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ILO Summit on the Global Jobs Crisis
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Summary reports of the panel discussions

Global and regional coordination to address the jobs crisis

1. Panel 1 of the ILO Summit on the Global Jobs Crisis, held on 15 June 2009 and moderated by Mr Charles Hodson of CNN, addressed a variety of initiatives related to the coordination of national, regional and global responses to the job crisis. In particular, were these responses adequate to address the employment and social protection challenges posed by the crisis? Would they contribute to a sustainable development path? Were the necessary measures in place to address the needs of developing countries? Panellists included Mr Kgalema Motlanthe, Deputy President, South Africa; Ms Sudha Pillai, Secretary, Ministry of Labour and Employment, India; Mr Pascal Lamy, Director-General, World Trade Organization; Mr Vladimir Spidla, European Union Commissioner for Employment, Social Affairs and Equal Opportunities; and Professor Maria João Rodrigues, European Union Special Adviser on the Lisbon Strategy for Growth and Jobs.

2. Much discussion concerned the role and efficacy of the G20 Leaders' Summit on Stability, Growth, Jobs held in London in April 2009. Deputy President Motlanthe remarked that the Summit emerged as an informal but important forum for leadership in the current crisis. While there were obvious limitations with its format – his country, for example, was the only African nation represented – the Summit did allow for the voice of emerging markets to be heard and included other important players in the discussions, such as the New Partnership for Africa's Development. The Summit tightened global coordination and the ILO had an important leadership role to play in this process. Secretary Pillai stressed that the language of the G20 was also the language of the ILO. Jobs created wealth and jobs should be at the heart of the recovery process. The ILO had long advocated policies that protected the most vulnerable, were family friendly and contributed to skills development and job-rich growth, while at the same time reflecting different stages of national development. Maintaining access to credit for small and medium-sized enterprises was also critical, as was promoting green jobs. A representative of the Government of the United Kingdom remarked that there were three main contributing factors to the success of the G20 meeting. First, there was wide recognition of the need to focus on protecting the most vulnerable and poorest segments of society. Second, there was a shared understanding of the need for a global response, taking into consideration that policies had to be tailored to national circumstances. Finally, the Jobs Conference convened by the United Kingdom in advance of the Summit had reinforced the centrality of employment in recovery plans.

3. With regard to coordination among multilateral institutions, WTO Director-General Lamy noted that he and ILO Director-General Somavia had established a strong working relationship. Both their institutions were striving to ensure that the social dimension was not neglected in trade negotiations. However, it was important to recognize that the real power within multilateral organizations lay with member States. Before there could be coherence in global policy responses, there needed to be coherence in domestic policies. Member States could not have policy messages that varied depending on which institution they were dealing with. Recognizing the tendency to protect national markets during times of economic recession, Mr Lamy stressed that national protectionist measures would on the whole be counterproductive as they were likely to be duplicated by other nations and harm export industries, where many highly paid jobs were concentrated. The overall net impact would be negative. Furthermore, in developing countries where few workers were covered by social security schemes, it was crucial that an open trading system be maintained to support job growth and development. He expressed confidence that the Doha Round of negotiations would ultimately be successful, despite the current slowdown due to the crisis.

4. Commissioner Spidla commented on the continuing efforts of the European Union to provide policy coherence in response to the crisis across Member States. Efforts focused on saving existing jobs through, for example, improved access to credit or shortened work schedules in enterprises experiencing temporary slowdowns; promoting education and skills for moving to the knowledge economy; and ensuring access to the labour market and social protection for the most disadvantaged. Given the disproportionately high rate of youth unemployment, the EU jobs strategy aimed to increase the number of young people in apprenticeships and trainee programmes. Particular attention needed to be paid to the gender dimensions of the crisis. Mr Spidla concluded by emphasizing the important role of the social partners in designing and supervising recovery plans, and affirmed the EU's commitment to the Decent Work Agenda.

5. Professor Rodrigues, in response to a question concerning the progress of the EU Lisbon Strategy, noted that job growth had been strong in the period preceding the crisis and that the original messages of the Strategy remained valid. These included investing in education and skills to benefit more fully from advances in technology, promoting active labour market policies and supporting macroeconomic growth. Nonetheless, the crisis necessitated some shifting of priorities to preserve existing, viable jobs through fiscal support measures. Finally, for global policy coherence to become a reality, there needed to be a commitment by all leaders, not just those of the G20, to a strategy of job-rich growth, and coordination among UN agencies, the Bretton Woods institutions and various segments of civil society should be improved.

6. There was broad recognition that the root causes of the crisis rested with poorly regulated financial systems and inadequately managed financial institutions. Professor Rodrigues stated that the first priority was reform of the financial system. The focus should be placed on long-term investments, particularly in supporting internal market growth in developing countries. Deputy President Motlanthe added that restoring trust in financial markets was an important first step in the recovery process. A number of comments from the floor centred on the conditionalities imposed by the World Bank and the International Monetary Fund to access credit and how these had impeded sound social and economic responses in the past.

7. There was general agreement among the panellists that the policies of the Washington Consensus had failed and that a new development paradigm was needed. Secretary Pillai stressed that her delegation was pleased by the G20 Summit Declaration because of its focus on core ILO values and the need for enhanced regulatory frameworks. The G20 Declaration had confirmed the need to bolster overseas development aid, an issue of great importance for developing nations that aimed to strengthen their economies. Now was the

time for leaders to translate the objectives of the G20 Declaration into concrete proposals and programmes and to establish a spirit of solidarity to ensure that a new development paradigm came into being. Otherwise, there was a risk that "old habits" would return after the recovery was under way. Sir Leroy Trotman, Worker Vice-Chairperson of the ILO Governing Body, remarked on the special challenges faced by countries whose economies were reliant on a single commodity. Efforts should be made to diversify production. There was broad consensus among the panellists that the Decent Work Agenda and the Global Jobs Pact were key instruments for a sustainable recovery, providing the foundation for long-term economic and social development.

Coordination, development cooperation and the global jobs crisis

8. Panel 2 of the ILO Summit on the Global Jobs Crisis was held on 16 June 2009, with the members of the Panel addressing the role of development cooperation in responding to the global jobs crisis. Key questions that were discussed included the following: Is the economic system itself in need of fundamental reform, or merely modification? What measures are needed to respond to the crisis, and what should be the role of development cooperation in delivering them? Can development cooperation be properly coordinated and made both transparent and participatory? What changes are needed in the architecture of the current model of international development cooperation, and within the principal institutions themselves? The discussion was moderated by Mr Paranjoy Guha Thakurta, and included as panellists Ms Sharan Burrow, President of the International Trade Union Confederation (ITUC); Mr Yogendra Kr. Modi, Chairman and CEO, Great Eastern Energy Corporation Ltd (India); Mr Eckhard Deutscher, Chairperson of the OECD Development Committee; Mr Kemal Dervis, Vice-President of the Brookings Institution; Ms Alicia Bárcena, Executive Secretary of the Economic Commission for Latin America and the Caribbean, and Mr Marco Farani, Director of the Brazilian Agency for Cooperation.

9. A principal topic of discussion was the need to reconsider the prevailing orthodoxy on economic development, with its emphasis on measurable GDP growth as the primary indicator of progress. Mr Dervis focused on the supposed links between economic growth and expansion in employment opportunities, which were fundamental to improved well-being. On the one hand, as he noted, the link was evident, with China, for example, indicating a need for 8 per cent growth in order to create enough jobs for its people. On the other hand, a key problem was that employment elasticity had declined over the previous ten years creating a gap between growth in GDP, on the one hand, and growth in jobs and wages on the other. That was happening in a number of countries, notably the United States, where the return to labour had stagnated. Despite productivity growth of more than 3 per cent before the crisis, the average real income of American families had not increased. In that context, the panellists directly addressed the continuing viability of global economic and financial systems as they had operated to date. They expressed divergent views. Ms Burrow argued strongly that the world should not be trying to go back to "business as usual", whereas Mr Modi noted that the world's economic and financial systems had in recent decades delivered significant growth and, more importantly, wealth to many people around the world. Given the contradictions and tensions that had been mentioned, Ms Bárcena argued that a political pact was now needed to develop an analytical framework for development that was not synonymous with growth.

10. Panellists agreed, however, that, in the current context, job-creation measures must form an essential element of policy responses to the crisis. Many panellists congratulated the ILO on its efforts to develop a Global Jobs Pact, and urged that both the Pact and the ILO itself be given prominent roles in international efforts to coordinate policy responses to the crisis. Ms Burrow cited the ILO's important track record in that area, including among other things the report of the World Commission on the Social Dimension of Globalization, the Global Employment Agenda and the Social Justice Declaration that was adopted by the International Labour Conference in 2008.

11. Promoting employment, however, was likely to require many changes in the short, medium and long term. Mr Modi reminded the audience that the current crisis was a crisis *in* the financial system, not *of* the system. Lack of access to credit was the critical factor in accelerating the impact of the financial crisis on the real economy. Moreover, enterprises were simultaneously affected by sudden falls in demand. So, while it was essential to re-examine the functioning and structure of global financial systems, that must not come at the expense of restoring and then maintaining the level of financial liquidity that was essential to enterprise establishment and sustainability, and ultimately job creation.

12. A key issue then was whether and, if so, how, to reshape national and international regulation of economic and financial markets. On that question, the panellists again had differing opinions about the extent to which the balance between the market and the State needed to shift. Ms Bárcena argued that we were now moving from a paradigm of market supremacy to one which emphasized a new role for the State, and Ms Burrow agreed that there was an urgent need for a better balance between the market and the State. For his part, Mr Modi stressed the importance of the role of the State in governing the market in the most effective possible way, including by regulating to establish a business-enabling environment. He urged States not to adopt measures that could be counter-productive and, in particular, not to implement more regulations, but rather to focus on creating the right regulations, which should be developed on the basis of consensus. Any new approach to regulation should strive to come closer to equilibrium between the State and the market.

13. But the question of how best to restore and maintain financial liquidity did not depend solely on the regulatory architecture or the possible need for a redesign. First and foremost, it was a matter of restoring the flow of funds. Here the role of development cooperation was vital. Obviously, the international financial institutions were already acting in that respect. The World Bank had its Vulnerability Framework and its Rapid Social Response Fund, and the IMF had embarked on an increased lending programme. Panellists agreed, however, that there was a pressing need for significant reforms to international development cooperation.

14. Mr Deutscher stressed the importance of international donors meeting their commitments to increase their levels of overseas development assistance, so as to make good on promises made at the London G20 meeting and on earlier occasions, including at Gleneagles. The continued failure to meet those commitments raised questions of political credibility. That problem was only exacerbated by the fact that many of the major international donors that were failing to fulfil their obligations continued to exercise the lion’s share of control within the Bretton Woods institutions. In that respect, Mr Deutscher and Mr Dervis agreed that reform of the governance structures of those institutions was essential, so as to promote a greater sense of trust in the agencies among developing countries. The greater question, however, was the extent to which the development paradigm itself kept developing countries in the role of less than equal participants in the process, merely by reason of the development challenges they presently faced. Those challenges had been exacerbated by the current crisis.

15. Both Ms Bárcena and Ms Burrow argued that the Bretton Woods institutions must reform their policy prescriptions, and in particular that they should move away from loan conditionality relating to economic and social policy. Mr Farani affirmed that it was essential to put social questions on the national and international political agenda. Mr Dervis observed that one of the significant problems with prevailing thinking on development was that, until recently, the employment dimension and the social dimension had really only been considered in parentheses, rather than as integral to international efforts to promote development and growth.

16. The debate on the policies of international institutions also touched on the need for balance between coherence in development cooperation and flexibility in pursuing development goals. Mr Deutscher remarked on the desirability of practical coordination among the institutions and personnel working in the development cooperation field and, more significantly, on the need for coordination of development policy both on its own terms, and also in relation to other areas of policy. For example, it was not sustainable to attempt to promote agricultural development in the global South while at the same time maintaining subsidies for producers in the North and effectively preventing access to markets.

17. Ms Bárcena emphasized the importance of a policy environment with sufficient flexibility to enable States to design their economic policies around national priorities. Among other things she noted that it was those States that had adhered most closely to the Washington Consensus – those whose economies were most oriented to export markets – that had suffered first and most severely in the current crisis. Ms Burrow agreed that States needed to develop their own approaches to economic development, so as to promote strong national economies capable of participating in an open global trading system. For the ITUC, the essential policy goal must be to develop strong national economies that rely on domestic demand. That in turn required the economic space to provide adequate minimum wages and social protection, bolstered in turn by collective bargaining that could protect against deflationary wage spirals as well as effective social dialogue that could be a key tool for ensuring enterprise sustainability. Mr Dervis also remarked on the importance of wages and of reconsidering basic economic assumptions about how wages were and should be set. As he noted, recent thinking on how wages were established economically emphasized the role of fairness and the impact of the relative bargaining power of the parties.

18. Panellists agreed that social dialogue and a vibrant civil society were essential elements of the international development framework. Mr Deutscher strongly emphasized the importance of trade unions having space to engage directly with international institutions, in order to press the importance of economic and social policy. Ms Bárcena and others pointed to the key role that civil society could play in keeping up pressure on donors and institutions to make good on their undertakings, ensure coherence and, more broadly, in making international development agencies transparent and accountable.

Managing the national jobs agenda in times of crisis

19. Panel 3 of the ILO Summit on the Global Jobs Crisis was held on 16 June 2009. The distinguished members of the panel addressed the issue of how to manage and promote a national jobs agenda at this time of crisis. The panellists explained the key challenges facing their countries, which include falling commodity prices and plummeting demand. For those coming out of political and social crises that predate the current global financial crisis, there are pressing demands – including the need to demobilize and to repatriate ex-combatants, and to resettle returned refugees. The panellists outlined the measures that their countries have taken to respond to the crisis: many have insisted on measures to preserve jobs and to maintain social protection, together with investments for the longer term in education, health and infrastructure. A number of countries have adopted new national policies, including through institutions and processes to facilitate social dialogue. The discussion was moderated by Mr Charles Hodson, CNN, and included as panellists Mr Goodluck Ebele Jonathan, Vice-President of Nigeria; Mr Stephen Kalonzo Musyoka, Vice-President of Kenya; Mr José Luis Guterres, Vice-Prime Minister of Timor-Leste; Mr Kgalema Motlanthe, Deputy President of South Africa; Mr Rafael Alburquerque de Castro, Vice-President of the Dominican Republic; and Mr Yves Sahinguvu, Vice-President of Burundi.

20. Most of the countries represented on the panel face similar challenges as a result of the global financial crisis. Nigeria, for example, is a major oil producer and exporter, but has suffered from the dramatic fall in oil prices brought on by the current crisis. South Africa's diamond, gold and platinum mines have all been affected not only as a result of falling prices, but also because of lower demand. Indeed, the interlinked nature of the global economy has exacerbated problems of reduced demand for some commodities. In South Africa's case, for example, the global downturn in the automotive industry – which itself affects the country – has also led to a fall in demand for platinum. As His Excellency the Vice-President of the Dominican Republic pointed out, the falls in commodity prices and revenue have in turn led to fiscal deficits, and thus to difficulties in creating jobs and ensuring social protection.

21. The global loss of employment has had an impact on the incomes of Nigeria, the Dominican Republic and Kenya, because of steep falls in remittances from their respective diasporas. Both the Dominican Republic and Kenya have experienced significantly reduced income from tourism, while Burundi has felt the flow-on effect of the crisis as the level of international aid has been reduced. Moreover, as Vice-President de Castro noted, many countries are affected by the reduced capacity of international financial institutions. The recent call for recapitalization of the Inter-American Development Bank has only emphasized the urgency of the demands.

22. A key issue is that many countries were already experiencing significant difficulties *before* the impact of the current crisis. Burundi, for instance, had a weak domestic labour market. Nigeria was also faced with significant underlying structural obstacles. Although this country derives significant revenue from oil, it has a very large population – some 140 million people – which considerably impedes its efforts to spread economic and social development.

23. Burundi and Timor-Leste similarly continue to face the myriad challenges posed by being post-conflict countries. In the case of Burundi, there are some 80,000 ex-combatants to be reintegrated into society. In addition, the country is attempting to resettle large numbers of refugees: 100,000 in 2008 and 40,000 in 2009. For its part, Timor-Leste is continuing to grapple with the aftermath of its own path to independence, which included the need to assist some 100,000 internally displaced persons. In both countries, the arrival of the global financial crisis obviously has the potential to have even more significant effects than might otherwise be the case. Burundi has even had to stop implementing employment initiatives supported by international finance and targeted at ex-combatants. This raises the question of whether those former fighters will return to what they were doing before the peace settlement. It is therefore no exaggeration to say that, in some countries, the global financial crisis poses a risk to fragile peace settlements, and could easily reignite conflicts that have only recently been resolved.

24. Faced with these challenges, the countries represented on the panel have implemented measures to try to inject a level of dynamism into their economies, and to preserve existing jobs and levels of social protection. The Dominican Republic aims to improve financial liquidity by cutting interest rates on short-term loans, and would like to spend over US$300 million on agriculture, construction and SMEs – on the grounds that there can be a significant multiplier effect to stimulate broader demand in these sectors. Burundi has also taken steps to promote growth in the SME sector by improving the legal and fiscal environment within which these enterprises operate. For its part, the Dominican Republic has established a specific fund to preserve and create jobs. It has focused in particular on the textiles sector, especially in export processing zones, offering a credit of US$100 for each worker retained. In the tobacco industry, the Government is paying 50 per cent of the salary of some laid-off workers, as well as covering pension contributions and offering debt forgiveness. In addition, the national Government has a programme to spend some US$200 million through microfinance to stimulate growth, and is working with local government to develop labour-intensive employment opportunities.

25. A number of countries have tried to maintain or even to improve their social protection programmes. Nigeria has adjusted the way in which it offers subsidies on electricity and petrol in order to ensure that it is successfully targeting those most in need. Timor-Leste is pursuing a policy of providing pensions to the disabled and the elderly which benefits around 70,000 people. It also subsidizes food costs, drawing on money in a major fund that was established to help guarantee the country's security. In the Dominican Republic, the Government considers increased social protection measures to be an essential pillar of its package of responses to the crisis. It has maintained and enhanced its health-care system for those earning less than US$300 a month. Burundi has insisted on providing health care for all children up to the age of 5 years, and for all pregnant women. And Kenya has set up a priority foundation for women.

26. The Dominican Republic has established a programme of transfers to those working in the informal economy. Under this initiative, some 460,000 homes, or about 2 million people, are eligible to receive cash transfers that are conditioned on key social protection initiatives, including requirements to have children vaccinated and to send them to school, and to make social security payments. The Government also has a programme for those in extreme poverty, which provides a credit that can be used for fuel and power costs. This, in turn, has the added benefit of being an environmentally friendly measure.

27. The countries represented on the panel also reported on their efforts to address and overcome some of the underlying challenges they face, and to improve the basic structures of their economies. Nigeria, for example, is seeking to diversify its economy away from its reliance on oil production. Among other things, it plans to spend some US$2.1 billion to stimulate commercial agriculture, and to encourage the development of industry in the area of solid minerals. At the same time, Nigeria sees a need to restructure its education system to put a greater emphasis on the development of skills. Burundi also wishes to keep investing in education and training. With international assistance, it has been conducting important programmes to lift children out of poverty and away from the risk of participating in the worst forms of child labour, and to reintegrate former combatants and returned refugees. In the case of both these groups, Burundi is able to offer participants a choice of schooling, vocational training or assistance to develop small-scale enterprises. It has also persisted in its goal of building enough schools to ensure primary education for all its children and, in this respect, despite, rather than with, the assistance of the IMF.

28. Investment in infrastructure has continued. Kenya has devoted some 140 billion Kenyan shillings to infrastructure development, with an emphasis on projects that will also be labour intensive; and infrastructure development is one of the key components of a seven-point plan being implemented in Nigeria. South Africa has found its investment in major infrastructure to be an effective counter-cyclical measure, aided by the fact that its investment in this area began before the onset of the crisis, as part of the country's planning to host the 2010 FIFA World Cup.

29. South Africa is one of several countries to have achieved significant results by developing its crisis response policies through institutions and processes of social dialogue, including through its National Economic, Development and Labour Council (NEDLAC), which has separate chambers for business, civil society, government and workers. Through social dialogue and tripartism, South Africa has been able to ensure that, where job losses have been unavoidable, they have been implemented as responsibly as possible, including by selecting those workers closest to eligibility for retirement, and by developing retraining programmes. The Dominican Republic has also organized a Summit of National Unity for representatives of business, civil society, government and workers, with the goal of reaching mutual agreement on appropriate measures to preserve jobs and to ensure adequate levels of social protection. For its part, Nigeria has adopted a National Employment Action Plan, and established a social dialogue council.

Rights at work, social dialogue and enterprise survival in times of crisis

30. Panel 4 of the ILO Summit on the Global Jobs Crisis, held on 16 June 2009 and moderated by Mr Paranjoy Guha Thakurta, addressed the concern that the global economic crisis might exert downward pressure on wages, working conditions, labour standards and rights at work. Key questions focused on how countries and the tripartite constituents could ensure that labour standards and working conditions would not be eroded during the crisis. What were the lessons learned in terms of tripartite dialogue and other consultative mechanisms in shaping effective solutions at sectoral and enterprise levels, and what were some specific successful measures that had been implemented so far?

31. Panellists included Ms Hilda Solis, Secretary of Labor, United States; Mr Wiseman Nkuhlu, President of the International Organisation of Employers (IOE), South Africa; Mr Michael Sommer, President, Confederation of German Trade Unions (DGB); Mr Carlos Tomada, Minister of Labour, Employment and Social Security, Argentina; Ms Aisha Abdel Hadi, Minister of Manpower and Migration, Egypt; and Mr Javier Lozano Alarcón, Secretary of Labour and Social Welfare, Mexico.

32. The global financial and economic crisis had hit all countries hard but some more severely than others. Secretary Solis noted that the unemployment rate in the United States had reached a historic high of 9.4 per cent, with even higher rates among some communities of colour. Minister Tomada and Secretary Alarcón described how previous financial crises in Argentina and Mexico, respectively, had prepared their countries to respond more effectively to the current global crisis. The answer lay in a strong foundation of social dialogue, tripartism and democracy. Reflecting on the huge differences in the capacities and resources of developing and developed countries in mitigating the impact of the jobs crisis, Minister Abdel Hadi called for international solidarity and stronger support for countries such as Egypt, where the crisis was hitting women, youth and migrant workers disproportionately hard.

33. The panellists welcomed the Global Jobs Pact. Countries everywhere were essentially pursuing common avenues out of the crisis. These included, but were not limited to: (a) active labour market policies, which involved, for example, boosting employment services and developing temporary employment schemes; (b) economic stimulus measures that included support for distressed industries such as car manufacturing, the extension of affordable credit to small and medium-sized enterprises, investment in new infrastructure projects and green jobs to stimulate growth and job creation; and (c) efforts to strengthen social protection while stimulating consumption, for example, by extending social security benefits, providing additional support to unemployment insurance schemes, and providing income transfers or other targeted support for the most vulnerable groups.

34. Domestic measures alone, however, would not be sufficient to mitigate the impact of the global crisis. Protectionism was not an option. Each panellist highlighted the need to get the global economy going again, while tackling economic and social issues in parallel.

International cooperation and closer policy coordination with the World Bank and the IMF were indispensable. There was a need to share good practices and experiences among countries through global public goods, such as a global web portal and the tools provided by the ILO.

35. The global economic crisis offered an important opportunity to correct systemic market failures and introduce stronger systems of governance, regulation, accountability, transparency and democratic oversight. IOE President Nkuhlu called for a more balanced approach with the participation of labour, businesses and governments jointly shaping national and international responses to the crisis as well as sustainable national development strategies for the future. Other crises would arise, said DGB President Sommer, due to climate change or poverty and, as with the current jobs crisis, solutions could only be found by working together.

36. While flexibility was needed, there could be no reversal in terms of the individual or collective rights of workers. There was broad agreement that respect for human rights, the environment and international labour standards must be guaranteed. The crisis must not be an excuse to lower standards and destroy jobs, said Minister Tomada. Secretary Solis stated that she was currently restructuring the US Department of Labor. Six hundred and seventy new inspectors would help to ensure that the safety and health of workers was protected and that no outright exploitation or abuse of workers was tolerated. Minister Abdel Hadi agreed that workers must be protected and standards applied.

37. All panellists stressed the need to invest in people and to put women and men at the centre of policy-making in times of crisis. All States throughout the world should place the individual at the centre of public policy-making, said Secretary Alarcón, highlighting how the influenza pandemic had heightened awareness of the importance of people's health in relation to the economy. Secretary Solis and Minister Abdel Hadi in turn highlighted the need for education, skilling and training of young women and men to prepare the new workforce for the future. Minister Tomada mentioned the risks of a growing informal sector and the danger of not providing women and young persons with access to, and equality in, the labour market.

38. The current crisis did not mark the end of globalization, said DGB President Sommer, but offered the opportunity to shape it in a more social manner. While pre-eminence had been placed on market forces and the interests of investors, added IOE President Nkuhlu, we now had to ensure balance with the interests of the real economy and society at large. All panellists focused on the need for job creation, productive employment and decent work, and IOE President Nkuhlu singled out the important tools and policy instruments concerning sustainable enterprise development that the ILO and its tripartite constituents had developed in this regard.

39. The ILO should join the G20 negotiations, said Minister Tomada, not only because of its unique tripartite structure, but because it represented the real economy built by workers and employers around the world each day. He hoped that Secretary Solis could help to ensure the participation of the ILO in the next G20 Summit in September in the United States. Minister Abdel Hadi emphasized that G20 leaders should not lose sight of the social dimension of the financial and economic crisis, while DGB President Sommer expressed serious doubt as to whether the G20 countries would follow up on their promises to focus on jobs and decent work if the ILO and its constituents were not represented.

40. The panel discussion highlighted the key role that social dialogue could play in addressing the problems of the global financial and economic system. This was not just a problem of the system, said Minister Tomada, but also a problem of bad ideas. Solutions for the future must be found together, said DGB President Sommer, in a way that put our common values and the rights of workers to the fore. Social dialogue could no longer be reduced to ad hoc consultation, insisted IOE President Nkuhlu, it had to be institutionalized. Continuous dialogue with workers and employers must become a central part of sustainable enterprise development and policy-making. Social dialogue was key, said Minister Abdel Hadi, and had helped Egypt generate positive results. Real social dialogue, added Secretary Alarcón, brought together the social partners as allies, not antagonists. Tripartism needed to be fostered in all our institutions. Secretary Solis stated that she supported collective bargaining, and demonstrated her openness to social dialogue with her closing remarks: "I am here as part of the new Administration – we are not trying to dictate, but are here to listen and learn."

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