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Workers' Rights in the Global Economy

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THE DISTINGUISHED PANEL DISCUSSION
WORKERS' RIGHTS
in the
Global Economy

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Fresh information, insightful analysis, and sharp controversy marked presentations by eminent experts and advocates at the distinguished panel on workers' rights in the global economy at the annual meeting in New Orleans.

Core Group of Principles

Noting heightened global competition and resulting pressures on governments, employers, and workers, Anne Trebilcock, the ILO staffer who directs the ILO program to promote the 1998 Declaration of Fundamental Principles and Rights at Work, said that the Declaration reflects a new consensus on global ground rules for workers' rights based on common values. The Declaration sets forth a core group of principles and rights calling for:

- freedom of association and the effective recognition of the right to collective bargaining
- elimination of all forms of forced or compulsory labor
- effective abolition of child labor
- elimination of discrimination in the workplace

An important feature of the Declaration, supported by the United States, is that these principles apply whether or not countries have ratified eight corresponding ILO core conventions. The

Declaration contains a followup mechanism relying on country reports and reviews by ILO oversight bodies.

Trebilcock devoted most of her address to the effects of the Declaration since its adoption in June 1998. She cited six main areas of discernible results:

- creation of a consensus definition of core labor standards
- concentration of effort around these core standards
- expanded information base
- increase in ratification of core conventions
- launching of in-country projects to strengthen adherence
- identification of knowledge gaps the research community can help to fill

Trebilcock pointed out the mutually reinforcing dynamics of a new consensus on fundamental workers' rights. They are not just rights on paper, but enabling rights that can enhance the daily lives of women and men, boys and girls. The follow up mechanism provides new, comprehensive information about the status of fundamental rights in each country and the progress—or lack of progress—over time.

Trebilcock cautioned that the Declaration is not a complaints procedure, and it explicitly is *not* linked to trade issues. It emphasizes cooperation among ILO

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members and the potential for contributing to sustainable development with respect for human rights at its foundation. The Declaration, she concluded, is a “milestone,” but one that marks just the beginning of a long journey.

Advancing Workers' Rights in a Global Economy

Sandra Polaski, Special Representative for International Labor Rights at the U.S. State Department's Office of Human Rights, gave a review of recent initiatives by the U.S. government to promote workers' rights.

Polaski cited three trade-related initiatives and two policy moves by the United States to advance workers' rights in the global economy. On the trade front, she first pointed to the new U.S.-Jordan Free Trade Agreement and its groundbreaking labor rights provisions. Signed in October 2000, it was the first trade pact to include workers' rights in the body of the agreement, subject to the same dispute settlement mechanism as commercial rights. It was the first trade agreement to make rights of association, organizing, and bargaining subject to neutral dispute settlement panels, with possible loss of trade benefits for violations. It was also the first trade agreement to incorporate obligations under the ILO's 1998 Declaration of Fundamental Principles and Rights at Work.

Polaski then described the Caribbean Basin trade act and its labor-related provisions. This 2000 stat-

ute extended workers' rights requirements to the apparel sector, and secured commitments from Caribbean Basin countries to improve workers' rights protections in connection with expanded trade preferences.

Another trade-linked development was an agreement to increase Cambodia's textile and apparel quotas to steps to protect workers' rights, especially the right to form independent unions and to bargain collectively.

Outside the trade realm, Polaski informed the IRRA group that on January 16, 2001, Secretary of State Madeleine Albright would announce the awarding of almost \$4 million in grants to private organizations to carry out innovative plans to combat sweatshop conditions in

overseas factories that produce for the U.S. market. The grants will support voluntary programs including monitoring of corporate codes of conduct, training of monitors, and training of workers on their rights under the law and under corporate codes.

Polaski concluded by reaffirming U.S. support for the ILO's Declaration, backed up by substantial financial support for the International Program for the Elimination of Child Labor. She also underscored U.S. support for ILO actions in Colombia and Burma. In sum, she said, these U.S. government initiatives have broken important new ground in the international struggle for workers' fundamental human rights. They are not a silver bullet—there is no silver bullet, she declared—but they create new models that can be further developed and replicated.



David J. Parker/International Labour Office

Trade and Workers' Rights Involve Moral Issues

Sparks started flying with the final presentations of the distinguished panel, one from AFL-CIO secretary-treasurer Richard L. Trumka and one from U.S. Council for International Business head Abraham Katz. Trumka challenged incoming U.S. president George W. Bush and his allies in the corporate community with the assertion that trade and workers' rights involve moral issues, not just economic policy matters. The key questions are, he insisted: What values will regulate the global market? What rules will govern it? And who will make those rules?

Trumka declared that current rules for global trade are made by governments using rules created by conservative ideologues and enforced by corporate muscle, with few protections for workers. In contrast, protections for property rights and corporate interests run to thousands of pages in trade agreements. They set low ceilings on the ability of governments to regulate trade in the public interest, but set no floor of minimal decency on corporate or government behavior.

Instead of greater growth bringing less poverty and more democracy, as free trade ideologues predicted, globalization has gone in the opposite direction, said Trumka. Inequality is growing within and between countries. The result is an understandable backlash, a growing democratic movement whose message is being heard.

Trumka described the AFL-CIO's "Campaign for Global Fairness" and its goal of incorporating universally recognized core workers' rights into the rules of the global market. He called for workers' rights to be an integral part of all trade agreements, IMF and World Bank calculations, export promotion and import preference programs, and other international economic arrangements. At the same time, he argued, developing countries must have space to create their own paths to democratic, sustainable development.

Debt relief for

developing countries is a priority feature of the AFL-CIO's program, he said. Trumka concluded with a warning that no system that protects property rights without protecting human rights, workers' rights, and environmental rights can be sustained in today's global economy.

Business's Response

Ambassador Abe Katz picked up Trumka's challenge. While business shares labor's concern for improving conditions for workers in the United States and worldwide, he said, trade should not be used as a weapon to impose conditions on developing countries. No matter how high-minded the purpose, linking labor standards to trade is seen as a protectionist threat, depriving developing countries of their comparative advantage, interfering in their internal affairs, and violating their sovereignty.

There is no "race to the bottom," Katz declared. Trade sanctions will not improve labor rights abroad; only growth through expanded trade and investment can do that. He criticized NAFTA's labor side agreement for its confrontational compliant procedures, and called for emphasis on cooperative programs.

Katz pointed to the ILO's multilateral cooperative approach reflected in the 1998 Declaration, and the role of U.S. business in pushing it. "Sunshine," said

Katz, in the form of peer review and publicity, coupled with targeted

technical assistance, will do more than a sanctions-based approach to promote workers' rights. When U.S. labor leaders call for labor standards in trade

agreements, he concluded, they are really being protectionists. Their goal is to keep jobs in the United States and halt economic growth and development in poorer countries.

Richard Trumka countered that business, not labor, is the real protectionist. Corporate demands that U.S. trade policymakers repudiate labor standards in trade agreements guarantee that no new trade agreements will be made, Trumka argued. The backlash by civil society against trade agreements that protect corporate interests without protecting workers and the environment will successfully block new trade initiatives until trade negotiators "get it right" with strong, enforceable provisions for labor standards and environmental protection. Labor's real agenda, Trumka insisted, is internationalism, not protectionism—an internationalist agenda to advance workers' rights and living standards in the global economy.

The remarks and exchanges among these four key actors in the international labor rights field before a large audience of IRRA members, were a highlight of the annual meeting. They obviously did not resolve any differences. But they clarified concepts and policies through their expertise, and reflected much of the passion that marks current debates over workers' rights in the global economy.

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Lance Compa is a senior lecturer at Cornell University's School of Industrial and Labor Relations. His areas of expertise include: Labor Law, International Labor Rights, Union Organizing, and Collective Bargaining. He has also served as Director of the U.S. Labor Rights Project, Human Rights Watch; Director of Labor Law and Economic Research for the NAFTA Labor Commission; and as Coordinator of International Labor Rights Advocates.

