

**Review of the World
Confederation
of Labour (WCL)
for training and
information.**

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Picture :
Porto Alegre : a mosaic
for another world

PROFILE

I was born in a working class district in old Havana, called El Cristo, near the port. I was the eldest son of a very poor Spanish migrant family. My father was a tailor and my mother worked in the house, where we were 16 children. I started working at the age of 12, as a messenger in a shop. I entered YCW at a tender age of 14 years, where I attended a staff school, and also participated in meetings of the communist party. I can say today that the training, especially at YCW, has been important for me; it helps me to hold discussions with people who have a higher education than I.



*Eduardo García :
Cuban mountains at the
CLAT summit*

Q. From YCW to the trade union, has it been only a step?

I became a trade unionist very young, and I organised a trade union in the shop where I worked. The legal minimum salary was 85 pesos (US\$85 at the time), but the shop paid \$65. The law allowed it for the first three months. Also, the bosses hired someone, dismissed him after three months and then

FROM A POOR DISTRICT IN HAVANA TO THE HEAD OF CLAT, THE JOURNEY OF EDUARDO GARCIA IS UNCOMMON. HIS PASSAGE THROUGH THE YCW WOULD HAVE SET THE TRIGGER, AND CONSTITUTE A PERMANENT INSPIRATION.

Eduardo García Mouré

hired him again. So I brought the commercial trade unions together into one single organisation. In this way, our membership increased from 800 to 11,000 in one year. These trade union struggles shaped my social and political vocation.

All this made me an adherent of three values: the doctrine of Christianity, which fiercely defends the human being; socialism, in order to ensure this defence by socialising the economy and means of production; and nationalism, because Cuba's history forced us to fight against American imperialism.

Q. Was all this before the revolution?
Yes. The Batista coup was in 1952, and I secretly joined the 26th July National Liberation Movement.

After the revolution, I was leader of the revolutionary Confederation of Cuban Workers (CTC). But I left and returned to my trade union. I felt committed to workers at the grassroots. I became General Secretary of the Trade Union of Havana.

When the Cuban government deviated from the anti-imperialist nationalist democratic path to engage in a personal and totalitarian revolution, I was opposed to it. After one and a half years, I became involved again in the uprising. I was prosecuted and condemned to death in my absence. I was arrested, I

escaped and hid in the Embassies of Venezuela, then Mexico, before leaving the country for Caracas.

Q. Why did you think it was impossible for you to remain in Cuba?

I never thought of leaving the country. But the confrontation with the regime became very difficult, not because of its Marxist nature, but because Fidel Castro was in fact only a "caudillo" who wanted personal power. Therefore, together with others, I created the *Movimiento Revolucionario del Pueblo* (People's Revolutionary Movement), which kept the original ideas of the revolution.

We were opposed to a change imposed from Miami. For us, that should come from within the country, but the first proposition prevailed. The internal opposition was weakened because it was caught between *fidelism* and external forces.

Q. Like today?

I still think that change must come from within. We are faced with two spheres of power: one in Miami, conservative, capitalist, which wants an external solution; and the other, dogmatic, centred around Fidel, who maintains he has no opposition in Cuba, but only in Miami. Both are mutually dependent and do everything to ensure that internal civil society does not cross their path. Two convergent forces face each other: those who develop an autonomous position vis-à-vis the government and the State (civil society) and those in state organisations who want to reform the system. These two forces will converge to effect the change.

Q. Once you were out of the country, what was your itinerary?

I left Cuba in 1962. Already, Emilio Máspero and the CLAT had previ-

Continued on page 62



Reverse the balance of power

As in every year, spring is the period for stock-taking of companies. It is very often the occasion when it is noticed that despite the endless complaints on the cost of salaries and the indispensable competitiveness, the profits of shareholders are good, thanks for that. This is particularly the case in the large transnational companies, without it however being translated into jobs.

From 1983 to 1999, the profits of the largest 200 firms in the world increased by 362.4% whereas the number of workers increased by 14.4% according to figures of the Institute for Policy Studies, in Washington (IPS, 4 December 2000). Poor shareholders...

Why then call for the reduction in demands of workers? Is it because the cake to be shared would be smaller? Not really. But rather because the past twenty-five years (and this has not necessarily ended) offered employers the opportunity to carry out the offensive against the sharing of the profits of productivity, which accrued from about 1945 to 1975.

This famous globalisation, the great movement for restructuring businesses, has strengthened companies at the international level. It has particularly allowed them to break the capital-job compromise, which had been concluded, at the national level, in several industrialised countries. The balance of power today clearly tilts towards the world of employers. The conviction which propels us, and motivates us in the trade union commitment, is that this development is not irreversible. It is stopped or even reversed each time that workers are able to get profits shared in a company; it is the underlying meaning of demands for reduction of working hours for example. It is also stopped or reversed when trade unions, consumers' associations and others force companies to introduce social, environmental and ethical concerns in their practices (see central file). It is so, each time that trade union organisations are able to organise themselves to take the struggle to the international level.

The WCL congress next October, should prove that trade union action in companies and at the international level are complementary and not in competition.



Willy Thys
General Secretary

SOMMAIRE

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AFTER PORTO ALEGRE

Thinking is not single anymore

DESPITE SOME MISTAKES, THE PORTO ALEGRE WORLD SOCIAL FORUM INTELLIGENTLY TACKLED A WIDE VARIETY OF THEMES, ABOUT THE SAME CONVICTION: "IT IS POSSIBLE TO HAVE A DIFFERENT WORLD". A LOT REMAINS TO BE DONE, BUT WE MUST SUCCEED

Beyond the emotional aspect, what is left of the World Social Forum that was held in Brazil in January? Should trade unions have joined this initiative originating mainly from NGOs?

Trade unionism was very much present, in fact, during this Forum, either as organisers (the CUT from Brazil was one of them) or particularly in the discussions on the themes in about 400 workshops, and also in the content of the debates. Also as participants trade unions were well represented. At world level, it was also represented by the WCL and by numerous national and regional organisations. According to Laerte Texeira, president of the Central Autônoma de Trabalhadores (CAT - Brazil), «*the trade union presence was obvious because the neo-liberal model brought about so much exclusion and injustice that we must of necessity participate in the search of an alternative.*»

During the first few days, several comments sought to establish an opposition to the Davos Economic Summit by emphasising the more democratic nature of the Forum. Thus, according to Mario Morant, delegation co-ordinator of the Central Latinoamericano de Trabajadores (CLAT): «*How is it possible to decide the economic future of humanity in Davos, without listening to the more representative expressions of our peoples?*»

However, as the days went by, this anti-Davos characteristic gave way to the willingness to work out a positive alternative to neo-liberalism. Very few people envisaged this without the participation of the workers' movement.

Mamadou Diop, for example, is General Secretary of the Union démocratique des enseignants du Sénégal. According to him, being in Porto Alegre was absolutely necessary because, so he wonders, «*how to create conditions for the emergence of an effective trade unionism without joining forces with other associations of the civil society? Workers alone cannot achieve this.*»

A PROCESS, NOT AN EVENT

The general opinion, which prevailed at the Forum among the "stars" as well as the anonymous, underscored the importance of moving from an opposition to a proposition stage. There was also the conviction that if it «has to be», there is still a very long way to go, as was pointed out by a leader of a Burundian NGO, David Gakunzi («*this is not an event, but the beginning of a process*») and Ariel Dorfman, a Chilean writer in exile («*More than the intellectual awareness of joint analysis of problems, the essential thing here happens in the lobbies or the workshops. It is like a wind which blows on a cloud of bees*»). While Tarcisio Secolo, leader of metal workers of Sao Paulo, emphasised «*the great importance of non-formal contacts to consolidate links and alliances*».

It is true that more than its content, the main achievement of Porto Alegre was the opportunity to meet



In the streets of Porto Alegre



and to have debates, despite the widely shared lack of satisfaction over the limited time left for real exchanges. In the absence of a final declaration, which was impossible to draw up, a lot of participants left with what they personally saw and heard, and most of them with a full address book.

“The real advancement of the Porto Alegre Forum is perhaps to have offered us a public place to bring out (...) the constituent elements of the global institutional architecture, wrote the economic editor of the daily Le Soir (10-11.02.2001). No matter one’s political convictions, each person must (...) congratulate himself on this return to a larger intellectual biodiversity ...”

In spite of everything, including the very great heterogeneity of participants and the much-expected criticism of neo-liberal globalisation, new ideas emerged, testifying to a new vision of actors in this “different world” which is possible to attain.

For example, the idea of social movements undoubtedly fighting against capitalism and for the environment, zealous in the cause of women and of the democratisation of computer science, whereas the pioneers, stars in the 1970s already, reasoned particularly in terms of social classes. The idea, also, of interdependence, particularly emphasised by Christine Habbart, of the International Federation of Human Rights, between economic and social rights on the one hand, and civil and political rights on the other, which a category of leftists oppose at times

NO ASPIRIN AGAINST CANCER

Absent from the Forum remained those who opt for a withdrawal into a nationalist self in the face of economic globalisation. Those who considered that the response is to be found in a social globalisation allowing them to tackle the local issues were present. Most favoured a regulation of neo-liberal globalisation, even if this term could lead to confusion if it is not clearly defined. *«In Davos, they seek to alter the capitalist system to save it. They talk about social problems there, but it is not with aspirin from Davos that one will cure the cancer of injustice. This Social Forum is the beginning of a process of eradication of cancer by attacking its roots»*, declared Eduardo Estévez, Confederal Secretary of the WCL, on Brazilian television.

It is therefore not only a matter of regulation, but another issue, where the economy would be subject to democratic development and decisions. In the words of Ariel Dorfman: *«Even if today this may seem utopian, in thirty years it could be a reality.»* To arrive at this, a global countervailing power is necessary in the face of the dominant forces. *«We are beginning to build it here»*, we continually heard in Porto Alegre.

André Linard

ACCORDING TO THE WCL, STRENGTHEN PLURALISM

The 2001 Forum is dead, long live the 2002 Forum. In Porto Alegre, the World Confederation of Labour (WCL) announced that it was positively evaluating the World Social Forum and that it hoped to continue to participate in this process of social change at the international level, and even in its organisation. The WCL hopes however that the pluralism of these meetings will be accentuated in future. For Eduardo Estévez, confederal secretary of the second largest world trade union confederation in terms of members, the workers’ movement *“must necessarily be one of the main actors of social change. The WCL wants to continue to participate in it, playing a more active role in the preparation and realisation of the next stages, where the pluralist nature of this meeting should be strengthened.”* Muchtar Pakpahan, President of the Indonesian trade union SBSI, affiliated to the WCL, specified that *“in future a better geographical and gender balance among the main speakers should be sought.”* Also Laerte Teixeira, President of the Central Autônoma de Trabalhadores (CAT – Brazil), hoped, *“in the spirit of this Forum, for more permanent structures of co-ordination and of unity in action with the other Brazilian trade unions”*.



World Social Forum, a reflection in depth in the first place



The Group called "Bretton Woods"

WORLD BANK : TO BE CONSUMED WITH MODERATION

On the one hand, the World Bank recalls in its 2000 report all the advantages that the economies of emerging countries could gain from an export-oriented trade policy. On the other, it indicates that the expected fall in consumption in the United States, the prices of oil per barrel and the non-performing Asian borrowings, could greatly reduce world growth and at the same time limit the effectiveness of the model of export-based development in the developing countries.

It is just a repetition of the old story of cocoa. The IBRD urged Côte d'Ivoire, Ghana and Indonesia to invest in the production of this profitable product on the world market. The three docile pupils were then faced with overproduction... and a sharp reduction in prices.

SOME VIVID "RESULTS"

In 1960, the ratio between the incomes of 20% of the poorest inhabitants of the world and the 20% richest was 1 to 30. It rose to 1 to 74. (Source: UNDP 1999).

Development aid per inhabitant in the so-called least-advanced countries rose from US\$67.9 in 1980 to US\$95.1 in 1990 and US\$59 in 1998 (current dollars). (Source: UNCTAD 2000).

Out of the 6 billion inhabitants in the world, 54% live on less than US\$2 a day, the poverty line fixed by the World Bank. 20% live or survive on less than one \$1, which is the destitute line (Source: Cidutal, 2001).

The group called Bretton Woods, the name of the town where the first Agreements were signed, includes a monetary pole (IMF) and a financial pole (the World Bank). One could add to it the trade pole (WTO) which is not officially part of it.

THE INTERNATIONAL MONETARY FUND (IMF)

was created after the Second World War (44 members in 1947), in order to encourage growth in international trade by liberalising financial exchanges and ensuring currency stability. From then on, it also committed itself to reducing balance-of-payment imbalances. Decisions were taken at the IMF in line with the contribution of each country. The economically strong countries had a minority of blockage (43.66% of voting rights for the G7 countries in 1998). The IMF intervenes by granting loans and monitoring the economic policies of member countries, which led it to impose the much-debated Structural Adjustment Programmes.

THE WORLD BANK

From its real name, International Bank for Reconstruction and Development (IBRD), the World Bank was created at the same time as the IMF, first of all with the aim of encouraging European reconstruction, before being re-oriented towards development. The IBRD is part of the World Bank Group, which includes several organisations, differentiated by the interest rate used and the target sector (public or private). Continental banks exist along the same models in continents of the South.

The role of the Bank is to lend, to provide economic expertise and to prescribe national economic policies. Its ideology leads it to assimilate development and growth, by inserting into the world market and stimulating competition. In the past few years, the Bank has however reduced its discourse and re-integrated into them social dimensions, in any case in terms of the fight against poverty, without changing its neo-liberal convictions. It had to sacrifice its most critical voice, Joseph Stiglitz, so as not to displease its United States donor.

THE WORLD TRADE ORGANISATION (WTO)

Last born (1995) of the large international organisations in order to encourage liberalisation of trade in the broad sense, the WTO functions on the basis of consensus. It went back to the aims of the *General Agreement on Tariffs and Trade* (GATT) Agreements, concluded in 1947, to offer a framework and international trade regulations at a time when protectionism was very strong.

The establishment of the WTO created a conflict of interest with the UNCTAD, which is also in charge of trade and development. Whereas the UNCTAD was established in 1964 to contest world trade regulations that were halting development, the WTO considers that countries in the South must be able to integrate themselves into the international market in order to develop.



Drawing of Mushtaq (Dawn journal, Pakistan)



Ghana

the transition is possible

After Senegal, where political change has taken place without a stir, after Niger and Nigeria, where the military have handed over power to civilians, Ghana has also recently experienced a smooth electoral transition. After the defeat in the elections of 7 and 28 December, of the candidate of the party of Jerry John Rawlings, a young officer who ascended to power as President in 1981, the latter has handed over to John Agyekum Kufuor. Ghana is the homeland of Nkrumah, the well-known pan-Africanist and first President of a country considered as "relatively" stable, in these last few years, in any case. It however experienced a period of unrest from 1966 to 1981, coups d'Etat and economic decline, followed by a military dictatorship until 1992.

Jerry Rawlings and the *National Democratic Congress* (NDC), during that time always won elections, sometimes marked by opposition boycott. But in December last year, there was a change – *the New Patriotic Party*, rather liberal and conservative, won

parliamentary majority, and its leader, John Kufuor, defeated John Atta Mills, the NDC candidate in the presidential election. The unusual thing though, is that the latter, like Jerry Rawlings, was quick to congratulate the winner, and pledge to co-operate in the transition.

Despite certain incidents, including the most serious, which cost the lives of ten people in the Northern region of the country, these elections have been clean and fair. All observers, starting from the Secretary-General of the United Nations, Kofi Annan, himself a Ghanaian, have underlined the importance of a democratic transition, accepted by the losers.

On hearing these reactions, it seems that the possibility of a peaceful change takes precedence over the identity and ideology of the winner. It remains to be seen how this political change will enable a solution to be found to the socio-economic stakes of a country that is largely a victim of structural adjustment.

THE COUNTRY

Capital: Accra. Population: 20 million inhabitants; area: 238,538 sq. km.; urban pop. ±39%; GDP per inhab. (in parity with purchasing power): US\$ 1,735; HDI: 0.556 (class.:129th – Togo:0.471; Côte d'Ivoire:0.420); human poverty index: 35.4%; adult illiteracy: 69.1%; ratio of incomes of 20% of the richest and 20% of the poorest people: 5 to 1.



TRADE UNION PLURALISM

Traditionally, the confederation Ghana Trade Union Congress (GTUC), affiliated to the ICFTU, dominated the Ghanaian trade union landscape. The previous government had for a long time played a subtle game of "I love you, I no longer do" with them. Good relations on one hand, accompanied by governmental control, but at the same time, preventing the GTUC from becoming too powerful. In 1999, the union of several trade action organisations (nurses, textile, legal services...) led to the creation of another confederation, the *Ghana Federation of Labour* (GFL), to which other sectors (teachers) affiliated. The GFL was recognised as a matter of fact by the Rawlings government. Its emergence and affiliation to the WCL were seen as affronts to the GTUC, which had meanwhile refused membership to the organisations concerned. A draft labour code, prepared by the former government, is yet to be approved. It would officially establish trade union freedom.



ACV-CSC/WCL mission to Asia

● Too many immigrants in Spain

One year after the racist murders of El Ejido, Marta Ferrusola, the wife of the Prime Minister of Catalonia (Spain) condemned Moslems who “*want to impose their culture*”, while living at the expense of social security. Whiles the former regional parliamentarian Heribert Barrera affirmed that “*the region will disappear under the weight of immigration*”. He added, “*There are too many immigrants*”.

Catalonia has 2% immigrants, who work mainly in Barcelona, the regional capital, and on the flower plantations. These statements were strongly criticised by the leftist party and by the Spanish trade unions, including USO, member of WCL.

Source: International press, February-March 2001

● RUSSIA : half minimum salary for teachers

Russian teachers went on strike at the end of February. They were demanding a rise in salary in order to meet the basic minimum. This meant an increase by 50%.

● CENTRAL AMERICA : long live the dollar

And the three: after Panama and Ecuador, El Salvador has since January 2001 been the third Latin American country to dollarise its economy, and the IMF applauded. Officially, it is a matter of facilitating the trade and financial integration of the country. It must be stated that the dollar was already widely used, coming from the *remesas*, these remittances of funds by Salvadorian immigrants in the USA. But this decision reduces the sovereignty of the country by subjecting

it to monetary decisions taken in Washington. Guatemala has decided to follow the same path in May 2001, while Costa Rica could follow suite. In the case of Cuba, where the possession of the dollar provides access to goods, and Argentina, which is obliged to have as much dollars in reserve as pesos in circulation, there is a large part of Latin America which depends on this green note.

● PAKISTAN : child labour

Nearly 13,700 children, including 10,000 girls, have been discovered in carpet manufacturing workshops in 138 villages in Punjab (Pakistan), according to a report of the IPEC programme of the ILO. On the contrary, this programme has already allowed the

opening of 107 non-formal education centres in the same region, to offer an alternative for these children. 3,658 of these, including 2,911 girls, are already benefiting from these.

● FRANCE : more poor workers

Poverty is no longer decidedly reserved for those who are on the fringes of the economy. In France, 1.3 million workers live in a household where the income is lower than the poverty line, according to figures published in October 2000 by the Institute of Economic Statistics (INESS). Among them, 37% were unemployed during the reference year, but 10%

were employed throughout the year (especially for fixed periods or as temporary staff) and 20% were full-time and permanent salaried workers. This last category indicates that poverty of workers is linked, at least for a period, to the development of low salaries and precarious or part-time employment, as well as to inadequate social transfers.

● CHINA : half a step forward

In February, the Chinese Parliament ratified an International Pact on economic, social and cultural rights. The Xinhua Official Agency however specified that Article 8, 1.a – on trade union freedom – of the Pact would only be applied “*in accordance with the*

Chinese Constitution and the labour and trade union law”. The latter for the time recognises only one confederation. An ILO mission to China is scheduled for the month of May.

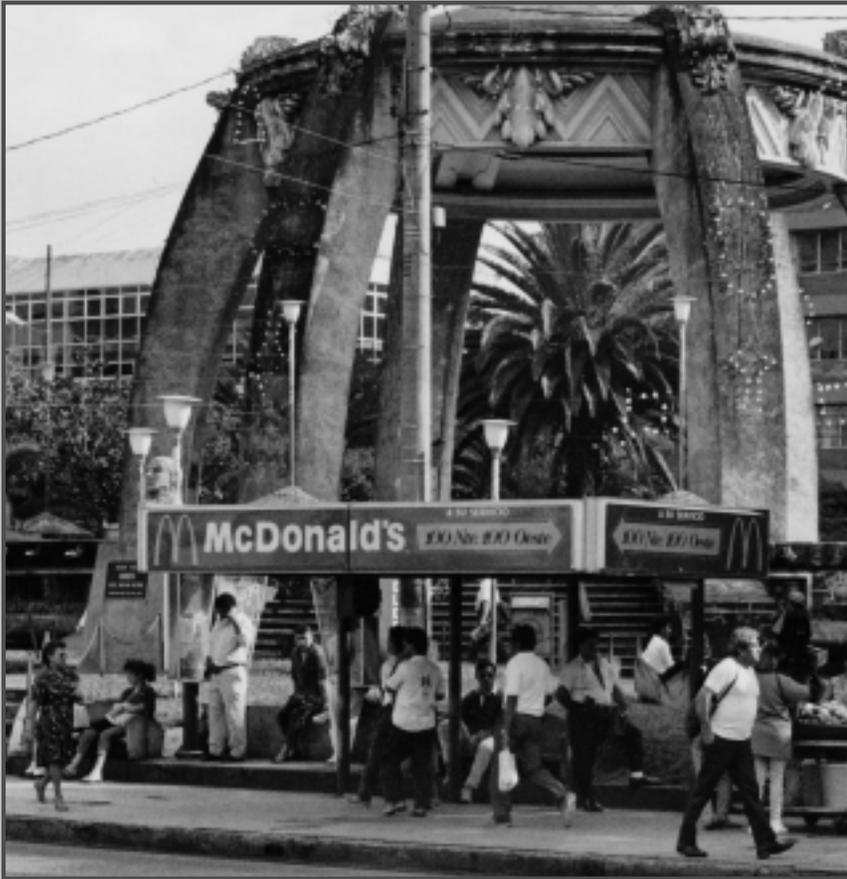


Willy Thys at the congress of the Greek General Conference of Labour (Greece)



The WCL in front of the wall of homage to the trade unions martyrs of repression in Gdansk (Poland)

TRANSNATIONALS : GOOD CONDUCT UNDER PRESSURE



Within ten years, the «social responsibility of companies» has moved from an utopian status to a credible idea, short of yet having become a reality. Some initiatives have been taken: codes of conduct, social labelling and investment ethics The Anglo-Saxon world is more dynamic, from this point of view.

It is undoubtedly a step forward, with consequences that are some-

times beyond what companies imagined. However, it is a taste of too little. For whatever they are worth, these initiatives are characterised by the eagerness of these companies to preserve their brand image damaged in public opinion, rather than to really change their way of behaviour. (see pp. 10-11). And, moreover, there is a real risk of this type of commitment, which is voluntary, hindering all attempts at mandatory regulation, mainly for trans-

national companies. Only pressure on these companies forces them to buy themselves good conduct.

Since 1976, the WCL, often alone in the international trade union world, has declared its support for obligatory standards to be imposed on companies (see p.15). This is still an aim.

SUMMARY

INQUIRY

The most irresponsible firms

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OPENING

Clean hands
For further information...



INQUIRY

A hit parade of the most irresponsible firms on the planet

THE MULTINATIONAL MONITOR MAGAZINE AND THE CORPORATE CRIME REPORTER DREW US A LIST OF THE TEN MOST IRRESPONSIBLE COMPANIES IN THE YEAR 2000. OIL COMPANIES AND PHARMACEUTICAL INDUSTRIES TOP THE LIST.

The hit parade of the ten «most irresponsible» companies in the year 2000 is the red list publicised in January by the *Multinational Monitor Magazine*, a monthly magazine published in Washington, and the *Corporate Crime Reporter (CCR)*. They condemn the illegal practices of the biggest Anglo-Saxon multinationals throughout the world.

The two American bodies exposed the leaders in this field, British Petroleum (BP)/Amoco and Philips Petroleum. The latter failed to respect the environmental standards and security of employees in the United States.

BP/Amoco however has the reputation of being sensitive to ecological problems. This notwithstanding the fact that the firm last year had to pay tens of millions of dollars in fine for serious environmental degradation. It had also neglected to pay royalties to the American government, reported the authors of this study. It also targeted Congress for its lobbying in order to open a huge natural reserve for survey: the Arctic National Wildlife Refuge.

Philips Petroleum is not to be left behind. An explosion in Texas last March in its Pasadena plastic factory killed one person and wound-

ed 74. In 1989, an accident at the same site killed 23 people. In spite of other disasters, the company still refuses to strengthen safety measures.

OPERATIONS OF THE CIGARETTE INDUSTRY

Through the discovery of internal documents, we also learn that British American Tobacco (BAT) has systematically encouraged its contraband cigarettes abroad. The transaction has a double advantage of avoiding export tax and guaranteeing better penetration into new markets. It is the same type of illegal trafficking which caused the European Commission to file a



complaint made against Philip Morris and RJ Reynolds, in Brussels last November, against a European contraband leaving from Switzerland.

The report also accused the British Glaxo-Wellcome, among other giants in the pharmaceutical industry, of having tried to prevent the distribution of cheap generic drugs meant to cure AIDS in Africa (see box).

Still in Europe, the French-German biotechnological group Aventis has been nabbed for having introduced transgenic maize into the environment and into human food in the United States. This maize which contains a protein pesticide is not for human consumption.

ZERO CONDUCT

DoubleClick Inc holds the largest advertising global Internet trade. The company is castigated for its electronic monitoring activities through the systematic introduction of «cookies», aimed at obtaining confidential information on users of the net. It had already «filed» 100 million consumers.

Ford and Firestone, for their part, were accused of «*homicide through negligence*» because of the bad quality of some of their products, which caused a wave of fatal accidents in the year 2000. Whilst Lockheed Martin is implicated in a human experiment affair: the military aeronautic giant used about a hundred guinea pigs to test an explosive, the perchlorate, by giving them doses that are 83 times above the acceptable threshold.

Finally, Smithfield Foods, which has built for itself a quasi-monopoly

in the pork industry in the United States, is cited for its intimidation of small producers and pollution of waters.

With regard to the manufacture of Titan International tyres, it systematically uses illegal tactics to get rid of unionised employees, according to the report.

Clearly, the firms incriminated by the CCR and the *Multinational Monitor Magazine*, which are part of an organisation managed by Ralph Nader, the American ecologist candidate in the last November 2000 presidential elections, all have the unhealthy habit of putting their own interests

before the protection of the environment and the population. The problem is that the ten companies and the activities which earned them a place on this red list are only «*the tip of the iceberg*», states Russel Mokhiber, director of the CCR.

Gilles Labarthe and Jim Lobe
InfoSud-IPS

To consult the complete list:
www.essential.org/monitor

AIDS MONEY, AGAINST HEALTH

Thirty-nine pharmaceutical laboratories have instituted proceedings against South Africa, which is «guilty», according to them, of having enacted a law which permits the distribution at reduced cost of *generic* drugs, notably to fight against AIDS. Generic drugs are known to be less expensive products, but equally effective, manufactured from some base substances. For the pharmaceutical industry, to generalise these drugs would lead to a significant reduction in profits. Glaxo-Wellcome, one of the transnationals in the sector, which has recently merged with SmithKline Beecham, thinks that if the court acquits the South African government, «*it would be a slap in the face for the pharmaceutical industry*».* This legal conflict can be interpreted in two ways. The first is «technical»: the South African laws contradict the international law on patents, and must therefore be abrogated. In this regard, the patent protects an invention by giving monopoly to the company that markets the new product. It can thus sell it at a price, which pays for investment in research, and commit itself to discovering new drugs. It is in the same logic that the United States has lodged a complaint with the WTO against Brazil, which wants to produce cheap AIDS drugs.

The second interpretation is «ethical». It ignores the enormous health needs in the world, mainly in developing countries. The number of people affected by AIDS (4.2 million in South Africa, more than 500,000 seropositive people in Brazil..) dampens the spirit, but is far from being the only epidemic. According to the estimates, 30,000 people would die every day in countries of the South, from otherwise curable diseases. Faced with this observation, all available means must be used for phenomenal gains, even if they are against the economic interests of some companies.

The suit instituted in South Africa, the verdict of which was not known at the time of writing this report, is therefore exemplary. Behind the legal arguments, values not laws, are what are being opposed: money for some people or health for many? Profit or life?

* *Le Monde* 7 March 2001



OVERVIEW

Between marketing and profits

IT IS OFTEN UNDER PRESSURE THAT COMPANIES ESPECIALLY TRANSNATIONAL ONES, PLEDGE TO RESPECT SOCIAL OR ENVIRONMENTAL STANDARDS. THESE AMBIGUOUS INITIATIVES ALLOW PROGRESS, BUT REMAIN INADEQUATE.

At first glance, it is a step forward when companies, be they transnational or not, decide to voluntarily respect codes of conduct. In recent years, the notion of social responsibility of companies has spread, even if it is not unanimous.

We also see consumers, urged to broaden their concerns, proceed from a simple concern about price and quality to questioning the conditions in which a good or service is produced. What respect for the environment? In what working conditions? Is sustainable development part of it? Certainly, it is the result of forty years of sensitisation to promote the so-called equitable trade, even if this term can cover the practise of variable interest.

Today, a number of companies have pledged to respect *codes of conduct*. These are voluntarily accepted rules with social or environmental connotation. *Social labelling* is also emerging, given by some bodies to products or companies that respect certain standards in production, in the same way as there exists biological labelling or certified origin. One of the well-known is the Max Havelaar label, for agricultural products (coffee, bananas ..) sold by local communities and redistributed at an *equitable price*.

Finally, other companies have ethical practices: they deliberately favour social criteria (*social economy*) rather than profit. This is the case, for example, of banks or investment funds geared towards employment generating activities, protecting the environment or promoting sustainable development. This category mainly comprises non-profit making companies, rather than commercial companies that would change their behaviour.

NEW ARGUMENT FOR SALE

The change of attitudes of companies is due, largely to a balance of power, and pressures of public opinion, in which trade union organisations and NGOs are often engaged. The on-going *Clean Clothes Campaign* in several countries is proof of it: they encourage the public to question the textile and sports footwear industry

about the manner in which their manufacturers and sub-contractors treat their workers. It is when the reputation of a company and therefore its share of the market are threatened by condemnations of, for example, child labour or violence against its workers, that the alarm bells ring and the company is committed to respect a code.

«*Civil society must not allow itself to be taken unawares by this enlightened employers' association which aims in effect, at presenting to some, a good social trademark which is a competitive trump card in comparison to less informed competitors*», writes Michel Capron (see box p. 13).

For, even whilst some of these managers are *human*, a commercial company is still a profit-making entity. During a private discussion in the Commercial High School in Belgium, a lecturer, an eminent economist, declared that the main responsibility of the head of a company consists in satisfying his shareholders. As part of this aim, he could apply ethical, social or environmental considerations. But, he adds, «*a company must not have a state of mind, nor impose on itself higher obligations than those demanded by the law.*»

The speculator Georges Soros, who at Davos 2001 admitted taking into account the social repercussions of globalisation, takes the



Equitable trade and transnationals: ethics or marketing?



same position, by writing: «As an anonymous operator in the financial markets, I never had to evaluate the social consequences of my decisions. (...) The financial markets are not immoral but quite amoral.»¹

AMBIGUOUS CODES

It is for this reason that the declarations of intent made by the transnationals raises mistrust. Thus, in December 2000, seven large American and British oil companies pledged to respect a list of ethical principles set up by the governments of these countries. When one understands how sensitive the latter are to the interests of their companies, we can understand better why the Secretary of State of the United States at the time described this initiative as "historic".

Kenneth Roth, Executive Director of the NGO *Human Rights Watch*, also saw in it "a first positive step". On the contrary, Kenny Bruno, of Corporate Watch, thinks that there is no "serious commitment with regard to human rights on the part of transnational companies." (IPS, 2 January 2001). In the short term, low salaries and bad working conditions were as a matter of fact chosen as a means to increase profits.

It has often been written that codes of conduct and other labels are another major inconvenience: derived from the good will of companies, for their content, implementation and control of the latter. According to the *Hong Kong Christian Industrial Committee*, the codes of conduct are both «gimmicks» and a means of pressure on the companies.

Speaking about the code of conduct recently accepted by the Adidas company, Frieda De

Koninck, co-ordinator of *Clean Clothes* in Flemish Belgium, affirms that the NGOs recognise the efforts made by Adidas to improve its labour policies, but there remains a huge gap between the code and company practices. For Richard Howwitt, English member of the European Parliament, "there is the need for independent control. All the companies will experience difficulties in publishing information prejudicial to their commercial interests." (IPS, 1 March 2001).

Sometimes, however, a change emerges. At the end of February, the Nike company published a report written by private consultants, very critical of working conditions among the sub-contracting suppliers of the company (see the English International Press of 23, 24, 25 February 2001). This practice is exceptional.

IDEA : SOCIAL AUDITS IN THE COMPANY?

«The development of auditing big capital companies is recorded in a historic movement which began in the second half of the 19th century. At that time, the legitimacy of the right to information and control of capital contributors was recognised, a form of democracy based on the tax quota. (...) The 20th century witnessed the establishment of the legitimacy of the right to information and a look at a second category of participating parties: salaried workers and their trade union representation. One already sees the next stage dawning in the 21st century: the recognition of the legitimacy of the right of intervention of other parties concerned, who are affected in one way or another, by the activities and decisions of a company (with regard to health and safety): suppliers, sub-contractors, clients, consumers, users, riverside residents, nearby communities, etc. (...)

Already, large multinational companies, encouraged by big English auditing and consultancy firms, admit to the need to dialogue with external parties concerned.

Some companies, especially those that sub-contract their production in the Third World, go as far as seeking the award of a social certification with the aim of assuring consumers that their products have been manufactured respecting the standards of international labour conventions. The proposal is thus to promote the idea of the establishment of permanent audit committees, in large companies, involving all participants concerned by the effects of the activities of the company, with a right to information and consultation".

Michel Capron, Researcher at the Catholic University of Louvain-la-Neuve, in the GRESEA info, Brussels, December 1999.



THE CONTROL MARKET

A statement drawn up in the year 2000 shows that more than 700 companies have adopted a code of good conduct, but only about a hundred would take measures to apply them. According to their figures, Levis and Adidas had undertaken 600 and 643 audits respectively from January to October 2000, through internal audit teams. Five large audit companies share this audit market. Together, they would undertake nearly 20,000 company audits in 2000. But many of these firms were specialised in technical issues, and show difficulty in understanding the social stakes. And yet the correct information must be given to them.

Culled from *Le Monde*, 31/01/2000-01/01/2001

POOR TRADE UNION FREEDOM

In recent years, codes of conduct and other labels have multiplied. The ICFTU published a sample code in 1996. NGOs and social partners drew up a social standard SA8000 in 1997. Other authorities, generally located in English-speaking countries (by chance?), also proposed some codes. (box p.15). Their main advantage is that they exist, and for the time being, it seems difficult, to go any further. Better a code than a void.

At least some minimum requirements must be stated. The codes cannot in any case be put under ILO standards, without which a legislative move (international

labour conventions) would be reduced to nought by private commitments. However, a strong text given prominence, as *the Principle guidelines of the OECD for multinational corporations* (2000) makes no reference to the ILO. The companies were invited to «*observe employment and labour standards that are as favourable as those observed by comparable employers in receiving countries*».

An ILO study in 1998² on 215 codes of conduct shows that the least obvious standard is the freedom of association and trade union (hardly 15% of cases). And among the twelve social labels studied, only four made reference to it,



Textile industry (here in Chinatown, New York), in the front line of practices liable to criticism

although it is a basic ILO standard.

For the WCL, codes of conduct are useful tools, on condition that the aim is to go towards mandatory regulation (see box p.15). What can be made, henceforth, of the declarations of Kofi Annan, Secretary General of the UN, for whom, “*companies must not wait for States to promulgate laws to pay decent salaries or try to respect the environment. If companies show the example, governments would be further inclined to legislate in order to endorse the good practices of the latter*”. (ATTAC Bulletin, 3 August 2000). It seems like a dream. This confirms an already old analysis made while the United Nations was preparing a code of conduct for big companies: “*The code would thus be a place where the rationality of companies would finally be imposed more on States than that of the States being imposed on companies*.” (Geneva News, 24/10/80). Will democracy be part of it?

André Linard

FOR THE WCL, THERE MUST BE CONSTRAINTS

It is probably an old story, but it remains a topical issue: in 1976, the WCL attempted to get the International Labour Office to approve a convention regulating the activities of transnational companies. “*There were quite a lot in this direction*” at the ILO conference, (WCL Policy Report, 1981) but the majority of the ILO Governing Body were opposed to it. By a strange twist of procedure, this draft convention became a simple declaration of principles, adopted in 1977. The WCL was the only international trade union confederation to vote against it because “*this document (...) socially legalises the activities of multinational companies. It is a question of getting texts adopted without obligation, thus without real scope*”.

Two decades later, the position of the WCL remains the same; codes of conduct can be considered as a first step, but it must be “*clearly stated that mandatory conventions are indispensable as regulatory tools*”. (ILO Press Conference, June 2000). And this at a time when “*a trend is emerging, that is, reducing the mandatory nature of the ILO conventions in favour of declarations of intent or other codes of conduct whose application is not obligatory for States and companies*”.



Aren't consumers sensitive to prices?

1. Quoted in *Les nouvelles de Triodos*, Brussels, 4th quarter 2000

2. GB.273/WP/SDL/1, ILO Governing Body, November 1998.



OPENING

Transnationals, clean hands



A questioned poster for a campaign beyond question

The Belgian government decided on 9 March 2001 (subject to advice of the European Union) to introduce an «ethical clause» in public contracts that it signs. Corporations that wish to have the State as client must prove that they do not have commercial interests in States guilty of crimes against humanity or those that do not respect the main principles like the ban on the worst forms of child labour. Its formulation remains vague, but this obligation also extends to sub-contractors and suppliers. It is perhaps the first in the world. Several Belgian Ministers had already decided not to buy from Total-Fina-Elf. The Belgian Confederation of Christian Trade Unions (ACV-CSC) had also stopped its petrol

supply from Total-Fina-Elf, following the recommendations of the International Labour Office (ILO). The latter asked States and companies to exert pressure on the Burmese authorities and not to be directly or indirectly involved in violation of fundamental labour standards. However, Total-Fina-Elf has still refused to pull out of Myanmar, thinking that its investments had nothing to do with violations of standards, which should be the responsibility of local authorities.

Some books, magazines and reports

- *Transnational Corporations* quarterly magazine, UNCTAD, Division for investment, technology and business development.
- *The price of Oil*, Human Rights Watch, New York, 1999, p202
On the responsibility of oil transnational companies towards human rights in Nigeria.
- *Oil in Africa: Violence against the people*, GRESEA, Brussels, 2000, p224
- *International Labour Magazine*, ILO, Geneva, vol.138, 1999/2: social conscience and the global market (in English, Spanish, French)
- Toward a code of conduct in the textile, clothing and footwear industries: laws and responsibilities? ILO, Sectoral Activities Programme, 2000 (only in English)
Part 1: <http://www.ilo.org/public/english/dialogue/sector/papers/tfcocode/index.html>
Part 2: <http://www.ilo.org/public/english/dialogue/sector/papers/tfcocode2/index.html>
- International Labour Office: Overview of global developments and Office activities concerning codes of conduct, social «labelling» and other private sector initiatives addressing labour issues, Governing Body, November 1998
<http://www.ilo.org/public/french/20gb/docs/gb273/sdl-1.htm>

WEBSITE

Multinational monitor Magazine:
<http://www.essential.org/monitor>

Business Ethics magazine's online news report:
<http://www.business-ethics.com>

Human Rights for Workers:
<http://www.senser.com>

Organisation for Economic Corporation and Development:
<http://www.oecd.org>



TOURISM

Tourism is also employment

And the winner is... France. In 2000, as in every year, France was the country that received the highest number of foreign visitors, more than 74,000,000, according to the World Tourism Organisation (WTO). But again, it is Asia that experienced the highest growth rate: + 14.5% for Eastern Asia, + 10.2% for the Near East, + 9% for the South-East. On country basis, China takes the lion's share, 31 million arrivals in 2000, ahead of Hong Kong, Malaysia and Thailand.

It is also China that employs more than half of the manpower in the sector: 108 of the 200 million tourism workers are found there, according to the ILO. However, the countries mentioned are not particularly known for good working conditions, even outside extreme cases like sex tourism.

Already in 1997, the ILO observed with regard to this sector that *"the employment and working conditions that it offers are unattractive compared to that offered by other sectors"*.

UNSOCIAL WORKING HOURS

Several factors contribute to complicate the life of tourism workers, be they permanent or seasonal workers.

First of all, the period of work, which stretches over the whole period that tourists are around: generally 12 months a year, 7 days a week, and very long days, even in the big hotels for example, 24 hours a day. The hours are irregular, very flexible, and lead to several overtime hours, recognised and unrecognised.

In 1991, the ILO adopted Convention 172 and Recommendation 179, on the working conditions in hotels and restaurants. Only 11 countries ratified them, none of them from Asia. This text provides that overtime hours must be compensated for in time or salary.

The result is that *"the working conditions in the sector are less than satisfactory. This refers to the general unsocial working hours due to the very nature of the work"*.¹

The second explanation is that all the studies show that the tourism sector calls for qualified manpower, but the latter is not available in sufficient quantity. However, the methods used are in general highly labour intensive. This situation creates a sort of internal duality of employment in this sector between a small number of qualified workers, who enjoy better salaries and working conditions, on one hand, and on the other, a mass of underpaid and ill-treated people. The guaranteed salary is also low, on the pretext that part of the salary is derived from tips, which are rather uncertain.

The third explanation is that the tourism sector is made up of a number of large firms, often chains of hotels or restaurants, and several small enterprises where conditions of work are generally worse, due to the great dependence on the employer. In addition, these chains often operate on the franchise system, which gives the manager of each unit some freedom to organise the work and end up with a situation close to that of small enterprises.

The result is the high turnover of staff, which is in this case harmful to both workers and employers.

"LIKE THE TOURISTS"

By 1995, tourism represented 11% of the world manpower and 10.9% of world GDP. It should be employing more than 300 million people in 2005, and Asia would

TOURISM IS DOING WELL, THANK YOU. IT CREATES EMPLOYMENT, BUT AS IT GENERALLY COMPRISES SMALL ENTERPRISES, IT HAS UNATTRACTIVE WORKING CONDITIONS. WORKERS AND EMPLOYERS ARE FINALLY THE LOSERS.





	TOURISTE ARRIVALS (MILLIONS)		% CHANGE	
	1999	2000	1999/1998	2000/1999
WORD	649.9	698.3	+3.8	+7.4
AFRICA	26.5	26.9	+6.1	+1.5
AMERICANAS	122.3	130.2	+2.3	+6.5
EAST ASIA and the PACIFIC	97.6	111.7	+10.8	+14.5
EUROPE	379.8	403.3	+1.7	+6.2
MIDDEL EAST	18.1	20.0	+18.1	+10.2
SOUTH ASIA	5.8	6.3	+10.7	+9.0

still benefit more from this increase. Undoubtedly, the year 2000 was exceptional: world tourism growth (+7.4%) is due particularly to the Olympic Games, the Catholic Jubilee in Rome and pilgrimages to the Near East. But everything indicates that tourism will continue to increase in the world: +4.1% in 2001, according to the forecasts of the IOM. The improvement in working conditions thus seems to be a decisive stake.

The policies and methods of human resources development, of employment creation and globalisation in the hotel, restaurant and tourism sector were also on the agenda of the sectoral meeting organised by the ILO last April.

Moreover, tackling the employment issue in tourism only from the angle of salary and working conditions is partial. Several studies mention the effects of the development of this sector on people who come into contact with tourists. Great differences in incomes open the door to all related behaviour: prostitution, delinquency, trafficking of all kinds, or yet still disqualification of certificate holders who become taxi drivers or traders, attracted especially by foreign exchange. Not to mention the inclination to emigrate to countries where these people "who can pay everything" come from.

Finally, another cultural transformation sometimes occurs: the desire to imitate the lifestyle, behaviour and consumption of tourists, to the detriment of the local culture, social relations and more traditional activities, which also, give employment. As always, a medal with two sides.

André Linard

FOR EQUITABLE TOURISM

The Charter on tourism ethics, adopted in 1999 by the World Tourism Organisation, dedicates its article 9 to the Rights of workers and entrepreneurs in the tourism industry.

2: Salaried and self-employed workers in the tourism industry and related activities have the right and the duty to acquire appropriate initial and further training; they should be given adequate social protection; job insecurity should be limited as far as possible; and a specific status, with particular regard to their social welfare, should be offered to seasonal workers in the sector.

5: As an irreplaceable factor of solidarity in the development and dynamic growth of international exchanges, multinational companies in the tourism industry should not exploit the dominant positions they sometimes occupy; they should avoid becoming the vehicles of cultural and social models artificially imposed on the host communities; in exchange for their freedom to invest and trade which should be fully recognised, they should involve themselves in local development, by avoiding through the excessive repatriation of their profits or induced imports, a reduction of their contribution to the economies in which they are established.

www.world-tourism.org

1. Study of Regional Co-operation in Human Resources Development in the Tourism Sector in the ESCAP Region, United Nations, New York, 1996



GLOBALISATION

VENEZUELA : great challenge for trade unions

All indications are that Venezuelans do not live well, and statistics confirm the impressions: one must work 1 hour 33 minutes to buy a hamburger, 1 hour 02 minutes for a kilo of bread: “Caracas is too expensive for the little that one earns” affirms the daily newspaper *El Universal*. A litre of milk, for example, costs US\$1.7.

Yet still, one must have a salary. Officially, the unemployment rate reached 15.3% in November 2000, whereas underemployment rose to 52%. The consequence of this is the high growth in the informal sector (60% of the labour force).

Nevertheless, Venezuela has resources. In 2000, its trade balance was positive (18 billion dollars) according to a report of the Forum for Integration and International Trade (*Tal Cual*, 5 February 2001).

HIGH GROWTH, FEW JOBS

The money is available but the population does not benefit from it. The report of two years of Hugo Chávez’s presidency indicates an “*economic balance*”, in assets, and in the other column, a “*social debt*” (*Tal Cual*, 2 February 2001). Macro-economic indicators are in fact favourable. Public deficit has fallen to 1.8% of the GDP, inflation has reduced from 28% to 13.4%, growth has gone up to 3.2% and accumulated international reserves are almost sufficient to pay the foreign debt.

But none of the projected employment plans went beyond an announcement. There is serious shortage in housing, billions announced to establish people’s canteens have not yet materialised and there are still many street children. Venezuelans do not see any improvement in employment and their standard of living. From 1999 to 2000, the number of households living on less than 200,000 bolivars (about US\$300) rose from 33% to 44.6%, whereas the shop-

ping basket was 213,000 bolivars¹ in 2000. The official minimum salary covers only 67% of it. The former middle class (teachers, civil servants, policemen, etc) now lives in relative poverty.

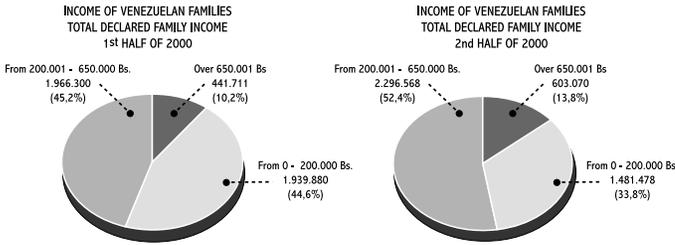
However, the money is there, but where does it go? In the opinion of Oscar Meza, director of CENDA, “*there is a good dosage of inefficiency and incompetence on the part of political leaders. In particular local authorities do not receive the funding that would enable them to implement infrastructure projects and thus create jobs.*” And then, he adds, there is capital flight to foreign banks to the tune of US\$ 6 to 8 billion. Legal or not, this money is not invested. Finally the army benefits from favours such as double salary and considerable investments in infrastructure.

At the moment, the popularity of Chávez is low but remains high in the working class areas. Without social improvement, we are perhaps moving towards tensions.

TOURISM IS DOING WELL, THANK YOU. IT CREATES EMPLOYMENT, BUT AS IT GENERALLY COMPRISES SMALL ENTERPRISES, IT HAS UNATTRACTIVE WORKING CONDITIONS. WORKERS AND EMPLOYERS ARE FINALLY THE LOSERS.



In the industrial zone of Valencia, trade unions are placed on the index



Source : OCEI-family inquiry on the basis of random sample "manpower Indicators", 1998-2000, CENDA, own calculations. CENDA/SID 2000 INFORMATION AND DOCUMENTATION DEPARTEMENT.

No need for a translation to understand that the income gap is widening

SOCIAL MONOLOGUE

With time, in fact, the model of society that inspires President Hugo Chávez is gradually emerging (see box). For him, society comprises people and their leader. Chávez is "the sovereign", as he says. This vision extends to the social area. For better and for worse.

Thus, since 1999, the Tripartite Commission comprising government, employers, and workers, which should discuss the rise in minimum salary was suspended, under the pretext of lack of trade union rep-

resentation. According to the Oficina central de Estadística e Informática (*Central Office for Statistics and Information*) of Venezuela, 14% of the labour force is unionised, but this includes 38% of workers in the formal sector. In August, Hugo Chávez therefore unilaterally decided to raise the minimum salary by 10%, then in 2000, an increase in salaries in the public and then in the private sectors. Thus, "social dialogue was seized by the president and replaced with official monologues communicated during long and picturesque radio and television broadcasts at prime-time."²

HELLO PRESIDENT?

"The social policy of this leftist regime takes the form of a rightist paternalism", according to the trade union leader already quoted, who wishes to remain anonymous. *Aló Presidente* is an additional lottery, the only one that does not really distribute prizes."

Aló Presidente is a radio programme, which puts people who need social help in direct contact with the president, who promises them individual aid, and destroys organised solidarity, such as the one implemented by trade union organisations.

The plans of the Venezuelan government include putting trade unions under supervision. *The Central*



In the shadow of the modern city, growing informal employment in Caracas Marginal districts, witnesses to the social failure



de *Trabajadores de Venezuela* (CTV) (*Workers' Trade Union of Venezuela*), by far the largest, is in the front line. "It has very little time left", according to president Chávez (*El Universal*, 7 June 2000). The first salvo was fired on 3 December 2000, when the head of State organised a referendum meant to make trade unions illegitimate in the eyes of public opinion. If the majority (67%) of yes votes was sincere, the ridiculous number of voters transformed this test into a failure for the government. A legislative commission, greatly criticised by the ILO, was therefore tasked to draw up a trade union law. Juan-María Sepúlveda, its regional representative, declared "The draft bill for the protection of trade union guarantees and freedom and its transitional provisions violate Convention 87 of the ILO." (*El Nacional*, 2 February 2001).

TOWARDS A SINGLE TRADE UNION?

Currently, four trade union confederations exist in Venezuela: the CTV, in the majority (80%), close to the AD social democrat; CODESA (10 - 15%), which claims to be independent of parties; the CGT, and the communist CTUV, which supports the trade union or rather anti-trade union policy of the Chávez government. Montral, member of the WCL and the CLAT, is part of the CTV.

Chávez, is however, trying to create a confederation totally aligned on himself: the Front Bolivarian des Travailleurs (FBT - Bolivarian Workers Front). This front has no trade union background, nor representative leaders, but all the same, it has some base among workers sensitive to the populist speeches of President Chávez.

Elections to choose the trade union leadership should have been held in June at the latest. The trade union leaders accept this in principle, but differ from the government on one fundamental point: according to them, these elections must be independent, under trade union control, and the voters must be members. The government for its part wants to organise the elections itself and allow everyone to vote, in the hope of getting leaders who will favour it.

The question today is what are the final intentions of Hugo Chávez on the subject of trade unions? According to some, his aim is to come up with a single trade union, aligned on political power. These outline the ILO declarations according to which trade union unity can be decided on by organisations, but "not imposed by the law or by a decision of the authorities". Others think that the intention of the President

is limited to the formation of a pro government confederation, without eliminating others, but weakening them.

At times by word of mouth, everyone admits there are gaps in the functioning of the CTV (inadequate democracy, corruption, complicity with parties, etc). Will the organisation be capable of internal transformation? If it is not able to do so, it would itself have given whips to a government, which is just waiting for this to happen, to fight the whole trade union movement. This will be decided in 2001 ...

André Linard

1. Source : OCEI (Oficina Central de Estadística et Información - Central Office for Statistics and Information) and CENDA (Centre de documentation et d'Analyse pour le monde du travail - Documentation and Analysis centre for the labour world)
- CENDA : The Venezuelan trade union movement, 2000, page 44.
3. Ibid. p. 45.

CHÁVEZ: THE NEW BOLIVAR

Repeated but unkept promises, running away from problems (he falls ill to avoid a difficulty ...), inability to implement policies proportional to the length of speeches that he makes, Hugo Chávez, the Venezuelan President, has lost his prestige in public opinion. Is it enough to continually use the term revolution in speeches to make it happen?

With time, the model of society that inspires President Hugo Chávez is gradually unfolding. "He is a populist president, who attributes the situation of social crisis to 40 years of democracy" says Oscar Meza, director of CENDA. "He is a soldier: when he has an aim, he wants to achieve it, by removing or destroying the obstacles in his way" a trade union leader adds.

Obsessed with rural culture, Chávez is tempted by a traditional form of power in Latin America: leadership, which mixes the authoritarian, clientele and if necessary, force. And especially, who, according to the original meaning of fascism (bundle) considers that society is composed of people and their chief. No intermediate body, no civil society, no trade union, he is the saviour. In consideration of the social and democratic aspect, what else is left for Hugo Chávez to do to maintain his popularity? A television programme, *Aló Presidente* where he promises individual help to people who call him. Demonstrations in his favour, where participants receive food. Some strong expressions and illusions of progress which do not correspond to any objective reality. Not to talk about his psychological profile, pretentious (the new Bolívar), unstable even schizophrenic, as he was described by the weekly *Quinto Día* (2 February 2001). A dangerous man to the labour world.



PRESS REVIEW

TO THINK ABOUT...

As social forces from the whole world, we met at the World Social Forum in Porto Alegre. Trade unions and NGOs, movements and organisations, intellectuals and artists, we together constituted a great alliance in order to create a new society, far from the current thinking which only enhances the market and money (...). Man – woman equality is a central dimension of our struggle. Without it, another world would never be possible. (...). We are claiming the real recognition of trade union rights to organise themselves and negotiate in order to obtain new rights for workers. (...). We are asking for a democratic agrarian reform, which would give the farmer tenancy of the land, water and seeds. We are in favour of the self-sufficient agricultural systems.

These defined proposals are part of the alternative projects drawn up by social movements from the whole world. The principle of these is the idea that human beings and life are not goods. In the same way, they are guided by the commitment towards the well-being and human rights of all and sundry.

Our participation in the World Social Forum enriched our understanding of each of our struggles and we have become stronger as a result of them. (...). The Porto Alegre Social Forum is a step towards the sovereignty of the peoples and towards a more just world.

Extracts from *Appels de Porto Alegre* signed at the World Social Forum by 175 social organisations.

• FORBIDDEN TO RELOCATE

"With courage and determination, a pocket of migrant workers succeeded where trade union leaders and activists opposed to globalisation have failed for years: they prevented the relocation of their company in Mexico. The federal judge (...) forbade a Gardena jewellery manufacturer from executing his project of relocation in Mexico. (...)

"*It is amazing, terrifying*", declares the spokesman for the California Manufacturers Association (Employers' Association), adding that the motives for the employer deciding to relocate should not be taken into account. "*His reasons are selfish, he is the owner of his company.*"

Los Angeles Times, quoted in *Le Courrier International*, 7 December 2000.

• SUCCESSES AND MISFORTUNES OF THE ILO

The granting of observer status to inter-state organisations seems to be creating a problem for the WTO. According to *le Courriel d'informatis* d'ATTAC (no. 198, 02.01.2001), the main disagreements appear in the case of the International Labour Office. A lot of developing countries refuse to grant it this status due to the delicate nature of the social issues of the WTO; their governments and their business environment fear in effect, that demanding respect for labour standards is unfavourable for their exports.

But the ILO has also had successes. On 13 November 2000, Caspers, the largest public pension fund in the United States decided to include social standards in its criteria for investment in so-called emerging countries, in explicit reference to ILO Conventions. (According to *Le Monde*, 16 January 2001).

called from *Le Monde*, 16 janvier 2001.

BOOKS AND DISCUSSIONS

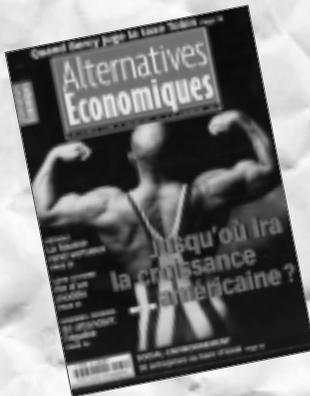


ECONOMY: THE ALTERNATIVE IS POSSIBLE

"*Alternatives économiques*", in plural. With such a name, one does not necessarily pay a lot for a journal, which after all needs a wide readership to be viable. However, for more than 20 years this committed French monthly paper has brought different ideas, and has today 100,000 copies.

The strength of *Alternatives économiques*, is the combination of strong convictions (for a world of solidarity, for the dignity of each person and the freedom of all), of an independent mind (see, for example, the open discussion on the Tobin tax in Number 185), and high journalistic quality (rigorous and teaching union).

On the occasion of its twenty years, the review published in November 2000, an insert entitled *Enjeux* (Stakes). One reads in particular that the current economic and population growth could contribute to strengthening the labour world in the face of the business world.



Alternatives économiques: subscriptions: 28, rue du Sentier, 75002 Paris, fax – 33-1.40.28.43.59.

PROFILE

ously supported me when I was persecuted. And when I had to leave, the CLAT took me on. I worked for US\$50 per month, in a CODESA* trade union, and I organised the first trade union of workers in commerce in Caracas. In 1964, I became the Executive Secretary of CLAT for the Caribbean (including Colombia and Venezuela). Then in 1966, I was elected member of the Executive Committee at the Panama Congress, then Deputy General Secretary until the death of Máspero in 2000. Emilio was a visionary, and I supervised the implementation of his ideas.

Q. If tomorrow, as leader of the CLAT, you went down to a district in Caracas and a man who had just lost his job asks you: "you with a job, an office, a salary, what can you do for me?" what will be your response?

First of all, I am not an office man, I prefer to be with the people. Then, we trade union leaders do not have to fall into the aid syndrome and individual charity, but we must encourage the struggle for people to change their social situation. If a man asks me these questions, I would tell him: "*which trade union do you belong to? In which community of the district? Prepare yourself to change your situation, and I will help you to organise yourself.*" I've never given charity, I do not believe in aid.

Q. Who has inspired you most, in your life?

First, my parents, of course. My father was semi-illiterate, but he was wise in the virtues of life. He was also a worker and passionate about social justice. Next, one of my brothers, a Spanish socialist and Republican libertarian. I was also inspired by a Venezuelan trade union leader, Dagoberta González. He set up the CTV and then was a Parliamentarian and Senator. He was thrice offered the post of Minister of Labour. Every one was after this post, but he refused



Eduardo García and Camilo Cienfuegos, before the revolution turns out badly

saying: "*I am a trade union leader, defender of workers, and if I become a Minister, I will no longer be able to defend them*". Then a retired Senator. When the Senate decided to increase the retirement of senators, he was angry, because there were so many needs in the country. He refused his pay and offered it to a street children's home. All these people lived their lives in accordance with their values

Q. What are your faults?

The first, which almost resulted in my death, is that I am emotional. I put my foot in it. In 1964, I was imprisoned in the United States because I had beaten two Whites who spat into the plate of a Black. Gradually, I learnt to control myself, because I knew that I could get into trouble. Another fault is my tendency to impose what I think, when I am convinced about something. I also love women, dancing and having fun, but they are not real faults.

Q. Here you are as Secretary General of CLAT. Is it for long?

My main concern in succeeding Emilio is not to take his place; a

great leader can only be replaced by a big organisation, a team. For the next congress of the CLAT, I would like to train personnel to ensure its reform. I would like a team to be ready. But if God grants me good health and if everyone thinks I should continue, I would accept another mandate. For me, a General Secretary must not remain in office for more than two terms.

Report put together by Andre Linard

* The Confederation democratique des Syndicats autonomes, (Democratic Confederation of Autonomous Trade Unions) in Venezuela

trade union activities

Women in the rain



Anything to get out of slum (here, in Tondo, Manila)

“Please save us from the hands of this cruel employer.” It is by these words that a volunteer of the *Federation of Free Workers* (FFW – Philippines) drew attention to a young 20-year-old woman by the roadside, a little to the south of Manila.

It was raining hard, on that day, to the point that several vehicles were forced to park. This allowed Jeeba, the young woman, to go out in the company of another, Robelyn, barely 14 years old. Without the help of circumstances, the FFW volunteer would never have been able to get these women out of their fate.

The road resembled a river, but while the drivers were occupied with their vehicles, the trade union activist led the two women to a safe place nearby, where already in the past, “female workers” of a bar in a neighbouring Karaoke had also taken refuge. This is how he heard their story.

DETAINED AT WORK

They were six in all, who came from a small village where, all too happy to provide income for their families; they were recruited, without knowing very well what job it was. It was in the city and, obviously, the city attracted them, all the more so since the person who was recruiting them was herself from this poor village and had returned with jewellery. But, the young women found themselves in a Karaoke bar where they were detained rather than accommodated, hardly fed and paid US\$25 a month.

At the beginning, their job was serving clients. Then in getting them to drink and sitting with them. Finally, the owner forced them to sing and to attract more clients, to wear a uniform (mini skirt and sexy top) the price of which was deducted from their salaries. One of them, who had complained, suddenly “disappeared” which hardly moved the police, who were friends of the owner.

Twice during the night, when Jeeba and Robelyn were kept in hiding, the owner of the bar, in search for them, went very close to the house where they were, but to no avail. The FFW protected them, then gave them the opportunity to learn a trade. Meanwhile, the house of the volunteer who saved them, was threatened by armed men.