

INTERNATIONAL TRADE UNION CONFEDERATION

ITUC OnLine

Global Unions urge IFIs to contribute to a fair and sustainable global economy

Brussels, 20 April 2017 (ITUC OnLine): The ITUC and its Global Unions partner organisations are calling on the Washington-based international financial institutions to adopt strategies that challenge the trend of increased income and wealth inequality in much of the world. The ministerial-level “Spring Meetings” of the International Monetary Fund and World Bank begin this Friday in Washington.

The IMF’s latest economic growth forecasts, released on Tuesday, predict a slight increase in global growth but also highlight the threats to economic stability posed by policy uncertainties in many countries. In several countries, governments have announced contradictory and frequently harmful initiatives involving protectionist measures, victimisation of migrants and refugees, and tax cuts and deregulation for corporations.

ITUC General Secretary Sharan Burrow stated: “Rolling back regulations and tax-financed social protection are false solutions for addressing the problems of working people and will, in fact, worsen income inequality. The IFIs must take a clear stance in favour of improved living standards for workers and improved social protection coverage as essential ingredients for building a fair and sustainable global economy.”

Burrow took particular issue with the IMF’s promotion of labour market deregulation in several countries, leading to a decline of standards such minimum wages, job protections and access to collective bargaining. While the Fund has announced its willingness to address issues of women’s economic empowerment, inequality and climate change, serious progress cannot take place if the dominant message is one of austerity and deregulation.

The ITUC has welcomed statements made by the World Bank’s president in support of universal social protection and healthcare. It urges the Bank to ensure that all of its country initiatives support the goals, and questioned the consistency with them of Bank support for some private healthcare investments and the use of extreme targeting mechanisms for social programmes. Burrow also invited the Bank to support free, equitable and quality education in all of its work in that sector.

Sharan Burrow asked the World Bank to fully cooperate with trade unions and the International Labour Organisation in the implementation of the Bank’s new labour safeguard, adopted in August 2016 and scheduled to go into effect in 2018.

The statement submitted by the ITUC and its Global Unions partner organisations to the April 2017 Spring Meetings of the IMF and World Bank is available here:

<http://www.ituc-csi.org/statement-by-global-unions-to-the-18531>

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