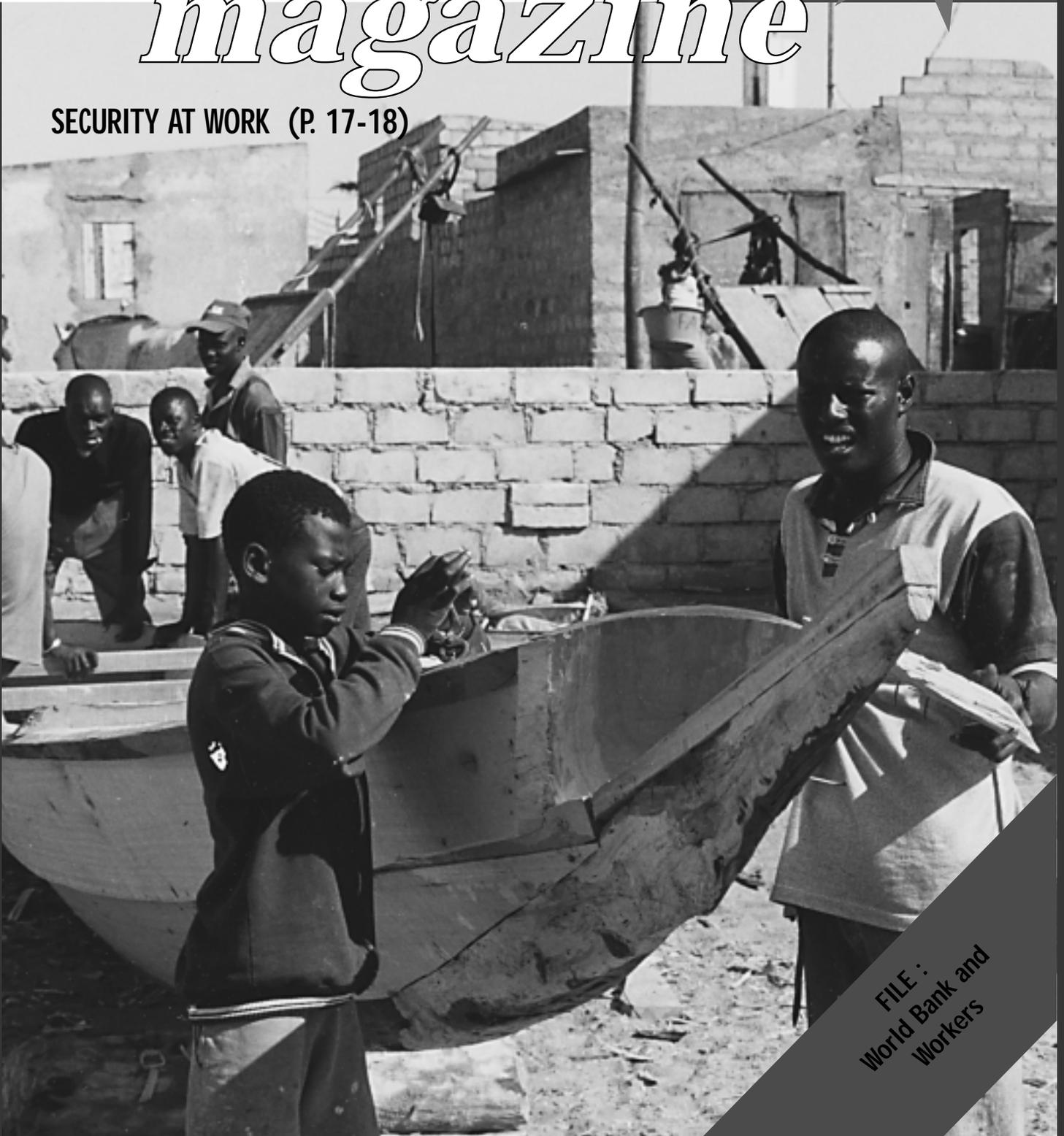


LABOR

magazine



SECURITY AT WORK (P. 17-18)



FILE :
World Bank and
Workers

78th year, number 2001/4

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Editorial Address :
Rue de Trèves, 33
1040 Bruxelles
Tél : 32 2 285 47 00
Fax : 32 2 230 87 22
E-mail : info@cmt-wcl.org
Website :
http://www.cmt-wcl.org

Editorial Board :
Willy Thys,
Eduardo Estevez,
Necie Lucero,
Piet Nelissen,
Freddy Pools,
Kattia Paredes,
Claude Akpokavie,
Paul Tennessee
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Editorial office and secretariat :
Mathieu Debroux,
Dominique Demol,
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Graphics :
Média-Animation
Imprimerie Havaux, Nivelles

Pictures :
CMT / Vivant Univers/
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Cover :
*Fishing : a most
dangerous job.*

PROFILE

The knot has been tied. At the end of his studies in 1963, the young Fernand Kikongi paid a visit to Jean Brück in Brussels, whom he had previously met in Kinshasa, and who became secretary-general of the IFCTU, former name of the World Confederation of Labour. Last October, nearly forty years later, the same Fernand Kikongi, handed over the presidency of the same WCL to Basile Mahan Gahé.

FERNAND KIKONGI DI MWINSA LEKULA, ELECTED PRESIDENT OF THE WCL IN 1997, DID NOT STAND FOR A SECOND TERM DURING THE LAST CONGRESS OF THE ORGANISATION. IT WAS A WARM BUT SOMETIMES ENIGMATIC GENTLEMAN WHO TOOK OVER.

Fernand Kikongi



*Fernand Kikongi :
a trade unionist rather than a civil servant*

It however did not happen so easily. "Nothing destined me for trade unionism", explains Fernand Kikongi today. "On the contrary, my fellow students and I perceived trade union activities as the least enhancing, the least instructive." The future international trade union leader was then a student in Belgium, at the social school of Louvain. It must be said that the lecturers strengthened the convictions of the students. "For them, especially a lecturer who taught the course on the economic situation and was also director at the National Bank of Belgium, trade unionism rhymed with workers' control". Nothing to attract the young who have the opportunity to study, and who have promising careers offered them on their return home.

FOR A LIFE TIME

In 1963, with a diploma in hand, Fernand Kikongi returned home, at a time when civil servants went on strike to protest against the sharp fall in their purchasing power. The trade unions "took advantage of it to make political claims, in denouncing the division of the country, financial mismanagement and incompetence of the political class".

Three trade union leaders were imprisoned by the government of prime minister Cyrille Adoula, himself a former trade union activist. Fernand Kikongi then discovered within the workers' organisations "fraternity, solidarity and union among all who were pushing me to

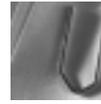
join them". Without experience of this environment, he got himself involved in the editing and dissemination of press releases to free the detained trade union leaders.

But, paradoxically, at the same time, Cyrille Adoula appointed our man assistant principal private secretary to the Ministry of Foreign Affairs, and the minister of Labour also nominated him for the post of principal private secretary. It was a dilemma.

It was basically the meetings that enabled Fernand Kikongi to take a decision. The one between him and Jean Brück, already mentioned, who made a proposal to him to work at the research department of the Workers' Union of Congo. The one with Gilbert Pongault, then secretary-general of what would later become DOAWTU, the African regional body of the WCL. Also, the decisive one, with André Bo-Boliko. "I was under such pressure that I began to give in (...) but I still hesitated", explains Kikongi. "Bo-Boliko would have the last say to make me decide, he asked me whether I was not ashamed of myself to return home and work for an authority that I had criticised so strongly in the magazine, *The Congolese Student*".

As a matter of fact, at that time, practically all graduates in African countries had jobs in the civil service. One saw it: it almost happened also in the case of Fernand Kikongi but "I politely turned down both offers," he said. "I made a choice to become a trade union activist, for life".

Continued on page 23



Since 11 September...

At the time of writing these lines, the world is under tension, awaiting the reaction of the United States to the cowardly attacks of which they have been victims. Nothing can excuse or justify these terrorist actions, which, by their nature, affect civilians. The WCL has firmly condemned them. It has expressed its solidarity to James McGee, President of the NAPFE, its US affiliate, as well as to AFL-CIO and to the American nation.

All the same, we have to ask the question "why"? What are the conditions and the motives that push human beings to coldly plan acts to destroy other human beings, whilst sacrificing their own life? The response goes beyond this or that local conflict. The world has become globalised. The economic has taken the lead over the social, political and cultural life. States have been relegated to secondary roles compared to private actors, as well as inter-state organisations over which the United States is perceived as having a decisive hold.

Two billion human beings live on less than US\$2 per day. It is not fate, but the result of a world, which widens gaps. The number of unemployed is increasing, says the ILO. Those who are in employment are sometimes treated like objects, underpaid, harassed, or are victims of discrimination. At the same time, UNCTAD reveals that in twenty years, the terms of trade have reduced further to the detriment of Africa (see p. 5). This also, is violence. We are facing a new situation, to which the response takes forms of reactions very different from what we have known. Terrorism is not the automatic response to this situation, nor the only possible reaction. It must be condemned because it is the outcome of a deliberate, unacceptable choice.

But to limit oneself to punishing the terrorists without questioning the system which creates the fertile ground that breeds terrorism, is to fight against fever without attacking the root of the illness. Trade union organisations, the most structured pillar of civil society, knows that part of the solution lies in improving the living conditions of everyone, everywhere, and this is through dignified work for everybody. Their daily activity is in this direction. Since the attacks of 11 September, the world is no longer what it was before. It still needs to become more united!



Willy Thys,
Secretary General

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WTO

From Seattle to Doha : mobilisation

IN NOVEMBER, THE MINISTERIAL CONFERENCE OF THE WORLD TRADE ORGANISATION STARTED OFF AGAIN ALONG THE SAME UNFAVOURABLE BASIS AS THAT OF SEATTLE. BUT, WITH A DIFFERENCE: A STRONGER MOBILISATION OF OPINION.

They are called the “anti-globalists”, and not happy with criticising them, many fear them like the plague. Hence the idea of organising the ministerial conference of the World Trade Organisation at Doha, capital of Qatar, the outskirts of the desert, where it is easy to control comings and goings. It would be from 9 to 13 November 2001.

The novelty of this summit, as compared to the previous one, does not lie in its content: the agenda is practically the same as in 1999. The central issue is the starting of a new round of negotiations through which the WTO and the main global economic stakeholders would like to liberalise intellectual property, activities relating to public services, culture, etc. These stakeholders at the moment are up against hesitant

developing countries who are opposed not so much to globalisation as such but to globalisation which is at their expense. Either because they do not have a say in this during decisions, or because the industrialised countries call the tune, for example in maintaining protectionism barriers.

As in Seattle in 1999, the issue of labour standards is brought into this debate. Whilst trade union organisations think that there are minimum working conditions to be respected everywhere, governments and enterprises in developing countries see in it the threat of protectionism which would hinder their growth.

ANOTHER GLOBALISATION

Opposition also comes from what is vaguely called *civil society*. Bringing together a heterogeneous assembly of workers' representative movements, small groups of NGOs, intellectuals, political parties and associations of various representatives, this movement has a common objective of rejecting the immediate opening of a new round of negotiations. Some are opposed to it as a principle, because they see in it an extension of globalised capitalism. Others accept it if a certain number of conditions are fulfilled.

This heterogeneity however nullifies the term anti-globalisation, which this civil society is dressed up in. Many of its members, in effect, do not reject globalisation as such, but the forms that it takes. And they want something else from it, where market forces are regulated because “*trade must serve social development*”, as was affirmed by the WCL before Seattle.

Thus Luc Cortebeek, Vice-President of the WCL, declared recently that he was not against globalisation “*for the simple reason that many social issues must be planned globally. There is the need for more globalisation, but not only of the economy.*” (De Standaard, Brussels, 6.09.2001).

Recalling the need for regulation of this economy, it is necessary, he says, “*that market forces encounter a*



Mike Moore, a dreamer : where is my WTO going?



social counter-power. Not by vague theories on government or a world parliament, (...) but by international standards with regard to the environment and business ethics. Or like fundamental standards established by the ILO..."

This idea of social globalisation was however present in January 2001, at the First World Social Forum at Porto Alegre. Most of the participants joined international networks, advocated globalisation subjected to regulation, even if this term can lead to confusion since it is not clearly defined.

WCL IN FAVOUR OF AN ECONOMIC AND SOCIAL SECURITY COUNCIL

The emergence of this vast protest movement, which now expresses itself during each major conference of economic and financial powers, constitutes the main difference between the 3rd and 4th WTO Conference, to the point that the later finds itself on the defensive. History will one day tell whether there would have been an *ante* or post *Seattle*, characterised by the expression of public opinion through channels other than political representation.

In anticipation of the Doha Conference, accredited organisations have the right to send representatives on the spot.

The WCL will be there. It will defend the idea that a new round of negotiations is acceptable only under some conditions. According to the WCL, there is the need first of all, before opening the market to new sectors of activities, for the conference to begin by drawing up a schedule for the implementation of previous agreements. This implies total access of products from developing countries to markets of developed countries. The second prior condition is that a democratic and transparent functioning of the WTO is put in place, which allows all countries to have not only the right, but also the material and human resources to participate in decision-making.

Concerning the content of themes discussed at Doha, the WCL will request especially that certain areas, such as basic services to the public, be automatically excluded from the expansion of the market, and that a mechanism be found aimed at ensuring equality among standards of the WTO, ILO, WHO or other international institutions. In the view of the organisation, this cannot be done within the WTO, but in a form of economic and social security council, of which the WTO, like the ILO, would be a contributing

party. In the meantime, this idea would have been discussed at the Congress of the WCL, in October at Bucharest.

André Linard

THOSE EXCLUDED FROM GLOBALISATION

"Sub-Saharan Africa is poorer than it was twenty years ago because of a reduction in aid and worsening terms of trade, increase in debt and ineffective adjustment policies", declares the UNCTAD in a report published last September.

This document is an indictment on the policy on developing countries pursued by international financial institutions. Many reasons in fact have been cited, the major ones being *"failure of structural adjustment programs which relied exclusively on market forces. The role of the State has been reduced, without being replaced"*, explains Mr Detlef Kotte, economist at the UNCTAD. These programs, he adds, have neglected external conditions, which impact on trade, resulting in the dramatic worsening of terms of trade. According to UNCTAD, *"The terms of trade at the end of the 1990s, were less than that at the beginning of the 1970s, by 24% for North Africa and 21% for Sub-Saharan Africa"*.

Africa gained very little from globalisation and the multilateral system, despite rapid trade liberalisation, because it remained too dependent on primary products, and because access of its exports to markets of developed countries was blocked, stresses Mr Kotte, who explains: *"This liberalisation of external trade has favoured exports to Africa, to the benefit of developed countries, and not exports from Africa."*



Trade at the service of development, not the opposite



Funding development, but which one?

Where can money be found for development? In March 2002, the United Nations will hold an international conference in Mexico on this subject, in which the big financial institutions are parties concerned. Immediately, one thinks about public development aid, provided by governments of industrialised countries. It is reducing in recent times, but it is not the only source of financing.

Development aid can be public or private. Public aid in turn can be bilateral (from one government to another), or multilateral (from one government to an international institution then to a developing country). There are in fact specialised world bodies (the World Bank group, UNESCO, and the ILO through its technical support...) and regional bodies (African, Asian, ... development banks). In principle, the beneficiary is a government. But there are decentralisation forms of this aid (to local authorities) and privatisation (to associations, NGOs, trade unions, ...).

Private funding for development, on its part, is said to be interested or disinterested.

The first generally takes the form of capital investments for profit. Beneficiary countries are thus carefully chosen according to their capacity to generate profits in return, whilst in the opinion of trade unions, the creation of employment should be the priority.

TRULY DISINTERESTED?

Funding is generally described as disinterested when it comes from an NGO, solidarity associations, private grants and foundations (Ford, Konrad Adenauer Stiftung...). Some of them receive co-funding from public institutions: initiatives are then taken by the private stakeholder, but part of the funds come from a government, the European Union, etc.

Is such an assistance really disinterested? Some affirm that a donor always looks for a counterpart: to establish a relationship of dependence, establish social recognition, contribute to spread its religion or ideas, find an outlet for his surplus food, or just simply to avoid income tax or to create employment...in the North. It is for each one to judge.

MONEY FOR WHAT?

Is there really lack of money to fund development? Social movements critical of IFI practices (International Financial Institutions) propose four ways of looking for funds:

- cancellation of foreign debt
- increase public development aid (the opposite is what is happening)
- tax huge profits
- impose tax on international financial transactions (see main document).

Where, in this plan, do we place political responsibility of well-off social minorities in a country, who have savings but do not necessarily invest it?

DEVELOPMENT IS A TASK

Between growth and income distribution, between big projects and local initiatives, between entering global markets and self-centred perspective..... the choices of society are wide, because definitions of development are not the same. Let us accept one of them: development is a social transformation process through which a nation becomes an actor in his future, for greater autonomy to its material environment (well-being) and increasing worth for all its members (democratic participation, dignity, equality...). In this case, social actors, including trade unions, play a key role to pressure the State. The economy, investments, trade, ... are thus necessary, but geared towards social development. But does this never-ending open work yard first require funding or political will?



Palestine

Before the beginning of the “second Intifada” in September 2000, 120,000 Palestinian workers had a job in Israel (half of them were employed illegally) according to the Israeli government; their salaries constituted 32% of Palestinian GDP. The PGFTU, the Palestinian workers’ federation, puts the loss of salaries following the blockade of territories to US\$4.5m per day, in addition to US\$3.14m lost in Palestine itself by active workers, who can no longer go to work because of restrictions on movements.

Palestinian surveys on manpower estimate that 144,932 workers would lose their job following restrictions Israel has imposed since October 2000. The majority were working in construction.

In the official language of the United Nations, Palestine is called occupied Arab territories. It is under this name that the ILO, in June 2001, dedicated a special session and a report (from which this information is extracted), to the situation of Palestinian workers.

Economically, these territories are in effect very dependent on the Israeli economy. Besides employment, non-agricultural Palestinian imports from Israel increased in 1999 to US\$1,759m, and exports to Israel was US\$452m. The difference is significant.

According to the ILO report, the autumn 2000 uprising led to a paralysis in a number of activities, at the height of trade, reduction in the number of work permits in Israel.... and, indirectly, the increase in child labour through the loss of income of parents. “In March 2001, 10.7% (57,300) of Palestinian households confirmed having lost all their income during the uprising, and 49.2% of households more than half of their usual income.” The ILO also noted that both Palestinian and Israeli economies, have suffered as a result.

During the special ILO session, the World Confederation of Labour spoke of “*violation of rights of Palestinian workers*” and again affirmed that negotiation, based on United Nations resolutions and aimed at creating a Palestinian State, is “*the only way to lay the foundations of a just and sustainable peace*”.

THE COUNTRY

Population: 3.3 million inhabitants in the territories (forecast: 5 million in 2010); 8.5 in total. Number of Israeli settlers: 379,000 (including East Jerusalem). GNP/inhabitant: US\$1,574 (in 2000, before the Intifada). Poverty index: 64.2% of households live below the poverty line of US\$372.00 per month. Economically active population: 670,000 people (2001). Unemployment rate: 8.8% (2nd quarter 2000) – 39.7% (beginning 2001).

A NEW LABOUR CODE

The Palestinian Authority promulgated the Labour Code, on 1 May 2001, which replaces a whole lot of unequal laws. The Palestinian trade union confederation PGFTU favourably received this text, which constitutes progress, and for which enforcement laws are expected.

However, the PGFTU has “noted that this code does not give enough advantages to workers. It regretted especially that it did not deal sufficiently with the question of equal opportunities and treatment of men and women in employment, and equality of remuneration.” The Confederation is now wondering whether this legislation is in conformity with ILO Conventions.

Employers fear the costs that this will entail for them, especially because of what is expected with regard to maternity protection, occupational accidents and vocational illness.

See also the UNCTAD secretariat’s annual report on aid to the Palestinian people, October 2001. (TD/B/48/9)



WCL Press Conference in Geneva, June 2001



WCL delegation at WTO



FIOST delegation to the Belgian minister who chairs the European Ministerial Council on Transport

● PAKISTAN will ratify 7 fundamental conventions

The government of Pakistan has decided to ratify the two fundamental conventions of the ILO that it had not yet ratified: Convention 182 (1999) on the Worst Forms of Child Labour, and the Equal Remuneration Convention (n° 100). The country will however have

to deploy considerable efforts to bring practice in line with the ratification of these texts. The government itself recognises that 3.3 million children between the ages of 5 and 14 are currently in employment.

● WORLD : Maternity lags behind

The World Confederation of Labour has just launched a worldwide campaign aimed at promoting the ratification and the subsequent implementation of the ILO's convention 183 on Maternity Protection.

This convention was adopted in June 2000 by 304 votes in favour, 22 against and the mass abstention of the employers' group (116 votes). However, fifteen months later, the convention has only been ratified by two states, Slovakia and Italy. This is enough for the convention to come into force in February 2002, but only for those two countries. In comparison, one year after its adoption, Convention 182, on the Worst Forms of Child Labour, had already obtained 27 ratifications.

It is not by chance that there is so little enthusiasm for ratification. WCL recalls, in fact, that this is "*particularly because employers found Convention 103 (amended by 183) so restrictive that they tried to have it renegotiated, citing the low numbers of ratifications as an argument for this. (...) Workers, and in particular delegates from WCL's affiliated organisations did all they could to ensure that the text was not made more flexible and thus less favourable to women workers. And they succeeded.*"

According to Kattia Paredes, head of WCL's Women and Work department, many women throughout the world do not enjoy maternity protection. They are still victims of numerous forms of discrimination; from pregnancy tests before employment in export free zones, to dismissals of pregnant women, through sterilisation certificates.

And yet, continues Kattia Paredes, the protection provided for in the convention is in response to "*the individual needs of mothers, but it is also a way of recognising the true value of the essential social function that they fulfil.*" In practical terms, trade unions, in collaboration with NGOs, associations and other organisations within their country, are invited to conceive and organise collective action directed at political authorities, in their countries. A file containing a pedagogical folder, the text of the convention, suggestions for action, a poster and a sticker are available from WCL in French, English and Spanish.

● WORLD : World Social Forum, act two

A second World Social Forum is to be held in Porto Alegre (Brazil) from 31 January to 5 February 2002. A certain number of defects noted during the first Forum have been corrected. This is the case in particular for the issue of transparency in selecting topics and speakers (see *Labor-Magazine* 2001-02). Nevertheless, the very close ties with the local political powers continue to be a problem.

At the moment, WCL is the only world confederation that is part of the International Council in charge of preparing the Forum. One of the main areas of this Forum is "*production of wealth and social reproduction*", where all the topics concern workers and the trade union movement. One of these topics focuses specifically on work.



Where are the World Bank and the International Monetary Fund mentioned again ...

In spring 2001, the WCL sent a delegation to these institutions in Washington, this time comprising its complete Executive Committee. In fact, trade unions are affected by the policies of these two institutions. Workers who constitute a large proportion of the poor population of

developing countries are directly affected by the implementation of structural adjustment programmes (SAPs). On the other hand, a successful programme for poverty reduction could have favourable effects on the labour world.

According to Ronald Janssen, WCL advisor on these matters, this document clarifies the adjustment policies from the point of view of workers. It also analyses the perception

that the Bank and the Fund have of the labour market. Finally, it explains, current events demanding, what is to be expected in the implementation of a potential tax on the speculative movement of capital. In summary, there is hope and progress, but the path remains difficult.

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OVERVIEW

Labour, as the World Bank sees it

OFFICIALLY, THE LABOUR MARKETS ARE A CONCERN TO THE WORLD BANK. AND EVEN THEIR CORE STANDARDS. IT IS IN ANY CASE THE IMAGE THAT THE BANK WANTS TO GIVE. A SHORT VISIT TO SOME OF ITS WEBSITES

Work - safe, productive and environmentally sound - is the key to economic and social progress everywhere. In the advice it gives governments and in the policies it promotes, the World Bank has long recognised the critical value of work. This is more than an economic issue; it is at the heart of human development.»

James Wolfensohn, president of the World Bank, on that occasion, knew how to convince himself, as he does here, in the 1995 *World Development Report*.

WORLD DEVELOPMENT REPORT

His institution maintains the same tone, when it specifies :
« Work can provide individuals with income to meet material needs, reduce social isolation, and impart a sense of dignity and self-worth.»

ent areas such as training and professional education, incomes to the unemployed, industrial relations, and even core labour standards. This activity is included within the framework of the Social Protection Unit.

PRIVATE SOCIAL PROTECTION

The concern of the Bank for social protection according to the institution itself, dates back to the 1970s, when issues like the labour market, pensions, social funds ... were studied. It is in its 1995 *World Development Report* that the Bank drew up its view on social protection, making reference to core labour standards.

Then in 1994, a study allowed a better understanding of the Bank's concept. Under the title *Averting the Old Age Crisis*, it is dedicated to the reform of pension systems. The Bank is expressly lobbying here for a three-pillar mechanism one of which is a public system by perception on salaries, designed as « part of a more general social assistance strategy (...), target only the poor who were contributors during their working years, or provide a flat pension to all contributors or persons over a given age.»

The two other pillars are based on private contributions. One now understands the criticism of UNRISD of « the establishment of a double structure of social services, one funded by the State and the other, for the rest of the population,

provided by the private sector » which « is neither good for social integration nor for the quality of public services. » (Visible hands, UNRISD, Geneva, 2000).

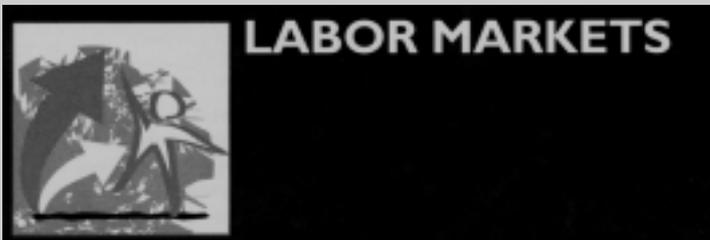
STANDARDS FOR THE ECONOMY

With regard to standards, the World Bank drew up a three-step « tools box »¹. After a description of the Core Labour Standards of the ILO, it specifies its point of view: « while there is no official World Bank policy on Core Labour Standards, the economic, social and human development issues embedded in the standards make them relevant for Bank work. »

But the difference follows immediately: « Compliance with Core Labour Standards is not a condition for lending or technical assistance in client countries. » Further on, it specifies « Freedom of association and right to collective bargaining are recognised as potentially important factors in development; however, the application and promotion of these standards are more controversial for the World Bank ».

In fact, continues the institution, « the Bank is obliged by its legal framework to base lending considerations solely on the basis of their demonstrable economic impact ».

Or yet again, « the Bank could attach conditions on labour standards to loans, but only to the extent that lack of compliance undermines the economic development objectives ».



And to explain that « Work conditions and labour market issues are a central concern for the Bank » Besides, within the latter, there exists a « Labour Markets » group, which develops expertise in differ-

On this basis, the Bank must take into account child labour, forced labour and gender equality in the labour market. With regard to trade union freedom and collective bargaining, « *their treatment by the Bank is complicated by (a) the potential political nature of the standards and (b) research showing ambiguous (sic) economic outcomes.* »

And to add on : « *Recent analytical work has found no simple relationship between unions and collective bargaining, on the one hand, and economic performance on the other. Although there does appear to be a negative correlation with earnings inequality. (..) The Bank supports the development of a positive role for unions.* »

WHAT ABOUT THE TRADE UNIONS?

One would also appreciate just on its value, this affirmation of the Bank according to which the *ILO Declaration on fundamental principles and rights at work* (1998) is « *to signal a strategic shift towards more flexible implementation [of the conventions] and a greater emphasis on technical assistance.* »

In spite of everything, the Bank is ready to dialogue with trade unions, just as it is with employers and the ILO. Last April, Paul Tennessee, WCL representative in Washington, was one of the speakers at a course organised by the Bank on the theme of labour market policies. Trade union – World Bank meetings have become a practice for several years now.

With some effects on its policies? A Bank official, quoted in Foreign Policy, is of the view that Mr Wolfensohn, director, has done a « *fabulous communication job with external partners of the Bank who are governments of industrialised countries and NGOs* »² He is even

reproached for this by some, like Larry Summer, former US secretary of state at the Treasury, who said he was « *troubled* » by the fact that the Bank, « *in democratic countries, collaborates with groups independent of governments.* » What would this mean, if trade unions were among these?

1. www.banquemonde.org/secteurs ; click on Labour Markets, then International Labour Standards (only in English)
2. quoted in Le Courrier international, 13 – 19 September 2001

*Workshop in Costa Rica :
questionable working conditons*





ANALYSIS

Unfavourable for workers

RONALD JANSSEN IS THE WCL ADVISOR ON WORLD BANK AND IMF MATTERS. IN A WORKING DOCUMENT, HE PROVIDES A BETTER UNDERSTANDING OF THE HIDDEN STAKES BEHIND THE TECHNICAL DEBATES. SUMMARY IN NINE QUESTIONS AND ANSWERS.

WHY THE WORLD BANK AND THE INTERNATIONAL MONETARY FUND?

Several countries resorted to protectionism and devaluation to get out of depressions in the 1930s, which further reduced world trade. After the Second World War, the World Bank and the IMF were created to promote growth and development through cooperation. The Fund was to provide money to countries with balance of payment difficulties; the Bank was to lend to developing countries, at a more favourable than the market rate.

WHAT HAS CHANGED FROM THESE GOOD INTENTIONS?

The 1970s saw the crumbling of the gold reference system, the inconvertibility of the dollar and the rapid growth of indebtedness of several countries. At this time, in fact, there was too much money in the Western banks, especially dollars from the rise in oil prices. The Bank lent massively without worrying about the profitability of these loans or the democratic situation of the lender, thinking that a country could not go bankrupt.

But Mexico, in 1982, and then other Latin American countries could no longer repay. The IMF availed itself of this opportunity to redefine its role in the world economy. It developed the structural adjustment concept: in exchange for loans, the countries were to restructure their economy. The Fund became a watchman, while the Bank, on its part, conditioned loans to the implementation of structural adjustment.

RESTRUCTURING AN ECONOMY IN DISTRESS IS RATHER GOOD. SO WHY SO MUCH CRITICISM?

When a country is in crisis, stabilisation is necessary, but not as a means in itself: one must watch its effect on development. The Structural Adjustment Programmes (SAPs) emphasised too much on stability in the short term.

AND IS THIS WHAT HIT THE WORLD OF LABOUR?

Yes, in several ways. First of all, by reducing actual salaries and purchasing power. Workers had to reduce their expenditure on food, health and education. Consequently, their productivity reduced. Then, there was a sharp reduction in public investments in infrastructure. But without the latter, foreign investments would not come, and on the other hand, the poor people in the rural areas could not export their production. It therefore became cheaper to feed the towns by importing food, which further worsened the balance of payment.

Thirdly, devaluation can facilitate exports and therefore increase incomes from agricultural production. But if the state uses these incomes to offset the deficit, producers are not motivated to produce more.

Finally, the IMF advocated privatisation everywhere, especially as a



The SAPs have succeeded ... in increasing unemployment

means of generating income for governments. Public companies, even profitable ones were sold, which resulted in replacing public monopoly by private monopoly, with the difference that profits do not serve the community.

THE SOCIAL IMPACT OF SAPS SEEMS ENORMOUS....

The Fund affirms that the fight against inflation benefits particularly the deprived. Stabilisation is presented as a poverty control tool. This theoretic affirmation is often in contradiction with facts as seen by workers and trade unions. Reductions in social expenditure under pressure from SAPs must be added to this. In Mali, health expenditure went down by 5% per year; in Zambia and Zimbabwe, expenditure on education fell by more than 20%. This directly affected workers.

CAN WE NOW TALK ABOUT A FAILURE?

An external evaluation report indicates that three quarters of SAPs failed. The Fund itself recognises that this failure can be explained among others by the fact that these programmes are not carried out by the people themselves. With regard to World Bank projects, they have had a 59% failure rate. And again, most successful projects are located in countries with relatively high incomes, rather than in the least advanced countries. 70% of projects went to 11 countries, which have easy access to the capital market.

ONE SOMETIMES TALKS ABOUT CHANGES IN STRATEGY OF THE FUND AND THE BANK. IS THIS TRUE?

Corrections were made to the structural adjustment approach.

Corruption has become a concern, just like the protection of social expenditure in public budgets to the detriment of expenditure on arms, for example. Debt relief is envisaged, but conditioned to structural adjustment. *Poverty Reduction and Growth Facilities (PRGF) have also been created to prevent stabilisation from increasing poverty.* But, it must not be forgotten that the Fund's aim remains the protection of global or private financial interests. There is a big gap between theory and practice.

DO TRADE UNIONS HAVE A CONTROL OVER THESE POLICIES?

Consultations with civil society are envisaged in the drawing up of national poverty reduction strategies. But the conditions under which they are carried out (often when decisions have already been taken) greatly limit the influence of trade unions. One can ask oneself if the latter are really considered as stakeholders by the Fund and Bank delegations. On the contrary, in Argentina, the Fund confronted the trade unions when it wanted to dismantle the labour laws.

WHAT IS THE WCL DOING IN THIS AREA?

For more than ten years now, the WCL has tried to establish dialogue with the Bretton Woods institutions, to ask for social corrections and consultations before putting structural adjustment programmes in place. We did this by organising regional seminars and working visits to Washington. We can say that we have contributed modestly to the change in attitude that I have described. But the IMF Council, under the leadership of the new director, seems to go back to purely monetary policies and to a closer collaboration with the capital markets. Nothing has therefore been gained.



*in industrialised countries too, small jobs
are increasing (here in Montreal)*



ALTERNATIVE

« Tobin tax » : whatever the name ...

ON THE ONE HAND, LIBERALISATION OF TRANSFER OF FUNDS, ON THE OTHER, THE TOBIN TAX: SOME TALK ABOUT IT, SOME DEFEND IT, SOME OPPOSE IT, BUT WHAT IS IT ABOUT? A SLOGAN OR A REALLY USEFUL MEASURE?

Though it is not a stab in the back, it closely resembles it: James Tobin, Nobel Prize winner for economics in 1981 and father of the idea of a tax on speculative capital, stated in August that he is distancing himself from the « anti-globalisation » movement. Meanwhile, the latter advocated the implementation of the tax called Tobin, with such insistence that the European Finance Council (Ecofin, Liège, 21-23 September) had to add it to its agenda. And to better drive in the nail, James Tobin adds that his tax has no chance of being implemented, because « the decisive stakeholders of the international financial scene do not want it. »

On the surface, it is a terrible disappointment for those, desirous of fighting against uncontrolled globalisation, calling for the said Tobin tax as a means of limiting the movement of speculative capital. Is it a balloon which has all of a sudden deflated?

TOBIN TAX, DID YOU SAY?

The tax in question would be collected on capital transferred across borders; the proceeds should be used for development. According to the Halifax Initiative (Canada), 90% of amounts, which transit in this way each day, would be speculative. A minute percentage of the tax (0.1% or 0.25%) would yield between 100 to 300 billion dollars a year.

The first to have advanced such an idea is the United States economist Tobin, but he was not the only one. Tobin wanted to strengthen the autonomy of countries in their financial policy. Today, the tax is rather seen as an instrument to halt speculation, one of the typical results of neoliberal globalisation.

For those who defend it, this mechanism would provide three advantages: economic, political and social. On the economic front, it involves reducing the risk of new « crisis » such as those in Mexico (in December 1994) and in Asia (in 1997). In these two regions, volatile capital accrued from the search for rapid profits was re-exported in full, without ever being invested in productive activities. A tax should halt these movements.

Politically, taxing speculation is a sign for the reversal of the trend. Whereas the latter has for the past twenty-five years gone in the direction of deregulation, it would involve showing private stakeholders that general interest has started gaining ground.

Finally, socially, such a tax would free large sums of money available for social allocation.

FOR AND AGAINST

Supporters and opponents of the idea of taxation on international

transfer of capital are in disagreement on several questions: is such a tax technically collectible? is it politically imaginable? Do the disadvantages outweigh the advantages?

The opponents to the tax advocate that technically, current communication technologies make the idea of such a tax non-operational. Speculators no longer need to carry suitcases of notes from one country to another, an e-mail is enough. It will be therefore impossible to control these transfers.

This is not so, explains Robin Hood of the Halifax Initiative: « *in fact, the information system on trade is more centralised than imagined. At the end of this year, there will be a central gathering point for data on transfers, in New York and all the big central banks will participate in it: the Continuous Linked Settlement Bank. Governments, which wish to impose a tax, can therefore do so, even unilaterally. Technically, it is possible to tax transactions for example in Belgian francs, which is a response to a criticism of the Tobin tax.* »

The second point of disagreement has already been partially answered at the technical level. According to Robin Hood, « *affirming that it is not possible, is transferring a debate, which is in reality political,*

to the technical level. » An argument supported by the international ATTAC network, which also advocates the application of such a tax. But this will not solve everything.

Politically, can a state embark alone on taxation of capital transfer, at the risk of seeing the latter go elsewhere? The theoretical response of supporters of this tax is coherent, but not necessarily easy to implement: «No one envisages that a single country would take the initiative of unilaterally implementing the Tobin tax, affirms the ATTAC organisation. This does not mean however, that the only means of putting in place a tax would be that all countries in the world adopt it simultaneously. (...) ATTAC proposes that the European Union takes the initiative of creating what could be called a Tobin zone. » Not easy, when one knows the influence of the business world in European decisions.

WHAT FOR?

Finally, the disagreement is on the potentially perverse effects of the tax. « *it will discourage productive investments* », say the opponents. The reply to this is that, the minimum tax collected (10 to 25 cents on 100 dollars) is not high enough to discourage investors, who will pay it only once; but it should at least halt speculators who by buying and reselling money or shares during the same day, would pay the tax several times.

Curiously, another question is hardly addressed: to what and for whom are the funds going to be used? This however, refers to the futility of fifty years of development assistance, which have shown that the latter is not first and foremost a question of money, but of society model.

Due to lack of space to tackle this question, we will raise in conclusion, at least one point that was unanimous among James Tobin and the supporters of the tax: the international battle of wills will make the adoption of such a tax unlikely by a large number of countries. At least for the moment, concludes Robin Hood, who adds: « *If one is talking about it today, it is because NGOs and trade unions have put it on the agenda. We are in the middle of the road.* »

André Linard



Civil society bears the Tobin tax



OPENING

What the WCL says about it...



The WCL affirms that “*there is a gap between the theory in Washington and the practice in countries*”. In March 2001, and just like every year, Bank and Fund representatives received a WCL delegation. Very good. But in the individual countries, where field studies that result in the Bank decisions are carried out, “*the trade unions of the WCL rarely have the occasion to meet the Fund and Bank missions or country representatives*” a working document of the Confederation explains. Which could at the same time be explained by a “psychological threshold” to break between the two parties and by the reticence of certain governments. This is why the WCL deems it “*urgent to structurally put into practice the intention to establish a dialogue with the trade unions.*”

Dialoguing, agreed, but on what? On trade union freedom first of all. In fact for the WCL, “*the fundamental labour rights (including trade union freedom and the freedom of collective bargaining) should compulsorily be part of WB supply contracts*”, and the Fund “*should include a chapter on the respect of fundamental labour freedoms*” when drawing up policies to be followed by countries.

POVERTY – A SERIOUS PROBLEM

The WCL would also like the Fund and the Bank to clarify and underline the fact that poverty reduction objectives are integrated right away into the strategies and not “*something which comes afterwards, when the “serious” work has been done.*”

In low-income countries which benefit from “*Poverty Reduction and Growth Facilities*”, it must be said that the WCL, “*identified the groups at risk and proposed measures for correction.*”

To consult:

- **Organisations militating for the Tobin tax :**
Attac : www.attac.org
Halifax Initiative : www.halifaxinitiative.org
- **Organisations critical of the World Bank and the IMF :**
50 years is enough : www.50years.org
Bretton Woods Project : www.brettonwoodsproject.org
Campaign for debt cancellation : www.dette2000.org
Jubilee 2000 : www.jubilee2000.uk.org
For a reform of FI : www.globenet.org/ifi
Tobin Tax Initiative : www.ceedweb.org/iirp
Third World Network : www.twinside.org.sg
WCL : www.cmt-wcl.org
- **For a more “scientific” look :** www.alternative-economique.fr
- **Institutions :** www.worldbank.org ; www.imf.org ; www.ilo.org

To read (among others)

- François Chesnais : *Tobin or not Tobin?*, Ed. L'Esprit frappeur, Paris, 1999
- World Bank Group : *Social protection sector strategy*, Washington, 2001
- World Bank : *World Development Report*, Washington (annual)
- *Spectrum*, World Bank quarterly dedicated to the theme of social protection

Meanwhile, concerning indebtedness, the WCL supported the Jubilee 2000 Campaign in favour of debt cancellation for poor countries. With its regional branches in the southern continents, the WCL advocated the allocation of amounts accruing from the debt to social uses. It also thinks that a form of taxation on speculative capital should be sought, in spite of its disadvantages, at least as a token showing that excessive liberalisation can be halted. The same goes for privatisation which on the one hand cannot take precedence over essential public services such as water, education, health care and social security, which must escape the logic of trade; on the other hand, it cannot end up “*replacing a public monopoly by private monopolies.*”

The WCL generally shares the opinion of its Latin American regional body, the CLAT, which is of the view that “*a new ‘international financial architecture’ must be put in place characterised by more democratic mechanisms and more real and effective participation of developing countries and social stakeholders.*”



OCCUPATIONAL ACCIDENTS

Negligence is to blame

Dao Gaye is secretary-general of the Collectif National des Pêcheurs Sénégalais (CNPS). [National Senegalese Fishermen's Association]. He talks about working conditions on the boats: *"In the past, we went to sea from 6 am to 12 or 3 pm. Now, we are forced to stay till 6 to 7 pm, but we catch less. We are trying to equip our canoes with ice, in order to stay at sea for five to six days, with 7 or 8 men per canoe"*.

Eight people at sea for five days, on an eighteen-meter-long open canoe: one can imagine the precarious working conditions. However, it is common practise in small-scale fishing, which engages about fifteen million people in the world.

The International Labour Office (ILO) in 2000 wrote a report on safety and health in the fishing industry, labelled as *"one of the most dangerous jobs"* due to the number of occupational accidents. The ILO puts the number of deaths in the industry at 24,000 per year worldwide, and as many non-fatal accidents. Industrialised countries as well as developing countries are affected. In Australia, there are 143 fatal acci-

dents per 100,000 people per year in the fishing sector, as against 8.1 in other sectors. Whilst in Guinea, where fishing is basically small-scale, one out of 200 people die each year in a fishing accident.

Undoubtedly, the peculiar conditions at sea cause half of the fatal accidents, notes the ILO. But it adds that the majority of the accidents are due to human errors: inadequate maintenance of equipment, error of judgement... which are however not by accident: *"Faced with economic and competitive pressures, the fishermen have a tendency to take calculated risks"* and do not respect safety regulations.

(BADLY) CALCULATED RISKS

One cannot deny that sometimes, negligence on the part of workers is the root cause of accidents, whichever sector is involved. Thus, a survey conducted in 39 agricultural concerns in South Africa showed that a majority had protective equipment, but only two made it compulsory for staff to wear them. Certain safety measures are seen as constraints and are rejected by the workers themselves.

IN SPITE OF TECHNOLOGICAL ADVANCEMENT, WORKPLACE ACCIDENTS STILL REMAIN A DAILY OCCURRENCE. CARELESSNESS IS SOMETIMES THE CAUSE, BUT THE FINGER CAN BE POINTED AT BAD CONDITIONS.



In the cab of an HST, in the rain, at 300km/hour. : good for the sight



But then, the explanation is often multiple. At Liège in Belgium, a worker died in a steel factory because he was undertaking repairs alone which should have been done by two people. But could he refuse, knowing the very strong pressures to increase productivity, to make the machines work constantly, and to reduce the work?

Pressures? *“We want to bring it to the attention of leaders that reduction in staff, increase in the work load and race to make savings are incidental factors”*, explains a French health and security official. Analyses are the same from different regions of the world: the search for productivity takes precedence over safety.

Fishing and construction are the most affected sectors, but they are not the only ones. The explosion that occurred in Toulouse, France, shows that the chemical products sector remains dangerous, and that lessons have not necessarily been learnt from past experiences. Seveso, Bhopal, Toulouse.... In France, court proceedings are about to begin into an accident in a refinery in 1992. Management has been accused by the court for *“a deliberate policy on reduction of staff and increasing profitability to the detriment of safety”*. This is manifested by the reduction of staff involved with safety, and prolonging the equipment operation period...

TRAINING ...

The transport sector has also recently experienced some catastrophes, be it the accident in the Mont Blanc tunnel or those that occurred in the privatised railway of Great Britain. FIOST, transport federation within the WCL, on this subject, stated that *“the withdrawal of the State and privatisation of public transport have resulted in the collective interests, including the safety of citizens, no longer receiving absolute priority, but giving way to the profit logic”*.

Generally, trade union organisations think that privatisation contributes to lowering safety standards. On 24 September 2001, a delegation of FIOST also met the Belgian Transport minister, in his capacity as president of the European Council of the transport sector. Most of the discussions centred on the theme of safety, especially in aviation. The minister announced that she would like to complete in 2001, the document on the standardisation of aircrew training, especially with regard to safety.

But if training is one thing, legal constraint is another. In countries of Eastern Europe and in many third world countries, stressed FIOST, there is no regulatory framework for road transport, which poses a lot of risks to drivers under pressure from their employers to drive faster and longer distances. Where there is a regulation, it is not always respected, which goes back to the political will to control and enforce the law, faced with increasing productivity demands. Hence the importance for political authorities to maintain strict laws, even in a privatisation environment.

... AND INVESTMENTS

The employers' world sometimes retorts, to the argument of less attention paid to safety, that it is purely ideological, that employers also have an interest to limit the number of accidents. During a recent televised debate where the issue was “new risks” (stress and harassment...), one of them affirmed that workers at the end of the 19th century were also all stressed out. It would therefore be wrong to talk of a worse situation than in the past.

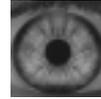
However, the problem does not lie there. It lies first in certain developments, such as the increasing recourse to temporary work, which complicates the issue of occupational accidents by placing ill-prepared workers face-to-face with sophisticated equipment. *“The worker who knows his machine well, runs less risks”*, one often hears in the workplace.

Basically, the issue arises from the ethics of the economy. Whilst technology allows wonders to be achieved in different domains, necessary investments for the protection of people are not forthcoming. As if things were more important than people....

André Linard



About Oyabock, in French Guyana :
are canoes safe?



GLOBALISATION

Social labels, a trade union tool

“ For me, it is the squaring of the circle. I heard the complaints of trade unions on working conditions in the Third World, at times worthy of the 19th century, and their demand for a social clause. On the other hand, NGOs still refuse to sanction these countries, already victim of export difficulties.” A Belgian socialist parliamentarian, Mr Van der Maelen, sought to bring together the two concerns in a draft bill to create an official “social label”, attributed at the request of companies, for certain products, through the appropriate ministry.

The notion of social label is not very old. The ILO defines it as “a means of information in the form of a mark that testifies to the conditions of production of a product or a service.”

The principle is not different from “bio” or guaranteed vintage labels, but relates to another aspect: the working conditions and salaries of workers who participate in the production. The label will be given to products that meet certain standards.

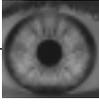
THE CONVENTIONS, AT LEAST

And this is the very heart of the matter: what standards? Currently, one notices an abundance of *self-proclaiming* labels: “hormone-free”, “respects the environment”, “Max Havelaar”... or yet still the SA8000 standard, which aims at all products. To the extent that the consumer no longer knows where he or she stands, and is therefore not encouraged to join the practice.

ALMOST EVERYWHERE THE IDEA OF “MARKING” PRODUCTS MANUFACTURED UNDER CORRECT WORKING CONDITIONS BY MEANS OF “SOCIAL LABELS” IS EMERGING. THE IDEA IS SPREADING, BUT ALSO MEETING WITH RESISTANCE.



In the industrial zone of Djakarta



"The issue of the company's responsibility to salaried workers and nature has become a priority in publicity actions", wrote T. Kalouguine in the Jonas magazine (September 2001). Yet again, "each speaker has concocted his own sauce from which he decides what is ethical." The author cites as example the Global Compact organisation, created on the initiative of Kofi Annan, which brings together the "big names in world capitalism and NGOs" (and a number of trade unions - the editor) but has been reproached for being "too complacent towards multinationals".

Generally, under pressure from the public, companies have created independent social labels, individually or as a group. The ILO is very critical on this subject: *"the large variety of implementation methods makes it virtually impossible to check the credibility of affirmations".* Gérard Fonteneau, former head of the WCL, estimates (in his personal capacity) that a code or a private label *"is a way of saying "do not control me', I am capable of doing it myself. It is dangerous".* And that *"a label or code of conduct is only credible when it includes or strengthens the ILO standards as compulsory international conventions, in any case, the most basic. Not if it stays below that standard".*

SEEKING INDEPENDENT CONTROLLERS

Meanwhile, we are far from it, since the majority of these individual initiatives neglect, for example, the issue of trade union freedom (*Labor Magazine*, 2001-02, page 14). Public social labels cannot fall in this cross section.

A second delicate issue is that it is good to grant a label, but that such procedure is not effective without real control. The advantage of a social label managed by the authorities consists in being able to set common procedures. This control can be effected in the production premises by the appropriate national public services, applying the Labour Inspection Conventions (nos. 81 and 110), in relation with the activities and the standard-setting system of the ILO. And, in the trading premises, by the national services, or even by the European Union. Employers' and workers' organisations, as well as NGOs whose activities and seriousness are appropriate must be associated in independent partnership to this local, national and international control.

Where necessary, affirms still Gérard Fonteneau, *"I agree with private-sector controllers, but on condition that they are totally independent of firms (...) and that they meet certain criteria. Hence the idea that the ILO, strong in its expertise, is charged with certifying firms responsible for these controls."*

Third challenge: membership of consumers. Granting a label is in fact an incentive procedure: instead of penalising companies at fault, those who make efforts will be rewarded, by encouraging consumers to patronise them. Then again, obviously, the latter must respond. Do they accord enough importance to the value of "working conditions" to make of it a selection criterion for their purchases? The relatively reduced impact, in quantity, of equitable trade products makes one doubt this. And even in this case, are consumers ready to spend more for socially labelled purchases?

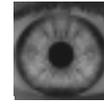
VARIOUS FORMS OF RESISTANCE

The idea of the social label therefore meets with resistance. Some from producer countries themselves and at times from their trade unions, in the face of what to them is, in any case, protectionism. It was during a WTO committee meeting on technical impediments to trade, that governments such as those of Pakistan, Malaysia, Brazil, Egypt, Hong Kong (on behalf of China) condemned what they call a *"constraint to development"*.

The argument is known: every link to trade and social obligations harm economic development, a condition for social development. It is based on the trickle-down liberal conception: the benefits of economic growth will be automatically shared, in heaps for the whole society, and therefore also for workers, as in industrialised countries; it is only a matter of time.

It is a paradoxical and false argument. Paradoxical, because the same countries have in general, joined the ILO Declaration on Fundamental Principles and Rights at Work (1998); the ministries of Trade refuse to apply what the ministry of Labour has signed; and false, because they are based on a wrong interpretation of the history of industrial countries. It is not growth or industrialisation that enabled improvement in working conditions. It is the existence of trade unions, which have been able to fight for the benefits of growth to be shared. If one breaks trade union freedom, the same result cannot be obtained.

Other impediments can come from the fear of contravening WTO laws, which can determine that a social label scheme is harmful to sacrosanct competition and the principle of non-discrimination. In this logic, a potential social label cannot in any way gain binding power. But the evolution of world opinion in recent years could lead to challenging this logic, rather than wanting to prove at all cost that it is respected.



The opinion of trade unions on social labels is not always very clear. On the part of the WCL, a position was taken by one of the most affected branches, the textile federation (IFTC). It is a sector where labels and codes of conduct are many, particularly in the clothing industry. In their own way, they aim at social justice, elimination of child labour, forced work and discrimination, and try to maintain trade union freedom. On the whole, they are valuable initiatives.

According to IFTC, labels are mainly used in the distribution sector (transnational companies) but gradually in the methods of production. The origin of labels is still not known. One can thus at times question their honesty. Besides, it is not always easy to determine if the labels are rightly obtained.

The IFTC notices that information for consumers on the aims and methods of organisation, on independent controls, etc is lacking in many cases. It also often happens that the link between the label and the workers who manufacture the articles are not visible and that the label was made without any link to the basic action of the workers. Granting of labels depends on the initiative of employers, whereas workers have no voice in the matter, though this issue can be decisive for the maintenance of their job.

The IFTC sees in social labels an intermediary step. There should be one single label, granted on the basis of independent controls, after having consulted the local trade unions and social organisations. Not forgetting that the aim is not to obtain a label, but to respond to the right of each worker to have dignified employment. Furthermore, each one of the latter must have the same opportunities: the implementation of labels based on discrimination between workers must be avoided at all cost.

1. *Le Vif/L'Express*, Brussels, 8 June 2001

INDONESIAN WOMEN SPEAK

"Among the respondents, those who received a questionnaire through a trade union representative of the SBSI, work in very difficult conditions. They all work in different companies and have totally distinct working hours and salaries, but they nevertheless remain lower than the legal limit. In fact, it has been revealed that most of them work eighty hours per week, which means eleven or twelve hours of work a day, everyday."

In March 2001, a student carried out a survey on the conditions of women working in the Jabotabek free zone, near Djakarta (with the help of the SBSI trade union). It was a difficult survey, especially due to the fear of the workers of being sanctioned if they responded, and pressures on them. 52 did nevertheless, and 48 of them were women.

The responses indicate for example that one-third of salaried workers surveyed are paid below the legal minimum salary. Overtime hours were widespread, with an average of 25 hours per month, paid at the same rate as normal hours. They are at times compulsory and not remunerated. The women also confirmed the specific difficulties, which affect them. In the sharing of duties, first of all: *"they estimate the number of women workers in their company to be between 60 and 90% of the personnel. On the contrary, the number of women occupying high level positions is estimated at between 0 and 10% of these positions."*

Besides, the study also shows that though 31.1% of men receive a monthly salary higher than 300,000 rupees (US\$33), only 17.8% of women are in this category.

The survey also shows that when female workers were asked if there was moral harassment in their company, they responded in the negative. On the contrary, when specific facts indicating harassment were brought up, *"one realised that the managers harass the female workers."* Conclusion: *"either the latter do not know what is meant by moral harassment, or they responded negatively for fear that the manager might read their responses and that they would be consequently punished. According to suggestions of the female workers questioned in the group discussion, the second proposal seemed more plausible."*

Discrimination, harassment, inhuman hours, insufficient salaries... How many ILO conventions are therefore violated in the Indonesian free zones?

Ground survey conducted by Julie Tomé, Brussels, 2001.



A label, agreed. Should it be controlled to the end of the chain?



PRESS REVIEW

DEMONSTRATORS TAKE THE DAY

Demonstrators have won a victory. They have won in the streets and they will take the field of debate. Globalisation will rapidly become a cause without any credible advocates. (...)

International economic integration does generate wealth, but it also redistributes it. There are as many losers as there are winners. Free trade can improve the lot of one and all. But this does not mean that each and every one actually sees an improvement in their lot.

Advanced countries are required to show a mixture of humility and leadership. They could start by recognising that there is something wrong. The time for imposing the consensus of Washington on the developing nations is gone. Tailored structural adjustment programmes have ruined the most fragile economies more than they have cured them. But they bailed out the West's banks. Governments, which were caught in the financial brush fires of the 1990s, have had to reduce their spending in health and education. Such policies were both economically stupid and socially destabilising. But US banks got their money back. (...)

There is an area where politicians can fight alongside the protestors: globalisation is a means to an end. Capitalism without borders has no intrinsic worth. What is needed is to raise the living standards of all. Global capitalism (...) requires the rules of civilisation.

Extracts from an article by Philip Stephens, Financial Times, 17 August 2001.

• CUBA : THE PRICE OF MONEY

"Those of us in Cuba who are independent workers are often accused wrongly by the government of being in the pay of the United States. To accept any assistance would only go to strengthen such accusations. (...) If some Cuban dissidents accept American assistance while others refuse it, the result would be division among those who are calling for democratic change and this would give the official propaganda machinery a further reason to accuse us all of being mercenaries... One of us recently spent three months in prison because a sum of 5,000 dollars, intended for a congress of independent trade unions, was found in his home."

P.P. Alvarez Ramos (Conseil unitaire des Travailleurs cubains) et H. Palacios Ruiz, dans le New York Times (traduit par Le courrier international, 12-18/07/2001).

• OPEL : A TRADE UNION VICTORY

"It was not even necessary to go up to a showdown before the solution of a social dialogue won the day at Opel. Of course, the German and European trade unions had threatened the management of Opel with a protest movement and possible strikes if a plant was closed down. And in Germany, the chairman of IG Metall had promised the very active mobilisation of his powerful union. (...)"

"It's an important victory for Opel's European employees. General Motors realised that we mean business, said Klaus Franz, chairman of the General Motors Europe Workers' Council. To begin with, it might indeed appear less costly to close down a factory. But that would be neglecting the social cost of such a measure."
Le Soir, 21 August 2001.

• UNITED STATES : WORKAHOLICS

"Americans define themselves by their work. They tell you immediately what they do. But (...) hard-working Americans paid the minimum wage have to choose between eating or heating, healthcare or childcare. Adjusting for inflation, [the minimum wage] is a third less than in 1968. A couple with two kids would have to work a combined 3.3 full-time minimum-wage jobs to make ends meet."

The Guardian, 3 september 2001

BOOKS AND DEBATE

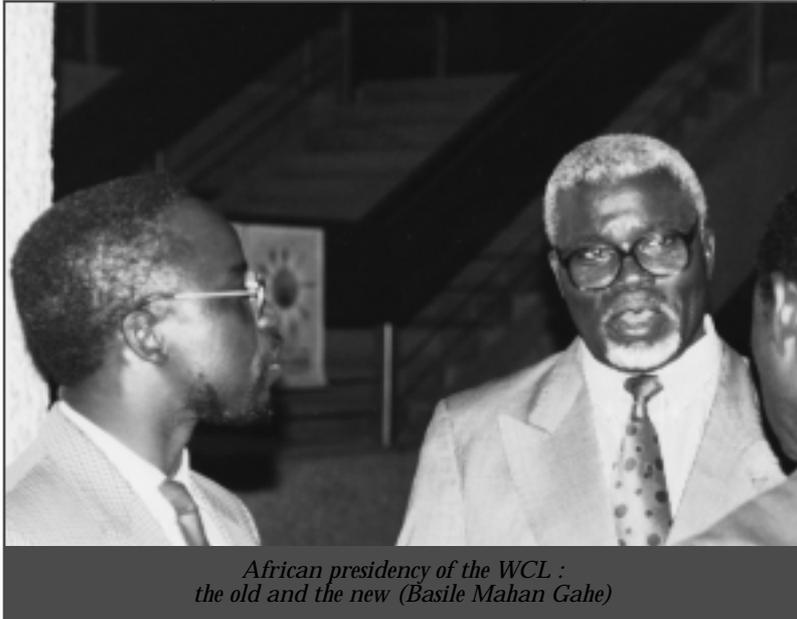
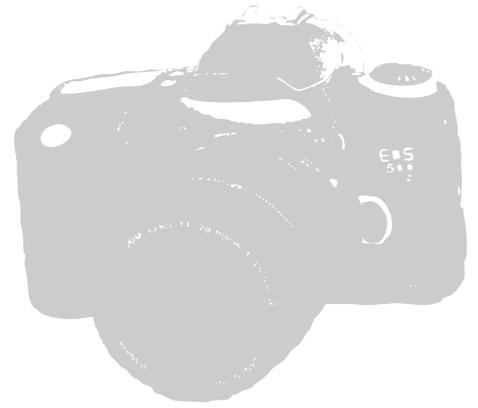


SOCIAL SECURITY FOR (ALMOST) ALL

Is social security a luxury for developed countries? It is often said to be so, but a work recently published by the ILO, before discussion on the topic at the last International Conference on Labour shows that this is not the case. Taking examples from the three continents of the South (China and India, El Salvador, Benin and Tanzania), this study shows that it is possible to provide social protection to workers in these countries using modes of functioning that are adapted to their context. For this purpose, it is no doubt necessary to give up the idea that there is only one universal model of social protection. With this condition, even categories of workers in the informal sector, who tend more to envisage individual protection, could have certain income risks covered by some collective arrangement. There are no magic recipes in this book, but there are ideas that show that with political will and organisational flexibility it is possible to overcome the shortfalls in resources.

Wouter van Ginneken (edit.) : *Social security for the excluded majority : Case studies of developing countries*, ILO, Geneva, 1999, 225 p.

PROFILE



*African presidency of the WCL :
the old and the new (Basile Mahan Gahe)*

POPULAR

In 1967, Congolese trade unions decided to form one single body, the National Workers' Union of Congo (UNTC). Was this decision taken freely or imposed by the Mobutu regime? Both, explains Fernand Kikongi in a small book .

He was at one time secretary-general of the National Workers' Union of Zaire at the time of official trade unionism, where he was under all sorts of pressures which were difficult to resist. He then chose independent trade unionism when the national situation allowed him, became leader of the Federal Trade Union Movement of Congo and the DOAWTU and then president of the WCL in 1997.

Quiet sometimes in meetings, perhaps not projecting his image enough in his duty, and also beset with health problems, Fernand Kikongi also shows himself warm in his personal relationships. He surprises his listeners, when in the middle of a declaration or a conversa-

tion, he uses an expression in the popular language, which is not really expected. Which is a reminder that the trade union has its roots in the workers' world, not in the muffled rooms of institutions.

CHANGING SOCIETY

This does not prevent Fernand Kikongi from expressing clear views on the role and direction of trade unionism: "*Trade unionism imbued with materialism or paternalism leads the working class into an impasse, because if we do not fundamentally change the type of organisation of society and the manner in which we design the relationship between men, nothing can be resolved thoroughly*".

In fact, to quote Nicole Notat (CFDT - France): "*there is a more global and cross-cutting approach to problems that do not only emanate from enterprises*".

Fernand Kikongi still thinks that "*the trade union cannot live in a closed vase, recoiling into its shell and insensitive to all that goes on around it. (...) Faced*

with globalisation, we need an international movement capable of imposing the choices of society, based on the interests of workers, social justice and international solidarity."

This particularly requires "*continuously questioning oneself to be better prepared for the struggle in favour of workers and the deprived*".

Fernand Kikongi, who is still president of the DOAWTU, leaves his post in the WCL, which experienced significant progress, during his term, especially in Africa. Thank you, president.

A.L

1. My vision of trade unionism as I have experienced it, Kinshasa, 1999

TRADE UNION ACTIVITIES

trade union activities

BOLIVIA

50,000 people undermined

Today, 50,000 people work in co-operative mining ventures in Bolivia. Their situation is far from perfect since the working conditions are completely inadequate: bad air circulation, constant inhalation of dust, all at an altitude of 4,500 metres. Moreover, life expectancy of these workers is not more than 50 years.

Historically, however, the mining industry constitutes one of the two pillars of the Bolivian economy, together with agriculture. As a matter of fact, the Bolivian soil abounds in all kinds of minerals (silver, copper, tin, lead ...).



A country rich in mines, miners who hardly see its colour

But like most Latin American countries, Bolivia came out of a dictatorship with a huge foreign debt. The adage according to which “one privatises what is profitable and socialises what is not” has since been applied to the mines. Multilateral companies have taken over lands that possess minerals, which have higher added value. The result of this privatisation is a great reduction in the number of jobs. A large number of people have had to turn to small co-operative mines in order to survive.

THE MINE FAMILY

The economic situation is also harsh for the co-operative miners. During privatisation, assets were sold for less to the big multinational companies to the detriment of small co-operatives.

Willy Thys, secretary-general of the WCL, and Italo Rodomonti, chairman of the International Solidarity Foundation of Belgian Miners, were able to make an on-the-spot assessment of the situation. According to them, there are two openings for future collaboration.

First, recycling equipment resulting from the policy of closure of European mines. This equipment, even if it is no longer the state of the art, is completely functional. It would therefore be timely to study the possibilities of transfer of these machines to mining countries like Bolivia, without ignoring the costs inherent in this solidarity operation. This collaboration is essential if one considers the decrepit nature of co-operative mining equipment.

The second opening consists in a new approach for the sale of minerals: aiding co-operatives to regroup to have more power during negotiations.

In both cases, there is a call to solidarity, just to prove that the mine family is global.