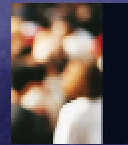




Infocus Programme

SES

Socio-Economic Security



Seeking
distributive
justice -
Basic Security
for all



International
Labour
Office

ILO Socio-Economic Security Programme

Newsletter, 2003/2

Economic Security and Decent Work in Africa Is Anybody Listening?

Insecurity breeds despair, intolerance and violence. But even in low-income countries, it is possible to create more basic economic security for more people. Only in that context can decent work thrive.

This was a conclusion of a two-day consultation in Dar es Salaam organized jointly with the ILO Area office for East Africa, and the Regional Office for Africa, in preparation for a tripartite meeting in Addis Ababa in December as proposed to the ILO Governing Body.

Opened by the Tanzanian Minister of Labour, Dr. Juma Kapura, and by the Association of Tanzanian Employers and the Trades Union Congress of Tanzania, the consultation reviewed work in 23 African countries, focusing on the People's Security Surveys (PSS) of Ethiopia, Ghana, South Africa and Tanzania, and the Enterprise Labour Flexibility and Security Survey of Tanzania.



intensified social and economic insecurities across Africa, eroding traditional support networks while inhibiting the growth of modern alternatives.

The workshop had a positive message. A strategy to give all citizens basic economic security is feasible, and must strengthen the values of *universalism* and *social solidarity*. Insecurity could be reduced without vast financial resources. If basic security were pursued, that would enhance economic growth and better work opportunities.

Among the findings is that, beyond the areas of starvation and civil strife, the biggest source of financial crisis is *healthcare costs*. Also the vast majority foresee financial insecurity in old age. Many of the poorest are in 'jobs', making the call for more 'jobs' of limited relevance for dealing with poverty and insecurity. One reality is that, because low-income groups have more forms of insecurity, income inequality is underestimated by conventional statistics. Reduce those insecurities and you reduce inequality! Is anybody listening? continued on page 2



Dr. Juma Kapura, Minister of Labour, Youth Development and Sports, United Republic of Tanzania

"The vulnerable and insecure have to depend on the vulnerable and insecure. That is the problem."

The findings and policy proposals made headline news in the country's press, radio and TV. More than 70 people participated; 30 technical papers were presented, many showing how globalisation has

- In Tanzania, only 1 in every 25 adults expects to be financially secure in old age.
- While one-quarter of households are in debt, merely one-quarter manages to save anything, but most depend on savings for long-term security.
- Only one in four women earning an income can keep most for herself.
- Very few are aware of government schemes to reduce poverty and income insecurity, and the poor are less aware than the non-poor.
- In firms, women workers earn on average 49% of what men earn, and the distribution of benefits makes social income inequality greater than income inequality.

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Economic Security and Decent Work in Africa

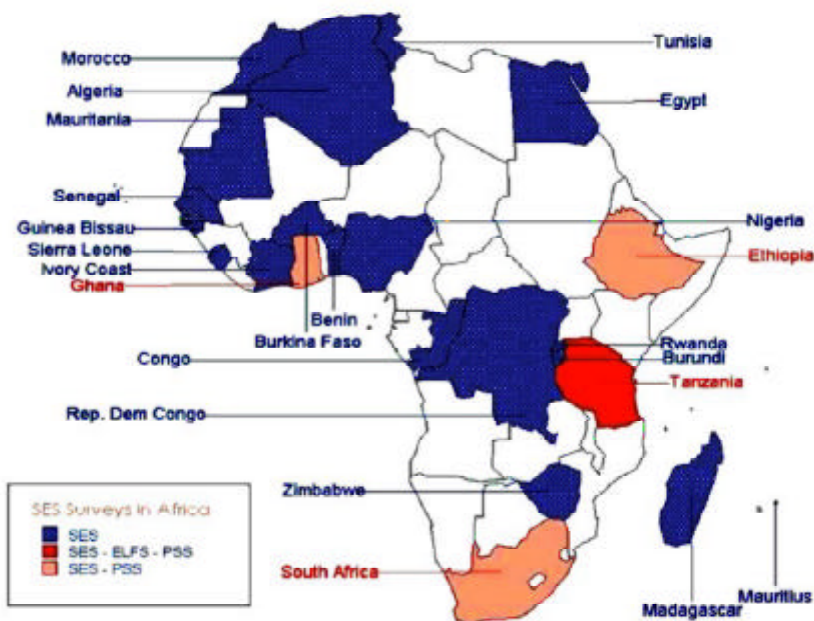
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The PSS show that most people are *unaware* of state schemes to alleviate poverty. The poorest are less likely to be aware than the 'near poor'. Moreover, the more educated and more affluent are more aware and more likely to be receiving assistance. This shows 'targeted' and means-tested schemes do not work. Is anybody listening?

Mechanisms by which women are disadvantaged are concealed in standard statistics. For example, it may appear that many are earning above-poverty incomes. But the data detect how many have no control over the money, face deductions and need to pay others for the privilege of working. This keeps women in disguised poverty and acts as a disincentive to productive work. Strengthening Voice Representation security could curb such problems.

Giving people real freedom, particularly women, is a more effective way of generating decent work than lavishing costly subsidies on 'job creation'. Is anybody listening?

The PSS also explore attitudes to social justice. The evidence is encouraging here too. Most people retain values of social solidarity, believing that inequalities should be reduced, that all citizens should be



guaranteed a minimal survival income by the state, that ways should be found to compensate those hit by disasters, ill-health and disability, and that people required to do *care work* should be supported. A majority accept that men and women should be treated equally in the labour market and can identify where the worst forms of discrimination occur. Policymakers must build on that spirit. Is anybody listening?



Voice Net: Sharing knowledge, building coalitions

VoiceNet is a global network being built by the Programme. A long-term venture based on partnerships with organisations concerned with workers' security in all regions of the world, VoiceNet monitors and evaluates innovative approaches promoting and protecting the socio-economic security of communities, by increasing security for working people.

The network of national correspondents helps VoiceNet to disseminate information about initiatives around the world. VoiceNet national correspondents also help in building the SES database by collecting macro-level data on socio-economic security, so far for over 100 countries.

The database and other activities related to VoiceNet also generate "country profiles" and indexes of socio-economic security. VoiceNet correspondents outreach nationally or regionally to discover other groups engaged in the promotion of any of the ILO's 7 forms of security. VoiceNet and its related activities will be publicly accessible to help others develop their research and activities in related fields.

Persons or groups interested in contributing to the VoiceNetwork should contact Ellen Roskam, Senior Work Security Specialist, IFP/SES at Roskam@ilo.org, telephone: 00-41-22-799-8815.

SES Database goes public

A demonstration of the capabilities of the Global SES Database was given to the Director General and senior managers from all ILO Sectors recently.

This marked a new stage in the monitoring of developments in social and economic security around the world, covering over 100 countries

The demonstration showed how the complementary databases can be used. There are over 800 variables in the primary, secondary and social security systems databases, and also a wide range of information from firms and households in the micro-level databases.

Using the macro-level database, the programme presented a series of indexes of the seven forms of security, concluding with the Decent Work Index.

REPRESENTATION SECURITY INDEX (RSI) MAIN RESULTS

- **Pace Setters:** High on Input, Process and Outcome: e.g. Denmark, Finland, Sweden.
- **Satisficers:** High score on Input and Process, low Outcome: e.g., Australia, Turkey
- **Pragmatists:** Modest Input and Process, better Outcome: e.g. USA, Canada
- **Much-to-be-done:** low scores on all sub-indexes, and are at the bottom of the ranking of the RSI: e.g. Bangladesh, Guinea Bissau

CNN and Italian TV report on East European Health Workers

We concluded our year-long assessment of healthworkers in eastern Europe by making a film of realities in Ukraine. The film was shown as a TV documentary on CNN World Report and Italian (satellite) TV channel 24. Credit must go to the ILO film crew for enabling us to realize this, to our partners in the Public Services International (PSI) and to those working with us in Ukraine.

The film shows how terrible the conditions have become for patients and healthcare workers. Among the 12 sites filmed were a city emergency hospital, an HIV/AIDS clinic, a Tuberculosis (TB) clinic, a district hospital, and a rural village clinic.

The film was made as a follow up to the Programme's assessment of work insecurities among healthcare workers across the whole of eastern Europe. A



According to Ukraine's Minister of Labour, healthcare workers will be receiving a 25% wage increase. But this will still leave them below the subsistence minimum. Working without the most basic necessities, such as bandages and running water, their plight is grim.

We urge our constituents to raise their voice to seek improvements and to secure greater technical assistance.

monograph on the insecurities faced by the workers – doctors, nurses, auxiliaries and others – will be published this summer.

Romanian hospital takes lead

Doctors in Iasi, Romania's main Pulmonary Diseases Clinic have used our Programme's methodology to investigate the insecurities of workers in their healthcare system. The assessment has shown desperation among workers, and worsening work insecurity for all categories of staff, including extensive *wage arrears*.

The results of the assessment were presented in a public symposium, where participants expressed the hope that similar exercises will be done in other hospitals across the country. The full findings will be presented at the European Respiratory Society Congress in Vienna later in 2003.

Decent Work Index

An inter-Sectoral ILO Task Force was convened to review the possibility of developing a Decent Work Index (DWI) for the ILO, which could build on the work of IFP/SES. Since building a DWI was announced in December 1999, many parts of the ILO have become interested in related ideas. The Task Force has finished its work, and has made recommendations to the Director General.

Essentially, it is too early to decide on a specific approach. There should be up to a year in which various parts of the ILO could experiment with ways of identifying indicators and indexes of decent work at the macro-level.

The Programme chaired the Task Force, and presented its approach of input, process and outcome variables. Other methods were also discussed. It was a unanimous view of the Task Force that an eclectic approach should be adopted, allowing experimentation with a variety of methods. It was recommended that in 2004, a technical meeting should be convened to review the alternatives and to allow employers, trade unions and government officials to consider the options.

Azerbaijan People's Security Survey

The Republic of Azerbaijan will conduct its first People's Security Survey (AzPSS) in May 2003, a joint project of UNDP and ILO. The survey will involve a representative sample of 1500 persons of the Apsheron Region. The AzPSS will cover persons employed in industry, in agriculture, in non-productive sphere, and in services. It will also consider registered unemployed, non-working pensioners, and full-time students.

The resultant database should be available in September, and a national conference with ILO constituents is planned for December 2003, to present and discuss the results.

China: security gaps widen

The latest report from our project in China testifies to the changing character of social and economic insecurity as the state withdraws as a direct service provider, meaning an "increased space for alternative service providers".

It finds that neither central nor local government has the financial capacity to provide the same level of basic security as in the past and concludes that social policy must be integrated in economic development plans.

ILO units team up on Social Protection Questionnaire

Building on experience with the SES questionnaire, the Programme and ILO's SOC/FAS Branch are jointly developing a questionnaire on social protection policies, covering education, housing and income support, in addition to traditional social security functions.

The questionnaire will be pilot tested in five countries before extending it globally.

Editorial

Freedom Grants for Iraq?

The Iraqi war is fading from public view. A regime has gone, an occupation has begun. Historical judgments will depend on what happens next.

Will 'peace' bring hunger, disease and social illnesses that will breed a new form of extremism and bitterness? This can be avoided only if the powers-that-be ensure that all Iraqis have basic social and economic security.

As an ILO Programme, we owe it to our constituents to propose policy solutions for consideration. After any disaster, handing out food and blankets is the norm. Once that phase is over, a strategic approach is required. As we have argued elsewhere, while much else is required, an enlightened policy would be to provide every Iraqi with a small monthly income without conditions — a "freedom grant" or "solidarity grant".

If coordinated with a supply-side macro-economic policy, it would cut poverty, help to kick-start a distributionally decent market economy and show that the international community wants to enable Iraqis to take control of their own lives. It would promote real freedom, and be less prone to moral hazards than if the same amount was spent on paternalistic measures that have high administrative costs, foster corruption and have distortionary distributional effects.

Freedom grants could be paid for by a dividend from the sale of Iraqi oil, supplemented by international aid from all those countries wanting to liberate Iraq from tyranny. To some extent, the proposed scheme would be analogous to the Alaska Permanent Fund, which is a success in the USA. So it is not that radical. However, whereas that started slowly, the situation in Iraq requires that an initial lump sum should be invested in a special Iraqi Freedom Investment Fund (IFIF) so that a monthly flow of modest payments could be delivered at this time of greatest need.

Evidence shows that an inclusive social protection policy in a post-conflict period can boost economic growth and reduce the rise in mortality rates that usually follows a war, due to disease and traumas.

Unless something bold is done, how many people will die? Basic security is real freedom. Life and decent work can flourish only on that foundation.

Is anybody listening?

EU Greek Presidency Event

The Programme director was invited to give a presentation on *occupational security* to a conference on "the future of work", organized by the Greek Government as a key event of its Presidency of the European Union.

The conference brought together hundreds of policymakers and social scientists from across Europe, including Ministers and EU Commissioners.

AIDS and Economic Security in Africa

Poverty, insecurity and HIV make a lethal combination. It is Africa's horror. Studies presented at the workshop in Dar es Salaam in May 2003 showed that the resultant worker mortality has worsened old-age income insecurity, pushing older people into prolonged labouring lives.

The loss of prime-age adults has eroded traditional support systems, making a universal pension of some kind essential for the Continent's development.

Airport check-in workers

This project continues to rumble, perhaps not surprisingly given airport fears. Numerous articles have been observed in the world's media. A report for the International Transport Workers' Federation will be published soon, for use in the 110 countries where the ITWF bargains for airport workers.

Recent Publications

SES Papers

- ? "Income (In)Security in Argentina", by *Alberto C. Barbeito and Ruben M. Lo Vuolo*, No. 32
- ? "Labour Market Insecurity in China: Institutionalisation of Urban Unemployment", by *Edward Gu*, No. 33
- ? "Urban Poverty in China: Measurements, Patterns and Policies", by *Athar Hussain*, No. 34.
- ? "Enhancing Economic Security in Transition: Pluralism in Service Delivery", by *Tony Saich*, *Kennedy School of Government*, No. 35.

Journals

- ? "Structural and Behavioural Characteristics of Informal Service Employment - Evidence from a survey in New Delhi" in *Journal of Development Studies*, Vol. 39, No. 3, 2003 by *Sukti Dasgupta*

Web site & Newsletter

Our Web site (<http://www.ilo.org/ses>) is available in English, French and Spanish.

Our Newsletter exists in French and Spanish too (downloadable from the Web site).

Books

- ? "Human security and social protection", in J.Ghosh and C.P.Chandrasekhar (eds.), *Work and Well-being in the Age of Finance (New Delhi, Tulika, 2003)*, by *Guy Standing*.
- ? "The Basic Income Grant in South Africa", (*Cape Town, Juta, Press 2003*), by *Guy Standing*.
- ? "Corrosive Reform: Failing Health System in Eastern Europe", (*Geneva, ILO, 2003*), by *Carl Warren Afford*.

Selected papers from the African Workshop

- ? "Vulnerable Livelihoods - People's Security Survey in Urban Ethiopia", by *A. Kidanu*
- ? "Socio-Economic Security and Child Labour in Ghana", by *J.P. Zoyem*
- ? "Socio-Economic Security in Africa - an Overview" (*also available in French*), by *F. Bonnet*
- ? "Work Insecurity in Tanzania: Sources and Victims by Work Activity", by *D.P. Mushi*
- ? "The Impact of HIV/AIDS on Security for the Elderly in Africa", by *P. Annycke*

A full list available on request.

Contact: Christian Colussi
Information Coordinator
ILO Socio-Economic Security Programme
International Labour Office, Route des Morillons 4,
Geneva, CH-1211, Switzerland

Web Site: <http://www.ilo.org/ses>

E-mail: ses@ilo.org

Telephone: (+41 22) 799 7913

Telefax: (+41 22) 799 7123