

## World News - N° 17 , 2002

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Getting it

The Richter shift in attitudes to market fundamentalism was highlighted recently by commentary in the Washington Post. The article, written during the recent World Bank and IMF meetings in Washington, was headed The era of market fundamentalism is over. Its author, Robert Weissman, said that virtually everyone in both the US and in developing countries now understands that free market policies lead to corruption, devastation and worse services for the poor. Numerous examples are listed - from the Enron and California power scandals to healthcare in Papua New Guinea and mining in the Philippines and to water privatisation in Ghana. According to Weissman, it is now only the Bank and the IMF who still cling to their disastrous views. The IMF and the World Bank still don't get it, he said. He says that demonstrations against these policies are effective. See [www.washingtonpost.com](http://www.washingtonpost.com), 27 September.

General strike on privatisation South Africa

The South African trade union centre, COSATU, organized a general strike on the twin issues of unemployment and privatisation on 1-2 October. The strike involved COSATU's two million members, other working people and many people from the broad South African community in widespread protest. According to COSATU, the action was taken to "express our anger at the levels of poverty and unemployment, and to oppose the government's policy of selling off essential services to private investors." COSATU says it is determined to stop a privatisation policy that will slow down the provision of services to poor communities, price those services out of the reach of millions of the poorest and lead to even more retrenchments. As well as a total general strike, the federation organised marches and pickets throughout the country. The decision to go on strike follows months of attempts to discuss restructuring of state assets. The reality of South Africa 2002 is that there is up to 40% unemployment, more poverty, more inequality, lack of social safety nets, expensive healthcare, and an education system that does not empower the poor. Private as well as public sector unions supported the action. See [www.cosatu.org.za](http://www.cosatu.org.za)

PSI addresses Paris mass rally

On 3 October PSI took part in the national demonstration in Paris against the proposed privatisation of France's public energy companies, EDF and GDF. David Boys for PSI addressed the rally which included more than 60,000 people. PSI's message was that energy privatisation around the world has led to serious problems, including deterioration of services, massive reduction in staff, and corporate abuses.

#### **PSI - World Bank meet**

There have been two recent meetings involving the World Bank and PSI - both at PSI headquarters in France. Stephen Commins, social policy specialist at the Bank's Washington headquarters has been discussing issues relating to the delivery of public services with Hans Engelberts, Mike Waghorne, Alice Carl and Wendy Caird of PSI. The consultations are aimed at finalising the World Bank 2004 World Development Report. Whilst major breakthroughs are not expected, Hans said that the discussions centred on the need to involve workers in developing better service delivery. Contact [wendy.caird@world-psi.org](mailto:wendy.caird@world-psi.org).

#### **PSI brings together public partners**

As a result of PSI involvement, five public water service provider organisations signed a joint declaration at the World Summit on Sustainable Development (WSSD) last month. The agreement is for public-public collaboration to strengthen the role of the international public sector. Two South African and three Brazilian public water boards are involved. The partnership aims to provide improved water and sanitation services in both countries. The signatories have committed themselves to developing a close network to share ideas and technical expertise to strengthen the public sector delivery of sustainable water services in both countries. A follow-up summit for public institutions in the developing world is envisaged.

#### **Philippine union moves on GATS and QPS**

PSI affiliate, PSLink, in the Philippines has successfully lobbied for a legislative inquiry on the General Agreement on Trade in Services (GATS). The inquiry will focus on the present and future effects of the GATS on the Philippines. PSLink continues to get invitations from legislators for briefings on what the GATS is all about. Such is the demand that the union can't keep up. As a result, it is forming a wider group to be involved in the campaign. The union has also lobbied for the Lower House to sponsor a public hearing on the GATS. Indications are positive as the Department of Labour and the Civil Service Commission are on side. PSLink will also be launching a Quality Public Services (QPS) campaign shortly. This will include community service and education activities in two urban poor communities to emphasize the connection between QPS and workers' rights. Contact Cerilyn Pastolero at [PSLink.batibot23@yahoo.com](mailto:PSLink.batibot23@yahoo.com).

#### **Blair defeated on privatisation**

On the floor of the annual Labour Party Conference this week, UK Prime Minister Tony Blair was overwhelmingly defeated on the issue of privatisation of public services. Sixty-eight per cent of delegates voted for a motion calling on the government to reconsider its private finance initiative (PFI). The PFI allows private firms monopoly rights for long periods in exchange for capital investment in public services. The successful motion, proposed by several UK PSI affiliates, is not binding on the government, but ministers have been reported as "alarmed" at the strength of the union-led resistance. Restoring public services is now clearly the priority issue for UK electors. See BBC News.

#### EU agrees to remove PSI endorsement

The European Union Water Initiative committee has agreed to remove any suggestions that PSI endorses its proposed freshwater aid programme. Material sent out in advance of its meeting on 2 October in Brussels wrongly stated that PSI endorsed its aims. Its programme includes the possible use of EU funds to support privatisation of water systems in developing countries. PSI acted swiftly to request withdrawal of the inaccuracy, and the Committee did so last week. PSI was represented at the Brussels meeting where HQ staffer David Boys outlined PSI's position on equitable access to publicly-provided freshwater services. Contact [david.boys@world-psi.org](mailto:david.boys@world-psi.org).

#### UDIS promotes

The Union Development and International Solidarity department (UDIS) at PSI (formerly the Education Department) is about to promote its activities more widely. Whilst the Department administers a large number of projects in developing countries, its activities are often not well known to grass roots members of unions in the North. Many affiliates undertake both direct bilateral projects as well as providing funds for PSI's global development strategies. In order to strengthen solidarity links, UDIS is developing a PowerPoint presentation that can be downloaded from the Website, a more accessible Website structure that includes lists and information about projects, and information on how to get involved. Contact [chris.baird@world-psi.org](mailto:chris.baird@world-psi.org).

#### Conference engineers and scientists

An international conference for professional engineers and scientist organisations is scheduled for Denmark in May 2003. PSI's Mike Waghorne is on the Conference committee. See [www.ida.dk](http://www.ida.dk)

#### PSI meetings

On 17-18 October the 30-member Health Sector Taskforce will meet to progress its part of the PSI Programme of Action (POA). Immediately following this a smaller group will meet to finalise PSI's participation in the ILO joint meeting on social dialogue in health services. The ILO meeting will involve representatives from ILO member countries, from both government and the union sides. Some private sector employers are also invited. On 25-27 November the PSI Public Sector Working Group will meet in order to give impetus to the Quality Public Services campaign, and to clarify strategies involved in public sector workers and their work. All meetings will be held at the ILO in Geneva. Contact [mike.waghorne@world-psi.org](mailto:mike.waghorne@world-psi.org).

#### Comments

Please email comments on PSI World News to [psi@world-psi.org](mailto:psi@world-psi.org).

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