Trade and Employment: Contributions of the ETE Project

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The ILO and the ETE Project

The International Labour Organization unanimously adopted the **ILO Declaration on Social Justice for a Fair Globalization** on 10 June 2008.

It states that as trade and financial market policy both affect employment, it is the ILO’s role to evaluate those employment effects to achieve its aim of placing employment at the heart of economic policies.
Objectives of the ETE project

1) **Develop knowledge tools** that can support the formulation of coherent trade and labour market policies at the national level, based on sound data and diagnosis, with the involvement of the social partners.

2) **Enable the design of effective and coherent trade and labour market policies** that maximize employment-related opportunities created by trade and minimize the adjustment costs of trade-induced economic restructuring.
The 4 Pilot Countries of the ETE Project

<table>
<thead>
<tr>
<th>Country</th>
<th>Labour force, total</th>
<th>Trade % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>74 million</td>
<td>54.2</td>
</tr>
<tr>
<td>Guatemala</td>
<td>6 million</td>
<td>57.6</td>
</tr>
<tr>
<td>Benin</td>
<td>4 million</td>
<td>61.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>120 million</td>
<td>44.6</td>
</tr>
</tbody>
</table>

The table above lists the 4 pilot countries of the ETE Project, along with their respective labour force totals and trade percentages of GDP.
Activities of the ETE project

1. Methodology, Tools and Assessments
   - Global and Regional Conferences
   - Identification and Collection of Data
   - Studies
   - Publications

2. Training in Trade and Labour Market Policies
   - Knowledge-Sharing Workshops
   - Technical Training
   - Courses at the ILO International Training Center
   - Training Tools and a Training manual

3. Social Dialogue
   - Rapport with Stakeholders
   - “Policy Working Group” Meetings
   - Formulation of Trade and Employment Policies

International Labour Organization


Global Publications of the ETE Project

✓ Trade and Employment: From Myths to Facts

✓ Shared Harvests: Agriculture, Trade, and Employment

✓ of which Chapter 7, Trade, Productivity, and Employment: Linkages in Indonesian Agriculture by Rina Oktaviani and David Vanzetti
ETE Studies in Indonesia

✓ The Labor Market Effects of International Trade: A Literature Review on Indonesia by Ari Perdana

✓ Trade, Productivity, and Employment: Linkages in Indonesian Agriculture by Rina Oktaviani and David Vanzetti

✓ Trade and Employment in Services: The Case of Indonesia by Chris Manning and Haryo Aswicahyono

✓ Impacts on Indonesia of Bilateral Trade Agreements by several contributors and edited by Poppy Ismalina

✓ Indonesian Country Report on Trade and Employment by Carunia Firdausy and Diah Widarti
Strategic Links between the ETE Project and National Development Plans

• Indonesia’s National Long-Term Development Plan (RPJPN) for 2005-2025 vision and mission of envisaging Indonesia as being a self-reliant, advanced, equitable and prosperous country.

Agendas:

(1) economic development and enhanced welfare of population
(2) promotion of good governance
(3) strengthening pillars of democracy
(4) law enforcement and corruption eradication, and
(5) Inclusive and equitable development.
Strategic Links between the ETE Project and National Development Plans

• Indonesia’s National Medium-Term Development Plan 2010-2014 (RPJMN) was formulated on the basis of four development approaches, namely:
  
  — pro-growth,
  
  — pro-jobs,
  
  — pro-poor, and
  
  — pro-environment.
ETE Training for Labour Unions (May 2010)
ETE Knowledge Sharing Workshop (July 2010)
ETE World Integrated Trade Solutions (WITS) Training (Nov 2010)
ETE Technical Training Workshop on the Social Accounting Matrix (SAM) and Multiplier Analysis (Feb 2011)
Follow-up Training on Social Accounting Matrix and Multiplier Analysis (Feb-March 2011)
6 ETE Policy Working Group Meetings
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6 ETE Policy Working Group Meetings
Contributions of the ETE Project to Indonesia

1. **Enhancement of knowledge** of the links between international trade and employment in Indonesia through national studies.

2. **Strengthening of the capacity** of constituents (government and social partners) to analyze the effects of international trade on employment.

3. **Identification of the challenges and opportunities** that international trade poses for job creation in Indonesia.

4. **Creation of a forum** (the Policy Working Group) devoted to discussion and dialogue on the effectiveness and coherence of trade and employment policies.

5. **Support for the formulation and revision of trade and employment policies** in the context of Indonesia’s development plans.

6. **Facilitation of information-sharing and coordination** between policy makers to implement more effective and consistent employment and trade policies.
Thanks for your kind attention

The ILO Trade and Employment Programme