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HUMAN RIGHTS AND GLOBAL ECONOMICS

THE CALL FOR FAIR TRADE

There is more to globalisation than economics and trade. The Universal Declaration of Human Rights, followed by a long line of fundamental standards and instruments of the UN and its agencies - especially the ILO - are a vital component of globalisation and without respect for them there is no hope that instruments which govern trade - such as the GATT - will work satisfactorily.

In economic terms, globalisation means that national governments are increasingly subject to developments in world markets, but this does not mean that they are not responsible for what goes on in the economies of their own countries; they can continue to take actions such as:

- changing interest rates;
- managing exchange rates;
- establishing investment regulations as has been done in Chile.

But establishing respect for human rights and maintaining social equity is *also* a task of government, and trade pressures do not relieve governments of this responsibility. However, some governments see their main priority as attracting investment and promoting trade and they do this by lowering standards for domestic companies, letting them:

- cut wages;
- ignore health and safety standards;
- curtail job security;
- ban or refuse to recognise trade unions.

Instead of improving their competitive position by efficiency, better products, etc., they sell their own people cheap. Governments try, seemingly backed by the World Bank and the IMF, to get away with arguments that basic rights are 'Western concepts' or that they will come when economic conditions allow. Trade union rights are still something which public sector workers - particularly civil servants - fight for in many African and Arab countries.

This is a dangerous downward spiral which is hard to stop when it has gathered momentum, with each government trying to undercut the next with ever bigger austerities and injustices imposed on their own populations. The result is to make it virtually impossible for employers to provide decent working conditions, inviting practices like child labour and prohibiting trade union activity in export processing zones (EPZ's.).

There are no winners, only losers; however low standards sink, there is always a country somewhere else in the world ready to use prison labour, slavery, child labour, bonded labour.

Nor is this trend at all limited to developing countries. Many other countries are also trying to lure investors with promises of low taxes, established infrastructures, and a few loose regulations to deal with.

But once investors have made their initial profits, capital moves on, leaving unemployment behind. Labour protests are suppressed as governments desperately try to attract more investors to fill the gap, and standards slip ever further, causing shocking disregard for health and safety standards.

It is of crucial importance to maintain pressure for the constant improvement of both national labour legislation *and* the implementation of that legislation in practice; once existing regulations are relaxed or abolished it is hard to get them reinstated. A culture of disregard for standards soon develops and becomes the norm, making it hard for trade unions to work.

CAMPAIGNING FOR RIGHTS

Trade unions assist each other by lobbying against a government which is out of line with ILO standards, especially in African and Arab countries where governments often say that rights will follow "progress". PSI's "Urgent Action Campaigns" focus international attention on abuses of human and trade union rights, and such campaigns brings results, as many governments desperately need good credit ratings and a positive public image to maintain trade, investment and donor contributions.

The first priority in campaigning must be to identify where is the greatest need and most likely gains. Without a doubt, the largest groups of public sector workers who lack trade union rights are those in countries under repressive regimes, where, almost by definition, PSI has no affiliates. Campaigns in these countries have limited chance of success unless significant numbers of friendly governments can be brought on side. This involves working closely with unions in those countries to convince their governments to take a stand, and to help their members to see the importance of taking action to support trade union rights in another country. It is another facet of "globalisation".

But considerable union resources go into exposing and fighting violations of trade union rights: it would be far more preferable if those resources could be used instead in **promoting** and **implementing** rights. One step towards this would be for the existing framework of Conventions and standards to be co-ordinated, and "cross-referenced" in economic and trade agreements.

THE CALL FOR A WORKERS' RIGHTS CLAUSE

For some years the international trade union movement has campaigned for a set of fundamental workers' rights - formerly known as a '*social clause*' - to be written into international trade agreements and bilateral aid and assistance programmes. This set of workers' rights would demand proper respect for union rights (e.g. freedom of association and collective bargaining) as a precondition for entry into markets regulated by trade agreements such as the General Agreement on Tariffs and Trades GATT (under the World Trade Organisation, the WTO) and the Lomé Agreement.

These fundamental rights and standards are established in ILO Conventions:

- Convention 87 on freedom of association;
- Convention 98 on the right to organise and collective bargaining;
- Conventions 29 and 105 on the abolition of forced labour;
- Conventions 111 and 100 on the prevention of discrimination in employment and equal remuneration for work of equal value;
- Convention 138 on the minimum age for employment.

Many governments and employers oppose such workers' rights on the false grounds that this amounts to protectionism and the imposition of a global wage. But workers' rights in trade agreements are not intended to block goods and services produced at low wages, as long as those wages are genuinely negotiated between trade unions and employers. A workers' rights clause should not be used for protectionism but nor is it fair that it should be vetoed by governments which fear that it would strengthen workers in their country and jeopardise their deals with exploitative multi-nationals operating under anti-union regimes.

The ICFTU has published its proposals for machinery for dealing with workers' rights complaints¹. Its key points are:

- it is not punitive, and seeks to assist governments in fulfilling their obligations;
- it would bring in all those affected;

- it is based on clear standards: the process is very gradual so as to promote change and progress;
- it is not a procedure which could be abused by a government seeking short-term protectionist advantages;
- it obliges governments to observe the minimum labour standards mentioned above.

There is an alternative to the rush to undercut and sell cheap, an alternative based on long-term growth and democratic participation. Workers who enjoy labour rights and can bargain collectively are able to negotiate better wages, and therefore can be a source of greater demand for goods and services. People who are paid proper wages, work in decent conditions and enjoy basic rights have a positive view towards their lives and their work. They will invest more of themselves in what they do, take a pride in doing well and have confidence in the future to invest and make financial commitments. All these things are central to any healthy, flourishing economy.

To establish a just economic order, it is an absolute prerequisite that action be taken *at the international level*; hence the importance attached to the GATT and the WTO and the various regional trade agreements.

The move towards the creation of regional and sub-regional trade groups is well established in many areas, although there have been obstacles to this taking off in this region. But regional blocs do not offer a definitive solution; after a while, they must either grow, or they must put up protectionist barriers, and so be caught in much the same trap as the individual national economy. Transnational companies can play off region against region just as easily as they can play off countries.

FUTURE ACTION

PSI will continue to work on linking trade and labour standards, bringing it into activities on globalisation and trade union rights. The ILO's position as an equal partner with the WTO, the World Bank and the IMF must be underlined.

Affiliates must put greater resources into pressuring African and Arab governments to put into practice the commitments on labour standards that they made at the Social Summit.

PSI will campaign to have labour standards built into any new regional trade agreement concerning African and Arab countries.

As the campaign to get workers' rights included in global/regional trade agreements develops, it will be important to see that changes are made to the operating procedures of IMF and World Bank staff and consultants so that they are required to actively enforce such rights in IMF and World Bank programmes.

Unions will be taking strategic action - with organisations such as the ICFTU and other ITSS - to monitor progress towards the eradication of injustices such as child labour, absolute poverty, bonded labour, EPZs and unacceptable labour laws.

Unions must be prepared to go into coalitions with non-government organisations (NGOs) such as Amnesty International and the International Labour Rights Fund.

PSI affiliates should give a high priority to solidarity action with other unions around EPZ campaigns, focusing on conditions of women in EPZs and on wages and labour rights and conditions in the country as a whole.

Consumer campaigns, such as boycotts, against transnational companies (TNCs) which exploit child labour or flout the core ILO standards will be conducted and/or supported, in consultation with the relevant ITSS. Trade unions in the North where the major markets for Southern exports are located should be asked by African and Arab affiliates to play a significant role in both exposing violations of labour standards and in organising boycotts and solidarity campaigns.

PSI will find new ways for public sector workers to be part of international action against child labour. Labour inspectors could be used in a network to help colleagues in other countries to take effective action over child labour. They could also give advice on what kind of labour laws and inspection systems could be formulated to help eradicate child labour.



PSI and affiliates in Africa and Arab countries will work to see that every public sector worker in PSI enjoys all worker and trade union rights included in internationally recognised standards.

PSI will assist workers and unions in the region to overcome specific violations and restrictions of their rights.

A special effort will be made globally, and specifically in the region, for the same trade union rights which other public sector workers have, to be available to:

- civil servants;
- police;
- fire-fighters;
- armed forces personnel.

PSI and affiliates in the region will concentrate trade union rights work on:
promoting the exercise of worker and trade union rights;
combating the violation of trade union rights.

PSI sub-regional committees should identify strategic priorities for getting governments in their sub-region to establish concrete measures in regard to their obligations under ILO Conventions and to include workers' rights in the WTO rules and in those of other trade agreements.

PSI will pursue these issues at and within the ILO globally and regionally and promote the importance of the ILO in the region to:

- make the work of the ILO contribute to an improvement in the living standards and trade union rights of PSI affiliates' members;
- make governments and international and intergovernmental bodies pay more active respect to the role and standards of the ILO;
- have the ILO activities more reflective of the size of the public sector in national economies and at the international level.

Affiliates and the Regional Executive Committee will campaign to have more governments ratify and enforce the core ILO Conventions.

PSI will continue to file formal complaints at the ILO on behalf of affiliates in Africa and Arab countries. More work will be done to educate and assist affiliates in the means by which they can lobby their governments and news media about the need to promote trade union rights and international standards.

The Regional Executive Committee will identify specific target groups each year for focusing attempts to win trade union rights.

PSI, in conjunction with other trade union bodies (ICFTU and ITSs), will disseminate existing and new campaign and educational material on describing and promoting respect for trade union rights to trade unions, community groups and NGOs.

1 "Fighting for Workers' Human Rights in the Global Economy", available from PSI or the ICFTU in English, French and Spanish.