Trade Unions and the Global Crisis: Labour's Visions, Strategies and Responses

ILO, 05 October 2011

The following text is the preface written by <u>ITUC</u>'s President <u>Michael Sommer</u> to the recently ILO publication <u>"Trade Unions and the Global Crisis: Labour's Visions, Strategies and Responses"</u> edited by Melisa Serrano, Edlira Xhafa and Michael Fichter.

If the recent global economic crisis has debilitated labour in many parts of the world, many segments of the trade union movement have been fighting back, combining traditional and innovative strategies and articulating alternatives to the dominant political and economic models. This book offers a composite overview of the responses of trade unions and other workers' organizations to neoliberal globalization in general and to the recent financial crisis in particular.

Just 1 per cent of the world's population owns 40 per cent of the world's wealth, while 60 per cent have to share just 1.9 per cent of it. Most workers have no employment security and billions earn less than a dollar a day. The pursuit of profit trumps the health of people and the future of the planet. Economic growth does not translate into common prosperity. Billions of workers have no say in their working conditions; many are threatened, intimidated, fired and in the worst cases thrown into prison or killed by hired gunmen when they demand their basic human rights of freedom of association, collective bargaining and industrial democracy.



Those who profit from this world disorder tell us that these are the inevitable side-effects of market dynamism, which in turn is the most effective mechanism to create growth and wealth. It would just be too depressing to imagine that this were true and that humankind could not improve on such a world. Change is necessary – indeed, it is inevitable, as the current system is unsustainable; but it remains difficult, as vested interests

constitute a huge and dangerous obstacle on the path to more equitable solutions.

The history of trade unions is a history of struggles for greater social justice and against dictatorship, both in societies and at the workplace. Often accused by their opponents of being unreasonable, unable to understand economics, and dinosaurs of the industrial past, there can be no doubt in retrospect that in most battles trade unions have been on the right side of history. While business has unhesitatingly engaged with dictatorships around the world in its pursuit of profit, trade unions were and are at the

forefront of bringing about democratic change in countries from South Africa, Brazil and the Republic of Korea to Poland and most recently Egypt. The right to strike, a minimum wage, the eight-hour working day, paid vacations, social security – all are milestones in the long struggle of trade unions for social justice.

The privileged few and their servants in academia, who have from the beginning resisted these struggles for universal and basic workers' rights, accuse trade unions of representing only the privileged minority of workers who enjoy "insider" benefits at the expense of less fortunate workers. It is true that in some instances the "insider—outsider" problem exists—to a degree that depends largely on how far trade unions have succeeded in extending the concept of solidarity. Where the problem does exist, this is because, despite unions' aspiration to universal rights and protection for workers, they have not been strong enough to overcome resistance to universal solutions and have had to settle for "second best" solutions. But it ill behoves those



who resist even signing a collective bargaining agreement at enterprise level in order to ensure at least equity and justice among workers within a single firm to accuse trade unionists of a lack of solidarity and inclusiveness.

Solidarity often begins on a personal level among work colleagues, and it is a constant challenge to extend its boundaries beyond the workplace. Building solidarity among workers within an enterprise, within an industry, within a country, across borders and throughout global companies is a difficult task. Those of us in leading positions in the trade union movement are asking a lot from our members. We are asking them to overcome their fear of – sometimes very aggressive – employers, to show solidarity not only with their colleagues on the shop-floor or in the office but with workers elsewhere whom they don't know, whom they will probably never meet and whose language they don't understand. We are asking them to hand over 1 per cent of their often meagre pay to fund a global labour movement. In view of this, and given that most people normally care first and foremost for their family, friends and neighbours, it is quite amazing that more than 175 million people are voluntary members of an independent and free trade union movement.

It cannot be denied that, while more workers than ever before now enjoy political freedom, aggressive resistance to industrial democracy and collective bargaining on the part of employers has also grown over recent decades. Govern - ments in many countries, influenced by aggressive lobbying from business, have tilted the balance of power between capital and labour even more steeply in favour of the privileged few. Trade unions in many countries have been losing members and influence — and if they are to remain relevant, they have to turn the tide. This requires change both in the rules of the game and in the unions themselves.

<u>"Trade Unions and the Global Crisis: Labour's Visions, Strategies and Responses"</u> focuses primarily on the latter challenge – that is, the changes required of trade unions themselves. Trade unions today face simultaneously a wide range of often

contradictory tasks. They need to change, and are changing, in order to meet both new and persistent challenges to their advancement of social justice, income security and industrial democracy. Their members want them to be organized in an efficient, strategic and effective fashion; they also want them to be transparent, democratic and inclusive. Running a business is simple compared to running a trade union. Business has one objective — maximizing profit — and anyone who doesn't function in accordance with that end gets fired. Trade unions are voluntary organizations of millions of individuals with a huge diversity of interests, views and experiences. Their membership has become much more diverse over the last 50 years and needs to broaden its appeal even further to reach out to high-skilled workers and workers in the informal economy alike. To achieve simultaneously both diver - sity and unity is a challenge and certainly incompatible with the command and control culture of state or business machineries.



The key question any voluntary organization needs to answer is: What makes a movement move? It would be short-sighted to believe that institutional merger, sophisticated organizing tactics, skilful use of social networking or other innovative techniques are adequate to drive change. Far more radical, substantive and strategic responses are required.

The conferences run by Global Labour University provide forums in which these issues can be discussed in depth. This book presents a thought-provoking selection of essays, based on papers presented to one such conference, that examine how trade unions are responding to the current process of global ization and why trade unions in different contexts have carried out different responses. It sets out a wide range of views, thereby demonstrating that the search for answers to today's challenges needs to be an open process. While trade unions may have different and context-specific strategies in addressing economic and political changes at different levels (local, national, regional and international/global), this does not preclude finding common threads in labour discourse, strategies and struggles. It is imperative that trade union debates about priorities and strategies be grounded on a better understanding of the crisis-prone tendencies of the dominant economic paradigm.

There can be no doubt that the current globalization regime, driven by uncontrolled global capital markets and free trade, has been instrumental in putting pressure on workers throughout the world and responsible for the greatest economic crisis for a century. Trade unions' responses to this situation have to stretch from the local to the global. In this process trade unions will them - selves have to change in order to be the successful agents of change towards a new social and economic development paradigm. These are challeng ing tasks, but the message from Tahrir Square to the world is also clear: change is possible, and it is done by ordinary people, when they come together in unity.

Further resources

ILO Publications

- ILO. 2011. *The Global Crisis. Causes, responses and challenges* (pdf 3.38 MB) (Geneva)
- ILO. 2011. *Global employment trends 2011: the challenge of a jobs recovery* (pdf 2.27 MB) (Geneva).
- ILO. 2011. The impact of the crisis on labour relations and collective agreements in Greece (Geneva).
- ILO. 2011. *There is an alternative : economic policies and labour strategies beyond the mainstream* (pdf 1.37 MB) (Geneva).
 - Français (pdf 2.18 MB) Español (pdf 1.81 MB)
- ILO. 2011. Trade unions and the global crisis: labour's visions, strategies and responses (Geneva).
- ILO. 2010. Don't waste the crisis: critical perspectives for a new economic model (Geneva).
- ILO. 2010. Employment and social protection policies from crisis to recovery and beyond: a review of experience, an ILO report to the G20 Labour and Employment Ministers Meeting, Washington, DC, 20–21 April 2010 (pdf 819 KB) (Geneva)
- ILO. 2010. <u>Employment policies for social justice and a fair globalization</u>, <u>Report VI, International Labour Conference</u>, <u>99th Session</u>, <u>Geneva</u>, <u>2010</u> (pdf 1.55 MB) (Geneva).
- ILO. 2010. *Financial crises, deflation and trade union responses : what are the lessons?* (pdf 4.98 MB) (Geneva).
 - Français (pdf 3.24 MB) Español (pdf 3.59 MB)
- ILO. 2010. Youth employment in crisis: Questions and answers on the situation of youth on the labour market (Geneva)
 - Español (pdf 691 KB)
- ILO. 2009. *ILO Declaration on Social Justice for a Fair Globalization* (pdf 134.87 KB) (Geneva).
 - Français (pdf 1.59 MB) Español (pdf 144.50 KB)
- ILO. 2009. Labour market policies in times of crisis (pdf 699 KB) (Geneva).
- ILO. 2009. <u>Recovering from the crisis: a global jobs pact</u> (pdf 93.22 KB) (Geneva)
 - Français (pdf 105.47 KB) Español (pdf 107.50 KB)
- ILO. 2004. <u>A fair globalization: creating opportunities for all (pdf 2 MB)</u> (Geneva).
 - Français (pdf 2.25 MB) Español (pdf 1.18 MB)

ILO Websites

- Global Jobs Pact
- Decent Work
- ILO Global Job Crisis Observatory: Fair globalization
- ILO Global Job Crisis Observatory: Social Dialoge

• ILO Global Job Crisis Observatory: Employment Promotion