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WORLD CONFEDERATION OF LABOUR

THE WCL ADVOCATING FOR CHANGE IN STRATEGIES OF IFIS

From 21st to 23rd October trade union leaders of 92 organisations linked to the WCL and to Global Unions met in Washington to challenge at the highest level, the World Bank and IMF on their policies.
The debates centred, among others, on privatisation, poverty reduction, reforms in international financial structure, international labour standards and debt reduction for third world countries.

Such a meeting is indeed an important element since trade unions do not often get the opportunity to meet IMF/WB missions at this level.

The WCL was able to reaffirm right away its desire to see the IMF and the World Bank clarify their objectives, since a change in strategy is absolutely necessary. Let us be clear, in view of the scope of the social crisis affecting the whole world, the IFIs should admit that their solutions have not been at the height of expectations. It is time for the IMF and the World Bank to adapt their measures to the real world context, to listen to the third world and to take into consideration the issue of international labour standards. The will to integrate a dimension focused on the rights of workers into IMF and World Bank policies must be a concrete reality.

LABOUR STANDARDS FOR PROMOTION!

The subject of international labour standards was extensively discussed. Today, international financial institutions accept to henceforth refer to these standards in their policies on fundamental rights of workers, as acknowledged in the Declaration on Fundamental Labour Rights and Principles (ILO, 1998). But does this step forward reflect a deep change in the thinking of these organisations or is it just a simple cosmetic cover-up aimed at legitimising decisions that bring about violence, social injustices and frustration.

While recognising the positive step taken from now on in the matter, the WCL did not fail to recall that even today, policies based on the Washington Consensus remain in force, that the tolerance threshold of debt is calculated on the basis of the debt/exportation ratio and not on social criteria and that the PRSP (Poverty Reduction Strategy Papers) hardly make reference to ILO conventions. Besides, the IFIs, though intergovernmental, still hesitate to adopt a framework centred on human rights and hide behind their so-called “impotence” to influence government policies.

“We are not asking the IFIs to be the arbitrators in labour rights. It is the ILO which must continue to exercise this prerogative”. This is how Willy Thys, General Secretary of WCL, put it, recalling that labour standards must be used to

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help workers, and to create and promote decent and dignified employment. Throughout this intervention, the WCL insisted that the IFIs expressly should recognise the importance of workers' rights, and proceed in the direction of better world governance in collaboration with the ILO. Where necessary, the millennium objectives would remain empty wishes.

AGAINST AN IMPOSED MODEL OF PRIVATISATION

If the trade union leaders present in Washington questioned IMF and World Bank policies, they did not do so without reason. Trade unions want these policies to be democratically debated and guarantee the accessibility, quality and efficiency of these services and also that the policies are not linked to an imposed model of privatisation throughout the world. Moreover, it is important that each stakeholder, be it at the national or international level, assumes his responsibility for these policies which generate social exclusion. More democracy, more transparency, more participation within the Bretton Woods institutions, that are, according to trade unions, the factors which can contribute to improving social justice. The IFIs declare that it is important to privatise to break State monopoly. Is the solution then to create private monopolies?

MORE PARTICIPATION!

With regard to the PRSP (Poverty Reduction Strategy Papers), one of the demands of trade unions is the strengthening of their participation. But sadly, the route is still long. They are still not invited to discussions, and when they are, not always listened to. Dialogue is important, but let us get out of clichés. After words, we want to see action!

With regard to the HIPC (Highly Indebted Poor Countries) initiative, despite the hope which constituted this initiative, the result is insufficient. Reduction of debt remains slow and insufficient. Furthermore, there is one problem. It remains limited to a number of countries on the basis of the calculation of debt/export ratio. Argentina, for example, should be able to benefit from partial cancellation of its debt to get out of its deep social crisis.

Another crucial subject is that, in order that the millennium objectives do not remain dead letter, the IMF and the WB should urgently defend the inclusion of the notion of decent employment in the world. In effect, without decent employment, there is no dignity, no real eradication of poverty.

The International Financial Institutions invite trade unions to come back next year. Dialogue still being recommended by the WCL, the appointment has been made! Let us only hope that, after words, action for better social justice will see the light of day in their policy.