The ILO and the follow up of the World Summit on Social Development

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Introduction

The World Summit on Social Development addressed many issues of importance for the ILO. In the preparation of the Summit, ILO papers highlighted some of the key policy issues that needed to be addressed. Employment policy had to be brought back centre stage. The structural adjustment programmes of the 1980s had failed to recognize the central role of employment in economic and social policy, and global employment goals seemed further away than ever. There was likewise a need to better protect the rights of workers – particular reference was made to migrant workers and gender inequality. Background work undertaken by the International Institute for Labour Studies showed how different aspects of ILO action contributed to poverty reduction, and explored the ways ILO instruments and approaches could help to overcome social exclusion. As the 1944 Declaration of Philadelphia put it, poverty anywhere was a threat to prosperity everywhere and the ILO had the mandate to pursue a wide range of economic, social and legal issues in the quest for social justice.

The Copenhagen Summit itself, by focusing on the intertwined issues of poverty reduction, employment and social integration, strengthened the link between the ILO’s mandate and constituency and the international development agenda. Each of the ten Commitments of the Social Summit had a bearing on ILO concerns. Commitment 3, in particular, addressed the promotion of full employment, and referred to many of the key policy challenges: respect for workers’ rights, technology, skills and productivity, access to land and capital, the informal economy, gender equality, the protection of migrant workers, organization and collective bargaining and more generally the goal of ensuring quality jobs. ILO action had a role in meeting all ten commitments, and the outcome of the Summit helped to set the strategic direction of the ILO’s work.

Follow up, 1995-2000

In the first five years after the Social Summit, a variety of ILO actions contributed to its follow up. Three areas stand out.

The first concerned universalizing respect for fundamental principles and rights at work. The Social Summit had for the first time recognized, within the ILO’s battery of international labour standards, a core set of enabling rights which merited special emphasis. They concerned freedom of association, freedom from discrimination, freedom from forced labour and freedom from child labour – fundamental freedoms which constituted the foundation on which the ability to realize other rights and aspirations could be built.

Within the ILO, and in particular building on the work of its newly formed Working Party on the Social Dimension of the Liberalization of International Trade, new instruments and programmes were developed to pursue these goals. The 1998 Declaration on Fundamental Principles and Rights at Work provided a powerful reaffirmation of the universality of these rights, seen as a social floor for the global economy, and an instrument for their promotion. The existing instruments to deal with child labour were reinforced by the unanimous adoption by the International Labour Conference in 1999 of a new Convention on the Worst Forms of Child Labour (no. 182), which was very rapidly ratified by a large majority of member states (150 ratifications by 1 November 2004). Meanwhile, recognizing the need to strengthen the capacity for implementation and realization of these rights, technical cooperation in these two domains – fundamental rights in general, and child labour in particular – was rapidly expanded.
The second domain of expanded action concerned employment. The Social Summit called for broader, more integrated action to promote employment in national development strategy. This rapidly gave rise to a series of Comprehensive Employment Policy Reviews, starting in 1996, which analysed the different dimensions of the employment problem in a number of countries and suggested coherent strategies for employment promotion in each. These reviews were led by the ILO, and undertaken in collaboration with other bodies of the UN system. They demonstrated that there was no universal employment strategy. What was required was in-depth analysis of the nature of the problem in each country situation and identification of the policy instruments which could tackle it. In some countries there was growing unemployment amongst the educated population while in others there was a deficiency of skills. In both developing and transition economies formal sector employment was stagnating whereas informal work was on the rise. In many middle income countries there was a need for policies to deal with the quality of employment, weak industrial relations and a declining capacity for employment generation in the development path. The development of national strategies to respond to these challenges was combined with research into key bottlenecks. For instance, the regular World Employment Reports examined major areas for policy development such as labour market flexibility and the role of training and skill development.

The third domain involved the integration of these two dimensions of action, rights at work and employment, along with social protection, and the powerful mechanisms of social dialogue that the ILO had at its disposal, into a consolidated goal of decent work for all women and men. This was the message of the 1999 report to the International Labour Conference of the ILO’s newly elected Director General, Juan Somavia. The goal of decent work was grounded in the creation of productive employment, but it was also an expression of the aspirations of people for participation, voice and security. It therefore encompassed all three of the domains highlighted in the Social Summit. It was a broader notion than employment but one which incorporated that goal; an instrument for poverty reduction; and a primary means for social inclusion and integration. Decent work became the leitmotiv for the ILO’s work from that time on, and the work programme of the organization was structured around it.

Copenhagen plus 5 and the Millennium Declaration

By the time of the Special Session of the General Assembly in 2000, it was clear that progress towards the goals of the Social Summit had been slow, and indeed in some parts of the world there had been regression. Starting in 1997, and continuing in 1998, the Asian Financial Crisis demonstrated the vulnerability of even the apparently robust growth models of the East Asian countries. Latin America had faced successive economic crises, while hopes for African economic development were largely unrealized. The series of financial crises had exposed the weakness of the global economic environment, and the inability of individual countries to protect themselves against the contagion effects of increasingly globalized financial markets.

These crises were one manifestation of the developing pattern of globalization. The challenge of globalization had already been recognized in the Copenhagen Declaration on Social Development, which referred to both opportunities and threats of globalization - opportunities for sustained growth and development, and for cross-fertilization of ideals, cultural values and aspirations; and threats emerging from rapid processes of change and adjustment, including environmental risks and their impact on human well-being. By the
time of the 2000 Special Session, awareness was much greater that globalization was radically changing the conditions under which social goals could be realized, hence the title of the Session itself, which included the phrase “achieving social development for all in a globalizing world”. The case could be and was made that globalization was helping to reduce poverty in some parts of the world, but even aside from the effects of the financial crisis poverty was rising in others, and the unequal distribution of the benefits of globalization were apparent. Globalization did not appear to be associated with adequate employment creation, and many regarded it as a threat to social integration.

The 2000 Special Session reaffirmed the commitments of the Social Summit, called again for them to be respected, and identified a number of further initiatives which should be taken at local, national, regional and international levels in order to deliver on each of these commitments. These included action to strengthen the capacities of developing countries and economies in transition to participate effectively in the globalized economy, and to be protected from international financial turbulence. But the 2000 Special Session did not offer a fundamental change of direction to meet the challenge of globalization. It rather aimed to deepen the strategy developed in 1995.

Many of the proposed further initiatives were of direct concern to the ILO. There was a call to governments to support the ILO’s decent work agenda, embracing social protection and social dialogue as well as employment and rights at work. Stronger action was encouraged on child labour and on rights at work in general, on gender equality, on the needs of youth and of groups of workers with particular vulnerabilities, on raising the quality of employment and on the informal economy.

One key area where the 2000 Special Session turned to the ILO for leadership was in its call for the ILO to develop a coherent and coordinated international strategy on employment, which it linked to the convening of a World Employment Forum.

There was a consensus among countries from all parts of the world that employment was a vital instrument for achieving the newly specified target of reducing the proportion of people living in extreme poverty by half by the year 2015. Reference was made in the further initiatives to macroeconomic policies, to enterprise development, to skills and capabilities and to social protection in this context. For the first time since the ILO’s World Employment Programme was launched in the 1970s, the international community specifically called attention to the international dimensions of the employment challenge and recognized that the policy levers to achieve the goal of full employment required coordination and policy coherence at the global level.

The Millennium Declaration, coming shortly after the Special Session, took a different approach. It defined the central challenge as ensuring that globalization becomes a positive force for all the world’s people. And it laid out a set of principles and a framework for action aimed at that goal, which gave rise to the Millennium Development Goals, providing specific targets for countries and the global community to achieve by 2015, drawn from the Social Summit and other global conferences.

The Millennium Development Goals focused the attention of the world community in a way that the follow up to the Social Summit had been unable to do, and provided a strong foundation for subsequent progress at both Monterrey and Johannesburg. But when set against the challenges posed by the Social Summit, this strategy seemed incomplete. Of the three goals identified by the Social Summit – poverty reduction, employment creation and social integration – only the first was an explicit target of the MDGs. The Millennium Declaration had made a reference to “strategies that give young people everywhere a real chance to find decent and productive work”. But while the significance of employment was recognized in two indicators of progress (concerned with youth unemployment and non-agricultural wage employment for women), this was not really integrated within the broader MDG agenda. And the challenge of globalization identified in Special Session and
in the Millennium Declaration was reflected in the MDGs mainly in a call for global partnership. The MDGs did not indicate how countries and the global community should respond in order to take advantage of the potential of globalization for good, and to deal with its adverse effects. Moreover, the focus on targets, while politically successful, drew attention away from the mechanisms and policies by which those targets could be achieved.

This was particularly noticeable with respect to action on employment. As the Social Summit and its follow up had recognized, for the poverty reduction goal to be achieved there has to be widespread creation of decent and productive employment, generating adequate incomes and meeting the aspirations of both women and men. The low level of employment creation in the global economy was therefore a serious impediment to achieving the goal of poverty reduction. Lack of access to global markets likewise limited employment possibilities. Moreover, the other dimensions of work examined in the Social Summit, notably rights at work and social protection, were equally critical components of a strategy for poverty reduction. These considerations needed to be given much more importance if the ambitions of the Millennium Declaration were to be realized.

And it was clear that if strategies for poverty reduction were to truly meet people’s aspirations, they had to be constructed through dialogue, participation, gender equality and democratic process.

**Progress since the Millennium Declaration**

The ILO’s response to the events, initiatives and declarations in 2000 was threefold.

*First, in developing its decent work agenda, the ILO paid particular attention to the calls for action in the Copenhagen Declaration and the Further Initiatives proposed by the Special Session.*

The call for an international employment strategy in the Further Initiatives was reflected in the development of the Global Employment Agenda within the work of the ILO, a programme of support to national and international action covering ten major issues, from macroeconomic policies to skill development, from trade to entrepreneurship, which was launched at the World Employment Forum in 2001. Comprehensive Employment Strategy Reviews, started under the first phase of follow up to the Social Summit, were continued and expanded into a programme of comprehensive advice and support to employment policy development at the national level. ILO work highlighted the importance of small and medium-sized enterprises for employment generation, and stressed the linkages between productivity, entrepreneurship and job growth for women and men. The Forum called for employment to become an overarching goal, and for global alliances to be built across the multilateral system to promote it.

The first global alliance formed to advance on this agenda was the UN Secretary-General’s Youth Employment Network (YEN). The YEN brings together a wide range of partners, beginning with the ILO, the World Bank and United Nations, to link political commitment with country level-action. In the face of growing insecurity and anxiety in the world, the Network’s strategy aims to make youth employment the starting point for the international strategy on employment, and the core of the emerging new global agenda for development and collective security. Action has been built around the following elements:
• youth as an asset, not a problem
• four global priorities: employability, entrepreneurship, equal opportunities and employment-generating macroeconomic policies
• institutionalizing work on youth employment within its partner organizations, and building policy coherence and operational collaboration on this issue
• a political process to translate the global priorities into national action plans.

Despite this progress, it must be said that the international commitment to the employment goal still needs to be strengthened. Technical cooperation resources for employment promotion have been declining and international coordination for employment creation has been weak.

The Special Session also called on the ILO to consider the possibility of a major event on the informal sector in 2002. The ILO’s response was an in depth analysis of policy for the informal economy by its government, worker and employer constituents at the 2002 International Labour Conference. They recognized the fundamental importance of action in the informal economy, which in many parts of the world accounts for a large and increasing share of employment, often insecure and performed in unacceptable conditions. The conference debate underlined that the four components of decent work – employment, rights at work, social protection and social dialogue – are all as important in informal work as in formal. The strategy to promote decent work should develop instruments to overcome the disadvantages of informality – to ensure that rights of both employers and workers are respected, representation and voice enhanced, productivity and market access increased alongside improvements in working conditions, social protection provided and decent incomes attained. These require appropriate macro policies and regulatory frameworks, along with better governance. Work continues in the ILO to build a coherent strategy which can counter the widespread tendency to informalization, and embed action for the informal economy in the broader decent work agenda. Improved data are required to underpin such action; the guidelines on measurement of informal employment, adopted by the International Conference of Labour Statisticians in December 2003, along with work to develop decent work indicators, are steps in this direction. A database of ILO sources on all aspects of decent work and the informal economy has been available since June 2004.

The Social Summit underlined the importance of promoting rights at work, and this continues to be a major focus of ILO activities. The 1998 Declaration on Fundamental Principles and Rights at Work should be seen as part of the broader effort to promote improved governance, the rule of law and democracy. It includes a follow up process involving both promotional work and regular reporting on progress with respect to the four fundamental rights identified – freedom of association, and freedom from discrimination, from forced labour and from child labour. A global report on one of these issues is prepared each year, examining problems and progress, and one four-year cycle of reports has been completed and a second started. The Declaration follow-up includes a ratification campaign for the eight ILO fundamental Conventions. The two singled out in the 2000 General Assembly Resolution are now approaching universal ratification, with 161 ratifications of Convention No. 100 on equal remuneration and 160 ratifications of Convention No. 111 on the elimination of discrimination by December 2004. The principles of the 1998 Declaration were taken up in the November 2000 revision of the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, as well as in the commitment to responsible corporate citizenship of the UN Secretary-General’s Global Compact.
A substantial technical cooperation programme aims to support national efforts to realize these rights as an integral part of inclusive development. Of this the largest component concerns child labour, and the ILO programme has been very effective not only in supporting policy actions in 74 countries but also in raising the priority around the world of action to eliminate child labour. A number of countries have now put into effect time bound programmes to achieve this goal as a key component of anti-poverty strategies. Major programmes to fight forced labour and trafficking, and to combat discrimination in employment, with a focus on gender and ethnicity, have also been launched.

The Special Session insisted on the need to extend social protection to all and called on the ILO to undertake action to support the development and implementation of policies in that direction. Based on the consensus reached by governments, employers and workers at the International Labour Conference in 2001, the ILO launched the “Global Campaign on Social Security and Coverage for All” in June 2003. The Campaign aims both to develop awareness and to achieve universal access to health care as well as basic income security for all, with concrete improvements in coverage for as many countries as possible. The ILO is currently active in more than 40 countries in the context of the Campaign, with particular emphasis on developing new mechanisms, especially community-based health insurance systems, to reach poor and excluded groups in the informal economy, as well as low-income formal economy workers. Knowledge is being developed to support technical cooperation by collecting and disseminating examples of good practice. The Campaign encourages the formation of broad partnerships, so as to mobilize key actors at the national and international levels.

Progress has also been made on the protection of migrant workers. A 1999 general survey on ILO migrant workers instruments led the way to a fresh approach. After examining the report, *Towards a fair deal for migrant workers in the global economy*, delegates to the 2004 International Labour Conference reached consensus on a plan of action that includes development of a non-binding multilateral framework for a rights-based approach to labour migration.

The ILO has also been very active in addressing HIV/AIDS. A Programme on HIV/AIDS and the world of work has been set up and an ILO Code of Practice developed. The objective is to raise awareness on the economic and social impact of the epidemic, to fight against discrimination and stigma, and to help governments, employers and workers support national efforts to prevent the spread and reduce the impact of HIV/AIDS. The ILO joined forces with other UN agencies in becoming a cosponsor of UNAIDS in 2001.

In the period following the Millennium Declaration, the ILO also expanded its body of Conventions and Recommendations on other topics addressed by the Copenhagen Social Summit. The International Labour Conference adopted new Recommendations on the promotion of cooperatives (in 2002) and on human resources development and training (in 2004). A revised Convention on maternity protection, adopted in 2000 in the context of the promotion of gender equality at work, has come into force and is being promoted on a priority basis alongside earlier Conventions on the elimination of discrimination, equal remuneration and workers with family responsibilities. In addition, in 2001 the first ever Convention and Recommendation on safety and health in agriculture were adopted as part of action for decent work for this large group of workers.

Second, the ILO put increasing emphasis on the need to build employment and decent work goals and instruments into national strategies for poverty reduction.

The contribution of the decent work agenda to poverty reduction strategies was highlighted in the Report of the Director General to the 2003 International Labour Conference, *Working out of poverty*. That report reemphasized the centrality of poverty reduction in the ILO’s mandate, and showed how action in many domains of ILO work – from labour
market policy to the promotion of cooperatives, from gender equality to community-based social protection systems – plays a key role in the construction of comprehensive poverty reduction strategies.

In many of the poorest countries, this has meant involvement in the PRSP process. The PRSPs needed to reflect the central role of work and employment in achieving poverty reduction goals. For just as the MDGs had failed to adequately reflect the critical role of employment, so too the PRSPs. There was an assumption in the development of the PRSPs that growth would in due course create the jobs that were needed – an assumption that was belied by the experience of the previous 20 years. In an increasing number of countries, ILO work has now led to an increased emphasis on employment creation and decent work in action to achieve national poverty reduction goals or national targets derived from the MDGs. Moreover, ILO work has shown that social protection, and in particular access to health care, plays an essential role in the productivity of employment as well as in the prevention and reduction of poverty. ILO work also demonstrated how important it was for workers’ and employers’ organizations to be associated with the development of national poverty reduction strategy, where they play an essential role in policies for enterprise growth and job creation. Collaboration with the Bretton Woods Institutions in this process has become closer as the scope of this work widened.

Among a large number of initiatives and activities to put these ideas into practice, one recent one should be highlighted because it concerns commitment 7 from the Social Summit on the development of Africa and the LDCs. In Ouagadougou in September 2004, the African Union organized an Extraordinary Summit on Employment and Poverty Alleviation, with support from ILO and other multilateral organizations. Heads of State from the AU countries adopted a Declaration and a Plan of Action, along with follow up mechanisms, aimed at reinforcing national and regional strategies to reduce poverty, and to strengthen action on employment as a key component of that strategy. The background documentation for this conference identified a number of success stories which demonstrated that progress is possible if the political will and the resources can be mobilized.

Third, the ILO responded to the challenge of globalization.

The ILO’s Working Party, whose scope has been expanded to deal not only with trade but with the wider question of the social dimension of globalization, acknowledged the importance of adequate responses to globalization if social goals were to be reached, and in late 2001 it agreed to the proposal of the ILO’s Director-General, Juan Somavia, to establish an independent World Commission on the Social Dimension of Globalization. The members of the World Commission, coming from all parts of the world, included the perspectives of international business, of civil society, of trade unions and academia, and of elected politicians. It was co-chaired by two presidents in office, President Halonen of the Republic of Finland and President Mkapa of the United Republic of Tanzania. After six meetings over almost two years, and drawing on large numbers of consultations around the world, the members of the Commission made a broad set of recommendations for change in the pattern of globalization.

The imbalances and disparities of globalization, as the Commission put it in its report\(^1\), were morally unacceptable and politically unsustainable. Indeed, there were dangers for global stability if the benefits not shared more widely. The Commission called for an ethical framework for the governance of globalization in which were embedded core

values such as respect for human rights, tolerance and diversity, accountability and democracy. There should be opportunity for all, and inclusion on terms which were fair. The responsibilities lay not only with States and individuals, but also with a range of social actors, among whom greater dialogue was needed to build solutions, replicating in some sense the intensive process of dialogue among the different perspectives found within the membership of the World Commission itself. Ultimately, the goal was a better integration of economic and social policies, and because of the importance of work and employment on the interface between economic and social outcomes, the Commission called for decent work to become a global goal.

The recommendations of the Commission called for improvements in governance at all levels. It was necessary to “begin at home”, addressing the needs and capabilities of States, enterprises and people. Education and decent work were key instruments if the global economy is to deliver on people’s aspirations, rather than leaving them to be steamrolled by global forces. But globalization will still not deliver for people if the rules of the global economy are not fair. The Commission called for fair rules for trade, finance and investment, intellectual property, migration and labour standards. It made the case not just for a level playing field – patently not the case at the moment in some important domains - but for greater positive action in favour of low income countries and disadvantaged groups within countries. Along with fairer rules, the Commission called for better international policies, starting with the obligation on all countries to respect commitments on official development assistance. For decent work to become a global goal, there was a need for greater coherence among multilateral organizations in their global economic, financial and social policies, and stronger institutions to embed social goals in the operation of global production systems. In this the Commission echoed the call of the Millennium Declaration for greater policy coherence.

Coherent action at the international level required more accountable institutions, both the institutions of the United Nations family and a range of other social actors. The Commission argued that international organizations should be more accountable to people, for instance through parliamentary oversight, and strengthened with adequate resources and more democratic structures. Stronger mechanisms were required to enable other important actors – business, trade unions, civil society – to play a more effective role.

For this wide range of recommendations to become reality, action was required at many levels. The basic principle which the Commission advocated was stronger dialogue and coordination among both national and global actors. The Commission called for a number of initiatives to promote dialogue and debate among all relevant public and private actors on the impact of globalization and the design of policy responses at all levels.

Since the Commission’s Report was released in February 2004 it has been widely welcomed. Support has come in the United Nations, from the Council of the European Union and the European Commission, at the African Union, among G-24 Finance Ministers and in a variety of other forums. The ILO and other multilateral organizations are exploring how to reflect its recommendations in their work, and the Report is providing an important baseline for debate on policy development and impact assessment at both national and international levels.

There is an important sense in which this Report fills a missing gap in the follow up to both the Social Summit and the Millennium Declaration. It draws attention to the importance of decent work and a fair globalization as instruments to ensure that the global economy delivers on development objectives and the aspirations of people. And precisely because it focuses on policies and instruments to achieve a fair globalization, and in particular on the central role of employment creation, decent work and social dialogue in that process, it offers ways by which action to achieve the MDGs can be strengthened.
Conclusion

Despite all of the efforts of the past decade, the global employment situation shows little sign of improvement. East Asian economies have recovered from the financial crisis, but even a return to economic growth leaves persistent problems of informalisation and exclusion. Latin American unemployment rates reached record highs in 2003, and while higher growth over the last year or two may have led to some improvement, the medium term outlook is uncertain. African employment problems remain grave. Success in reducing unemployment in Europe, both East and West, is uneven. A vicious circle of unemployment and inadequate work, insecurity, lack of respect for rights, poverty and violence remains the everyday reality for far too many people worldwide. Access to the benefits of the global economy remains highly uneven, and while in some places globalization helps to reduce poverty, in others it hinders it. Global production systems are growing rapidly, but they do not create enough jobs. It is these factors which cast doubts on the likelihood of achieving the basic MDG of halving extreme poverty by 2015.

To realize the ambitions of the Millennium Declaration and of the Copenhagen Declaration, there is a need for complementarity of action at national and international levels. The World Commission has highlighted ways in which governments, business, labour, parliamentarians, civil society and the international community can work towards a common goal of a fair and inclusive globalization, the essential foundation for social development today. It has also underlined the importance of making decent work a global goal, if social and economic objectives, and in particular rapid reduction of poverty, are to be achieved. There is a need for partnerships at all levels, and coherent action among the organizations of the multilateral system is particularly important for the achievement of global goals. That is why the ILO has already initiated action to follow up the World Commission’s recommendation that there should be a “policy coherence initiative” among multilateral organizations to develop better global policies to promote sustainable growth, investment and employment, and has engaged with other organizations in the youth employment network. The ILO stands ready to participate in wider partnerships in these and other domains of social development, to which it can bring the wide experience of its constituency of governments and workers’ and employers’ organizations, who between them constitute the key actors of the global production system.
References

1. **Reports of the Director-General to the International Labour Conference**


   Reducing the decent work deficit, 2001.

   Decent Work, 1999.


2. **Selected ILO papers and publications prepared for the Social Summit and its follow up**


   Record of proceedings of the informal tripartite meeting at the ministerial level on the follow-up to the World Summit for Social Development. ILO, Geneva, 1995.


The ILO website contains a range of documents and publications relevant to the follow-up to the Social Summit: see www.ilo.org.