

# Future of the international labour question from the inside looking out

by Leon Fink and John D. French

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SENSING THAT A NEW ERA in global labour history -- like it or not -- was upon us, we attended the June 1993 annual conference of the International Labor Organization (ILO, officially, the 80th session of the International Labor Conference) in Geneva, Switzerland. Aside from the well-documented formal proceedings, these annual gatherings of delegates from 130-plus member countries -- each represented by a tripartite delegation of labour, business, and government officials -- provide an exceptional forum to assess the state of labour relations and worker welfare around the world. In addition to the regular delegations, the proximity of the conference to the international offices of the major trade union federations (officially, the International Trade Secretariats, or ITS's), mostly centred in Geneva, offers the student of contemporary labour affairs an especially rich set of contacts. (1)

The atmosphere at the 1993 ILO conference was notable for the air of uncertainty which hung over the proceedings. Uncertainty about the future of the ILO in a post-Cold War world. Uncertainty among "northern" trade unionists about the strategies for protecting earlier gains amidst a global capitalist shift of investment towards cheaper "southern" labour. Could a combination of international statutory regulation, trade sanctions, and trans-national labour solidarity again put a floor under meaningful, minimal "labour standards?" For the United States' delegates, in particular, the demise of the Communist menace had clearly had a centrifugal impact: business, labour, and governmental voices, once united in an effort to blunt Soviet-bloc "mischief" in the convention-setting agenda of the international body, now openly split over the very need for trade unions within the nation's post-industrial future. (2) Overall, it was hard to escape the conclusion that a new era of world-wide social conflict was opening on the labour front.

What follows is a snapshot of our conversations, an edited synopsis of interviews at the ILO combined with one subsequent interview with Canadian Autoworkers' official, Sam Gindin, following the signing of the North American Free Trade Agreement (NAFTA) between Canada, the US, and Mexico. We have chosen four themes for emphasis: Perceptions of the Global Economy, Policy Dilemmas Facing the ILO, Trans-National Strategies and the Labour Movement, and Intellectual Activists and Labour History.

Global Economy

Dan Galeen, General Secretary of the International Union of Foodworkers and Labour Delegate to the ILO: What is sinking in at the present time is something that we have been seeing for years but nobody has actually realized the implications of what we were seeing, and actually it hadn't been happening at the same speed and the same depth as it is happening now. Now we really have a global economy and, consequently, we have a global labour market. And that means in practice that workers in industrialized countries are competing in the same labour market with Chinese workers, Brazilian workers, Mexican workers, Indonesian workers, and so forth, who are working for nothing.

This means that downward levelling is about to take place. The instrument through which this is happening is massive and permanent unemployment in industrialized countries. Of course, unemployment has always been an endemic problem in the third world. But here it is something new and it means pressure on the living standards, on the wages.

You cannot maintain a liberal democracy in a situation where you are imposing a descending spiral of living standard on the population, under the pressure of unemployment, and with the pressure of immigration. You have boatloads of Chinese arriving in California. The tensions in Western Europe about the Turkish immigrants in Germany, Nazi agitation, the National Front in France. Basically fascist movements are making capital all over the world out of this situation. This means closer border controls, closer immigration controls, restrictive laws on refugees like in Germany, and eventually the civil liberties of the population itself are affected and not just of the immigrants or potential immigrants.

We are facing a dangerous and bleak situation. In comparison with that kind of problem, the labour movement is not sufficiently organized. We have not reached the point where we can face this. The task is two-fold. First of all, step-up the fight for democracy in industrialized countries and organize the third world. This is in effect what the trade secretariats are trying to do but in no way near a sufficient scale as yet. As a matter of urgency, we have to put ourselves in a position where we can do that job. In other words, organize the world. And for the first time in history, it has a real, very specific, concrete meaning; it is not an abstraction anymore.

Hans Engelberts, General Secretary, Public Services International: The biggest fear at the moment is the xenophobia that is growing. The roots are there again for fascists to take over with easy answers and political

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parties and populist solutions and so on. It is very dangerous that there is almost no confidence in politics, that there is no confidence in the management of society. And people turn away and so on. And that's when we have to turn around and say it can be managed in a proper way and we must have a hope for the future. I mean my parents always had a hope that I would be better off than they were. Nowadays what can we offer the young? Unemployment? We cannot accept that. The poverty in our world is bigger than it was ever before. We have to fight that.

Philip Jennings, General Secretary, International Federation of Commercial, Clerical, Professional and Technical Employees (FIET): Private services sector unions ... have realized that they had to look at their international work more, mechanistically and materially as well. Being with the ITS has become more than just a basic act of solidarity, it has become an act of necessity. After a number of cases of international solidarity in individual multinationals which worked, inevitably that had a spin-off effect and we asked "if it worked there, can it work somewhere else?" So there has been a change in approach .... Our understanding of the IMF and the World Bank is much more acute today than in 1980, we didn't have a debt crisis at that moment and we didn't see the impact of [structural] adjustment programs. Initiatives like the European Community have concentrated minds wonderfully. Because once people made a realistic analysis of what these initiatives were about -- free market and deregulation -- when they looked at the social achievements of these institutions, there wasn't much on the credit side .... As members work more and more for international institutions and they have been unable to resolve problems in their own country, [international activity] sort of picked up.

### II. ILO and Application of Labour Standards in Trade

Philip Jennings: The basic message of the ILO is ... the need to regulate labour markets, to overcome poverty with decent labour standards. Like Robert Reich mentioned [in an address to the 1993 General Conference of the ILO], the place of human rights, trade union rights, standard-setting, and giving an example of a civilized approach to labour relations is very important. It would be a disaster if it turned into some kind of technical ... U.N.-type organization.

James Burge, Vice-President of Government Affairs of Motorola Corporation and U.S. Employer Delegate to ILO: For the last decade, with the fall of communism in many member nations and with many developing nations becoming more developed, there is a tremendous opportunity for ILO to help those nations to create new

jobs by providing technical assistance in the area of developing a stronger economy and the training and development of the workforce. We are disappointed to see that the ILO continues to focus the lion's share of its budget on the development and enforcement of standards. I suspect that employers in general, not just the US employers, will argue that the rigidity of standards discourages capital investment that creates jobs in the first place. We have been unsuccessful so far in getting the shift of focus of the ILO to the degree that we think is necessary. There is some change. However, the primary mission of the ILO continues to be the development and enforcement of standards. We believe that standards should not be an end of themselves. Standards have an appropriate role to play. They [the ILO] should be a reference stock for technical assistance, but that the primary focus should be jobs, jobs, jobs. That's how you're going to work on poverty, that's how you're going to strengthen democracy. We continue to work with the ILO and the governing body on our recommendations for transition. There is some progress, but we think it should be accelerated.

The European Community [EC], which generally drives the ILO staff bias when they are drafting documents, assumes a social partnership. In Europe, unions have a right to organize. In the United States, employees have a right to choose. So therefore the power of unions derives from the choice of workers as opposed to being empowered legislatively as you find in most of the EC; UK being the exception. I think it's important for us as the largest economic power in the world to explain that there are different options in the way you approach labour relations with your employees.

I think [for example] that works councils will discourage capital investment .... It is our belief that if you form teams around natural production units where you can tap into the knowledge of the people who know the job best and empower them to make decisions on scheduling, on purchases of equipment ... and even deal with customers, that's a much more productive use of those resources. There are things under German law that US employers, and I think most employers around the world, view as management prerogative. The concern that I would have is that it becomes one that expands beyond borders. The EC is exploring multinational works councils; the concern that I would have is that the terms of conditions of employment in a developing country are not at a level that they might be in a more developed country. Let's say you have a company that has operations in Portugal and Germany and you have a European-wide works council. You can imagine what would happen--the European-wide works council would try to get the best features of each plan which would place you at a competitive disadvantage in

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Portugal. We think that the terms of conditions of employment, rather than being harmonized across the borders, should be competitive with the terms of conditions of that given market-place. We have the same thing within the United States. The pay rates in Chicago are not the same as the pay rates in a Southern, small community, nor is the expense of living.

Interviewer: Let's go back to the question of why Motorola feels it is important to have you in this position at the ILO. Is there anything special about Motorola?

Burge: We are a company with 105,000 employees and we operate worldwide without collective bargaining agreements. This is not because of an anti-union bias. It is what I would call a non-union preference. We feel that if we as management perform our responsibilities on behalf of our employees in a responsible way with good communication, fair pay in terms of conditions of employment, and rewarding work, the employees will continue to choose to deal directly with their management on a worldwide basis. We are strongly committed to the training and development of our employees, we are strongly committed to empowering employees to make decisions at the lowest possible levels. We have been a leader in the formation of problem-solving trainings that are empowering [employees] to make decisions at the lowest level possible. We find this is a tactic that works worldwide.

Charles Spring, U.S. Department of Labour and Member of Government Delegation to ILO: We have always felt that there is a strong need for a social safety net, a set of minimum standards before we would engage in trade negotiations .... Where we get hung up in our negotiations is the mechanism to apply those standards. Do we use carrots or sticks? Do we use sanctions or persuasion? The ILO is all persuasion; there aren't any sticks in the ILO. The biggest stick we have is finger-pointing against a nation that has violated and continues to abuse the ILO standards. We have always assumed that the free market has a net. [The net means] basic human rights conventions: no slave labour, no child labour, nor forced labour, freedom of association, right to organize unions and bargain collectively. Where we've gotten hung up is how it is we apply the standards. Basic to that is this whole notion of sovereignty; no nation wants some other nation telling it what to do or what not to do .... It's a continuum from finger-pointing to sanctions and, in between, the middle ground is a multinational group of experts that can shore up sanctions and point collective fingers .... From the [U.S.] government's standpoint, in developing world markets, we have to have flexibility in the application of standards. [However,] my definition of flexibility would be different than an employer's definition. You have to draw

the line somewhere, on child labour, forced labour.

[Herbert Maier, Deputy Director-General of ILO]

Interviewer: In terms of the application of the standards, some employers argue that job creation should come first.

Maier: On which basis? I can create jobs and full employment tomorrow under the conditions of forced labour. That is what the Communist system had. There was no unemployment. It is true; they were not lying. There was no unemployment, but it was under conditions, like China today, it was under conditions of forced labour .... The employers' group today has to find its own identity within the ILO. They have to decide whether they want to have tripartism or not .... Tripartism implies the existence of three partners; so if you are in favour of tripartism, you are in favour of unions.

Hans Engelberts: For many years, employers used this organization as a bulwark against Communism. They needed something, so they had the ILO. Now that communism has collapsed, they say we don't need it anymore. We don't need all the standards, we don't need the conventions anymore. That it [the ILO] is "too European" is nonsense, because they have quotas here. It might well be that our social values are a little bit better than the values in the United States, because there it is everyone for himself and the American dream. Every individual could become a millionaire, but when 40 million people are on the poverty line it's another story, which they don't want to see.

After the war, there was consensus that we never wanted war again, that we wanted to build a better society. A lot of workers had very low salaries for fifteen-twenty years, because we had to rebuild. Now there is another war going on. There is a war going on against the poor in society. And who are the ones now who are fighting? It's not the military; it's the financial institutions; it's the multinationals who are taking over one country after another. So I think this organization is necessary and this organization needs to fight back and tell the IMF and World Bank that this is our area and stay out. Structural adjustment can only be successful if it is accepted by the population. Why are trade unions not involved in discussing what kind of reforms are necessary?

Charles Gray, AFL-CIO International Affairs Department and Labour Delegate to ILO: You mentioned, for example, Mr. Burge saying that the ILO is labour-biased. Hell-yes it's labour-biased, that's the reason it was set up in the first place. The founding of the ILO was to provide protection for workers which they didn't enjoy then and in some cases don't enjoy now.

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Dan Galeen: The employers right now are trying to abolish the standard-setting function of the ILO. They want to turn the ILO into a technical agency of the United Nations. I think the ILO is useful in the way as a forum can be. I don't think there's any enforcement agency that will accept the union movement. Whether such sanctions are actually carried out will depend as to how much fear a government has of the consequences of not doing it. And that fear depends on the strength of the union movement. This is why I say that ultimately all enforcement powers reside with the strength of the union movement. In other words, whether we can put the fear of God into governments and employers about what we might do if they don't do certain things. As long as we're too weak to do that, they are not going to do that. And this is why nothing happens in the ILO either.

Sam Gindin, Research Director, Canadian Auto Workers: There has been a debate in the Canadian labour movement on how you respond to competitiveness and how you respond to questions of economic development. I guess we have been on the left of that debate. We have tried to articulate a position that says that once you play the competitive game, once you accept that [the competitive marketplace] as a goal even with a human face, then you are undermining yourself .... We have tried to articulate a way of thinking about how do we develop productive forces or workers and community in this international climate. One of the ways that unions have generally gone is to make the case that we need international institutions to do this. We've been very skeptical. We've argued that unless you are strong at the domestic level, unless you are really capable of building a movement at the domestic level, all of this is academic. You can't build these towers, these things out there internationally, without a strong domestic base.

### III. Trans-National Labour Strategies

Dan Galeen: The problem with the global economy is that nothing that you do nationally stands anymore. What happens to a country's economy and therefore to a country's society is dependent on trends that happen completely elsewhere. And this is how it comes about that you have governments elected on diametrically opposite political programs that end up doing the same thing because they are caught in the same binds. [He cites Swedish Social Democrats and Conservatives as example.] Nobody can deviate much to the left or the right, and this creates a lot of demoralization. This is why we have to re-invent international movements and re-invent international politics.

I don't think that the objective can be either preventing any kind of transfer of jobs from industrialized countries to

developing countries. It cannot be to raise the wages of workers of the developing countries to the same level as the industrialized world within the short or even medium term. It can't be done, and it is not really necessary. What is necessary is to slow down the process, but not as an end in itself, but to slow down so unions on both sides can get their grip on it. If workers in the third world were able to exercise their rights as workers, which they want to do, it would level the playing field a little bit, and I think it would enable us to look at solutions ... of a different framework than the market economy left to itself.

Hans Engelberts: The people are actually worse off than they were before. We see the rich getting richer and the poor getting poorer. So if we want to change, we have to do much more on working with coalitions, with groups in society, with people who in the past the trade unions never worked with. A number of our affiliates are already doing that -- in Canada, Australia, and other places. We are looking at building coalitions, modernizing unions, but also having contacts with universities, ask them to do some research work. In fact, we have to make the case for the public sector now since politicians aren't doing it. Politicians all have a problem: they have no money. So even if you are a socialist and you have progressive ideas, you have no money and you have to run a city. Well, what are you going to do? You're going to privatize, you're going to contract out, and in the end there is less money available.

Interviewer: So far you have talked more about political strategy. But at the same time these political changes are happening, union membership pretty much everywhere has been declining.

Hans Engelberts: Not in our sector. In the public sector, it is growing. If the AFL-CIO didn't have public sector unions, they probably would be below 10 per cent. So in the public sector, membership is growing.

Interviewer: You're of course right about that. But what I was getting at was whether alongside this political strategy, you have also conceived of an organizing strategy?

Hans Engelberts: Not as much everywhere as we would like it. There are not enough young people joining the trade unions. Women, yes they are joining. And where we see an increase in membership, it's mainly because of women. We are now involved in getting young people interested. If they can be interested in Greenpeace, they can also be interested in social justice. But perhaps we are approaching it in the wrong way. They see us too much as an establishment of the past. We are doing what we call urgent action complaints that work like Amnesty

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International does, that gets great support from the unions and from the people in the unions. We have to look at [various] approaches. We have a discussion of the service model of unionism and the organizing model. Now I don't think it's either A or B; it's a combination. But the way the unions in the United States work with all the bloody lawyers involved there, that's crazy. And then you have no contact with the members anymore. In Europe in the past, the unions were very authoritarian and centrally led. But the whole works council idea has also made the unions change. Because the unions now have to support the elected people on the works council. They have to build up an organization on the union part, because otherwise the employers will use the elected people on the works councils and you get house-style trade unionism like you have in Japan. So that has happened very successfully in Germany and other countries .... That means the role of the trade union officers is also much more subordinate to the people who work in the places in discussing strategy and education. And if unions don't do that, and in some countries they don't ... then they could be gone. So some unions have started now to work much more on relations with members and I think that is a very important issue.

[Philip Bowyer, General Secretary, PTTI (Postal Telephone and Telegraph International Union)]

Interviewer: I am wondering whether the whole firm-based or even industry, contract-based approach to organizing is outmoded. Maybe the fundamental model of contract unionism is wrong. An alternative model, for example, would be to forget the CWA (Communication Workers of America) and organize a town around community issues for working people and bring everybody in. Maybe we need a break like that between the AFL craft unions and the CIO industrial model, maybe we need a new break with the current structure into a post-CIO model?

Bowyer: Do you want a federation of Greens and women and community groups? That's one way of doing it, but that's not trade unionism. Trade unionism is when you look after workers against the employer. That's not community groups or anything else.

Interviewer: The Knights of Labor was as much a social movement as a trade union movement.

Bowyer: We need movements that actually correspond to our employers.

Interviewer: Let's look at workers in their communities and see what model of organization can best suit their needs, can best suit their interests. And I'm wondering whether the contract-based model is the best way to begin at this point, given all these obstacles .... The trade unions are

going down the tubes. It's a power question .... And right now signing on with a union doesn't answer workers' needs, it doesn't give them anything.

Bowyer: You can answer a hell of a lot of their needs, as many as a union could ever answer. My priority is for workers to organize unions. In my business, it's what the union can offer, not what the political party can offer.

Interviewer: What about organizing all workers across a community, as the longshoremen once organized Hawaii in a great union crusade?

Bowyer: You do need a crusade, I agree with that .... We need a crusade to say let's go out and organize. The CWA has this campaign called Jobs with Justice. It's a kind of evangelical thing. I think we need something like that.

Sam Gindin: There's all kind of grandiose schemes that I think are completely not on. Whereas I think the kinds of things you can do, you can exchange information and really decide to do that systematically, that is something you can achieve.

What if there was a small conference of people who actually said that the point of getting together internationally was to figure out national strategies ... that may have some international dimensions? For example, as we tried to do by arguing for a North American auto pact was that you should have production related to sales and if Mexico's sales grew faster, which we expect that they would, they have a right to a growing share of jobs. You can do some of that. It seems to me that is the kind of relationship we could have that would be creative, productive, you could develop relationships. I have more confidence in things happening in an ad hoc way than in an institutional way right now, not because of a bias for any anarchism.

#### IV. Intellectual Activists and Labour History

Denis MacShane, Director of Research, International Metalworkers Federation [subsequently elected Labour M.P. in Great Britain]

Interviewer: Is there a circle of labour journalists in Europe ... that you might be a part of?

MacShane: All the trade unionists I know in history used to write all the time. Walter Citrine, General Secretary of the TUC, wrote a book every two years. Gompers produced about four or five books in his lifetime. Now people look at me as a freak, as a full-time official who can write. I have worked full-time for trade unions for twenty years now, but I have always written. I have never understood the

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contradiction. I wish more trade union people would write. There is this crazy divide between the staff officials and the so-called outside intellectuals. Or, alternatively, bring some of them in. There is no greater education for an intellectual professor than actually having to spend six months trying to cut a deal and seeing what the pressures are really like and where all these compromises come from, not from the malevolence of the class traitors who sold out to capitalism by being trade union bureaucrats .... What pisses me off is that there is an immense amount of very good stuff written by staff people and it is just lost in memorandum and reports that circulated just inside the organization.

Interviewer: Isn't that split a part of general crisis of ideas [where an alliance of labour and sympathetic intellectuals has come undone] on the Left since the mid-seventies?

MacShane: There is a great sense of uncertainty. In the last twenty years ... we have had a highly moralistic project around gender rights, sexuality rights, ethnic rights, rights of animals, rights of the environment. But what we haven't got anymore is a clear idea of what we mean by work, what we mean by pay, and what laws and coalitions are necessary to achieve that.

Philip Bowyer: We were on the boat on the Hoover Dam, or something like that; you know, a big lake. And I was talking to one of the [CWA] guys who was a lawyer working for the union, a good progressive guy. And I started talking about the Wobblies. I was just chatting with him on a sunny afternoon on the boat. "What's that?" he said. You know, the Wobblies. "Pardon, excuse me. What's this?" And then I started talking about Eugene V. Debs. "Never heard of him." These young guys have galvanized that union. [Yet] that knowledge of where you come from, what you are going to do is dead in the United States. They just do not know. They do not even feel part of it. It's as if they started yesterday, and they are trying to do this big thing. That's nice, because they are trying to do a big thing. I can appreciate that. But you have to know where you come from and they don't. That just does not exist in the United States. It might exist somewhere, but it is not general at all in the United States.

### List of Interviews

Bowyer, Philip by Leon Fink in Geneva, 4 June 1993.

Burge, James by Leon Fink in Geneva, 10 June 1993.

Engelberts, Hans by Leon Fink and John French in Geneva, 11 June 1993.

Galeen, Dan by Leon Fink and John French in Geneva, 9

June 1993.

Gindin, Sam by John French in Toronto, 22 June 1994.

Gray, Charles by John French in Geneva, 14 June 1993.

Jennings, Philip by John French in Geneva, 8 June 1993.

MacShane, Denis by Leon Fink in Geneva, 6 June 1993.

Maier, Herbert by Leon Fink and John French in Geneva, 11 June 1993.

Spring, Charles by Leon Fink in Geneva, 8 June 1993.

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Leon Fink and John D. French, "The Future of the International Labour Question from the Inside Looking Out," *Labour/Le Travail*, 37 (Spring 1996), 221-31.

(2) To embarrass the capitalist powers, we were told, the Soviet delegation would automatically support any pro-labour measure, without assuming responsibility for applying it at home. Yet, ironically, even the most anti-communist AFL-CIO representatives tacitly relied on the Communist vote to produce a pro-labour ILO majority, now no longer assured.