

The ILO's Program Thrust: Decent Work for Women and Men Everywhere

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ILO's recent "Your Voice at Work" report reminds us that the globalizing economy—characterized by the opening of world markets, heightened competition, accelerated technological and structural change as well as the cyber-revolution—is having a dramatic impact on work. Open markets create new opportunities for economic growth and rising incomes. Many people and countries are using these opportunities but many others are excluded. Losses and gains are spread unevenly, both within and among countries, and the simultaneous inclusion and exclusion of people, regions and economic sectors present major challenges. There is a growing recognition that unless questions of fairness and equality are more energetically addressed by the international community, the process of international integration itself may be rejected by increasing numbers of countries and people. Hence, in an effort to consolidate, strengthen and broaden the benefits of a now nearly universal market economy, more efforts are needed to reconcile economic efficiency with social justice. The challenge is that markets must work for everybody. As the Nobel Prize laureate Amartya Sen has said so eloquently, along with the economy, social justice needs to be globalized as well!

As a result, there is a growing awareness of the need for a social pillar in the global economy and a consensus has emerged around a set of principles and rights enshrined in international labor standards and in the *ILO Declaration on Fundamental Principles and Rights at Work*, adopted by ILO's constituents in June 1998. These rights form an intrinsic part of ILO's understanding of human dignity at work and they underpin sound and equitable economic development. Their goal is that of the ILO, that is to promote social justice. They form the social floor under which nobody should fall. They are valid in all countries, regardless of the stage of development. They are enabling rights

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and principles that contribute positively to and indeed are a prerequisite for equitable social and economic development everywhere. As human rights they are about securing basic freedoms and they form part of the heritage of all mankind. At the same time they form the basis for human development: enhancing human capabilities in conditions of dignity requires respect for basic rights. They enable the flowering of human potential and the building of vibrant social institutions. As inputs to economic growth, they keep trade liberalization and indeed modern capitalism viable. Countries that have eliminated forced labor, the worst forms of child labor and the most insidious forms of discrimination in employment and occupation are, as a rule, doing much better economically than those where rights at work are violated. The benefits are greatest where standards of participation, protection and promotion coalesce and reinforce each other and when human rights and human development are promoted together. Core labor standards are, as explained below, an integral part of ILO's programme thrust on "decent work for women and men everywhere" which has received the full support of its tripartite constituents.

How can we promote the goal of decent work? How can we make sure that the potential of the global market reaches every woman, man and child everywhere? As our Director General, Mr. Juan Somavia, has pointed out repeatedly, the basic test of the global economy will be its capacity to deliver decent work for all. Decent work is not an abstract concept. It is about the hopes of people everywhere, for a decent job, decent conditions, about gender equality, about getting children out of child labor, about having a voice at work. In brief, it is about human dignity, about values which transport the simple truth that free markets are there to serve people and not the other way around. It is about both core labor standards and human development. To make decent work a reality, we need to: achieve universal respect for fundamental principles and rights at work; create greater employment and income opportunities for women and men; extend social protection; and promote social dialogue.

Core labor standards

Every person who works has rights. They are essential for work that is productive and obtained in conditions of freedom, equity, security and human dignity. These rights are not ancillary benefits to be added when economic conditions permit. As Mr. Somavia has emphasized many times they have to be there on the groundfloor. The ILO's Declaration on Fundamental Principles and Rights at Work adopted in 1998 sets out those basic rights clearly. They are

freedom of association and effective recognition of the right to engage in collective bargaining, together with the elimination of forced or compulsory labor, of child labor and of discrimination in employment or occupation. Together they present a floor below which no person should fall.

The 1995 Copenhagen Social Summit identified the seven basic ILO Conventions on these issues as the social floor of the emerging global economy. By doing so, the Summit highlighted the principles and rights the conventions contain as global objectives to be pursued by the international community as a whole. When trade ministers met in Singapore in 1996, they renewed their government's commitment to the observance of internationally recognized core labor standards, and affirmed their support for the ILO's work in promoting them. The ILO has moved forward since Copenhagen and Singapore with the adoption of the 1998 Declaration, a reaffirmation of core ILO values by the countries of the world.

With the adoption of the Declaration, the world community gained a new tool for promoting sound and equitable development. The Declaration means that all 175 ILO member States are expected to "respect, promote and realize" in good faith these fundamental principles and rights at work.

The significance of the ILO Declaration lies in the universal reach of these fundamental principles and rights even in countries that have not yet ratified the relevant ILO conventions. It recognizes that by their acceptance of the ILO Constitution, ILO member states acknowledge their obligation to respect, realize and promote the rights and principles in the Declaration, whether through ratification of the core ILO Conventions or otherwise. Moreover, the Declaration is accompanied by a Follow-up mechanism that is designed to be an effective, meaningful and promotional instrument to encourage countries' efforts towards these objectives.

Reflecting concerns from many developing countries, neither the Declaration nor its Follow-up are to be used for protectionist trade purposes. Nor may the comparative advantage of any country be called into question by these new tools. The ILO Declaration and its Follow-up thus echo the Singapore WTO Ministerial Declaration of 1996; both form cornerstones of the multilateral consensus on trade and labor issues that remains intact following the events at the Seattle Ministerial Meeting in 1999 and reiterated at the UNCTAD X Conference in Bangkok in February 2000. In Seattle, the Group of 77 emphasized their strong commitment to the pursuit of liberal and open trade policies, while also underlining that these policies must integrate the development dimension, and that, in the resulting open international trading system, the benefits must be equitably distributed.

The ILO Declaration does not merely reiterate countries' commitments to observe fundamental principles and rights at work. It places an obligation on the ILO itself to make full use of its "constitutional, operational and budgetary resources", to mobilize external resources and support, and to encourage other international organizations with which the ILO has established relations to support these efforts. Thus technical cooperation services are to be offered to promote ratification and implementation of the fundamental Conventions, to assist all member States, whether they have ratified them or not, to respect, promote and realize the principles in the Declaration, and to help Member States in their efforts to create a climate for economic and social development. Countries displaying the political will to achieve respect for the fundamental principles and rights at work deserve support for their efforts. In other words, the Declaration combines core labor standards with an obligation for the ILO to invest in technical cooperation and human development thereby bringing together a human rights and a human development perspective.

The observance of fundamental principles and rights at work is of major significance in the context of globalization. First, it will directly hasten the elimination of the most inhumane labor practices such as child and forced labor that have outraged the conscience of the international community. Child labor, beginning with its worst forms, must be eradicated altogether. It is probably the most visible manifestation of defects in economic and social systems where children have to work and their parents are unemployed. Secondly, through guaranteeing freedom of association and the right to bargain collectively we will strengthen the negotiating power necessary to eliminate the many forms of unacceptable labor practices that still exist, whether in export industries or elsewhere in the economy. Thirdly, this countervailing power will contribute significantly to redressing the central problem of an uneven distribution of the gains from trade and economic growth. Fourthly, there are wider benefits to be reaped such as the contribution of a free labor movement, independent employers' organizations and the absence of discrimination to ensuring greater democracy and more transparent public policies.

In all the above ways improved observance of core labor standards can make a significant contribution to alleviating many of the social problems that are at the root of the disenchantment with globalization. Moreover, apart from defusing a potential backlash against globalization, strengthening the consensus for observance of fundamental principles and rights at work across the world would eliminate an important source of friction that could disrupt further moves to open world markets.

Promotion of employment

Worldwide, 150 million people are unemployed, many more are underemployed. 150 million stories of anxiety, misery and waste of human energy. There can be no doubt: Work—or the absence of it—affects and shapes our lives decidedly. We draw part of our identity and feeling of self-worth from it. Our salaries allow us to participate in markets to buy goods and services. Without a job the promise of the market economy is hollow, and poverty is around the corner.

In other words, employment is much more than a policy issue. It is a source of livelihood and social integration. Productive and freely chosen employment is the main safeguard against poverty. No doubt there are no simple universal solutions, the approach cannot be the same for those living in the knowledge economy and those surviving in the informal economies typical for many developing countries. However, a top priority everywhere needs to be to promote employment creation worldwide. It implies a major emphasis on enterprise development and the need for creating an enabling environment for productive investment. Training and skills development and support for small and medium-sized enterprises are critical.

Without full employment or at least steady growth in employment creation, which in turn is largely dependent on a global economic environment that promotes sustainable growth, improving labor conditions and achieving other social objectives will be extremely difficult. The promotion of employment is closely related to the process of integration in the global economy. International flows of capital, knowledge and labor all critically affect the potential for employment growth, but also underlie the increase in competitive pressures and the widespread need for industrial restructuring. So the evolution of the international trading environment is a key element to take into account in the design of employment strategy. There are a number of countries which increasingly recognize the importance of employment as a central policy issue. The Philippines is one of them. On March 15, 2001 the Philippine government held an "Employment Summit" where top priority was accorded to employment issues in the fight against poverty.

Social protection

For globalization to work, people must feel secure and must be able to take advantage of new and changing opportunities. If there is one demand that is universally shared, it is for security—a demand which encompasses the workplace and the labor market, income and consumption, the family and integration in society. Decent work implies security in the workplace, and

security of livelihood. Social protection plays a vital role in supporting, supplementing and replacing market incomes in the event of old age, incapacity for work, bearing and raising children, and unemployment. The positive impact of social protection on the economy is often neglected, and this impact can be enhanced by better coordination between social protection, labor market and anti-poverty policies. Top priority must be given—by civil society, as much as by the State—to finding the most effective means to bring social protection to the majority, especially in developing countries.

And yet socioeconomic insecurity is growing. Some of the new anxieties reflect changes due to globalization and the increasing instability of international financial markets. Others have their roots in labor market developments, including the spread of more flexible and informal forms of work. Much anxiety results from the inadequacy of social protection systems, including the fact that a growing majority of the world's population is excluded from coverage by statutory social security schemes, notably most of those in informal production and employment.

These trends make it urgent for us to look for new and innovative ways of promoting socioeconomic security as the basis of social justice and economic dynamism. Basic security for all is essential to decent work, decent societies, and sustainable development. Creating basic security through efforts to render workplaces safe, to defend basic conditions of work, to ensure income security in sickness and old age also contributes to economic and social development, enabling industries and enterprises to restructure and raise efficiency, and workers to accept change more easily. It is the bedrock on which stable societies are built and it can help countries adjust more easily to economic, social and political change. In this way, people's security makes an important contribution to the stability of the global economy. For instance, a lesson to be drawn from the Asian financial crisis is that institutions for security, such as unemployment insurance, need to be in place ahead of the crisis in order to reduce its impact and to ensure that the costs are not borne by the poor and vulnerable.

Social dialogue

Attaining the ILO's goal of decent work for all will only be possible if people can have a say in how this goal is to be achieved and have the right to build institutions that represent their interests. There is a need, as the "Your Voice at Work" report highlights, for greater "representational security"—supported by well-functioning institutions—as a basis for sustainable growth.

Representational security facilitates local responses to a globalized economy. In turn, the collective institutions that grant representational security are contingent upon respect for freedom of association. Respect for freedom of association reinforces popular participation and buttresses democratic institutions. Systems of collective bargaining and social dialogue create space for negotiations that can address an uneven distribution of the gains from trade and economic growth. Independent and strong organizations of workers and employers can push for more transparent and hence more efficient public policies that can enjoy support across the population.

These principles and rights are good for labor, since they constitute the cornerstone of representational security in the formal and informal economies. They are good for business, as they unlock the door to sound human resources policy and open up the high road to competing in the global market. And they are good for governments, because they pave the way for collective action that can aid economic growth and poverty eradication. Having a voice at work helps fill information gaps and lays the foundation for trust and cooperation in the management of change—a vital function of social dialogue at the national, sectoral and firm levels. There remains, in a number of countries, a widespread lack of recognition, understanding and support for the important role of social dialogue, especially social dialogue involving workers' and employers' representatives and government, related to the design and implementation of economic and social policies. Despite progress in a number of countries, major gaps persist.

Conclusion

The four objectives outlined above are closely intertwined: respect for fundamental principles and rights is a precondition for the construction of a socially legitimate labor market; social dialogue the means by which workers, employers and their representatives engage in debate and exchange on the means to achieve this. Employment creation is the essential instrument for raising living standards and widening access to incomes; social protection the means to provide security of income and of the working environment. In other words, "Decent Work" is the convergence of ILO's four interdependent strategic objectives, encompassing rights at work, employment, social protection and social dialogue. Together they provide the social foundations of the global economy and the underpinnings for our fight against poverty.

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