



SIXTEENTH ITEM ON THE AGENDA

Report of the Working Party on the Social Dimension of Globalization

Oral report by the Chairperson of the Working Party

1. The Working Party had before it three papers:
 1. Developments in other organizations.¹
 2. Organization, bargaining and dialogue for development in a globalizing world.²
 3. Framework for studies on integrated policies to achieve a wider sharing of the benefits of globalization.³
2. It agreed to treat the first as a background paper for the debate on the two other items. In view of the useful information contained in this paper, it was requested that a similar paper be produced for each meeting of the Working Party. Discussion of the second and third papers was combined and occupied most of the day's work. Both papers stimulated a full, frank and rich debate, which was indeed their primary objective in keeping with the role of the Working Party.
3. In the course of the discussions, delegates and representatives of other international organizations, including the IMF, the World Bank, the European Commission and the OECD, made many detailed comments that the Office has noted and will reflect upon for its further work.
4. A large number of delegates and representatives complimented the Office on the quality of the papers and the research behind them. A number of concerns were expressed by the

¹ GB.279/WP/SDG/1.

² GB.279/WP/SDG/2.

³ GB.279/WP/SDG/3.

Workers' group and by some governments, mainly questioning formulations in specific paragraphs. For example, the Workers' group was concerned that the initiatives of trade unions in the informal sector had been understated. However, these comments were made in a framework of general support for the analysis and conclusions. On the other hand, the Employers' group was critical of the approach and the underlying reasoning of the second paper.

5. The Employers' group considered that the second paper took an overly negative view of globalization and made it appear that freedom of association and collective bargaining were the only means to pursue the goal of decent work. They expressed the view that the paper could take the Working Party beyond its mandate and made it appear to be a "super-committee" that was taking over the responsibilities of other Governing Body committees and undermining the role of the Programme, Financial and Administrative Committee in determining budget priorities.
6. In response, many delegates and the Director-General referred to the mandate of the Working Party as a forum for reflection on issues related to the social dimension of globalization. There was no question of its becoming a "super-committee". On the contrary, its work brought together different aspects of the work of the Office that were specifically relevant to the social consequences of globalization. The Working Party has several advantages: it offers an informal and flexible environment, which permits some freedom in exchanges and helps in consensus building; it is an open group, which allows other international organizations to participate in its work, but one which works within the mandate of the ILO in the framework of social development; and it is a tripartite group, covering subjects that need a tripartite approach. It puts its conclusions at the service of other bodies within the ILO. But decisions on action that derive from its work would in all cases have to be taken up by other competent organs of the ILO, as had been the case with the ILO Declaration on Fundamental Principles and Rights at Work and the new Convention on child labour. As regards budgetary implications, these would need to be addressed by the Programme, Financial and Administrative Committee.
7. Some delegates, principally the Employers' group, suggested that the paper be revised, but it was pointed out that it should not be viewed as a document to be negotiated. It was rather intended to stimulate the expression of views, with the objective of deepening the ILO's knowledge base on the interaction between different dimensions of economic and social policies within the framework of the global economy, in this particular case with respect to freedom of association and collective bargaining. It aimed to promote a debate that could help improve understanding of one aspect of a complex reality and consider how to move forward. The paper did not raise any notions of cross-conditionality between the responsibilities of different agencies. The Office would take careful note of the views expressed on all sides. All comments and criticisms would be taken into account in the future activities and documentation of the Working Party.
8. Although there was divergence in some respects, there were also agreements. Four broad areas of agreement could be identified. First, there was consensus around the three main findings set out in paragraph 89 of the second paper. Secondly, it was agreed that there was a need to continue to enlarge the Organization's knowledge base in this field. Thirdly, there was a strong reaffirmation of commitment to promotion of the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up as part of the social dimension of globalization. Finally, there was support for continued dialogue and exchanges with other organizations on how best to strengthen the social dimension of globalization.
9. A number of specific themes were identified as areas of particular importance for the development of the knowledge base. There was wide support for more work on the social

aspects of investment decisions. Several speakers also asked for more in-depth examination of organization and dialogue in the informal economy and in micro-, small and medium-sized enterprises in the process of development. There was support for further empirical studies on the impact of trade and investment on employment, and for a broader integrated perspective which might include skills development, migration, technology transfer and gender issues. Several speakers also called for better incorporation of poverty and social exclusion in the treatment of the social dimensions of globalization.

10. There was also support for further country reviews, as outlined in the third paper, though they should not be too heavy, and should take into account the diversity of national conditions and development situations. Such case studies should of course be voluntary and based on full support from the countries concerned.
11. All these ideas for enlarging the ILO's knowledge base do of course depend on resources, both human and financial. A number of speakers urged caution in this respect. Many felt that the Office should further develop its analytical capacity on economic issues. In this regard, the Director-General signalled that drawing together current work in different parts of the Office within the framework suggested by the papers could produce important synergies and that, in so far as additional resources were required, these would be incorporated in the regular budget to be discussed in March. The Office would also be discussing possibilities for extra-budgetary support for activities in this area with potential donors.
12. In the light of these comments and proposals, the Office would be able to prepare the following documents for the Working Party in March.
13. First, a more detailed proposal would be prepared on the expansion of the knowledge base for the work of the Working Party, built on paragraph 125 of the second paper and paragraph 26(a) of the third, while taking into account the concerns and priorities expressed by the Employers' and Workers' groups and by governments. It would also map out the sequence of the activities concerned, identify links with other ILO work and give some indication of the resource implications. It would therefore respond to calls for a structured work programme to be presented. It should have enough flexibility to adapt to urgent needs.
14. Secondly, although there is not much time for new in-depth research before March, a preliminary synthesis of ongoing work on the integration of social and economic policies in addressing poverty reduction and Decent Work at the national level could be prepared. This would be set in the context of the globalization issues dealt with by the Working Party. Discussion on that paper could serve as a practical guide to the country reviews, which would be undertaken subsequently. It would constitute a first step towards the goal laid out in para 26(c) of the third paper.
15. Thirdly, the Office will pursue its efforts to promote the realization of fundamental principles and rights at work, as part of a drive to reduce poverty and accelerate economic growth and social development. Bearing in mind the promotional nature of this endeavour, the Director-General would make contacts with his peers in other relevant organizations in order to map out possible areas of collaboration. A short report on these contacts would be prepared for the next meeting.

16. There was general recognition by both the governments and the social partners of the importance of the Working Party and its particular relevance as the only body within the multilateral system where the social dimension of globalization is being monitored and discussed in a forum open to all interested international organizations.

Geneva, 16 November 2000.