



## Overview Paper

### Decent work for a fair globalization

#### *Broadening and strengthening dialogue*

The aim of the Forum is to broaden and strengthen dialogue, share knowledge and experience, generate fresh and practical ideas for action, develop policy coherence and build partnerships for decent work and a fair globalization amongst a diverse range of actors.

The idea of convening a forum to discuss policies for a fair globalization was put forward by the World Commission on the Social Dimension of Globalization in its 2004 report.<sup>1</sup> The report recommended that a globalization policy forum be established among interested international organizations and other relevant actors and requested the ILO to take the lead in organizing it. The identification of the ILO as the potential convener of such a Forum was reinforced by the strong support given by the World Commission for the ILO's mission of decent work for all which it argued should be made a global goal if the potential of globalization to bring benefits to all is to be adequately realized. The World Commission envisaged participation in such a forum by diverse constituencies and interest groups and saw the ILO with its tradition of promoting dialogue as well placed to provide a platform for the ILO's tripartite constituents and other actors to discuss the promotion of decent work as a global goal.

Decent work sums up the aspirations of people in their working lives – for opportunity and income; rights, voice and recognition; family stability and personal development; and fairness and gender equality. Originally put forward by ILO Director-General Juan Somavia in his Report to the 87th Session of the International Labour Conference in 1999 as a contemporary and integrated expression of the ILO's mission, it reflects the concerns of governments, workers and employers, who together provide the ILO with its unique tripartite identity. Since then the ILO has further developed the Decent Work Agenda both conceptually and operationally in its global programme and in Decent Work Country Programmes (DWCPs). The importance of the goal of decent work to international development strategies and poverty reduction is widely recognized.

The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and dignity.<sup>2</sup>

<sup>1</sup> ILO: *A fair globalization: Creating opportunities for all*, report of the World Commission on the Social Dimension of Globalization, Geneva, 2004.

<sup>2</sup> ILO: *Decent work*, Report of the Director-General, International Labour Conference, 87th Session, Geneva, 1999.

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The World Commission's report was discussed by the 92nd Session of the International Labour Conference, 2004, along with a Report by the Director-General.<sup>3</sup> Subsequently the ILO Governing Body developed a medium-term strategic policy framework to advance decent work as a global goal. One element of the ILO programme was to develop the idea of a Forum. The support of the Government of Portugal during its six-month Presidency of the European Union and the European Commission has made it possible to translate the idea into a reality.

The Forum thus brings together, in the ILO tradition, diverse views and interests in search of solutions for shared objectives. The discussion will focus on the analysis and promotion of the decent work concept and the Decent Work Agenda as the key for economic, social and environmental sustainability and as a contribution to the shaping of a fair and inclusive globalization.

It will look at broad strategies as well as at very specific policy areas. Among the topics to be addressed are the challenges of skill development; the upgrading of informal economies; migration for work; extending social protection; overcoming disadvantage and discrimination; and ways and means to improve policy coherence among international organizations. There will also be keynote addresses on the wider issues of decent work and a fair globalization. Participants include the ILO's constituency of governments, employers' organizations and trade unions as well as influential personalities, leaders of intergovernmental institutions, parliamentarians, local authorities, opinion leaders, academics and civil society organizations.

## **Fair globalization: The impact of the report of the World Commission on the Social Dimension of Globalization**

The World Commission on the Social Dimension of Globalization published its report in February 2004. It was created by the ILO at a time of persistent disquiet over the uneven impact of globalization on people, the exclusion of many from its benefits and the failure to adequately realize its potential for good. Much had already been written and said about globalization, but the World Commission was different, an attempt to build consensus across a wide range of perspectives, North and South, national and international, business and labour, government and civil society, politicians and academics, on the key issues to be addressed and a feasible way forward.

The Commission's report called for reform in the governance of globalization, to make it fair and inclusive. It asked for coordinated changes across a broad front, rather than a piecemeal approach. It called for the engagement of all the major actors, from the local to the global levels, in the implementation of policies and rules which could promote an equitable globalization in open economies and open societies. It argued that a fair globalization begins at home, with more effective national and regional action; that the rules of the global economy needed to be reformed to make them equitable and inclusive; that decent work should become a global goal; and that the international institutions that could take this agenda forward needed to be more accountable to people. It argued for greater coherence in economic and social policy, and a more effective process of dialogue among the actors concerned.

<sup>3</sup> ILO: *A fair globalization: The role of the ILO*, Report of the Director-General, International Labour Conference, 92nd Session, Geneva, 2004.

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The impact of the World Commission's report was immediate. Translated into 17 languages,<sup>4</sup> it was widely referred to in international debates, and its key messages received support not only within the ILO but also in many national, regional and global forums and declarations. Some of its specific recommendations were taken up by the ILO, which created the Commission, but many were addressed to other actors. The Commission directed a series of proposals towards the multilateral system and state actors calling for better global governance and the reform of the multilateral system to make it more democratic, transparent, accountable and coherent. These included progressive expansion of parliamentary oversight of the multilateral system at the global level and for the creation of a global parliamentary group concerned with coherence and consistency between global economic and social policies. Regarding non-state actors, the Commission argued that there should be better coordination between international organizations and global networks and partnerships engaged in exchange of information, advocacy and resource mobilization in the economic and social field.

Fair and equitable globalization and decent work for all received worldwide endorsement by many governments and multilateral institutions, including the 2005 UN World Summit.

We strongly support fair globalization and resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of our relevant national and international policies as well as our national development strategies, including poverty reduction strategies, as part of our efforts to achieve the Millennium Development Goals. [Para. 47 of the Outcome document of the UN World Summit, 2005.]

Three years have now passed. Globalization continues unabated, indeed seems to have accelerated through several years of sustained global economic growth. The outcomes seem no fairer. However, available data in many countries show that indeed inequalities have widened; and while there have been policy changes in some areas, in others there has been little progress.

The World Commission called for a fair globalization, which would create opportunities for all. In many cases, the World Commission was just one of many voices arguing the case for, say UN reform, increased resources for development or greater attention to employment creation, so policy changes can rarely be attributed directly or solely to the Commission. But it captured and amplified a wave, both supported a movement and in some key areas led it. Its recommendations influenced debate and decisions.

A recent study by the International Institute for Labour Studies<sup>5</sup> concludes that some progress has been made in three years, but the road is long. The pattern of globalization has evolved, but in one fundamental respect it remains unchanged – the continuing spread of the global market economy has still to be matched by the development of adequate institutions for its governance. In the medium term this poses dangers, for the social compromises and agreements that stabilize the economic model are at risk, the forces to

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<sup>4</sup> In addition to the ILO's seven official languages (Arabic, Chinese, English, French, German, Russian and Spanish), the report was translated into Farsi, Greek, Italian (to be published soon), Korean, Portuguese (Brazil), Portuguese (Portugal), Sinhala, Swahili (synopsis only), Tamil and Turkish.

<sup>5</sup> "The quest for a fair globalization three years on: Assessing the impact of the World Commission on the Social Dimension of Globalization", by Hamish Jenkins, Eddy Lee and Gerry Rodgers, International Institute for Labour Studies, discussion paper No. 175, 2007.

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prevent inequality from spreading further are weak, and globalization will continue to generate exclusion and insecurity. Far too many people are losing hope that the magic of globalization will change their lives for the better, and as a result it is contested by many.

While the inadequate governance of globalization which so concerned the Commission persists, there is nevertheless progress to report in a number of specific areas – core labour standards, corporate social responsibility, global framework agreements, UN reform, and a multilateral framework for labour migration. The rules of the global trading and financial systems have been the subject of intense debate, especially the former, and there is no doubt greater acceptance today than in the past of the need for the rules both to be fair, and to be perceived as fair, even though negotiations are difficult. Policy coherence is on the political agenda, both nationally in many countries, and internationally, notably through efforts to strengthen the UN Economic and Social Council (ECOSOC). The ILO itself has launched a Policy Coherence Initiative to investigate with partner agencies the scope for increased collaboration by identifying potential policy synergies for growth, investment and employment.

The call for decent work to become a global goal has received extremely wide support around the world from Heads of State and international decision-making bodies as well as from business, trade unions and civil society organizations. Decent work has tremendous potential both as a guiding theme for the operationalization of the international development agenda for poverty reduction and also as a means of connecting the work of the multilateral system more directly to national political concerns. The challenge is now to translate the global goal into country-level action. In that respect the DWCPs, which the ILO has been developing to support the national agendas of its government, worker and employer constituents, could become an important vehicle to build coherence between economic, social and environmental goals.

The engagement of ILO actors has been an important spur to progress. Governments, employers and workers have different agendas, of course, but each has responded within the context of their priorities – to take some prominent examples, employers on corporate social responsibility, workers on embedding core labour standards in production systems, and governments on migration and policy coherence.

The World Commission was concerned to maintain an effective process of democratic dialogue around policy development, rather than imposing technocratic solutions. While dialogue within the ILO continues unabated, and was the instrument for building the multilateral framework for migration, for instance, dialogue beyond the ILO between the different actors of globalization seems to have faltered. A revival of this process of dialogue around the decent work goal as a route to a fair globalization is the principal objective of the ILO Forum on Decent Work for a Fair Globalization.

In the end, the message of the World Commission was that a piecemeal approach to globalization cannot work. A coordinated, coherent approach on a broad front is needed to shape a fair globalization and realize the goal of decent work for all. The Commission's message remains just as valid today. It is being heeded in some quarters, notably through the efforts to implement the agreed international development agenda, including the Millennium Development Goals (MDGs), by improving system-wide coordination to ensure the UN and the multilateral system as a whole delivers as one. However there is still a long way to go and building coherence of action among the key actors around a model of globalization that serves the goals of people remains the central challenge.

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## Decent work: An agenda for shaping a fair globalization

Work is central to people's lives. No matter where they live or what they do, women and men see jobs as the "litmus test" for the success or failure of globalization. Work is the source of dignity, stability, peace and credibility of governments and the economic system. Since job creation goes hand in hand with enterprise development, it underpins private initiatives and investment. And reducing decent work deficits is central to reducing the tensions behind so many security threats, as well as social challenges, such as migration, mass youth unemployment, gender inequality and achieving the MDGs.

The ILO's Decent Work Agenda is a balanced and integrated programmatic approach to pursue the objectives of full and productive employment and decent work for all at global, regional, national, sectoral and local levels. It has four pillars: standards and rights at work; employment creation and enterprise development; social protection and labour market governance; and social dialogue.

Progressing the goal of decent work for all is the central mission of the ILO but it is not one that it can achieve on its own. A wide range of economic, social and environmental policies need to interact coherently to create a conducive environment for decent work. Mainstreaming decent work in the international system was endorsed in the 2006 Declaration of the High-level Segment of ECOSOC.

We are convinced of the urgent need to create an environment at the national and international levels that is conducive to the attainment of full and productive employment and decent work for all as a foundation for sustainable development. An environment that supports investment, growth and entrepreneurship is essential to the creation of new job opportunities. Opportunities for men and women to obtain productive work in conditions of freedom, equity, security and human dignity are essential to ensuring the eradication of hunger and poverty, the improvement of the economic and social well-being for all, the achievement of sustained economic growth and sustainable development of all nations, and a fully inclusive and equitable globalization.<sup>6</sup>

At its 2007 session, ECOSOC adopted a further resolution coordinating system-wide follow-up to the Ministerial Declaration. Amongst a number of actions it "Encourages all relevant agencies of the United Nations to collaborate in using, adapting and evaluating the application of the Toolkit for Mainstreaming Employment and Decent Work ..." and "requests the United Nations funds, programmes and specialized agencies, including non-resident agencies, and invites the international financial institutions, to, as appropriate, and within their existing mandates, promote synergies and strategic collaboration, involving relevant stakeholders, including governments and representatives of employers and workers, for the formulation and delivery of specific outcomes related to full and productive employment and decent work goals at the country level in support of national strategies and programmes, including the Decent Work Country Programmes, driven by the ILO ..."<sup>7</sup>

<sup>6</sup> "Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all, and its impact on sustainable development", Ministerial Declaration of the High-level Segment of ECOSOC, 5 July 2006 (E/2006/L.8).

<sup>7</sup> "The role of the United Nations system in promoting full and productive employment and decent work for all", resolution adopted at the Coordination Segment of ECOSOC, 12 July 2007 (E/2007/L.14).

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These are ambitious objectives which serve to highlight the extent to which the goal of decent work can serve to mobilize a systematic effort to promote policy coherence in international and national actions as part of a global drive to promote sustainable development, poverty reduction and a fair globalization. The ILO Forum on Decent Work for a Fair Globalization is an important further step in this process. Its programme aims to draw out lessons for the building of collaboration and cooperation across a wide range of actors. The topics chosen for in-depth discussion connect important dimensions of the Decent Work Agenda to the wider topic of shaping a fair globalization. They are:

- Employability: Education, skills development and technology  
*Bridging knowledge gaps*
- Upgrading work and enterprises in the informal economy  
*Organizing for voice and participation*
- Migration for work, within borders and internationally  
*Securing the benefits, diminishing the risks of worker mobility*
- Social protection policies for social cohesion and economic development  
*Moving towards a global social floor?*
- Policy coherence among international organizations  
*Creating the tools to make it work*
- Decent work opportunities for young women and men: Overcoming discrimination and disadvantage  
*Equality in diversity: A dream or a necessity?*

## **Generating synergies for national and international action**

The World Commission had noted how new forms of “networked governance” are characterizing the current shift from an international community of nation States to a global community of state- and non-state actors.<sup>8</sup> The potential for synergies between actors and existing networks/coalitions with complementary strengths and expertise around an agenda of decent work and a fair globalization is immense. Governments, local authorities, parliamentarians, central banks, international organizations, civil society, business, trade unions, academics and others all have distinctive contributions to make. A key challenge is how to facilitate such convergence across borders but in a manner that is also firmly anchored in national political processes. The ILO Forum on Decent Work for a Fair Globalization in November 2007 provides an important space for debate on how to take forward this policy agenda.

<sup>8</sup> It characterized “networked governance” as issues networks and other informal arrangements for global social policy development, often involving some combination of national governments, multilateral agencies, CSOs and the private sector, that tend to have informal governance arrangements and light organizational structures, often drawing on new technologies. It felt that they could help to address specific inadequacies and gaps in existing institutions and arrangements. *Fair globalization*, para. 578, op. cit.