

THE WORLD EMPLOYMENT PROGRAMME: PAST, PRESENT AND FUTURE

BACKGROUND PAPER for the 50th Anniversary of the Launch of the WEP

EXECUTIVE SUMMARY

This paper has been produced as background for an event to mark the 50th Anniversary of the launching of the World Employment Programme in 1969. It maps out the origins of the WEP in the 1960s, the key events of its heydays in the 1970s, and the challenges it faced in the 1980s. The paper was mainly prepared by Michele Sollai, with contributions from Michael Hopkins and Gerry Rodgers.

The origins of the World Employment Programme lie in the dynamics of international development in the 1960s. With decolonization came new priorities and perspectives. The UN system responded with the First Development Decade in 1961, the creation of the UN Development Programme in 1965, the UN Conference on Trade and Development and other actions. But there was widespread disillusionment about the results of the First Development Decade, centred on the growth of GDP, but which failed to bring broad socio-economic benefits.

The launching of the World Employment Programme in 1969 by Director-General David Morse, and its endorsement by the International Labour Conference, was the main ILO response to the strongly felt need for a new development paradigm. There had been increasing emphasis on employment in the ILO's work in the 1960s, including the adoption of the Employment Policy Convention, No. 122, of 1964. Now the ILO proposed the creation of 'fuller' and 'productive' employment as the way to combine economic growth with widespread social progress. This vision made the WEP, in a very short time, one of the leading players of international development in the 1970s.

The WEP was initially conceived as a global strategy to be implemented mainly through regional employment programmes. The regional focus of the WEP translated into the constitution of 3 programmes in the following years: the Regional Employment Programme for Latin America and the Caribbean (PREALC); the Asian Regional Team for Employment Promotion (ARTEP) and the Jobs and Skills Programme for Africa (JASPA). However, a review by two external consultants in 1969, Walter Galenson, Head of the Industrial Relations Department at Cornell University and Hans Singer, the renowned development economist who had recently joined the Institute of Development Studies at the University of Sussex, proposed that decision-making and research activities be mainly concentrated at the Headquarters, while there should be a country-by-country operational approach, involving inter-agency, comprehensive employment missions as the principal means of assistance to

national governments, with support from regional teams. This was broadly the framework adopted by the programme in the first half of the 1970s.

Initially the WEP was seen as a cross-office programme coordinated by what was then the Human Resources Department. But this arrangement proved to be unsustainable, and a dedicated Department was established in 1970-71. Morse gave responsibility for the WEP to Deputy-Director Abbas Ammar, who launched the initial activities, including the first comprehensive employment missions. He established the Employment Planning and Promotion Department (EPPD) and made the key appointment of Louis Emmerij – from January 1971 as Chief of Research and from early 1973 as Head of the EPPD – who led the programme in its early years.

The first three comprehensive employment missions to Colombia (1970), Ceylon (1971) and Kenya (1972) were the driving force for the take-off of the World Employment Programme in the early 1970s. The crucial contribution of the missions to the World Employment Programme was a coherent, ground-breaking approach that made employment the crux to understand and engage with the question of development.

The 1970 mission to Colombia was the first big ‘pioneer project’ of the World Employment Programme. The Director of the IDS Dudley Seers was chosen as the leader of the mission. The appointment of Seers, combined with Singer’s continued engagement, strengthened the ties between the IDS and the WEP and initiated a synergic relationship that soon became a central feature of the Programme. This mission was an inter-agency undertaking with the ILO as the principal coordinator. The main feature of the Report was the framing of an ‘integrated’ approach to employment, based on the consideration that an effective employment policy would need to include a broad range of reforms involving the whole structure of the society and economy of Colombia, including agrarian reform and income redistribution.

The second mission to Ceylon (now Sri Lanka) was also headed by Dudley Seers. Its report again argued the need for a wide-ranging policy shift on social and economic issues linked to the rise of unemployment in the country. It highlighted the mismatch between the opportunities offered by the labour market – mostly seasonal manual work in the fields – and the job expectations of its new entrants, mainly young, educated school leavers, and made a number of policy recommendations to reduce this mismatch.



The WEP mission to Ceylon, 1971. At the head of the table, Dudley Seers. On the right, among others, Richard Jolly, Louis Emmerij, Felix Paukert and R. Srivastava. On the left, among others, Peter Richards, John Sykes, Michael Lipton and Godfrey Gunatileke. Photo taken in the Taprobane hotel, Colombo. March 1971; courtesy of Peter Richards.

The third mission, to Kenya, was co-led by Hans Singer and Richard Jolly, continuing the IDS-WEP partnership. It was supported by Dharam Ghai, Director of the IDS in Nairobi and future head of WEP Research. Its report had an immediate impact, even greater perhaps than the Colombia and Ceylon Reports. The Report became a 'bestseller of the ILO' and a major reference for academic and non-academic activities. This was mainly thanks to the development of the key concepts of the 'informal sector' and 'redistribution from growth' and their integration into a package of policy proposals.

These missions were not without controversy, for the WEP had to deal with mounting protests by ILO constituents because of the missions' alleged neglect of their interests and contribution. It was also felt by some that the missions' proposals on employment were too extensive and provocative to find actual application in government policies. Nevertheless the missions led to a broad shift in mainstream development thinking, and to the blossoming of WEP research activities in the early 1970s.

The growing popularity of the comprehensive missions and the effective lobbying of Ammar and Emmerij made it possible to gather a substantial amount of external funding – mainly from UN agencies and Northern European governments – to finance research activities. The WEP soon became the catalyst for a prolific network of researchers that had a big impact on development thinking in the 1970s and well into the 1980s. Several major research programmes were started: on technology and employment, which worked extensively on technological choice and its employment impact; on population and employment, which developed a series of simulation models for policy evaluation; on urbanization and employment, which examined the links between formal and informal labour markets; on income distribution and employment, which examined the potential of income re-distribution as a means to tackle unemployment; on education and employment, following the findings of the Ceylon mission report; and on rural employment, which examined poverty, landlessness and agrarian structure. These programmes were largely staffed by young and highly motivated researchers, who had a great deal of freedom to develop ideas and publish results. There were many books and journal articles, and large numbers of working papers.

The basic-needs strategy launched at the World Employment Conference in 1976 represented the culmination of the first phase of WEP research and a watershed in its overall development. The idea to convene a 'World Conference on Employment and the International Division of Labour' originated in the WEP Research Branch in 1974, and was endorsed by the new Director-General, Francis Blanchard. The Chief of the Research Branch, Dharam Ghai, was the main organiser of the WEC under Louis Emmerij's overall direction. The Report to the conference was titled 'Employment, Growth and Basic Needs: A One-World Problem', and addressed the object of meeting the basic needs of the poorest through employment, growth and redistribution. Although subject to criticism from some participants in the Conference, the new approach was widely supported and led to the adoption of a 'Declaration of Principles and Programme of Action'.

There followed a period of enthusiasm for the basic needs approach to development in international agencies and some countries. But it rapidly became a polarising issue, for there was opposition in both North and South. In addition, there were financial strains due to the temporary US withdrawal from the ILO in 1977, a financial crisis in UNDP, and reduced extra-budgetary funding as a consequence of the global economic recession.

In the face of these challenging external conditions, the WEP framed a 'second phase' in the latter part of the 1970s that aimed to take stock of the first 'pioneering' years and apply

research results to operational activities. Research still continued to have a central role within the WEP, including expanded efforts on rural employment, women's work and poverty eradication. But the more radical and progressive strand of WEP research, protected in the earlier years, was now more exposed to criticism and pressure from the ILO's constituents, which curbed its breadth and freedom. External funding for research also declined. On the other hand, there was increased emphasis on labour-intensive public works and other short-term employment programmes.

Large-scale comprehensive employment missions were largely phased out in this period. And while the WEC's 'Declaration of Principles and Programme of Action' formally remained the guiding policy framework of the WEP, the focus on basic needs was in fact slowly set aside; the main exception was some important basic needs missions in Africa. Meanwhile, the regional teams, especially in Asia and Latin America, became an increasingly important part of the programme, with the development of autonomous research activities, and notable contributions to debates on trade and employment, on the informal sector and on the social consequences of neo-liberal policies.

In the 1980s, the debt crisis, economic recession and structural adjustment, combined with an ideological shift towards deregulation and privatisation, represented a formidable challenge to the WEP's core assumptions and priorities. In 1982 an internal review of the WEP suggested a reorientation of activities away from the basic needs approach, and the identification of some new priorities. This included a shift towards more – and more short-term – operational activities, an attempt to address the problem of rising unemployment in industrialised countries, and research into gender inequality, the employment effects of labour market flexibility and access to labour markets by 'vulnerable groups' (women, youth, older workers). Work on income distribution came to an end, work on technology and employment planning was restructured, and work on the informal sector expanded, especially in PREALC. But in the end, this did not amount to a new 'comprehensive' approach. The activities of the Employment and Development Department started being referred to less and less as part of a common World Employment Programme.

In addition to the disconnect among WEP projects, the goal of greater complementarity between Headquarters and regional employment teams was hardly realised. In fact, the regional teams were not, or only marginally, involved in the re-orientation of WEP research priorities.

Starting in the mid-1980s, the inclusion of employment targets in structural adjustment policies became a core theme of the World Employment Programme. This gave rise in 1987 to a 'High-Level Meeting on Employment and Structural Adjustment', and a cross-office programme of research on the subject. Although this did not provide a common denominator for WEP as a whole, it did open up new possibilities to influence international development thinking and challenge the economic premises of the Washington Consensus, for instance through the inclusion of WEP objectives in the 4th UN International Development Strategy for the 1990s.

But the potential re-emergence of the World Employment Programme in the international arena was undermined by new ILO priorities and internal reform. In the early 1990s a new ILO structure dismantled the essential components of the WEP, namely its research programmes and the regional employment teams. The latter were merged into new 'multi-disciplinary teams' intended to facilitate the provision of advice and technical services to employers,

workers and national governments, but without the knowledge-based approach of the WEP. Work on employment continued, but took different forms.

The World Employment Programme was a unique undertaking in the ILO's history, and there are some important lessons from this experience, which can provide pointers for the future.

The first is the importance of research, knowledge and innovation. This provided legitimacy in a wider intellectual community, as well as bringing new ideas and approaches to policy formulation and implementation. It rested on partnership – the role of IDS, Sussex was critical in the early years – and the programme drew on a widening network of top-level academics and policy analysts. But over time this became more difficult, for it is not easy to maintain an open process of critical research in an organization built on a delicate balance between diverse interests.

The second is historical specificity. WEP was built on, and formed part of, an expanding agenda of international development in the 1960s and 1970s, which provided orientation for its work, and made it possible to raise substantial external funding. WEP's success reflected its central contribution to this emerging development agenda. Today the nearest analogue would be the growing concern with environmental and climate issues. Then in the 1980s, conditions changed, and the WEP was faced with declining external funding and a neoliberal onslaught which it was unable to resist.

The third is the connection to the rest of the ILO. The WEP was largely self-contained, and this was initially a strength because the WEP could build an autonomous approach. But ultimately it made consolidation within the ILO's work much more difficult, and generated opposition among some sections of the ILO's constituency. In addition, labour ministries did not manage the economic policies needed for employment creation, and employers and workers did not give the same priority to informal work and poverty. This was certainly a factor in WEP's ultimate demise.

The fourth was the relationship between headquarters and field. Initially the WEP was dominated by a vision built at headquarters, despite its focus on development. Later this was reversed, as regional teams built analytical competence and strong regional networks when the capabilities were declining in Geneva. But the synergy between HQ and field was weak. Stronger connections would have provided many advantages and improved the sustainability of the programme.

The fifth, and perhaps the most important, is leadership. The role of Louis Emmerij was fundamental in driving the WEP forward in the first half of the 1970s and he was preceded and supported by Abbas Ammar and of course David Morse. WEP was led from the front, and he and others provided important leadership in the early years of the WEP, notably Dharam Ghai and the heads of many research programmes and teams.

The WEP was a child of its time. In a period when conventional models were being overturned, conservative values challenged and hierarchy respected in the breach, the ILO succeeded in surfing the wave and creating something new. Of course, the employment problem persists today, but its character changes as new needs surface and old ones remain. Clearly, there is still a need for a World Employment Programme.

Annex: Chronology of main events of the WEP



