

# Globalization and Social Justice

The Promotion of Trade Unions  
in International Cooperation





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## The Globalization of Industrial Relations

In 2003, some 65,000 enterprises operated transnationally, i.e. had the flexibility to choose between investment locations. Countries, regions and cities compete with each other for investors. Likewise, there is direct competition between different production sites of the same enterprise. Wage levels and social security are just additional cost factors in this race. In the industrialized countries, wages and working conditions are under pressure and workers are frequently forced to give in to painful cuts in their rights, seemingly in order for them to remain competitive. At the other end of the scale, working people in poorer countries are prevented from accomplishing their demands and improving their working conditions. The trade unions' negotiating position has been weakened and many are talking of a race-to-the-bottom as regards social rights. Things are made worse by the fact that corporate managements have access to more information than workers and are therefore thought to be better able to weigh the pros and cons of individual sites, in other words to play off workers against one another.

The last few decades have been marked by growing networking in the world economy. Financial markets, trade relations and production processes are no longer restricted to an individual nation state, which is therefore no longer able to regulate them single-handed. This development has repercussions upon the economic and social situation of workers around the world and upon the power balance between employers and workers.



## First Steps Along a Long Road

Trade unions need to form global networks and unite in their response to the challenges of globalization when attempting to fend off this trend. The world federations of sectoral unions – the global union federations or GUFs – are crucial in this context. These “GUFs” conclude framework agreements on minimum social standards with the management of multinational corporations and carry forward the creation of union networks at both the regional and global level. Similarly, they organize campaigns focussed on either individual companies or entire sectors. In some enterprises, transnational networks are already in place. In corporations such as BASF, Nestlé, Coca-Cola or DaimlerChrysler, these networks have been functioning for years or are in the process of being developed with or without management support. Yet these measures are just the first steps towards an effective global representation of labour interests. Now and then they bear fruit in isolated cases, yet a change of paradigm in the relationship between Capital and Labour appears to be nowhere in sight for the time being. In other words, it will all depend on whether economic development can be given a social face and whether there will be fair competition – not just for the management but for the workforce of a corporation.





## Global Trade Union Policies of the Friedrich-Ebert-Stiftung (FES)

Interview with Erwin Schweisshelm,  
Coordinator Global Trade Union Project



Friedrich-Ebert-Stiftung Bonn



Friedrich-Ebert-Stiftung Berlin

*What is the part played by international trade union activities of the Friedrich-Ebert-Stiftung?*

**Schweisshelm:** “International trade union activities are an integral part of international activities of the Friedrich-Ebert-Stiftung. Promoting democracy, preventing conflicts and realizing social justice are key goals in our international work. Trade unions are indispensable for attaining these goals. Not only do they represent the interests of working people, but they are part of the democratic civil-society sector in many countries.”

*Would it not be the task of German trade unions to deal with international trade union activities themselves?*

**Schweisshelm:** “There is a special arrangement in place; in fact, the Friedrich-Ebert-Stiftung has been given an explicit mandate by the DGB to represent German trade unions abroad. This has to do with the common history of trade unions and the Friedrich-Ebert-Stiftung and our worldwide infrastructure. The FES is considered to be a credible and reliable partner!”

*How does this function on the ground?*

**Schweisshelm:** “International trade union activities of the Friedrich-Ebert-Stiftung address two focal areas: firstly, country-specific programmes promote workers’ representation at the national level, and secondly, the

**“While respecting the mutual independence of the Friedrich-Ebert-Stiftung and the German trade unions, we can confirm that you have a mandate of the DGB and its affiliates to represent the German trade unions abroad”.**

(Dieter Schulte, DGB President from 1994-2002, at a conference for overseas staff of the Friedrich-Ebert-Stiftung in 2001)



project 'Global Trade Union Politics' aims to add a social dimension to globalization and is coordinated at our Bonn head office. Country-specific programmes support trade unions in their role as political and civil-society actors as well as in their function as workers' representatives. These programmes are coordinated by FES offices abroad and deal with issues such as qualification for social dialogue, bargaining policies, privatization and labour law questions."

*What does this imply and with whom are you cooperating to achieve the project aims?*

**Schweisshelm:** "As indicated by the name, the project 'Global Trade Union Politics' focusses on the strengthening of trade unions and more effective representation of labour at the global level. The most important project partners are the global union federations (GUFs) and the International Confederation of Free Trade Unions (ICFTU), and also organizations such as the International Labour Organization (ILO), the Trade Union Advisory Committee to the OECD (TUAC), regional union structures and non-governmental organizations (NGOs)."

Support provided by the project comes in many and varied form. In 2004, more than 100 individual projects were supported in 45 countries. The Friedrich-Ebert-Stiftung conducted these programmes in a variety of countries from Vietnam to Brazil, Azerbaijan or Mali in Africa. Each of these countries has different conditions in place for trade union activities on the ground."

*What is the focus of activities?*

**Schweisshelm:** Support is concentrated on three major areas: trade union policy, corporate structures and development policy.

*At the union-political level,* publications are prepared dealing with issues of social policy; workshops and training programmes are organized for union members and the realization of human and trade union rights is supported.

*At the corporate level,* the Friedrich-Ebert-Stiftung assists in the setting-up of networks between workers' representatives in multinational enterprises, the conclusion of framework agreements or the application of codes of conduct in multinational enterprises.

*At the development-political level,* the main focus is on the integration of social norms in German and international development cooperation. In addition, the FES supports trade union involvement in the so-called 'fair trade', such as the Flower Label Campaign of FIAN, a non-governmental organization, and the Clean Clothes Campaign. As from October 2004, a Master Degree course has been sponsored at Kassel University and the Business School in Berlin dealing with labour market policy and globalization; the target group for this course consists of young trade unionists from developing countries. The project links up with other donor organizations in the USA and Europe. Such linkages facilitate the exchange and coordination of activities and enable us to run this programme in a more targeted and politically effective manner as a result."

*In view of all this globalism, is there anything left for the "export champion" Germany?*

**Schweisshelm:** "Of course, the project is also linked to a variety of panels and bodies in Germany, including the international working groups at the DGB, the Round-Table for Codes of Conduct and the Friedrich-Ebert-Stiftung's thematic team dealing with WTO-related issues."

*Is it worth all the effort?*

**Schweisshelm:** "I think so. The current discussions leave us in no doubt that social justice can no longer be achieved by a country single-handed. It has become more difficult to play workers off against one another as a result of the activities of the Friedrich Ebert-Stiftung, amongst other things."

## International Trade Union Cooperation of the FES

**50 Years of Cooperation with the German Trade Union Confederation (DGB)**  
**Jürgen Eckl, DGB Head Office, Department for International and European Trade Union Activities**

What started originally as a simple division of labour in accessing resources from development cooperation has become a worldwide network of bilateral, regional and international trade union relationships over the decades.

When the first trade union advisers commissioned by FES set off for Mali and Japan in the early 1960s, those pioneers had no idea that the informal verbal arrangement made at the time by Dr. Günter Grunwald on behalf of FES and Ludwig Rosenberg for the DGB would eventually come to be a sustainable and viable project of international trade union cooperation. What started originally as a simple division of labour in accessing resources from development cooperation has become a worldwide network of bilateral, regional and international trade union relations over the decades. It is based on activities of FES offices abroad and coordinated by the international departments of the German trade unions and the trade union coordinators at FES head office. It is an expression of shared values and goals: the promotion of free, independent, confident and vibrant trade unions as indispensable pillars of democratic development.

Despite occasional set-backs, this common aspiration opens up a wide and often difficult line of work. It ranges from solidarity in the building-up of trade unions, often under repressive conditions, to expert consultancy in complex processes of adaptation and transformation. The responsibility is also and principally borne by FES staff abroad. Their professionalism, cosmopolitan background and communicative skills in combination with the loyalty and operational and analytical skills of local trade union experts in the FES offices have created a sound foundation for this work.



The constant flow of information from this work enables the DGB and its affiliates to obtain a comprehensive understanding of country-specific, regional and international developments outside traditional channels of union diplomacy. Conversely, the offices convey a picture of the German labour movement which has contributed in no small measure to the undiminished reputation of German trade unions abroad.

In contrast to institutions of other trade union federations, the FES approach is not restricted to cooperation with trade unions. On the contrary, the Friedrich-Ebert-Stiftung is cooperating with a broad spectrum of other actors in society, political parties, governments, academia, media, women's associations, amongst others, depending on the country in question. This opens up new opportunities for communication and dialogue with other sectors of society for our trade union partners in the field – something which cannot be taken for granted in many countries.



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- The DGB Executive's repeated confirmation of the mandate for trade union activities of the FES abroad;
- the inclusion of the DGB and its affiliates in the regular trade union expert conferences of the FES;
- involvement in programme planning and talks for coordination with FES staff to be posted abroad before their departure;
- the occasional exchange of staff between the two institutions;
- comprehensive support for international missions of the German trade unions and the deployment of experts;
- the active involvement of union representatives in study programmes, discussion forums and conferences in Germany, assistance of the Friedrich-Ebert-Stiftung for congresses of German trade unions and the International Confederation of Free Trade Unions to ensure the presence of trade unionists from the South and from Central and Eastern Europe.

All this gives an idea, albeit incomplete, of the many and diverse efforts made to shape international trade union cooperation successfully in this era of globalization.

## Cooperation IG Metall and FES in International Cooperation

Klaus Priegnitz, IG Metall Head Office – Department of International Relations

### Trade Union Rights are Human Rights

The major areas selected by the Friedrich-Ebert-Stiftung for its global trade union policies are exactly the same as those pursued by the IG Metall in its international activities. The international approach of both the Friedrich-Ebert-Stiftung and IG Metall is guided by the notion that trade union rights are human rights; in terms of content it is inspired by the Declaration of the International Labour Organization (ILO) on “Fundamental Principles and Rights at Work” of June 1998.

### Seeking New Alliances, Breaking New Ground

There are clear guidelines on how to invigorate such an approach:

Firstly, to strengthen the global union federations by contributing to the building-up of efficient trade union structures across the world. Secondly, to seek cooperation with so-called non-governmental organizations (NGOs). In fact, the two approaches are mutually complementary when voluntary agreements, for example, are concluded with enterprises as part of IG Metall policy. In such an event, networks are set up between trade unions and non-governmental organizations with the assistance of the Friedrich-Ebert-Stiftung in order to be able to monitor effectively such international framework agreements (IFAs).

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Both the IG Metall and the Friedrich-Ebert-Stiftung are well aware that such IFAs cannot replace binding international and European legal instruments, but they are just a tool with which to introduce a social framework in the global economy.

We will be tasked in future with the development of a joint concept linking development policy and international social policy and the enforcement of social human rights in the “hard” policy areas too, for example at the World Trade Organization. In this context, it will also be necessary to coordinate more effectively our work with the various organizations active in the international field. In other words, an attempt needs to be made to ensure consistency of policies within the framework of policies pursued by the national government in the context of, for example, the Millennium Debate/halving poverty by 2015 in order to avoid duplication of work on the one hand and to use more effectively the increasingly limited resources provided by third parties on the other.

### Initiating Discourses, Including at the International Level

At the national level, the IG Metall has launched a “workers’ petition”, for example, in favour of greater social balance and a more people-focussed self-perception of society; in the context of international cooperation, this would translate into social rules imposed on international capitalism: is it not shocking that enterprises need to be awarded special prizes nowadays just because they comply with and promote ILO core labour standards worldwide?





### The ILO Core Conventions

The four fundamental ILO principles are not restricted to the eight Core Conventions; they are an essential source of orientation and action for the ILO and as such have left their mark on a large number of conventions and recommendations. However, these fundamental principles have been fleshed out in detail in the ILO Core Conventions listed below, occasionally also called human rights conventions:

To date (as of May 2005), 109 ILO member states ratified all core or human rights conventions, including Germany. 33 states ratified seven core or human rights conventions, 14 countries six and 10 states a total of five of the afore-mentioned conventions.

#### Convention 87

Freedom of Association and Protection of the Right to Organize, 1948

#### Convention 98

The Right to Organize and Collective Bargaining, 1949

#### Convention 29

Forced Labour, 1930

#### Convention 105

Abolition of Forced Labour, 1957

#### Convention 100

Equal Remuneration, 1951

#### Convention 111

Discrimination (employment and occupation), 1958

#### Convention 138

Minimum Age, 1973

#### Convention 182

Immediate Measures to Prohibit and Eliminate the Worst Forms of Child Labour, 1999



## TRADE UNION COMMITMENT

## Physical and Occupational Existence at Risk

Another 129 trade unionists assassinated worldwide, a growing number of murder threats, violent assaults and prison sentences: trade union rights continue to be trampled on across the world. Their defenders are silenced by repressive measures, persecution, imprisonment and worse. Again, the International Confederation of Free Trade Unions (ICFTU) had to publish a grim record of persecution of trade unionists and infringements of internationally recognized trade union rights in a total of 134 countries in its annual report for 2004. Colombia is again heading the list of countries where union activists are most at risk: 90 individuals died because of their convictions and actions in 2003 alone! China demonstrated once again that a flourishing economy does not necessarily go hand in hand with an improved legal situation of workers. And the Report 2004 highlights the fact that an increasing number of women have fallen victim to attacks.

**Colombia is still heading the list of countries where trade union activists are most at risk: 90 individuals were murdered for their convictions in 2003 alone.**

## Challenges not just in Distant Places

However, fundamental trade union rights are also being infringed on at our doorstep, i.e. in the new EU member states. In the Czech Republic, several employers retained the wages of union representatives, while others tried at any cost to prevent collective agreements from becoming binding by virtue of law. In Lithuania, the management of a vehicle depot called in workers individually and asked them to confirm their resignation from the union in writing. Those







who refused were fired. Likewise in Poland where trade unions reported numerous cases of active trade unionists who were dismissed. In the USA, general conditions are becoming increasingly more difficult as well. Law firms which specialize in “cleansing” organized enterprises or keeping unions out altogether gladly take on a growing number of assignments.

### **Distress and Solidarity: Past and Present**

Our own history has known many a bitter experience of repression of trade unions. Ever since it had developed in the 19th century, the trade union movement in Germany had to fight against such acts of repression which culminated during the period of National-Socialism.

International trade union cooperation was essential to union resistance at the time. German union representatives in exile, first in Prague and later in Copenhagen, were financially supported by what was then the International Confederation of Trade Unions. Likewise, individual trade unions such as the metal and transport workers’ unions were only able to keep up their resistance against Hitler because of the political and material support from their international federations.

The right to establish free and independent trade unions is protected under Article 9 of the Basic Law, our constitution. It is also incorporated in international law by virtue of a relevant convention of the International Labour Organization. Against the background of our own historical experience, both the German trade unions and the Friedrich-Ebert-Stiftung as an organization close to them seek to uphold this principle in practice worldwide which they hold to be crucial to their work. In consequence, the Friedrich-Ebert-Stiftung supports and promotes the ICFTU in its efforts to uphold human and trade union rights.

**The ICFTU Report is entitled “Annual Survey of Trade Union Rights Violations”. Unfortunately, it becomes more voluminous every year, yet there is little coverage in our media.**

## Education – a Tool for Young Trade Unionists

### The Master Degree Course “Labour Policies and Globalization”



Trade unions are under enormous pressure across the world. The opening-up of markets, an increasing networking of production processes and the ensuing race for low costs of production, in particular as regards labour costs, are confronting workers' representatives in almost all countries with the problem of how to protect existing rights and negotiate additional rights for the working people.

The automobile industry is a good case in point: before a car is finally assembled, innumerable companies in dozens of countries are involved in its production, and the race for low costs takes place not just between different corporations but between individual production plants of the same corporation and various countries. Many workers' representatives perceive the so-called “globalization” of the economy as threatening, unfair and uncontrollable, although these developments are rarely examined from a differentiated academic perspective. Most international financial institutions such as the International Monetary Fund (IMF) or the World Bank do not see “globalization” as nothing but a burden, but mostly as a blessing, including for large segments of the population.

This obvious contradiction in perception and assessment amongst trade unionists, and also their inadequate knowledge of the economics involved, made people think. The International Labour Organization (ILO), in close cooperation with the Friedrich-Ebert-Stiftung, therefore initiated a Master degree course – the first of its kind worldwide. Its aim is to teach young trade unionists the economic and social-science subjects related to the process of globalization. The



My name is **Mina Vukojicic** and I come from Belgrade, the capital of Serbia and Montenegro. I am working for the trade union federation “Nezavisnost”, which in our language means something like independence. My work is mainly in the field of fine arts and the cultural sector. It is imperative that we enhance international cooperation in this field and articulate specific concerns of our young members. As a participant of the first pilot course for trade unionists from across the world, I believe that the master course for labour policies and globalization is an excellent and valuable exercise. We exchange ideas, we become more knowledgeable, we prioritize the international trade union movement, we widen our horizons and confront global challenges – in brief, we bring the world into the classroom. And the purpose of the exercise is to make trade unions work better in future.

**This obvious contradiction in perception and assessment amongst trade unionists, and also their inadequate knowledge of the economics involved, made people think.**



main focus is on subjects connected with international labour and social standards. The newly-acquired knowledge is to be used as a tool in the day-to-day work of trade unions, such as in collective bargaining and labour disputes. Moreover, these courses are to qualify young trade unionists to argue their case competently and convincingly vis-a-vis other actors in the world economy. A dialogue with these actors is initiated in an attempt to make them more aware of trade union demands.

After three years of preparation, the course was finally opened at Kassel University on 7 October 2004 in the presence of the Minister for Economic Cooperation and Development, Ms. Heidemarie Wiczorek-Zeul, the deputy Chairman of the DGB, Ms. Ursula Engelen-Kefer, and the Chairman of the ILO Workers' Group, Sir Leroy Trotman.

Participating students come from backgrounds as diverse as the world itself: 25 women and men from four continents and 20 countries have enrolled for the term 2004/2005; they have been active in their unions back home and hold at least a bachelor degree. The first term was spent at Kassel University, the second term takes place at the Berlin Business School. In addition to purely academic work, the programme includes a number of excursions and practical work experience. In other words, students participating in the course will learn both in theory and in practice how the German model of industrial relations functions.

**Euan Gibb:** I am living in Germany with my partner Diana and our 7 months old baby Natalie. I am an active member of the Canadian Autoworkers Union (CAW). I have been working in an automobile company since 1996. In 1999 I began to combine my activities: I alternated between academic work and work at the assembly line – teaching and trade union activities were complementary. I heard of the global labour university concept during my labour studies programme at the McMaster University in Canada. As a worker and trade unionist in a globalized industry, I thought it was an excellent idea to add this academic dimension to international trade unionism. We are nearing the end of the first year at the global labour university. There can be no doubt that some lasting friendships have been made. The curriculum proved to be quite demanding and relevant to our strategies of resistance. The discussions and debates we are having, of course, in the classroom every day are of a remarkably high quality.



Berhard Stelzl

The course will undoubtedly contribute to much greater and more detailed knowledge of the economic and social implications of globalization. Valuable personal contacts will also be established between the participants, thus creating an international network which may still be useful to the young trade unionists in years to come.



## THE GLOBAL UNION FEDERATIONS (GUFs)

## Instruments to Exercise International Countervailing Power

“The group management, along with the national and international organizations representing workers’ interests recognize their social responsibility and the basic principles behind the ‘Global Compact’. The BMW Group supports these initiatives taken by the United Nations and endorses the vision of helping a sustainable and homogeneous economy materialize.” This is a quote from the preamble of the Joint Declaration on Human Rights and Working Conditions of the BMW Group concluded between the Bavarian automobile manufacturer and the International Metalworkers’ Federation (IMF). The BMW Group was the eleventh company to negotiate such an international framework agreement with the IMF in May 2005. International trade union federations comparable to the industrial unions in Germany – such as the IG Metall or IG BCE in the mining and chemical industry – have a mandate to defend workers’ interests in a specific industry at the global level. These global union federations (GUFs) have responded, both in terms of organization and content of work, to the strong international networking in the economy. GUFs differ considerably in their membership structure. While European

industrial unions are particularly strong in some sectors, other GUFs concentrate on representing the interests of workers from the developing countries.

## Framework Agreements

The conclusion of framework agreements between GUFs and multinational corporations is one of the priorities of the international labour representatives. These agreements are usually negotiated between the corporate management and the GUFs and set out social standards applicable to the entire workforce of the corporation worldwide. In contrast to unilateral codes of conduct, these agreements are negotiated and controlled bilaterally. The pioneering work was done by the IUF in 1988 when it signed the first framework agreement with Danone, and in 1995 with the hotel chain Accor. Next followed the IFBWW’s agreement with IKEA and the agreement between the Norwegian energy giant Statoil and the International Chemical Workers’ Federation (ICEM). Since 2002, the International Metalworkers’ Federation (IMF) has concluded more than eleven agreements with transnational cor-

## Overview of Individual Global Unions

<b>EI</b>	Education International
<b>ICEM</b>	International Federation of Chemical, Energy, Mine and General Workers’ Unions
<b>ICFTU</b>	International Confederation of Free Trade Unions
<b>IFBWW</b>	International Federation of Building and Wood Workers
<b>IFJ</b>	International Federation of Journalists
<b>IMF</b>	International Metalworkers’ Federation
<b>ITGLWF</b>	International Textile, Garment & Leather Workers’ Federation
<b>ITF</b>	International Transport Workers’ Federation
<b>IUF</b>	International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations
<b>PSI</b>	Public Service International
<b>UNI</b>	Union Network International

## Framework Agreements as of Spring 2005

GUF	Enterprise	Country
ICEM	Statoil	Norway
ICEM	Freudenberg	Germany
ICEM	Endesa	Spain
ICEM	Norske Skog	Norway
ICEM	ENI	Italy
ICEM	SCA	Sweden
ICEM	Lukoil	Russia
IFBWW	IKEA	Sweden
IFBWW	Faber-Castell	Germany
IFBWW	Hochtief	Germany
IFBWW	Skanska	Sweden
IFBWW	Ballast Nedam	Netherlands
IFBWW	Impregilo	Italy
IFBWW	Veidekke	Norway
IMF	Merloni	Italy
IMF	BMW	Germany
IMF	Volkswagen	Germany
IMF	DaimlerChrysler	Germany
IMF	Leoni	Germany
IMF	GEA	Germany
IMF	SKF	Sweden
IMF	Rheinmetall	Germany
IMF	Bosch	Germany
IMF	PRYM	Germany
IMF	Renault	France
IUF	ACCOR	France
IUF	Danone	France
IUF	Chiquita	USA
IUF	Fonterra	New Zealand
IUF	Club Mediterranee	France
UNI	Telefonica	Spain
UNI	Carrefour	France
UNI	OTE	Greece
UNI	ISS	Denmark
UNI	H&M	Sweden



porations in the industry, including DaimlerChrysler, Volkswagen, Bosch and BMW as the last one.

At a conference on the internationalization of industrial relations organized by the Friedrich-Ebert-Stiftung in October 2004, GUF representatives discussed the opportunities and difficulties arising from such agreements. In this context, they drew attention to the fact that in many enterprises the GUFs were still fighting for recognition as legitimate representatives of labour interests. Employers' associations are only organized at the national or at most regional levels and therefore unable to enter into dialogue with the GUFs. GUF representatives also pointed out that in some countries democratic trade unions are non-existent which renders the monitoring of framework agreements rather difficult. The GUFs are afraid of being excluded from internal decision-making as a result. Moreover, it is striking that the corporations which have so far signed framework agreements are almost exclusively from continental Europe, the exception being just one US-American corporation (Chiquita) and none from Asia.

Despite these negative aspects, framework agreements have proved to be an effective and innovative instrument in the hands of workers' representatives. The setting of frameworks and standards for workers is one thing, but even more important is the GUFs' recognition as partners.



## Regional Trade Union Networks



The Friedrich-Ebert-Stiftung lends its support not only to framework agreements, but to the setting-up of networks of workers' representatives within multinational corporations. The trade union network within the chemical company BASF described in this brochure is a good case in point. Another example of the promotion of trade union networks is the food producer Nestlé. In fact, this company is in a unique position as far as the trade unions are concerned not just because it is the largest food-producing corporation worldwide with 253 thousand workers and total sales amounting to 57 billion euros (2003), but because Nestlé is operating globally like almost no other company: no more than some 2 per cent of its annual production is still handled at its home base in Switzerland, while the rest is produced at some 500 sites located in 84 states.

Nestlé has not yet signed a framework agreement, but there is close global cooperation within the network of the International Union of Food Workers (IUF). In 1999, fundamental social principles were agreed at a world union meeting in Manila which the company is expected to implement across the world. This so-called "Manila Declaration" sets out fundamental rights of workers and provides a framework for identification and the basis for further activities by the network. As

part of a joint project involving the IUF, the German food workers' union NGG and the Friedrich-Ebert-Stiftung, four regional meetings and one global one were held between 2002 and 2004 for trade unionists from the company in order to facilitate the exchange of information and plan additional strategies. Since autumn 2004, the Friedrich-Ebert-Stiftung has funded four regional network coordinators in Africa, Asia-Pacific, Latin America and Eastern Europe for the purpose of consolidating the linkage and ensuring professional coordination. Corporate management takes a somewhat ambivalent attitude in this process. On the one hand, it has definitely accepted the IUF as a partner (a European works council is in place and management representatives took part in the meeting in Manila in 1999), yet trade union networks outside Europe are not really welcome at the head office in Vevey.

In addition to BASF and Nestlé, the Friedrich-Ebert-Stiftung promotes other trade union networks in global corporations such as General Motors and Coca Cola. In so doing, it helps to set in motion a global social dialogue and to promote practised solidarity.





## Trade Unions in Asia

The trade union landscape varies greatly in Asia. Strong organizations exist in Japan, Singapore, Australia and to a lesser degree in Malaysia and Korea. In many countries, restrictive labour legislation and repressive governments prevent the development of really strong and independent workers' representations. And then there are countries where the union leadership itself is to blame for the weakness of the workers' movements. In South Asia, in particular, unions are linked to political parties and divided along religious and ethnic lines. Women are rarely present in top-level positions of these organizations, and the same holds true for young workers. Even the informal sector, which makes up 90 per cent of the working-age population in India, is not really represented by the established trade unions. Vietnam and China are in a special situation: the existing trade unions are still closely aligned with the communist parties and have not yet found their role as a lobby group in a market economy.

In view of a weak civil-society sector, however, trade unions are one of the few groups in society with nation-wide structures which can be mobilized in most of these countries. Given the dynamic development of the economy in the manu-



facturing and service sectors in Asia and simultaneous deregulation and informalization of work, social partners, i.e. trade unions, employers' organizations and State institutions, are playing an important part in the dialogue on societal policy with Asia. Trade unions are crucial partners in the work of the Friedrich-Ebert-Stiftung in Asia.

The FES pursues the aim of promoting trade unions both as a lobby for working people and as a strong democratic force in society through its activities in Asia and the Pacific. It endorses the recognition of trade union rights as part of universal human rights. This definitely includes a critical and constructive dialogue with those governments in Asia for whom community development takes precedence over individual rights at least for certain phases of development in their country's struggle against poverty.

Women empowerment in trade unions continues to be a focal point of work given their persistent discrimination at the workplace. It also helps to break up rigid internal union structures. The same holds true for the necessity of bringing young workers into the trade unions, a move that would meet with strong cultural barriers in Asia, in particular.



## Evaluation of Trade Union Cooperation in the Philippines

### Between the Informal Sector and Trade Union Pluralism

No more than one out of 25 Filipinos working in the formal sector is a member of a trade union. The large majority of the active population is either working on a temporary contract, running a micro-business in the informal sector or – some 8 million – working abroad as migrant labour. The trade union movement is divided into no less than 10 national centres or federations, 168 associations and 8,698 individual unions which are competing with each other. Collective agreements are applicable to 1% of those holding a job, but there are no less than 300 varying levels of minimum wages, none sufficient to make a livelihood.

This brings to mind the question of what thirty years of trade union cooperation have achieved; or more pointedly: is the end result of years of trade union promotion in the Philippines any better than – hypothetical – non-intervention?

Against this background, the various instruments of cooperation with trade union top-level organizations, individual trade unions and the so-called labour NGOs have been examined as to their effect and efficiency. Keen to know the answers, the Friedrich-Ebert-Stiftung along with the trade union donor organizations LO Norway, LOTCO Sweden, SASK Finland and FNV Netherlands has taken part in the evaluation. Likewise, the global union federations (GUFs) and the ICFTU's organization for the Asian region have shown an interest in the findings and supported the evaluation.

### Local Agenda, International Funding: Shared Topics!

“Thematically, the interests of the Filipino partners need to take precedence over those of ‘donors’!” was the key recommendation for enhancing the effectiveness of cooperation. Such an approach called for a joint and coordinated planning process amongst the partners in which the external donor organization must be willing to listen and to learn. In this respect, the Friedrich-Ebert-Stiftung with its local office is in a better position compared to organizations which are not permanently present in the field. Better internal union structures and a more pronounced public profile for their work was required if the trade unions were to be strengthened in the longer term. At the same time, efforts should be made to avoid any dependence on external funding.





Thus, the second recommendation was for external donor organizations to pursue a coordinated support strategy which may contribute to greater unity amongst local trade union organizations, at least as regards the main topics. A good case in point is the trade union platform “Labour Agenda” initiated by the Friedrich-Ebert-Stiftung in cooperation with LO Norway and the ACILS Solidarity Centre. As part of this platform, a publication and policy recommendation entitled “Towards a Joint Policy Agenda for Labour: Managing the Social Impact of Globalization through Stronger State Adherence to Decent Work” was prepared and made public. It was a joint effort involving five top-level union organizations, four public-service unions, four union research centres and the three international union support organizations – quite an achievement for Filipino standards!

The “Labour Agenda” has been set up as an informal discussion platform in the meantime and is used by various union organizations depending on the topic concerned. There is every reason to hope that the trade union movement might become more united as a result of this initiative and that it helps to improve the miserable conditions of working people for good.

#### **To Develop a Profile in the Informal Sector**

In addition, the evaluation has revealed scope for further activities in the informal sector. It will be a major challenge for trade union cooperation to develop forms of organization which are appropriate to reach the millions of unprotected workers. Again, greater coordination and innovative approaches are imperative. This is a challenge to be confronted after 30 years of trade union cooperation in the attempt to shift from well-managed small-scale projects to a more comprehensive approach with tangible effects for the masses of workers.



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## From a Defensive Position: Trade Unions in Latin America and the Caribbean Facing New Challenges



Most economists believe there is cause for hope: at 5.2 per cent economic growth in 2004, the Latin American region recorded its best growth rate since 1997. The economy is expected to grow by another 3.6 per cent in 2005. The economic and financial crisis, which in 2001/2002 affected especially Argentina and Uruguay and in parts Brazil, appears to have been resolved. Venezuela and Uruguay were the 2004 champions with economies growing by 17.8 per cent or 10 per cent respectively. Nonetheless, these two countries are also demonstrating that their growth is largely due to favourable international conditions, an increased demand for primary goods and raw materials such as petroleum, agricultural produce, minerals etc.. De-pegging the peso from the dollar also helped to improve Argentina's export conditions. Yet structural problems in the Latin American economy which worsened in the course of the last decade still persist.

### Growth Without Effects on the Labour Market

The positive macro-economic data have left no mark on the labour market either. With economic growth concentrated in the export sectors, there is little impact on employment, the labour market and income generation. It has not been possible to lower unemployment to any significant degree or to halt the growing trend towards informal employment. On average, half the jobs in Latin America and the Caribbean are in the informal economy and this is where most of the new jobs are created.

This has far-reaching implications for trade unions as well. Lessons learnt from previous experience indicate that it is possible to organize the informal economy sustainably in selective areas only. The few existing organizations usually have rudimentary organizational structures, poor financial resources and considerable fluctuation of membership. In other words, the situation remains critical in respect of effective trade union activities. In the 1990s, the level of unionization not only declined drastically in the wake of deregulation, flexibilization and privatization, but the importance of trade unions, politically and societally, went down considerably in many countries as a result.

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### The System of Political Coordinates is Shifting to the Left

Nonetheless, there is some good news for the Latin American trade union scene. Political prospects are improving following the changes in the political landscape in a number of countries. In view of the positive election results for centre-left governments in Brazil, Panama and Uruguay and to a lesser degree in Argentina, trade unions are now enjoying better political framework conditions and new opportunities in these countries. Suffice it to recall that the current Brazilian State President Luiz Inácio Lula da Silva personified union opposition to the military junta in the 1970s. Trade unions, at least in Brazil and Uruguay, have also been instrumental in the election success of the progressive presidential candidates.

It does not necessarily follow that this is the end to union problems in these countries. Chile's example illustrates that even over a period of ten years of "Concertacion", i.e. a government coalition comprising Christian-Democrats, Socialists and Social-Democrats, important rights may still be denied. The example of Costa Rica is even more dramatic since successive Social-Democratic governments failed to end the ban on union organizing which prevailed de facto in the private sector. In summary, the situation of trade unions has greatly improved in Brazil, Uruguay, Panama and to some extent Argentina despite the reservations, while their potential for development has increased considerably.



However, trade unions continue to suffer from a predominantly anti-union climate in many countries of Central America, the Andean region as well as Mexico. This ranges from assassinations and persecutions of trade unionists to State intervention in core areas of union work, such as through restrictive labour legislation. In Mexico, a new political force finally succeeded to win the general elections in 2000 against the "State party" PRI which had been in power for over 70 years; yet President Vicente Fox' conservative Government and prominent members of Congress appear to be unwilling to modernize and democratize Mexican labour legislation for the benefit of the workers.

### The Importance of Regional and Global Issues

However, trade unions are becoming increasingly conscious of how important regional and global issues are for their work. Resistance against the US-sponsored concept of a Free Trade Area of the Americas (ALCA/FTAA), the discussion of a series of bilateral trade agreements related to this and regional integration have therefore been established as major areas of work over the last few years. For the Cono Sur trade unions (Brazil, Argentina, Uruguay and Chile), in particular, the development and deepening of the regional integration project – the common market Mercosur – continue to be important strategic goals as a result. They regard the Mercosur as a political alternative to ALCA/FTAA and bilateral trade agreements which the USA seeks to conclude with countries in Central America and the Andean region. It was only logical that the trade unions spearheaded the process of political and social enlargement of the Mercosur from the start, even at a time when it was perceived to be an instrument for economic purposes.

Another pressing and permanent feature of the trade union agenda are the international social standards and codes of conduct. The trade unions need to answer the complex question of what social standards and codes of conduct would really make a difference in terms of social conditions at the workplace and in

the labour market, where they are merely declarations of intent and non-committal recommendations or marketing ploys of industry. Transnational enterprises are a key area of work in this context. From the union point of view, social standards can be enforced most effectively by means of a framework agreement concluded between a transnational enterprise and the global union organization in that sector. However, various obstacles often impede such agreements. US-American enterprises, in particular, refuse to even discuss such matters. OECD Guidelines, ratified by Brazil, Mexico, Chile and Argentina amongst others, also target transnational enterprises. Governments are required to set up so-called contact points to monitor compliance. The UN Global Compact is a slightly different proposition since transnational enterprises have voluntarily undertaken to respect social and ecological standards. In contrast, unilaterally established corporate codes of conduct are of little use from the unions' point of view since they were often found to be used for no other purpose than to boost the company image.

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## Prospects

The situation of trade unions varies from country to country. Nevertheless, a majority of them have a number of problems in common – either for historical reasons or because problems have become more serious due to globalization tendencies. In most countries of Latin America and the Caribbean, for example, organizational structures are quite antiquated. And more rather than less national centres have developed owing to fragmentation in several of them. Many trade unions hold on to outdated concepts and traditional attitudes, thus impeding the inclusion of other sectors and groups such as women, youth, technical staff etc..

It is certainly not a very promising picture. Yet when we discuss the current multifaceted problems of trade unions in Latin America and the Caribbean, mention also needs to be made of neoliberally-oriented economic policies to which trade unions have been exposed for over a decade in most of these countries. This has seriously weakened the organizations which had often been able to assert themselves in the past.

Apart from this problematic situation, hopeful and innovative approaches have emerged in a number of countries in both small and large organizations and groups. The trade unions in Brazil and Uruguay, for example, are in a much better position to deal with socio-political conflicts since they have joined forces with other societal actors. In Argentina or in the Andean region, attempts have been made to reach out to groups outside the traditional union clientele through new and innovative approaches. In a number of trans-



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national enterprises based in Latin America and the Caribbean, such as BASF or Volkswagen, trade union networks have been formed – usually with contacts to corporate headquarters.

And considerable changes are under way in the regional trade union scene as well. For example, the decision to merge the two global trade union federations – the ICFTU (International Confederation of Free Trade Unions) and the WCL (World Confederation of Labour) – raises a number of questions in the context of Latin America, in particular, and opens new prospects for the ICFTU's regional organization ORIT. At the sub-regional level (Andes/Central America/southern Latin America), new trade union organizations have been developing, the most dynamic one amongst them the Cono Sur central union coordinating body (CCSCS), which functions within the frame of reference of the Mercosur.





## The Trade Union Networks at BASF Locations in South America and Asia and the Role of the FES

**Manfred Warda, Department for European and International Affairs  
of the IG BCE**

The networks of trade union representatives at BASF locations in South America and Asia are the result of exemplary union cooperation in the global economy. The initial move in South America was made by the Brazilian colleagues who had organized regular exchanges of information and experience with union representatives from locations in neighbouring countries in the 1990s. Initiatives to safeguard social standards across locations and borders which had emerged in the course of the exchanges were used to argue in favour of a regional social dialogue with management.

The dialogue was established and supported by the German industrial union of mine, chemical and energy workers (IG BCE) and the works council members at the corporate headquarters in Ludwigshafen. Support could be rendered within the scope of code-termination procedures. The meetings between the colleagues from South America and Germany also contributed to the success. They helped to establish a relationship of mutual trust and provided an opportunity to share the experience with the German system of industrial relations based on social partnership.

At this point, the Friedrich-Ebert-Stiftung's assistance was crucial since it provided the necessary and appropriate framework for developing the network project: experience and advice of its staff, logistic facilities and the willingness to provide start-up capital. And it was very helpful that the Friedrich-Ebert-Stiftung again fulfilled this important function when the South American experience was transferred to Asia to create a similar network. The networks have been recognized by BASF. This is documented in the cor-



poration's annual report and proved by the personal attendance of the deputy CEO at the previous meetings in Sao Paulo and Singapore. The BASF union networks are used as a blueprint in the meantime. The International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM) seeks to conclude comparable agreements with other global companies. This is another proof of the important role played by the FES in developing new forms of industrial relations in the global world.



## Sisterhood: a Matter of Concern for Colleagues in the Latin American Trade Union Movement



Work done by women is considerably less valued in society, which means they are paid less. Men continue to be paid a 40 to 50 per cent higher salary on average.

In Latin America, and in other regions across the world, the trade union landscape is dominated by men. Yet women trade unionists are very active in Latin America. Considering the precarious situation of many workers, women and men, in both the formal and informal sectors, there is certainly some urgency for action. Moreover, the proportion of women workers in the Latin American labour market has been increasing since the 1980s. In some countries such as Brazil it exceeds 40 per cent. In fact, women are doing considerably better than men when their education and level of schooling are compared. Nonetheless, they are persistently being discriminated against in the labour market. Work done by women is considerably less valued in society, which means they are paid less. Men continue to be paid a 40 to 50 per cent higher salary on average. Even greater inequalities exist amongst women who are being discriminated against on socio-cultural grounds. In other words, conditions for women of Afro-Latin American and indigenous descent are even more severe.

### Quotas and Shop-floor Reality

Women empowerment and their participation in trade union activities are matters of priority. Similar to Europe, a broad-based movement has attempted to initiate changes in society since the mid-1990s. Similar steps were initially taken, i.e. measures to overcome the opportunity divide and quotas enabling women to move into positions of leadership and seats on trade union bodies – usually some 30 per cent each for both gender. The quotas have risen in the meantime. Unfortunately, this is no indication for the absence of prejudices and gender inequalities in the political and trade union environment. Men are still dominating the Latin American trade union movement as well as other areas of society, while women continue to be in the minority, especially in the decision-making and influential union bodies. Just a few clauses written





But women are sometimes driven out of traditional occupations altogether. Data from Mexico documents that as a result of the difficult labour market situation, a growing number of men is working in traditionally female occupations.

### A Comprehensive Approach: Gender Mainstreaming

Cut-throat competition affects everyone. Wages and working conditions in these occupations have not improved for men either. This phenomenon explains why gender-sensitive project activities need to be two-dimensional and why the FES applies a gender-sensitive approach to its trade union projects. Cooperation with a focus on women empowerment attempts to introduce gender-specific topics into the world of trade unions and to address the issue of violence against women at the same time. Regional campaigns against the use of violence have produced some initial success. The terrific changes in the world of work are discussed and related to the domestic situation. To address gender mainstreaming as a cross-cutting topic for the realization of economic and social rights has become a matter of particular concern to the FES, alongside the trade union centres.

into negotiating agendas and collective agreements refer to the work done by women. Reality at the workplace thus exposes women to serious problems. In fact, women are partly affected by labour market developments in a completely different manner: work flexibilization in Mexico, for example, results in wage differentials of up to 90 per cent in some instances between male and female industrial workers. And women are not only forced to accept lower wages or worse working conditions as the world of work is becoming more flexible, but are sometimes driven out of traditional occupations altogether. Data from Mexico documents that as a result of the difficult labour market situation, a growing number of men is working in traditionally female occupations: the female nurse is replaced by the male nurse and even in the maquiladoras the assembly worker is a man.



## They Always Come Back: Africa's Trade Unions Today

At first glance, Africa's trade unions appear to be weak organizations with internal problems. Torn between the informal economy and "neoliberal globalization", they are often denied any opportunity to develop. While they had originally been leading the anti-colonial liberation struggle in the 40s and 50s of the last century, after independence most trade unions initially mutated into organizations dependent on the State with a secure status, sinecure privileges for their leaders and safe jobs for the members.

A first rather unpleasant awakening came when the debt crisis necessitated economic liberalization in the 1980s with ensuing massive job cuts and severe losses of members. The fact that many governments reformed their labour laws in the course of structural adjustment policies at the expense of the workers made matters worse. Governments often sided with the employers in labour disputes.



However, subsequent political liberalization offered new scope for action: some trade unions distanced themselves from the government. Others used the opportunity to build up independent trade unions. In a number of countries, trade unions played a decisive role in the removal of autocratic regimes. Unlike in traditional areas of union representation, they are still wielding considerable influence in the political arena nowadays. It would therefore be wrong to discard African trade unions altogether as relics of the past or "quantités négligeables". In fact, after a prolonged lean period they may win new organizing potential following the growth of investment which Africa is currently attracting again. And trade unions are, after all, one of the few groups in society with nationwide structures to be mobilized and therefore a political power factor to be reckoned with in quite a number of African states.





## FES Cooperation with SATUCC

The Southern African Trade Union Coordinating Council (SATUCC) is the umbrella organization of all trade union federations in the Southern African common economic area SADC (Southern African Development Community). SATUCC was established in 1983 with a remit to promote solidarity amongst the trade unions and to influence the process of regional integration from a union perspective. Like SADC, SATUCC is based in Gaborone, Botswana in order to influence SADC decision-making processes more effectively.

Owing to the weak state of the economy in most SADC states, trade union centres have only limited resources, too. The exception may be South Africa with its relatively strong and diverse economy. It is a country where strong, autonomous and professional trade unions have developed. The South African trade union centre COSATU has more members than all other SATUCC affiliates taken together. The South African trade unions' strength and vitality may provide a basis for the renewal of the other trade unions in the region and enable them to become effective partners of the political and business communities in the process of regional integration.

### SATUCC Focal Points of Work

In the past, the organization concentrated largely on the liberation struggle, but has increasingly been shifting attention to the process of regional integration in the SADC area. SATUCC stands for a concept of regional integration which promotes fair development and ensures respect for fundamental human, trade union and social rights. With this in mind, SATUCC has fought successfully for the adoption of a Charter on Fundamental Social Rights to be applied in SADC.

The regional union organization also intervenes in the event that human and civil rights are jeopardized in individual states.

To this end, SATUCC promoted democracy initiatives in Zambia, Swasiland and Zimbabwe. Some incidences of human and trade union rights violations only came to light because SATUCC stepped in.

Organizational capacities largely determine the extent to which regional integration, and the general direction it takes, can be influenced. A trade union academy (SATULA) is currently being set up for the region in order to develop an organizational structure with clout. In addition, SATUCC cooperates with the newly-established African Labour Research Network (ALRN).

The Friedrich-Ebert-Stiftung (FES) and SATUCC have cooperated for more than 10 years. Their cooperation is focussed on the following issues:

- Regional working symposium: annual forum addressing problems of regional integration. The symposium functions as a platform for exchange between trade unionists and academics. Very often, SADC representatives take part in the dialogue.
- SATUCC women's committee: the FES supports many and diverse activities of the SATUCC women's committee in which questions of SATUCC and SADC organizational reform are addressed from a gender perspective. The election of the first acting SATUCC woman president is a tangible sign of the committee's success.
- Support of other activities of SATUCC: publication of history books, the organization of workshops and drawing-up of guidelines on how to deal with multi-national enterprises in the SADC area.



## Trade Unions in Central and Eastern Europe

The trade unions in Central and Eastern Europe (CEE) have been exposed to dramatic changes in their environment since the onset of political transformation in the early 1990s. Transformation from a socialist planned economy to a market economy, leading up to membership in the European Union (EU) of eight CEE countries, forced trade unions to radically change their role. Their main challenge was to reform and convert from trade unions loyal to the system as “the extension of the party” into modern lobby organizations representing workers’ interests.

On the one hand, economic transformation resulted in the dissolution of monostructures, including large State-owned enterprises. A growing number of privately-owned small and medium-sized businesses have been and are still developing. On the other, Central and Eastern Europe experiences both a growing service sector and relative contraction of traditional industries.

Trade unions in Poland and the Baltic states, in the Czech Republic and Slovakia, in Hungary and Slovenia have had difficulties in keeping pace with these developments both in terms of organizational policy and in their economic-policy concepts. In many instances, plant-level

trade unions dominate over sectoral unions. Although it was understandable that trade unions and union centres of various political orientations initially developed after the political change, their persistent fragmentation seriously weakens trade unions nowadays. In industrial relations, social dialogues “prescribed” by the State dominate the relationship between employers and trade unions. Various forms of shop-floor co-determination exist on paper but are not properly implemented in practice.

The promotion of social dialogue is therefore one of the Friedrich-Ebert-Stiftung’s major goals in trade union cooperation in Central and Eastern Europe. Such a dialogue is increasingly taking place at the international level within the framework of European works councils as well. Germany is one of the major investors in the new EU member states of Central and Eastern Europe. This is why it is often possible to set up representational bodies across Europe and make use of the good contacts to German trade unions. In the German regions bordering Poland and the Czech Republic, a number of Interregional Trade Union Councils (ITUCs) have been established for the coordination of cross-border cooperation between trade unions with the support of the FES.



## Network for Central and Eastern European Workers

### FES Regional Project organizes Founding Conference for Network of Central and Eastern European Workers from GM-Opel Plants in Gliwice/Poland

“The foundation of the workers’ network is of major strategic importance to GM workers across Europe. This is in response to management plans to build up new production capacities in the countries of Eastern and Central Europe; in so doing, we seek to prevent being played off against one another”, says the Chairman of the European GM Workers Forum, Klaus Franz, without mincing matters. To this end, workers’ representatives from GM plants in western Europe, Russia (Kaliningrad and Togliatti), Ukraine, Poland and Hungary set up a joint network. On the initiative of the European GM Workers Forum and the Friedrich-Ebert-Stiftung, the network was given its final shape in Gliwice/Poland in November 2004. The network is planned to extend the workers’ information and consultation process to include General Motors plants in Central and Eastern Europe in line with the relevant EU Directives both in content and in spirit. The network’s support for workers in Eastern and Central Europe is also important as lasting improvements in wages and working conditions are expected to flow from it in those countries.

#### A Network with New Features

“This conference has been the most important event for me in 2004” said Alexandr Schebalin, Chairman of the plant-level union in the Avtotor assembly plant in Kaliningrad. It was the first time that Russian and Ukrainian unionists from the metal workers took part in the procedure. To be part of the network was an entirely new experience for them. Union representatives not only came from subsidiaries which were 100% GM-owned but from outsourced assembly plants – another novelty in the European trade union scene. In so doing, the European works council of General Motors responds to a growing tendency among car manufacturers to leave special-series production or supplies for markets to the east of the European Union



to local private producers. There is no easy response to this. To work flexibly within a network is not really possible without logistic assistance. To bring together workers’ representatives from all GM brand producers was feasible only with the help of the Friedrich-Ebert-Stiftung and the use of its offices in Central and Eastern Europe.

The fact that members of the network from the Opel plant in Gliwice were assisted by Jacek Zarnowiecki, Board member of GM Poland and Vice-President of the Polish Federation of Private Employers (PKPP) also indicates a change of attitude in the dialogue. The same holds true for the network conference since it was prepared by the regional coordinator for FES trade union projects, alongside the Polish union Solidarnosc and the local GM-Opel management. This form of tripartite cooperation between trade unions, management and the Friedrich-Ebert-Stiftung offers new prospects at a time of competition between different production sites and threats of relocation. In order to ensure that this opportunity is not lost, the FES regional project for Central and Eastern Europe will continue to support this unique workers’ network: programmes for advanced training and assistance in organizing the annual meeting are part of the agenda.





## “We are running to stand still”

### Dialogue on Trade Union Policy in Western Industrialized Countries

Trade unions in western industrialized countries have been deemed unattractive for years; they are continuously losing members and are struggling with similar problems not only in Germany, but in other countries as well. “It is because labour market structures have changed considerably over the last few years. Unlike the past, workers expect trade unions to concentrate on a different work agenda. For example, they want less ideology and more professional assistance in solving job-related problems. Trade unions need to adapt to this”, was the way in which TUC Secretary General Brendan Barber summed up the situation. In his opening statement addressing the Third German-British Trade Union Forum in April 2004, he presented the report of the British Trade Union Congress entitled “The perfect society. What workers expect from a trade union”. Another conclusion: union learning reps are becoming more important. They deal with further education and training of workers, in particular, and have access to potential members to be recruited as a result.

#### Analysis and Exchange

These are the kind of experiences which trade unionists from Great Britain and Germany discussed for the last three years at their annual meeting. Outside the regular union and European agendas, they exchange views about the challenges ahead at the German-British Trade Union Forum.

“Trade unions have been too slow to respond to changes in the world of work”, said DGB Chairman Michael Sommer who opened the forum together with his British colleague. The Hans-Böckler-Stiftung, the Anglo-German Foundation and the Friedrich-Ebert-Stiftung organize the annual forum either in London or Berlin each year. The trade unions have a clear idea of what is needed now: more women, younger workers and salaried staff from the new production and service sectors!

Logically, the agenda of the third meeting therefore dealt with initiatives for the recruitment of new members after trade union problems related to flexibilizing labour markets and the future of the Welfare State at the previous meetings. In summer 2005, the dialogue continues with a focus on the new EU Information and Consultation Directive.

#### Islands of Stability?

Yet there are also countries where trade unions are built on a stronger foundation – at least loss of membership is not an issue for them. In the Netherlands, Sweden, Finland, Ireland and also in Great Britain, workers’ organizations have left behind the “valley of tears”. However, between 1980 until the late 1990s British unions affiliated to the TUC had been losing almost one quarter of their membership. The level of unionization dropped from close to 50 per cent to the current 29 per cent or so. But TUC affiliates have been slowly regaining ground over the last few years. Nonetheless, former TUC and now ETUC Secretary General John Monks warned the British colleagues in his welcome address against becoming too exuberant: the decline had been halted, “but we are running to stand still”.





The British trade unions benefit from a current low rate of unemployment of 5 per cent – low in comparison with continental Europe. And new legislation for union recognition at the shop-floor introduced by the Labour Government, and a greater proportion of part-time jobs and working women have also contributed to this development. A greater number of working women have increased female membership in trade unions.

### Measures to Keep Going

The German trade union colleagues therefore watched with interest the TUC's practical experience with the Organizing Academy established in 1998.

Changes in economic structure in combination with loss of membership, high staffing costs and shortage of money caused trade unions to merge both in Germany and in Great Britain, and the ensuing adjustment problems were at times hard to swallow, as many participants from the two countries admitted.

The deputy Secretary General of Connect – with 20,000 members one of the smaller TUC affiliates in the communication industry – reported that his union had been confronted with similar financial difficulties, yet had been afraid of loss of identity in a merger. Instead, his trade union had chosen some rather unorthodox measures: a union congress is held only bi-annually; the union budget has been restructured radically in favour of more funds for recruitment campaigns, for which close to one quarter of the budget is being spent nowadays.

**Changes in economic structure in combination with loss of membership, high staffing costs and shortage of money caused trade unions to merge both in Germany and in Great Britain, and the ensuing adjustment problems were at times hard to swallow, as many participants from the two countries admitted.**



## Trade Unions in the Middle East and North Africa

Trade union activities at the interface between Europe and the Arab world

### Under Pressure:

#### Actors in the Transformation Process

Trade unions are also important factors in domestic and societal policies in countries of the Near/Middle East and North African region (MENA). They are forced to come to terms with the large-scale economic and social challenges arising from globalization and the pressure to adapt following their countries' association treaties with the European Union. Progressing liberalization and privatization of the economic and public sectors and simultaneous contraction by industry are causing ever greater unemployment. Given high population growth and the absence of any future prospects for many young people, the social gap is continuously widening. While this may fuel conflict on a major scale, it may conversely challenge organizations which spent more time on internal affairs than their members' concerns in the past.

No one seriously questions the strong correlation between economic and political change nowadays. Trade unions – original constituent members of the civil society – have an important role to play in this process of transformation. Although they are often under the control of governments, so are most societal actors in the region. It does not necessarily follow that they are denied scope for shaping political developments from a social point of view. By promoting internal union democracy, we aim to enable trade unions to represent their members' interests more competently in societal and moral matters, amongst other things: organizational structures, hierarchies, communication and administrative procedures are scrutinized, discussed in depth within the organization and consensually changed, if required.

### International Effects, Local Competence

Causes and effects are increasingly being determined internationally, disconnected from nationally-oriented mindsets and policy-making frameworks. This calls for new and greater union competence in matters of economic and social policy in order to represent their members' interests effectively. Concrete examples of this are the unions' involvement in the consultations for new labour legislation in Morocco, and also the ongoing process of shaping privatization in Jordan and Tunisia. It is equally important to prepare arguments which are decisive, relevant and as conclusive as possible to be included in the social dialogue with employers. To this end, the FES supports greater involvement of the international trade union organizations in the region and promotes regional and international networking.

Cooperation with the trade unions in the MENA region ultimately aims to improve the exchange of experience and cooperation amongst the unions concerned. The Friedrich-Ebert-Stiftung supports efforts to initiate a regional exchange of information and experience on issues such as privatization and globalization through dialogue. Yet even the initial steps towards greater cooperation in the Maghreb region are rather difficult. Bilateral relations to trade unions in individual European countries have been established with greater success, albeit restricted to individual unions. To supplement these contacts by intensive working relations with the European Union is another aspect of trade union-oriented activities of the Friedrich-Ebert-Stiftung considering the growing importance of European Mediterranean policy.

## From No Man's Land to Cooperation – The International Transport Workers' Federation is Making Headway in the Middle East/North African Region

**Stuart Howard, deputy Secretary General, ITF**

The situation at the International Transport Workers' Federation (ITF) was somewhat symptomatic: trade unions in the Near/Middle East and North Africa were operating in a kind of no man's land outside any ITF regional structures and activities – no trade union forum from the Arab world to gather, no regional representative or at least someone able to speak Arabic, let alone ITF material in Arabic. As expected, membership figures were low and the level of participation in our programmes moderate. We just had no adequate medium which would have enabled us to understand this region of undoubtedly strategic importance.

### **The Desert is Alive**

This had to be changed immediately – from the very start with the support of the FES. In May 2002, we organized jointly the first meeting of all ITF sectoral unions from Arab states in Amman. All countries are currently going through a phase of economic liberalization and industrial restructuring; ports, railways and airlines are ultimately up for privatization as well. Many trade unions in the region had to break new ground: new situations with new types of conflict which called for new responses. In a second step, the ITF and FES therefore organized sectoral meetings in Algiers, Tunis and Casablanca to respond directly to





the needs of the unions concerned. An intensive exchange followed and Arab trade unions have finally taken part in ITF programmes on the subject of globalization. This has contributed to a better understanding of the current balance of power in various industrial sectors and potential union strategies. It was no accident that the first applications for membership soon reached us from Algeria requesting to join the ITF family.

**In October 2004, the first ITF conference took place for transport workers' unions from the Arab world, even including from Palestine and Iraq. At the same time, the first ITF representative for the region, Bilal Malkawi, has started to work from his new office in Amman.**

### **A Partnership of Give and Take**

FES support is not limited to financial allocations; its staff members present in many countries of the region are a valuable source of experience and contacts, and therefore a huge potential of consulting and networking capacity. At our annual meetings with representatives of all GUFs and the FES representatives in the region, we evaluate the work done and plan future strategies. Our programmatic work as an international trade union organization in the MENA region has only just begun. But owing to the initiatives and commitment of the FES, an important region of the world at the centre of global political tension, in which the development of a civil society will be crucial, has finally been given the status it deserves in our organizational and programmatic structure.

We have become much more confident that we are able to make a positive contribution to developments in the region. This would have been inconceivable without persistent involvement on the part of the FES for which we owe a debt of unreserved gratitude.

## Addresses of the Global Union Federations

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### ICFTU

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### IFBWW

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and Wood Workers  
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### IFJ

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### IUF

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## Worldwide Network of FES Offices

National trade union programmes are conducted by each of the approximately 100 offices of the Friedrich-Ebert-Stiftung; they also take part in the realization of regional and global activities developed by a trade union team at FES head office in cooperation with the partners.

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**Erwin Schweisshelm,  
Coordinator  
Global Trade Union Project**



**As of spring 2006  
Heinz Bongartz will succeed  
Erwin Schweisshelm as  
project coordinator.**



## Publications

- *Globalization and Social Justice – The Promotion of Trade Unions in International Cooperation*. The flyer is available in German, English, French, Spanish, Arabic and Russian.
- *Working Group “Social Standards”: Globalisierung sozial gestalten: Die Umsetzung der Kernarbeitsnormen in ausgewählten Projekten der deutschen Entwicklungszusammenarbeit*. Eschborn 2004. This publication is also available in English.
- Bendt, Heinz: *Worldwide Solidarity – The Activities of the Global Unions in the Era of Globalisation*. Bonn 2006. This publication will also be available in German and French as of 2006.
- Ferenschild, Sabine; Wick, Ingeborg: *Global Game for Cuffs and Collars. The phase-out of the WTO Agreement on Textiles and Clothing aggravates social divisions*. Siegburg 2004.
- Hamm, Brigitte: *Die OECD-Leitsätze für multinationale Unternehmen. Ihr Einsatz durch zivilgesellschaftliche Organisationen in Deutschland*. Bonn 2005.
- Küsters, Horst: *Social Partnership: Basic Aspects of Labour Relations in Germany*. Bonn 2006 (new edition).
- Paech, Norman: *Social, Economic and Cultural Human Rights in the Legal Context of the International Economic and Trade Regime*. Bonn 2003. This publication is also available in German and French.
- Rüb, Stefan: *Die Entwicklung des globalen Gewerkschaftsnetzwerks im Nestlé-Konzern Gewerkschaftliche Gegenmacht in transnationalen Konzernen?* Bonn 2004. This publication is also available in English and Spanish.
- Sengenberger, Werner: *Globalization and Social Progress: The Role and Impact of International Labour Standards*. Bonn 2005 (new edition). The summary version of this publication is also available in German, French and Arabic.
- Wick, Ingeborg: *Workers, Tool or PR Ploy? A Guide to Codes of International Labour Practice*. Bonn 2005 (new edition).
- Video: *Globalisierung – Eine Herausforderung für die Gewerkschaftsbewegung* (Video also available in English and Spanish).
- As of spring 2006, a *DVD on international trade union activities* will be available.

For publications and material contact

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The Friedrich-Ebert-Stiftung or FES, the oldest political foundation in Germany founded in 1925, is a private non-profit institution committed to the ideas of social democracy. It is named after the first democratically elected German president, Friedrich Ebert, and continues today to pursue his aims of shaping freedom, solidarity and social justice by political means. The Friedrich-Ebert-Stiftung upholds his legacy through programmes on political education, international cooperation and scholarship and research activities in Germany and abroad.

