

Water doesn't behave by market rules!

Writing in the London Financial Times (1/9/05), PSI General Secretary Hans Engelberts has argued that delivery of water to the world's poor is best done by public providers, because water does not behave by typical market rules. Almost all serious water experts have now accepted that the 15-year experiment with privatisation has failed to deliver water to the poor. Even the World Bank regularly admits now that its water privatisation policies have been unsuccessful (see www.world-psi.org/utilities). Among other contradictions, this is partially due to one obvious problem: big water companies have found that they are unable to extract money from the poor, even with World Bank loans and government guarantees. PSI is calling for a global network of public-public partnerships, whereby well-performing water utilities systematically help those doing less well.

Solidarity for New Orleans

PSI has written to US affiliates offering condolences and support in the wake of Hurricane Katrina. In the meantime state and municipal authorities, which have been systematically starved of funds, are being attacked for their frailty. The federal government sliced \$71.2 million from the budget of the New Orleans Corps of Engineers, a 44% reduction. A huge number of emergency personnel were called to service in Iraq, and were not replaced. Emergency planning, along with projects to improve the floodwalls, fortify the coastlands, and upgrade pumping systems, were all shelved for financial reasons. The idea was that the private sector would propose solutions. The UK Labour Party has reminded us of arch-marketeer Grover Norquist's words: "I don't want to abolish government. I simply want to reduce it to the size where I can drag it into the bathroom and drown it in the bathtub." Well, as they put it: "New Orleans just became that bathtub". As this sad tale of neglect unfolds, Bill Lucy, Secretary-Treasurer of [AFSCME](http://www.afscme.org), reminds us: "Quality public services are not just a democratic right for every citizen; they are the very point of democracy!".

Whiteband strikes again!

The [Global Call to Action Against Poverty](http://www.globalcalltoaction.org), the largest anti-poverty campaign the world has ever seen, joined and lead one of the oldest Labour Day parades in the world in New York

City on Saturday, 10 September. Marchers in the parade stood together to say “no to poverty” and “yes to decent jobs and workers’ rights”. GCAP and the Labour Day march organisers wanted to send a clear and united message to 170 world leaders about to meet in New York at the UN World Summit. In the meantime public sector unions added to the whiteband campaign with Public Services Day. PSI is currently collecting stories and pictures, and will feature this story in the next PSI World News.

New gender equality web pages

PSI has launched new gender equality web pages at www.world-psi.org/gender. They are in English at the moment, with French and Spanish on the way. The pages include news, information about current campaigns, and training materials. If you have any information which you think could be useful, please send it to equality@world-psi.org.

Partnerships that work

[American Rights at Work](#), a non-profit labour advocacy organisation, has released a list of US organisations that have successful partnerships with the unions representing their employees (including [AFSCME](#), [SEIU](#) and [AFT](#)). **The Labor Day List: Partnerships That Work** describes practices in labour-management relations which meet the needs of workers as well as fulfill business objectives. According to the report, the nine employers on the list “are bucking the current 'race-to-the-bottom' trend, while defining new standards for 21st century labor relations.” Copies of the report are available from communications@world-psi.org

Trade unionism vs Corruption

One of the great untold stories of the union movement is the struggle against corruption. Annie Geron, General Secretary of [PSLINK](#) in the Philippines, says this is a core issue for unions and civil society. PSLINK organises public sector civil servants, and has fought hard against corruption in the public sector, and to improve the image of civil servants. In a new case study available from the PSI [Resource Bank](#), Annie tells the union’s story. She believes international solidarity has been critical to PSLINK's success, and probably saved her life as well - with petitions and letters from PSI and its affiliate unions around the world making her “too visible to disappear”. This inspiring story will be translated and featured in the next FOCUS.

On the same theme...

Twelve years after he founded it, Peter Eigen is stepping down as chief of [Transparency International](#) (TI). The former World Bank director, who did much to support union and PSI involvement in this area, has made an incalculable contribution to good governance around the world. For some examples of TI's work (in various languages) see the 2005 Global Corruption Report at: www.globalcorruptionreport.org/download.html, or the individual country surveys at: www.transparency.org/surveys/index.html. Workers wishing to share information and combat corruption can also contact [UNICORN](#) at: unicorn@againstcorruption.org

Health for wealth

With poverty levels in the USA increasing for the fourth year running, the US Census Bureau's latest report shows that 4.6 million more people lack health insurance than in 2001. Of 132 million working Americans, only 97 million now have health insurance. The number with employer-based insurance also fell for the fourth year in a row.

Historic UN Summit threatened

The US Ambassador to the UN, John Bolton, created an uproar this month by proposing last minute changes which would have effectively stripped the UN Summit of any real meaning in terms of the battle against poverty. PSI joined other global unions in urging the meeting to reject these proposals. A copy of the union letter is here: www.world-psi.org/whatsnew

UK unions call for gender pay action

Unions in the UK have called on the government to take a "once in a lifetime" opportunity to introduce legislation to close the gender pay gap. Thirty years after equal pay legislation was introduced, women still earn almost a fifth (18%) less than their male counterparts. The gap widens to 40% for part-time workers. Chairwoman of the government's Work and Women Commission on pay inequality, Margaret Prosser, says: "Funding should... be made available in the public sector to address equal pay issues, rather than be squandered on the legal costs of defending inequalities in

current pay systems through the court." Women make up 64% of the UK's public sector workforce. Earlier this year, Unison won the biggest ever equal pay award for 1,500 members working at two NHS hospitals. The decision sent shockwaves across the public sector as employers considered the ramifications of unions turning to the courts because of the government's failure to act.

Hard lives getting harder

Eighteen of the world's poorest countries - with a population of 460 million - are now worse off than they were 15 years ago, according to a major new UN report. Twelve of these countries are in sub-Saharan Africa, and their situation is closely linked to HIV/Aids and conflict. The remaining six are all former Soviet states in Central Asia and Eastern Europe. The main factors in their decline are falling life expectancy and economic disruption. Since 1990, income per capita in rich countries has increased by \$6,070 (in constant prices), while aid spending has fallen by \$1 per capita. The report calls for changes in aid, trade and security policy. It is available in French, Spanish and English from hdr.undp.org/reports/global/2005

Check-list for evaluating outsourcing

The Danish Institute for Human Rights has produced a publication entitled The Accountability of Business in Relation to Human Rights. It includes a human rights check-list for people wishing to investigate the political and economic situation in another country (vis outsourcing). Danish trade unions have found this check-list very useful, and are recommending it to unions in countries which are investing heavily abroad, as well as for those who are the "target" of such investment. A copy of the check-list is available in Danish or English from communications@world-psi.org.

Productive employment is the key

Governments in Asia and the Pacific must focus on promoting full, productive, and decent employment if the region is to reduce poverty, according to a new report released by the [Asian-Development Bank](http://www.adb.org) (ADB). "There are many causes of poverty, but ultimately the poor are poor because they earn too little... To reduce poverty... governments must do a better job of providing their people with opportunities to engage in productive work for a fair wage," says Ifzal Ali, the ADB's Chief Economist. Of a total labor force of around 1.7 billion, at least 500 million people are unemployed or underemployed. One of the report's recommendations is that public and private sectors work together to develop non-traditional, labor intensive activities. The report underlines the fact that growth-

promoting policies will only work if governments improve the quality of human capital (ie education and training etc).

The inverse care law

John Lister's recent book on [global health policy](#) (see August PSI World News) shows that around the world health care spending is almost inversely proportional to the global burden of disease. Further studies from the UK are now showing that poor communities have the worst access to a range of public services. The Joseph Rowntree Foundation (JRF) has mapped evidence for the so-called "inverse care law", under which those in greatest need have the worst services. The report on healthcare, for instance, shows that areas with the highest levels of poor health also have the lowest numbers of doctors and dentists. See <http://image.guardian.co.uk/sys-files/Society/documents/2005/09/01/JRF.pdf>

Wanted: Social policy resources

[ILO-ACTRAV](#) is helping the [Global Unions Research Network](#) set up a web-page on social policy. Globalisation and demographic changes are creating massive pressures on welfare provisions, and in many countries existing pension and health care provisions are being questioned. ILO-ACTRAV is asking unions to email them copies of research, policy papers, or any other information on pension and health care policies. In particular they are looking for material on financial sustainability and the contribution of social security to economic development. Contributions will be made available online in the original language. Please send to hoffer@ilo.org.

Overview of international labour standards

The ILO has published a new overview of labour issues such as forced child labour, freedom of association and collective bargaining, equality at work and other key workplace concerns. **Rules of the Game** is written for a general audience, and seeks to raise global awareness of labour standards. It discusses the importance of ILO Conventions and Recommendations, and how they are applied and supervised. Adopted by representatives of governments, workers and employers, labour standards establish an international framework for promoting social justice in today's global economy. **Rules of the Game** is available in Spanish, English and French, and an Arabic version is in preparation. See <http://www.ilo.org/public/english/bureau/inf/pr/2005/33.htm>

Public Sector Glossary

If you don't know your 'Almo' from your 'Asbo', or you're baffled by 'bedblocking', or haven't dared ask what 'best value' means, then the Guardian's excellent Public Sector Glossary is for you. It provides plain English definitions for hundreds of phrases in the public and voluntary sectors, as well as advice on how to write clear and concise public documents that will be easily understood by everyone. Take a look here: <http://society.guardian.co.uk/glossary/0,11637,646397,00.html>

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