

**Bangkok International Roundtable of Unions,
Social Movements and NGOs
11 – 13 March 2001
Focus on the Global South and Friedrich-Ebert-Stiftung**

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Background to the Meeting

Context

Post Cold War, the global integration of trade and financial markets has accelerated, neo-liberal economic policies are dominant and finance is in the ascendancy. This is called "globalisation" – a process facilitated by technological advancements and regulated by the multilateral institutions of the International Monetary Fund the World Bank and the World Trade Organisation.

In 1997, the Asian financial crisis accentuated the volatility and power of financial markets, the ideological biases of the IMF and the World Bank.

In 1999, the failure of the WTO ministerial meeting in Seattle to kick-off a new trade round highlighted the weaknesses of the multilateral trading system, and brought into the public arena the failures of corporate and neo-liberal globalisation.

Throughout the 1990s, the relations between NGOs and the international trade union organisations have not been without conflicts and contradictions. These contradictions were highlighted before and during the Seattle WTO Ministerial Meeting. The ICFTU, other trade union organisations and a number of NGOs were seen to focus on the creation of a working group on social standards in the WTO-Millennium-round and advocating for a tight linkage between trade and labour standards inside the WTO-system.

Many NGOs, especially from the South were strictly opposing this, advocating instead for a complete revision of the WTO-system and for a more development centred approach to globalisation. Other NGOs were joining Third World governments in their refusal of linkages, arguing that linkages would create ample opportunities for protectionism.

Given that uneasy relation, possibly resulting out of misunderstandings and a lack of dialogue between two of the major international social movements - whose final aims arguably are not so different as the actual contradictions might imply - the Bangkok-conference between NGOs and the international trade union movement will have three major goals:

- ❑ clarify positions and opinions;
- ❑ ameliorate the climate between the groups and create a better mutual understanding of aims and priorities;
- ❑ look for common ground in questions related to development, globalisation and its social, economic and environmental effects.

The conference will be jointly organised by Bangkok-based Focus on the Global South and Friedrich-Ebert-Stiftung, a German political foundation related to the trade union movement.

Key questions

- ❑ What are the real challenges and threats to working people related to globalisation?
- ❑ Why do trade unions, social movements and NGOs need to work together?

- ❑ How can trade unions, social movements and NGOs work together?

Participants

See Appendix III

Outcomes

- ❑ A statement from the meeting outlining issues covered, agreements reached, and future action, plus any additional outcomes. (See Appendix I)
- ❑ Publish papers, case studies, rapporteurs report and final statement

Notes

Participants are not "formally representing" their organisations, but rather sharing perspectives in the spirit of learning, building understandings, exchanging viewpoints, and developing an agenda and strategies for future collaboration, research, meetings or actions.

The meeting is "off the record" however two non-participating rapporteurs will follow the discussion and prepare a (public) report of the meeting. How this is to be used will be decided by the participants

Report of the Meeting

Opening Session

One of the organisers introduced the agenda by stating that the meeting had three objectives:

- a) to clarify our respective positions on key issues;
- b) to develop a common framework for our analysis of globalization;
- c) to enhance collaboration around a common agenda and common actions.

Session I

Key challenges confronting trade union, NGOs and social movements in a globalised world.

Part A:

Two opening presentations highlighted the political and economic dimensions of globalisation and the implications for workers, trade unions and NGOs.

The internationalization of politics, according to the first presenter, is reflected in the decreasing relevance of boundaries and of nation-states; the increasing overlap between domestic and foreign affairs; the increasing number of policy areas subject to intergovernmental negotiation and the increasing importance of international institutions. This has led to significant changes in democratic political systems, including: a loss of national sovereignty/autonomy; the reduced relevance and influence of national political institutions and national preferences in policy making; and the reduced relevance and influence of parliaments vis a vis the executive and bureaucratic elites. One participant noted that forcing states to share sovereignty with actors at the supra- and sub-national levels is not necessarily a bad thing. Another participant cautioned against overstating the loss of power by nation-states, noting that the debate has now shifted from further deregulation to re-regulation at the national level.

The internationalisation of politics has, according to one presenter, been accompanied by a paradigmatic shift from the welfare state to the competition state. According to another presenter, this shift is primarily driven by the increasing concentration of finance capital, the growing power of transnational corporations (TNCs) and the increasing dependence of governments on international capital flows. These changes limit the policy choices available to national governments, both by delegitimising redistributive politics in general and by precluding specific policies such as: increasing taxes on profits; counter-cyclical deficit spending; increased social service provision; environmental protection; increased citizens' participation in policy making and national regulation.

These changes – the internationalisation of politics, the ascendancy of the competition state, the growing power of TNCs, the increasing concentration of finance capital and the increasing dependence of governments on international capital flows – affect workers, trade unions and NGOs in different ways. All are affected by the decline in the share of GDP going to wages and declining rates of taxation on profits, both of which are at historic lows. Furthermore, the increasing concentration of capital has: increased competition between states, driving down wages and other costs; prompted mergers and acquisitions both in national and international markets leading to job losses; and has reduced the bargaining power of labour due to both the threat and reality of TNC relocation.

It has not, according to one of the presenters, led to the export of manufacturing jobs from the north to the south. Rather, manufacturing jobs are being lost in both the north and the south, with the notable exception of China, due largely to its continued protection of the manufacturing sector and support to state-owned enterprises (SOEs). Another speaker noted that manufacturing jobs are being or will be transferred between southern countries e.g. from Malaysia to China and, with the advent of AFTA, from Malaysia to the Philippines or Indonesia.

One presenter argued that trade unions are challenged by a relative loss of influence due to: the denationalisation of production processes and exit strategies adopted by TNCs; the weakening of trade union's traditional social constituencies due, in part, to the growth of the service sector and new industries; and a hostile media environment dominated by large, transnational media companies. Several participants noted that these trends are not uniform across time and space. For example trade unions in South Africa, Malaysia and Brazil have grown strongly in the last decade whilst, in contrast, 93% of Indian workers remain unorganised.

Civil society groups are affected by: the ascendancy of the competition state which undercuts their legitimacy and social acceptance; their increasing dependence on the media; the denationalisation of policy making processes which limits the efficacy of national-level advocacy, particularly given the increasing emphasis on professionalised, knowledge-based, advocacy rather than a focus on mobilising/strengthening social movements at the national and international levels.

In contrast, TNCs have successfully used regional and international networks and fora such as the World Economic Forum (WEF) and the International Chamber of Commerce (ICC) to influence the international agenda, particularly in relation to trade liberalisation and the streamlining of approval processes for regional trade agreements. Trade and investment flows are increasingly regulated by codified, legally binding, enforceable agreements whereas social and environmental concerns are confined to the sphere of voluntary action e.g. the UN Compact. Furthermore, according to one participant, social actors are being selectively co-opted into the globalisation process, presaging an alliance between the reformist wing of globalising elites and the reformist wing of the anti-corporate globalisation movement.

Some argue that this nascent alliance favors the incorporation of workers' rights clauses in trade agreements in exchange for a new trade round. However, one presenter argued that a workers' rights clause will not help the majority of southern workers, most of who work in the informal sector or in non-exporting sectors. In this view, workers are best helped by supporting worker's struggles in-country and by strengthening the commitment and capacity of the nation-state to grant and enforce worker rights. This in turn requires a reduction in the power of capital at national and international levels.

Part B:

A key point of both papers presented was that the "new global correlation of forces" provides new opportunities to challenge the existing global order. Both presenters and speakers agreed that the International Financial Institutions (IFIs) and the ideology that underpins them are experiencing a "crisis of legitimacy". This is a result of the Asian financial crisis; street protests in Seattle, Washington DC, and Davos; and the Meltzer Commission's report on the IMF and World Bank. Right wing opposition to the IFIs along with continued market volatility and economic slowdown in the US further threaten the legitimacy of the current international system. However, economic recovery in some of the crisis-affected countries has reduced the pressure for reform in some quarters.

One presenter argued that the current correlation of forces allows us to push a more radical agenda than that used in the mid 1990's, when the focus was on incorporating social and environmental standards in the WTO. That strategy can now only succeed in the context of a new round of trade negotiations. Another presenter argued that the collapse in NASDAQ and continuing market volatility highlights the importance of controlling market transactions through, for example, a Tobin tax. Both presenters stressed the importance of confronting the power of transnational corporations. One presentation highlighted the opportunities for creating a new 'fluid space' which would see a decreased role for the IMF, World Bank and WTO and an increased role for the ILO, regional trade organizations and multilateral environmental agreements. The other presentation, in contrast, outlined 'a progressive agenda' for the WTO, including policies for development, trade policy reviews, social and environmental assessments, labor standards and measures for food security, as well as use of the OECD guidelines on labour and social standards in order to pressure TNCs.

The theme of legitimacy was central to much of the discussion. Presenters and speakers argued that both sides of the debate are struggling to gain/maintain legitimacy. For example, the IFIs are trying to enhance their engagement with civil society and TNCs are partnering with NGOs. One presenter characterised the latter as 'the soft corporate counter offensive.' At the same time, the anti-corporate globalization movement is gaining legitimacy. Presenters highlighted Seattle and the World Social Forum at Porto Alegre as turning points, in part because the latter articulated alternatives to corporate globalization. Participants all agreed that maintaining the legitimacy of the movement is essential. Some feared that dialogue and negotiation with the IFIs can lead to their re-legitimization, undermining an overall effort to dismantle them. Trade union representatives argued that trade unions must use their legitimacy with national governments and international institutions to push for changes through engagement.

The trade unions clarified their position on workers' rights and international trade and the way in which the national and international trade union bodies make decisions. Trade union participants stressed that the incorporation of basic workers' rights in trade agreements was only part of what they have been pushing for. The ICFTU family has also been pushing for a Tobin tax, for more money for aid for development, for debt reduction, and for amendments to GATS negotiations. The trade unions do not see a workers' rights clause as an "end all" solution to the problems of the global economy, nor do they see it as a diversion from efforts at true reform. Trade unions do not agree with the characterization of the workers' rights clause as 'cosmetic,' but, rather, see it as an effective mechanism to give workers real leverage in organizing unions and strengthening their bargaining power. The ICFTU creates its policies through democratically-constituted committees and congresses. Coming to policy consensus is challenging for trade unions because they rely on representative and democratic decision making, have to deal with varied elements in the unions and have to tackle the dominant corporate culture to reach members.

The presentations and discussion addressed the direction in which our movement needs to go. There was a general feeling that a multi-pronged approach was needed; that no single strategy would be able to bring about the kind of change that was wanted. In terms of strategy, all participants felt that there was a strong need for - and there have been good results from - confrontation with the current global system through street protests and action. There was, however, a significant split over the question of engagement and dialogue with the neoliberal institutions in the global system. Some felt that there were practical gains to come from this engagement and, in particular, a number of trade unions present made the point that they had a duty and a mandate to negotiate on behalf of their members, including negotiations with TNCs and with the international global institutions. Others felt that engagement threatened to further legitimize these

institutions and undermine long term efforts at limiting their power. It was argued that, given the failure of the 30-year effort to reform these institutions, it is now time to radically reduce their role. The question of engagement does not just pertain to the IFIs but also to projects involving TNCs such as the UN's Global Compact. One presenter argued that we should boycott the project while the other defended ICFTU participation because it has the potential to bring companies to the negotiating table to prepare collective agreements that would improve working conditions. One participant expressed a fear of an alliance between the reformist wing of the anti-corporate globalization movement and reformists amongst the global elites and the potential this has for splitting the movement.

Suggestions of issues to take up which did not raise the question of engagement or non-engagement were a) expanding and developing the critique of TNCs and b) the approach to a new trade round. Suggestions that were more controversial were: working to reduce the power of the WTO and building a campaign to dismantle the IFIs.

Other themes that were touched on in the session were: 1) The importance of building broad alliances, not just between unions and NGOs but with social movements such as the women's movement and where productive, with political parties. 2) The importance of skillfully using the media in a mass communicative culture, especially on the part of trade unions.

Session II

Trade Unions, NGOs and social movements: Some reflections on cooperation and interaction in the last decade.

First panelist: Every social movement, NGO and trade union has a role to play in the struggle for worker rights. We face common challenges, including adapting to a new environment. The trade union movement is not as strong/influential as it needs to be. Trade unions have created an illusion of strength but many have been co-opted by employers and multilateral institutions like the World Bank. Participation in World Bank processes strengthens their credibility. Only the will of the workers, not rules and regulations, will make a difference. For instance, India has ratified ILO conventions and enacted progressive labor laws but the union movement is fragmented and laws are not enforced. In South Korea, seventy percent of the workforce is now employed in "atypical" employer-employee relationships that do not fall within the existing legal definitions. The KCTU, itself illegal, was able to force through changes in laws, without reference to ILO conventions. We need to move beyond traditional definitions of both workers and trade unions. We need to create awareness of labor rights amongst workers and a tolerance for diversity in strategies/approaches amongst ourselves. Trade unions cannot have a monopoly on labour rights. Trade unions must form links beyond the workplace and become part of social movements.

Second panelist: Informal sector workers include hawkers, home-based workers, garbage collectors etc. The sector is characterized by irregular jobs, unstable income and no social protection. The size of the informal sector has increased as a consequence of the crisis in Asia. There are three key issues: (a) lack of voice and visibility (organizing and representation); (b) lack of access to productive resources; and (c) lack of access to social protection. The prevailing ideology suggests that, left to market forces, the informal sector will join the formal sector. This has not happened. WIEGO was created in part to circumvent both the restrictive definition of workers and trade unions and the constraints on organising workers in most parts of Southeast Asia. WIEGO has three major strategies: (a) organizing of informal workers, despite receiving

little or no cooperation from trade unions; (b) policy advocacy, including calling for reform of urban policies that impact on street vendors; ratification and implementation of ILO convention on homework (177); and (c) awareness raising, including targeting the WB and IMF, particularly re social protection schemes, social safety nets etc.

Third panelist: Home-workers cannot choose to be for or against globalization. Informal sector workers have to accept whatever is given to them. This is not co-option but survival. NGOs in many countries play a critical role in the informal sector, particularly in regard to issues such as gender, rural development, urban renewal etc. However, many do not use a labor rights framework. This has been left to the trade unions. NGOs tend to focus on poverty instead. Many adopt a welfarist approach. On the other hand, informal sector workers are usually not covered by labor laws because these laws usually only apply to employees in a formal employer-employee relationship. As a result, informal sector workers are often ignored by trade unions. NGOs have helped informal sector workers to form cooperatives but many trade unions do not recognize this type of organisation. This is changing however e.g. unions are increasingly involved with sub-contracted workers. We need to develop legislative alternatives that do not hinge upon the employer-employee relationship. It is still very difficult for informal sector workers to participate in tripartite negotiations such as at the ILO. This requires ILO reform. WIEGO and Homenet are developing an international platform for the informal sector and will try to collaborate with the ICFTU on this.

Fourth panelist: There are many different “animals” in the Philippines political landscape – NGOs, trade unions, political parties, political blocks, alliances etc. There were tensions between these groups ten years ago, particularly in regard to organizing urban poor communities. NGOs were putting a lot of money into this but with only a limited set of demands e.g. secure land title and with little or no engagement with trade unions. The trade union movement, on the other hand, only focused on the formal sector. The movement subsequently redefined what it meant by a union i.e. an organization of workers, by workers, for workers e.g. informal sector tricycle drivers could form a union even though they did not have an “employer”. In 1986, there were only three types of worker education: (a) that run by the church; (b) that run by the government (with an emphasis on abiding by labor laws); (c) that run by political parties (with a strong ideological bias). Labor NGOs such as LEARN were set up by the trade unions themselves to help strengthen the labor movement. The social clause was first raised in the Philippines by NGOs. The trade union leadership subsequently developed their position on the social clause with very little consultation. The NGOs, in contrast, took the debate over the social clause to the grass roots.

Fifth panelist: There is a very large distance between NGOs and trade unions in Germany. The relationship is ambiguous, characterized by a mix of competition and sympathy. This is not surprising given their widely divergent historical and social roots. Trade unions emerged in the late 19th century. After WWII, the unions consolidated their position/power and achieved tremendous success in promoting/protecting worker rights. The NGOs emerged from much younger social movements in the 1980s – particularly the environment, women’s, and third world solidarity movements. Despite these differences, the unions and the NGOs are both a reaction to the problems created by capitalism and share a broad anti-capitalist/emancipatory stand-point. There are differences in stature between trade unions and NGOs however. In the 1990s, NGOs saw the trade unions as being conservative, outmoded, in decline. NGOs saw themselves as modern, progressive, in the ascendant. There have been some tentative changes in recent times. Many NGOs and trade unions have collaborated in joint ventures such as signing on to the ATTAC platform which calls for the re-regulation of financial markets, a Tobin Tax, capital controls, debt relief etc. They are also collaborating on fair trade in basic commodities such as coffee. A key issue for both NGOs and trade unions is the emergence of social movements in the international arena.

These new movements are fragile and the attitude of the NGOs and trade unions will be critical to their survival. The enemy is already playing divide and rule tactics, attempting to split reformers from radicals, particularly by playing on the issue of violence.

Sixth panelist: Jobs with Justice (JWJ) is a multi-issue, multi-member coalition, involving people of faith, people of color, workers, students etc. Jobs with Justice was set up in the 1980s because leaders of the labour movement wanted an organisation that brought together trade unions, youth, farmer groups etc and that addressed issues holistically. JWJ has 35 staff and incorporates 43 coalitions. JWJ is nationally networked but locally autonomous. In the last 18 months, JWJ has supported 247 organizing/bargaining campaigns involving 560,000 workers. JWJ has also been involved in 147 community justice campaigns on issues such as a living wage, sub-contracting, health care, people-centered globalization etc. The central question is how to build more power for the workers. JWJ is doing this through cultivating: (a) a culture of solidarity; (b) a culture of resistance/militancy; and (c) a culture of reciprocity. Key lessons learnt have been: (a) education is critical; (b) the importance of localizing the movement, linking issues to the day to day realities of people's lives; (c) supporting a multiplicity of strategies/tactics, recognising that we do not have to agree on everything we do; (d) importance of building and using power. Key challenges are: (a) not to overstate the strength of the coalition that exists post-Seattle, acknowledge that relationship building is critical and takes time; (b) there will be times when we will disagree despite the relationship; (c) recognize that there is no silver bullet. It took us a long time to get into the mess we're in and it will probably take us a long time to get out of it!

Open Discussion

Several participants spoke about the differences between trade unions and NGOs and how these play out in movement work. Trade unions, as democratic/representative organizations, were characterized as being slow at decision making, whilst NGOs, it was argued, can act more quickly. One speaker pointed out however, that neither trade unions nor NGOs are homogenous entities. Not all trade union organisations or NGOs are representative or democratic and they, of course support a variety of progressive or non-progressive views.

Many participants argued that trade unions and NGOs need to work together more as part of broad alliances. It was felt that the trade union movement in particular needed to better accommodate smaller worker's organizations, informal sector organisations and engage in more dialogue with community organizations and NGOs. One speaker argued that NGOs run the risk of substituting for the state in the provision of services and that this can depoliticize movements. NGOs therefore need to be subservient to social movements. Several speakers gave examples of successful alliances, including cooperation on fishery worker's issues in India, fighting against the MAI and successful coalitions in Ghana. Strategies suggested included: finding organizing models with potential for social change; framing labor rights as human rights; putting progressive unions at the forefront of these efforts; and, as a concrete example of alliance building, working together on privatization campaigns.

Several speakers pointed out that building new alliances should not be limited to NGOs, but should incorporate social movements, including the radical groups, and, where appropriate, political parties, as we are united by our values, not by our type of organization. One speaker stressed that our struggle is not just against global capitalism, but local capitalism as well.

Moderators' Summary

The key points that emerged from the afternoon's discussions were:

- In the last 10 years, globalization has dramatically changed the overall social, political and economic context in which we work, as well as changing our conception of work and worker rights, the role of government and hence the role of trade unions and NGOs.
- Both NGOs and unions are heterogeneous and diverse entities. They are neither monolithic, nor uniform in their structures, agenda, processes, political positions and alliances, etc.
- Issues and challenges arising from globalization cannot be addressed separately. "Single-agenda" campaigns and strategies have tended to limit the reach and effectiveness of NGOs and unions in challenging the negative aspects of globalization.
- Neither NGOs nor unions have "monopolies" of effective action in the protection of rights - whether workers' rights, human rights or women's rights.
- Many NGOs and unions have emerged from social movements, although at different periods of time and through different historical processes. The work of NGOs and unions has often been complementary and mutually supportive.
- A common priority for both NGOs and unions is education, conscientisation and awareness building among their own members, as well as among the larger public, about the impacts of globalization.
- It is important for us to be clear about how we define solidarity. How we can act in solidarity with each other when we work at such diverse levels (international to local) and act on behalf of such diverse constituencies? Perhaps the "epicenter" of solidarity should be local realities, priorities and issues. Perhaps we need to develop a "new unionism" that addresses the specificities and priorities of the informal sector and young people as well as providing spaces for NGOs and trade union collaboration.
- It is important to develop economic alternatives to the current dominant economic models.
- The development of economic alternatives also implies the need to develop organizing and mobilizing alternatives—as in the case of the informal sector. A real challenge here is how to maintain solidarity and diversity without losing our political power.
- It is important for us to work together in order to increase our power and to bring about real change at national, regional and global levels. This implies democratising our own organisations, involving the public in our strategising, using a multiplicity of organizing strategies and working with multiple allies.
- An emerging "theme" in new social movements is the exercise of direct democracy. This involves the articulation and negotiation of diverse interests and priorities by multiple actors; it also entails new languages, new forms of interaction, and new agendas, especially the constructive planning of alternatives. In this new social movement, we need to understand and work with the "radicalizing" element: youth, indigenous peoples' groups, women's groups, groups working on race issues, etc.
- It is extremely important to recognize some of the underlying differences that mark many of our collaborative efforts—particularly the north-south elements that are historical and political, not simply economic.
- There are countries where free trade unions are not allowed. In these countries, NGOs are a key element in keeping trade union and workers' rights at the forefront of the struggle.

Key questions raised in this session included:

- How can social movements, unions and NGOs work together to protect workers' rights? How do we "recreate" the labor movement in an era of "ultra" globalised capitalism?

- How can we provide democratic representation for all workers?
- What is an appropriate and dynamic “organizing” model to help us build the kind of systems and world we want?
- How can we keep the post-Seattle coalition together?
- How can we reconcile local campaigns with collaboration on common positions at the global level?
How can we ensure coherence across levels in such an effort?
- Can we agree on steps to reinforce workers’ rights in the global economy?

Session III

Globalising social justice, democratising international trade and finance: Mechanisms, institutions and alternatives.

First panelist: Four hundred years of slavery has left Brazil with vast inequalities in land distribution as well as half a million landless people. According to World Bank projections, the number of people living in the rural areas will decline from 18% to 5% over the next 10 years. World Bank policies are negatively affecting agriculture. Favoring conglomerate agribusiness over small farmers hastens the destruction of local seed varieties, not to mention the effects on the small farmers. The World Bank has also been responsible for determining regional production in the country. Our movement in Brazil is a mass movement for resettlement of large farms, and thus resisting this process. Our movement has four concrete agenda items regarding international trade and agriculture. These are: a) exclude food in trade negotiations; b) fight privatization of patents on plants and biology; c) create a global alliance to discuss the issue of sustainable agriculture and d) create a people’s court against the WTO in order to judge its behavior. There is a need for all of us involved in this movement to look at what we have in common both in terms of agenda and enemies.

Second panelist: Examining regimes as arrangements of political power gives us a model through which to understand the current global configuration. These arrangements of power between countries and between governments and corporations serve to break down barriers for transnational capital and thus limit the possibilities for democratic activity while protecting the interests of capital. The breakdown of these barriers allows TNCs to dominate local markets. These barriers e.g. tariff or import substitution policies were often established as a consequence of years of social struggle. Our strategy should focus on erecting new barriers to capital.

In this current crisis of legitimacy of the IFIs, our tactics must serve to legitimate alternatives to the current system and not risk delegitimising these institutions. There is a difference between negotiating with TNCs in order to win contracts for workers and negotiating with the IFIs in order to seek reform. In the case of the TNCs, there is an imminent reality of workers needing contracts and a role for pressuring and restricting the activities of the TNC involved.

It is important to resist regimes as a whole because instruments of the regimes, such as the MAI, will be reintroduced by the global elite in different forms. Two strategies to go about this are: First, to try to exclude major sectors of social and economic life from the jurisdiction of free trade. Second, to frame this as an issue of people’s needs, rather than that of commodities. The position of the Canadian Auto Workers is for abolishing the WTO in the long term.

Third panelist: In Ghana, work conditions in the fish processing industry are harmful, including for example, exposing pregnant women to significant health hazards. This is one example demonstrating why the trade union position is that job creation must be accompanied by provisions for worker's rights. Pushing for a social clause is not a form of commodifying labor but a way of giving workers protection. The reality is that companies are moving to the South because they can pay lower wages, enjoy free transfers of profits and tax holidays and take advantage of unorganized workers. Southern governments shouldn't be advocating for jobs at any cost. The social clause thus helps recreate a balance in power. There needs to be space for dialogue between divergent views on these issues so that we can come to points of convergence. Expanding the role of the ILO, particularly in monitoring and the enforcement of sanctions against violators is one suggestion on how to go forward. We should also come together to work on environmental and genetically modified food issues.

Fourth panelist: To clarify the trade union position on engagement with systems for regulating corporate activity: the trade unions want a system that is enforceable and that involves all relevant stakeholders i.e. is not a unilateral instrument. Trade unions have the obligation to participate in any forum in which they can promote worker's rights. This includes working with the IMF and World Bank and the OECD, which has been quite effective in terms of pushing for worker's rights in countries such as Korea. Boycotting dialogue with institutions such as the World Bank if they are calling for privatization is not an option for the unions and not something they will apologize for.

The trade unions also believe that the ILO, although often critiqued for its weaknesses, can work very effectively with governments on a long-term basis. The ILO is the only organization that should be allowed to adjudicate on labor standards and handle complaints that come in through the WTO. PSI is launching a global campaign for quality public services delivered by workers with quality employment conditions. This is a direct challenge to the IFIs who are advocating cutbacks in these services and an example of the manner in which trade unions are confronting the existing order. A question was posed by a participant about the potential use of the social clause in the WTO: if violations are done by companies, but complaints are lodged against countries, what happens to a country when, by the time the WTO hears the case, that particular company may have left the country? Trade unions have suggested text that could go into Article 20 of the WTO that would allow complaining countries to take action, but were open to other suggestions on effective mechanisms to use within the WTO.

Fifth panelist: The movement of Via Campesina is explicitly against capitalism. The Green Revolution in Indonesia was the start of neocolonialism in the country and the current GM phase of agriculture is a second Green Revolution. Seed varieties that were lost in the past now are returned with patents and prices while land takeovers force peasants off their lands and into the low wage industrial labour force. Workers and peasants need to be concerned with the IMF and World Bank and also concerned with pushing for changes of the UN organizations. While Via Campesina is part of the international social movement against corporate globalization, the duty of members is to struggle in their own countries. We should formulate a common enemy as a common target.

Sixth panelist: The global capitalist system is in crisis because it has increased polarization and social exclusion. This is not a temporary crisis, but a structural crisis germane to capitalism itself. The crisis is due to the process of over-accumulation and the integration of domestic economies in the global market. Earlier periods of capital accumulation were in part offset by Nation State style capitalism, regulations and Keynesian policies. The current, liberalized global economy, is characterised by a contraction of demand

and a simultaneous expansion of output. In the past, overproduction was absorbed by 'markets of last resort,' or 'pillars of consumption,' a role played by the US in the 1990s.

There are four conditions that are needed in order to reconstruct the power of social classes and to realise an alternative to the current order that is not simply a more regulated form of capitalism. These are: 1) a unified and broad vision to link the resistance of popular classes. 2) a viable alternative to global capitalism. 3) the trans-nationalisation of social movements and the realization in the North that we cannot return to the earlier, more regulated capitalisms. 4) organic intellectuals working to expose the myths of the dominant ideology and working to serve popular struggles. To remain on the offensive, we must move beyond a critique of 'neoliberalism' to a critique of global capitalism.

Open Discussion

Several participants reiterated the call for the delegitimation and eventual abolition of the IFIs and the WTO. They argued that, despite long standing calls for reform, the policies and practices of the WB and the IMF continue to reflect the strategic and commercial interests of their principal shareholders and, in the case of the WTO, the larger trading nations. They emphasised that in the current political conjuncture, progressive forces have a unique – if potentially fleeting - opportunity to further delegitimise and hence disempower these institutions. For them, the question was not so much whether or not to engage with the IFIs. Rather, it was whether engagement – in whatever form – re-legitimised or further delegitimised these institutions. Several speakers took the critique a step further, arguing that the northern countries that dominate the IFIs and the WTO act principally in the interests of transnational corporations and finance capital. For these speakers, the key issue was reducing the concentration and mobility of capital both within and between countries and curbing the power and reach of TNCs.

These participants, whilst expressing support for core labour standards in general, argued that the incorporation of labour standards in trade agreements was inappropriate. They argued that: a) this would both re-legitimise and grant new powers to the WTO; b) labour standards could only be brought under the WTO as part of new trade round, the outcomes of which are likely to greatly extend the scope and power of the WTO and further disadvantage workers; c) labour standards could be used as a non-tariff barrier by northern countries; d) a narrow focus on labour standards in trade agreements fails to address the key issue of the concentration of capital and capital mobility; e) most workers in the south do not work in the formal sector, let alone in export-orientated sectors. Instead, these speakers supported one or more of the following: a) strengthening worker organisations at the local and national levels; b) strengthening south-south linkages between workers; c) strengthening the ILO; d) a return to the original Bretton Woods agreements, particularly the focus on full employment and capital controls.

Whilst agreeing with this critique, several participants felt either that abolition was unlikely or that abolition, in the absence of viable alternatives, could create a vacuum that would be filled by new structures/processes shaped primarily by TNCs, finance capital and the right. Other participants argued that the IFIs and the WTO – albeit not necessarily in their current form – still had specific roles to play, including regulating world trade, regulating capital flows, acting as a lender of last resort or providing development assistance. Instead of calling for the abolition of these institutions, these speakers called for the delegitimation of specific IFI/WTO policies and practices, particularly privatisation, the deregulation of labour markets, liberalisation of agriculture, the unilateral imposition of structural adjustment conditionality etc. Some speakers went further, calling for the deconcentration of power within the IFIs and the WTO, including, for example, the introduction of one-country, one-vote in the IFIs.

These speakers generally supported the inclusion of core labour standards in trade agreements, although this was subject to various provisos including: a) the establishment of a multiparty working group within the WTO to examine implementation issues; b) establishing a forum between ILO, WTO and other institutions to examine the social impact of trade; c) incorporating trade-related social impact assessments in WTO procedures; d) strengthening the ILO. In general, these speakers took the view that engagement with IFIs and the WTO was a necessary if not sufficient condition for enhancing worker rights. Several agreed with proposals put forward by the earlier speakers. These included, for example, capital controls, a Tobin tax and, at least for some speakers, opposition to a new trade round.

Session IV:

The way forward: How to build a common agenda on workers, development and globalisation.

First panelist: Some history of the American labour movement: when John Sweeney was elected its president, the AFL-CIO decided that if they didn't focus energy on organizing and building worker power, there would be no union movement. The focus in the American labour movement has since shifted from lobbying to movement activities. We have embarked on a campaign to build worker power, build a progressive political base, connect to local communities and give workers a voice in the global economy. Though this is challenging because most American union members don't travel internationally or have international awareness; the AFL-CIO has been working to create links to issues in America and abroad such as pushing for corporate responsibility and for Northern countries to regulate the activities of their companies overseas. Hearing from Southern NGOs is extremely important for us in terms of shaping strategy.

Second panelist: Trade unions are by no means homogenous. Trade union movements in different countries have different histories and have been guided by different ideologies. Trade unions are also faced with the challenges of fighting sexism and the limited vision and prevalent consumer culture amongst their own membership, while negotiating rights for workers in specific struggles and broader social and economic policy issues. It is important to note that trade unions do not have a protectionist agenda. Trade unions have long been pressuring other countries to respect labor standards and their push for freedom and democracy in Chile. Trade unions have been focusing on social issues for over 100 years; the idea of the social clause in the WTO is only three years old. There are two dichotomies amongst the participants: 1) trade unions and NGOs have different decision making processes and it is difficult for the unions to reach decisions as quickly and easily as the NGOs and 2) There is disagreement on reform or abolition of the IFIs.

Third panelist: There are three key characteristics to our present situation: first, our struggle includes both engagement and confrontation; second, players in the movement are faced with the question of alliances and third, in this struggle, national and international issues are linked in a way they haven't been before. Concrete suggestions for unified campaigns at the global level are: 1) push the issue of debt cancellation including a large-scale meeting, with heavy union involvement, during the Genoa Social Forum (G8); 2) call for a moratorium on a new trade round; 3) reach agreement on a Tobin tax proposal and mobilize around it; 4) figure out a common demand of the World Bank and IMF for a mobilization in Washington in September. Collaboration between unions and social movements on any of these campaigns is very important. Unions were also urged to participate fully in the second World Social Forum at Porto Alegre next year.

Fourth panelist: An additional campaign proposal is that for an International Labour Rights Campaign. This proposal includes a global dialogue between workers, indigenous peoples and civil society forces to determine priority rights for workers. The campaign would push for a strengthened and broadened ILO and the subordination of the IFIs to human rights instruments. We would need to articulate worker's rights as human rights and to link this movement with the anti-corporate movement.

There is not really a dichotomy between the ideas of confrontation versus engagement but, rather, a clear relationship between them. The two strategies are conditions for each other's existence. A first priority should be reaching an understanding, or social contract, amongst civil society and social movement players, before moving on to negotiate with the state or employers. After the understanding of needs and goals is reached, then various players can push the IFIs, TNCs and states through both street pressure and dialogue. Transformation is no one's property, and therefore, actors in this movement should not assume that only their strategy will bring about desired change. He saw progress in the attitude of the trade unions in that they are approaching the discussion as equal players, not as the more powerful entity based on their membership.

Fifth panelist: Everyone engaged in this discussion is on the left wing; our challenge is to politically compose this diversity. The example of fighting against the Free Trade Area of the Americas (FTAA) is a case in which different participants resolved the reform/abolition and confrontation/engagement issue. A continental American alliance, formed in 1997, managed to come together and create an alternative proposal for the FTAA despite the fact that some members of the coalition were completely against the FTAA while others would accept it with some conditions. Porto Alegre's success was its ability to remain completely open and also attract many participants who weren't activists, but simply concerned and interested citizens.

Sixth panelist: In the last 10 years, the emergence and struggle of indigenous people's movements in Ecuador as well as farmer's and women's movements in other Latin American countries has played an increasingly important role in bringing about change. It is very important to consider these movements that have emerged lately. For a long time society has ignored indigenous peoples, but it is important that we pay attention to them. Indigenous and other identity movements in our country have been an important means of promoting and enriching societal values, such as respect and value for diversity. At the same time, the multinational institutions are threatening these indigenous cultures. Indigenous peoples should have the right and the autonomy to develop social systems, production systems and better ways of living. The indigenous movements in Ecuador are demonstrating that we have to not only debate IMF policies, but propose our own. We must establish dialogue between governments and the people and look at alternative solutions. These experiences of dialogue have brought positive results for natives in Mexico, Bolivia and Peru.

Open Discussion

The open discussion focused on both existing initiatives and possible new foci for collaboration between NGOs, social movements and trade unions. These included: an international labour rights campaign, building on the AFL-CIO campaign to promote the ILO declaration on fundamental principles and rights in the US; education and lobbying on codes of conduct; reform of the global financial architecture and in particular the promotion of capital controls and a currency transaction tax; debt reduction; regulating export credit agencies; opposition to a new trade round; democratisation of the IFIs and the WTO; collaboration on

agriculture and health/pharmaceuticals; the next G-8 meeting in Genoa, Italy; the next World Social Forum in Porto Alegre, Brazil. Those proposals attracting the most support were: national and international campaigns to promote and enhance the fundamental rights of workers; debt reduction/cancellation; reform of the global financial architecture (particularly the promotion of a Tobin Tax and other capital controls); democratisation of the IFIs and the WTO and opposition to a new trade round.

Several speakers, whilst noting the need to enhance awareness amongst our own constituencies and further democratise decision making in our own organisations, highlighted the benefits of bringing together social movements, trade unions and NGOs to discuss these issues.

In addition, several participants called for a follow-up meeting as soon as possible, preferably focused on a smaller number of prioritised issues but, whilst keeping to a manageable size, including greater representation from international NGOs and South Asian trade unions.

Concluding Statement

On 12-13 March 2001, an unprecedented meeting of a significant number of trade unions, social movements and NGOs took place to discuss the scope for agreement on common actions and approaches. The meeting saw wide agreement on a number of issues including:

- The growing source of global challenges created by the power of TNCs, deregulation and privatization.
- The contribution made by the massive mobilization in Seattle, Washington, D.C., Porto Alegre and elsewhere to the current questioning of the legitimacy of corporate- driven globalization.
- The negative effects associated with globalization on equity (both between and within states), gender discrimination, basic worker rights, and food security.
- The serious threats and risks posed by certain WTO rules to development, social, labor, gender and environmental concerns.
- The need for organizing and campaigns to empower workers in informal, “atypical” and other unprotected employment, including migrant workers.
- The negative impact of the weight of foreign debt, IMF/ World Bank structural adjustment programs, and IMF policies promoting unrestricted financial flows, on prospects for development and equity.
- Instituting the Tobin Tax and other mechanisms to control speculative capital flows.
- The importance of promoting, respecting and realizing fundamental worker rights and other human rights by all relevant means including action at the appropriate international institutions.
- The necessity for autonomy of trade unions, social organizations, and NGOs from international organizations.

The meeting agreed that in approaches to some key issues, enough common ground and goodwill existed to provide a basis for a longer-term dialogue on mutually reinforcing actions on a wider number of joint concerns.

Participants

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Fred Azcarate, Jobs with Justice, USA
G. Rajasekaran, TUC, Malaysia
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Luis Marcas, CONAIE, Ecuador
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Michael Siu, HKCIC, Hong Kong
Mike Waghorne, PSI, Switzerland
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Peter Waterman, Global Solidarity Dialogue/Dialogo Solidaridad Global, Netherlands
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Invited by unable to attend

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Anuradha Mittal, Food First, USA
Asbjorn Wahl, NKF Norway
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Celia Mather, ITF, UK
Dharam Ghai, ILO, Switzerland
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