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THE FIGHT AGAINST CHILD LABOUR: MOVING INTO A HIGHER GEAR



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Setting the terms of the child labour debate



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Though child labour has preoccupied the ILO since its first days, the practice remains a problem of immense social and economic proportions throughout much of the world. While there has been progress in reducing child labour over the last decade, the decline was uneven in different world regions and the global pace of reduction slowed between 2004 and 2008.

But uneven progress is nothing new. Historically, developed nations took several generations to come to grips with their own child labour problem. In the developed world, millions of children once worked in mines, mills, factories, farms and city streets, often in situations strikingly similar to those observed in the developing world today.

In 1890 the fight against child labour was brought to an international level at a diplomatic conference in Berlin, but the First World War ended these efforts temporarily. Then the ILO entered the scene and at the first International Labour Conference in 1919, representatives from 39 nations fixed the minimum age for employment of children in industry at 14 years. In 1920 this minimum age was adopted for maritime work, and in 1921 the same standard was applied to agriculture.

The ratification rate of these Conventions was slow, however, throughout the long period up to 1973 when a new ILO Convention covering the entire economy was adopted, Convention No.138 (1973) on the Minimum Age for Admission to Employment.

Against the background of the growing concern that certain forms of child labour are so grave and inhumane that they can no longer be tolerated, a consensus emerged in the 1990s that the highest priority should be given to eliminating

these worst forms of child labour. After two years of deliberation on the exact wording, the *Worst Forms of Child Labour Convention, 1999 (No. 182)* was adopted unanimously by the International Labour Conference. This unanimous adoption is a unique feature in ILO history, as is the rate of ratifications, underscoring the importance that member States have given to Convention No. 182. Some 95 per cent of the ILO's member States have now ratified it, while some 85 per cent have ratified Convention No. 138.

An important new feature of today's child labour situation is that a genuine global movement is under way to tackle the problem. With its roots in the histories of the developed nations, the movement picked up steam in 1989 with the adoption of the UN Convention on the Rights of the Child, gained institutional capacity in 1992 with the creation of the ILO's International Programme on the Elimination of Child Labour (IPEC), and was strengthened by Conferences in Amsterdam and Oslo during 1997, which gave impetus to the adoption of Convention No. 182.

In the latest global initiative, on 11 May 2010 delegates from some 80 countries met at a Global Conference in The Hague, organized by the Government of the Netherlands. The Conference gave particular attention to the international goal of eliminating the worst forms of child labour by 2016, and agreed a Roadmap for action.

Whilst much progress has been made in the elimination of child labour, much remains to be done. But one clear message of the Hague Conference is that with increased commitment and action, particularly from governments, the campaign against child labour can achieve its historic goal.



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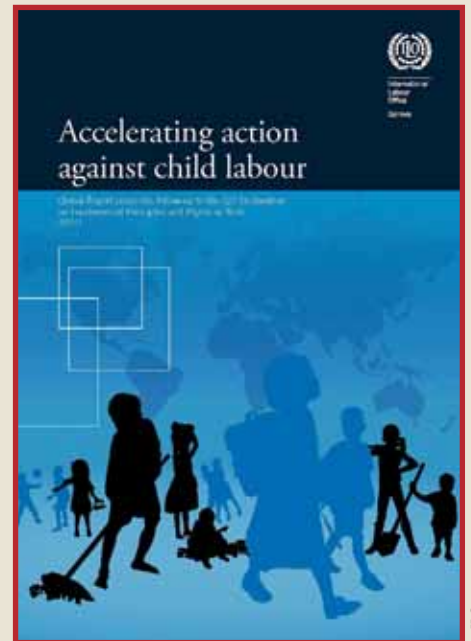
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Accelerating action against child labour

In 2006 the ILO's second Global Report on Child Labour reported significant progress in the fight against child labour. Encouraged by the positive trend, the ILO established a visionary target – to eliminate child labour in its worst forms by 2016. Four years on, the third Global Report paints a different picture: although child labour continues to decline, it is at a slower pace. If countries carry on with business as usual the 2016 target will not be met. We must move into a higher gear. The economic downturn cannot become an excuse for diminished ambition and inaction.

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Created in 1919, the International Labour Organization (ILO) brings together governments, employers and workers of its 183 member States in common action to improve social protection and conditions of life and work throughout the world. The International Labour Office, in Geneva, is the permanent Secretariat of the Organization.



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The global challenge of child labour

Going for the goal

The global campaign against child labour – especially in its worst forms – is at a crossroads. From an optimistic projection just four years ago that the end of the worst forms of child labour was in sight, the most recent ILO report¹ casts doubt on whether that goal can be reached by the target year of 2016. It calls for urgent steps to accelerate action against child labour. The key messages of the report were delivered at a Global Conference on Child Labour hosted by the Government of the Netherlands on 10–11 May in The Hague. The Conference adopted a new “roadmap” aimed at achieving the goals set in 2006. IPEC Director Constance Thomas examines achievements made and challenges that remain in the fight against child labour.

GENEVA – In 2006, the ILO’s second Global Report on child labour reported significant progress in the fight against child labour. Encouraged by the positive trend, the ILO established a visionary target – to eliminate child labour in its worst forms by 2016. Four years on, the third Global Report paints a different picture: although child labour continues to decline, it is at a slower pace. If countries carry on with business as usual the 2016 target will not be met.

The new report says that there was a reduction of just 3 per cent in child labour in the four-year period covered by the global estimates. 215 million children are still caught in child labour and a staggering 115 million are exposed to hazardous work.

We have seen the largest reduction among children aged 5–14 where child labour fell by 10 per cent. There are also fewer children in hazardous work, a proxy sometimes used for the worst forms of child labour. However, child labour has been increasing among boys whilst decreasing among



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girls. Alarming, there has been a 20 per cent increase in child labour in the 15–17 years age group. These are mainly children who have reached the minimum age of employment but are working in conditions or sectors categorized as hazardous for children.

The new Global Report provides a strong warning and a call for action. Though the pace of progress is simply not sufficient to achieve the 2016 target, it is not too late to turn things around. The elimination of child labour is possible and affordable if we have the will to fight for it. The ILO has estimated that the global cost of eliminating child

¹ ILO: *Accelerating action against child labour, Report of the Director-General, International Labour Conference, 99th Session, International Labour Office, Geneva, 2010. Available at http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_126752.pdf*

labour is outweighed by the economic benefits by a ratio of 6.7 to 1. The amounts which would need to be spent are far less than what governments recently allocated to save commercial banks during the global financial crisis. It's just a matter of ambition and political will.

The report identifies some key challenges in tackling child labour: the alarming scale of the problem in Africa and South Asia, the need for a drive against child labour in agriculture and the need to tackle sometimes "hidden" forms of child labour which are often also among the worst forms. It is time for governments to honour their commitments and accelerate action to tackle child labour.

Regional trends

For the first time, the ILO's Global Report includes regional trends. The most significant reduction of child labour over the last decade was seen in the Americas, while Africa remains the region with the least progress. Africa is also the region with the highest incidence of children working, with one in four children engaged in child labour.

Another region that faces a critical situation is South Asia, home to large numbers of child labourers and where a greater political commitment to the ratification of ILO child labour Conventions is required. As for the Arab region, whilst there are no recent estimates past IPEC experience suggests child labour remains a significant problem in some countries and that it is often compounded by poverty, widespread unemployment and the poor quality of education.

Possible impact of the global economic and social crisis

In 2009 IPEC issued a report warning that the crisis could push an increasing number of children, especially girls, into child labour. It is still too early to make a detailed assessment of the situation as the impact of the crisis is still unfolding in many parts of the world.

However, judging from previous crises, we could expect to see an increase in child labour in low-income countries, especially for poorer households in those countries. For middle-income countries, there is some evidence that the impact of falling living standards might be accompanied by reduced employment opportunities for children. Household responses are also likely to depend on the presence of well-functioning social safety nets.

As to the chances of meeting the 2016 target, it

depends on whether governments choose to use the crisis to justify spending cuts in key social areas such as education and foreign aid commitment, or whether they seize the opportunity and mobilize the necessary political will to prioritize the elimination of child labour as a wise investment in future development.

Mutually reinforcing action is required in areas such as access to quality education until at least the minimum age of employment, building a social floor by enhancing social protection policies and programmes that can help poor families to keep their children in school, tackling poverty by ensuring that adults have decent work opportunities, and ratification and implementation by governments of ILO Conventions on child labour. Employers, trade unions and civil society organizations also have an important role to play in this context.

We know that when the right policy choices are made, child labour can be reduced. Much progress has been made in the ratification of the Conventions. A decade after adopting Convention No. 182, we are close to achieving its universal ratification – just 12 of the ILO's 183 member States have yet to



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>> ratify it. At the same time, Convention No. 138 on the minimum age of employment has now been ratified by some 155 member States. However, impressive as this global picture is, one-third of the children of the world still live in countries that have not ratified these fundamental ILO Conventions. At the same time, many countries fail to follow up on the ratification of these Conventions with practical action for implementation.

ILO leadership in the fight against child labour is critical

The ILO's leadership in keeping up the momentum for the elimination of child labour is critical.

The situation calls for a re-energized global campaign against child labour. The tripartite ILO, bringing together governments, employers and workers, must be a central actor and a powerful advocate in the worldwide movement. We need to extend and reinforce coalitions. Drawing on the ILO's Decent Work Agenda, IPEC needs to continue to support ILO constituents to integrate child labour in national development agendas.

We must scale up action and move into a higher gear. The economic downturn cannot become an excuse for diminished ambition and inaction. Instead it offers the opportunity to implement the policy measures that work for people, for recovery and for sustainable development. International solidarity – including commitment of resources – will continue to be indispensable to allow the ILO's International Programme on the Elimination of Child Labour to support these efforts. But the ILO cannot do it alone. The new report stresses the value of partnerships, such as those between UN agencies and south-south cooperation.

Most child labour is rooted in poverty. The way to tackle the problem is clear. We must ensure that all children have the chance to go to school, we need social protection systems that support vulnerable families – particularly at times of crisis – and we need to ensure that adults have a chance of decent work. These measures, combined with effective enforcement of laws that protect children, provide the way forward.

ILO Director-General Juan Somavia (far left), US Senator Tom Harkin and Kailash Satyarthi, Chairperson of the Global March against Child Labour; in Geneva.



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The face of child labour...

from Africa to Asia and the Americas

Some important progress has been made in tackling child labour but it's still here and has the power to haunt. Globally, there are now 30 million fewer working children than 10 years ago. However there are still an estimated 215 million girls and boys trapped in child labour.

In 2006, the pace of progress was such that the international community set an ambitious goal: to eliminate the worst forms of child labour within ten years. But in more recent years progress toward this goal has slowed. And many of the children now

remaining in child labour are among the hardest to reach.

Between March and May 2010, Elaine Moore, a Phnom Penh-based journalist, and ILO photographer Marcel Crozet, visited three countries on three continents. The examples that follow show that there can be progress when there is determined action to tackle child labour. However there is a need to scale up such actions. The key to this is renewing and strengthening political commitment and developing integrated policies and programmes to fight child labour.



All photos pp. 8-9: © A. Dow/ILO

Child labour in Cambodia: A new direction

Although Cambodia is emerging as one of the brightest economic growth stories of South-East Asia, over 313,000 children are trapped in the worst forms of exploitation such as drug trafficking and prostitution. But the end of all worst forms of child labour in the country could be within reach, and the Cambo-

dian Government has committed itself to take on the challenge as have the social partners. But in order to stay the course it will require continued support of those inside the country as well as a continued financial commitment from donors to ensure that every child in Cambodia is given the start in life they deserve.

On a hot afternoon in Cambodia's capital city Phnom Penh, 10-year-old Leap beckons to tourists riding by on the back of a lumbering elephant. Struggling to carry her basket of snacks she runs along a dusty road next to the golden Royal Palace offering rice cakes and sweets from a container too big for her small arms.

Leap has already been working for five hours and, most likely, will still be out here at midnight. Working alone, Leap is a small vulnerable girl who has never been to school and who will be lucky if she earns two dollars today. Leap says she has no choice. If she were to stop working, her mother and younger brothers would go hungry.

In another part of the city, seven-year-old Doung Paeakra crouches down near a riverbank sifting through a pile of rubbish. He's looking for plastic he can sell to a recycler. With his father dead and his mother at home nursing a new baby, Doung is the sole provider for his family.

Access to education has improved in Cambodia but child labour persists – Leap and Doung are two of the children still left behind. While primary school enrolment has risen from 75 per cent in 1997 to 91 per cent in 2005 most of the children attending school are combining their studies with work.

One of the ILO's responses has been to pioneer a livelihood scheme to help decrease, and eventually eliminate, a family's reliance on its children for income. This IPEC programme encourages parents and other adults from the country's poorest families to work together to create savings groups.

In a small village in southern Cambodia, local women explain how their savings group has helped them set up small businesses and supplemented that with training in finance and administration. "Before the group things were very difficult and the children had to work," says 60-year-old Pan Phen. "If I had problems I would have to go to the money-lender who charges 20 per cent interest monthly. Now I make more money and in our group the interest rate is just 3 per cent." Pan Phen borrowed 40,000 riel (US\$10) from the group and now makes sweets which she sells outside a local factory each day. "All (six) of the children I look after are now in school," she adds proudly.

In many cases families of child labourers want to send their children to school but they find it hard to survive when the money the child earns stops, especially if there is an emergency at home such as a new baby or a death in the family.



Eliminating child labour in Bolivia: The role of education

All photos pp. 10-11: © M. Crozet/ILO



Education is often cited as the key to eliminating child labour. But by itself, education isn't enough. This report from Bolivia shows how adding decent work for adults to education of children, together, with a quotient of political will, can make the equation work.

When 11-year-old Juanita Avillo Ari and her six brothers and sisters arrived at the foot of a mine in this southern Bolivian city seven years ago, she and her family were in dire straits.

Juanita and her family had exhausted the capacity of their small plot of agricultural land in a rural community to feed them, let alone make a living. Like hundreds of other families, they wound up at a mine at the Cerro Rico mountain, where her father found work as a miner and her mother as a guard. The long working hours meant that Juanita and her siblings were often left alone in a precarious hut at the camp. When her older brothers left to start families of their own, life for Juanita and her two other siblings became lonelier and even more precarious. They would have suffered the same fate as many other children in the mining camps who are exposed to hazardous child labour, navigating narrow tunnels, if her parents hadn't been approached by the CEPROMIN (Centro de Promoción Minera) non-governmental organization.

CEPROMIN runs a project on improving the living conditions of children and mining families living in the mining camps of Potosí. Juanita and her brothers are among some 450 children now enrolled in the project.

The project makes sure they are properly fed and



looked after and, most importantly, that they receive a quality education. In addition, the project addresses the needs of adults, improving the socio-economic environment. This combined approach can make a big difference.

Juanita had never attended school but since joining the project she has proven to be one of the smartest students in the class. She dreams of continuing her studies and of a better life. However, Juanita is one of the fortunate children.





All photos pp. 12-13: © M. Crozet/ILO

Fixing the future of Mali's child workers

In Mali, approximately two out of three children aged 5 to 17 work. This represents over 3 million children. Few of them go to school and 40 per cent of children aged 5 to 14 perform hazardous tasks. The situation of migrant girls is of particular concern.

“When I met Mouna for the first time I could hardly believe that she was only nine-years-old... if her frail body was indeed the one of a girl, her face already looked like the one of an old woman” says ILO photographer Marcel Crozet. From 7 a.m. to 8 p.m.

Mouna works as a maid for a family in the village of Douentza.

For 2,000 francs CFA (3.05 euros) per month, she takes care of the children, prepares the meals, draws heavy buckets of water from a well, washes the dishes and cleans the house. Tonight she has come to seek help at a centre run by the NGO AVES (Avenir Enfance Sahel) because she has not been paid for four months and is not able to eat every day... A representative of the NGO will accompany her tomorrow to meet and discuss the matter with the family that employs her. This kind of intervention is usually very effective.





The next day at six o'clock in the morning, during a visit to a "landlady", we meet 15-year-old Awa, another domestic worker. In a windowless room of 12 square metres the landlady houses 15 young girls from the same village she used to live in. They sleep on mats on the floor and all their belongings fit into a plastic bag.

Awa is alone – the other girls have already left for work. For three days, she had suffered from a severe attack of malaria. It is time for the doctor employed by AVES to intervene with the appropriate treatment...

AVES, one of the ILO's partner organizations in Mali, aims at curbing the rural exodus of girls and at protecting them from dangers, including sexual exploitation.

Its activities include education, health promotion, vocational training and support for income-generating activities. ILO-IPEC is working closely with government, employers' and workers' organizations to identify ways of scaling up such programmes.

In Mali, more than 50,000 children, over 35,000 of whom are girls, have benefited from ILO action programmes. Free schooling systems have been put in place for children working in agricultural areas, thereby removing them from a dangerous work environment without adding an unbearable financial burden to their parents.





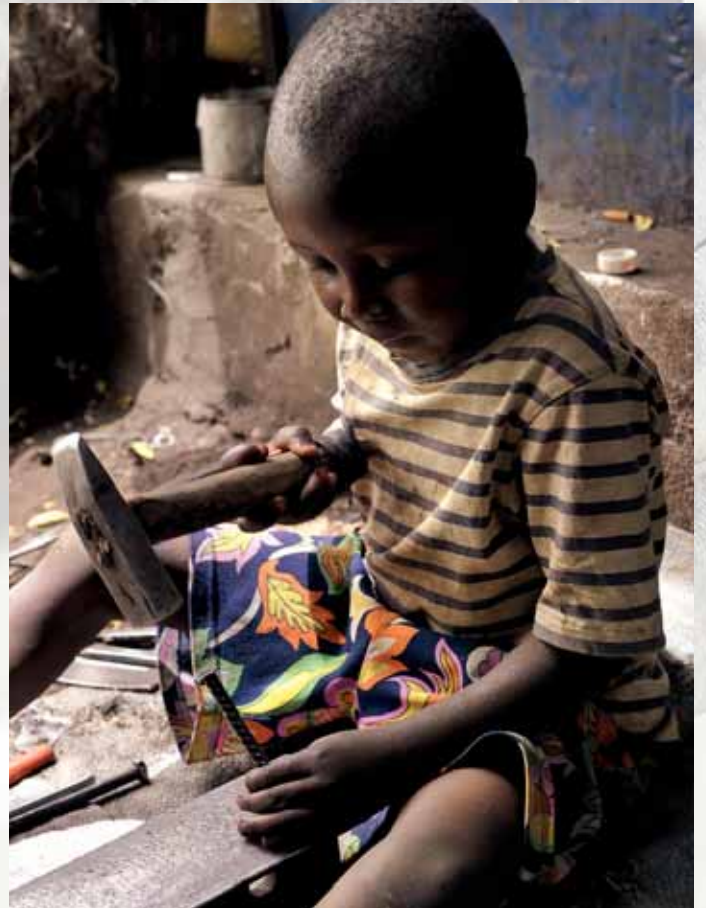
Breaking the cycle of poverty and child labour

Child labour, especially its worst forms, is still too common. Take a few minutes to reflect on these photographs and consider how, together, we can accelerate action to end it. Quality education for children and decent work for adults, including social protection for families, are essential parts of the solution to tackle this scourge.

All photos pp. 14-18: © M. Crozet/ILO











From shipyard to renewable energy centre

Tomorrow's jobs will be green

The following article shows that – with resources and imagination – ways can be found to meet the twin challenges currently facing the world: the need to move towards an economy based on a much lower carbon footprint whilst at the same time bringing the world out of its present recession and finding employment. Andrew Bibby, a British journalist, reports from Odense, Denmark.

ODENSE – The Lindø shipyard north-west of the Danish city of Odense has produced some magnificent ships during more than ninety years of operation, including eight giant container ships, the largest currently sailing the world's oceans. But structural changes mean that Lindø's shipbuilding days will soon be over. The closure of the yard, scheduled for 2012, could lead to 8,000 direct and indirect jobs being lost.

In its place, however, the Lindø Offshore Renewables Centre (LORC) is taking shape. This ambitious initiative, which has just received a 25 million Danish krona (US\$4 million) boost, aims to become one of Europe's leading research and innovation centres for offshore renewable energy. Former Danish Prime Minister Poul Nyrup Rasmussen has stepped in as LORC's chairman, and he is clearly enthusiastic about the prospects. "The activities of LORC will create tomorrow's jobs in the area. By developing future renewable energy out at sea we can improve our environment and create many thousands of jobs," he says.

The creation of "green jobs" is an area of work to which the ILO gives considerable importance. The Green Jobs Initiative, launched in 2008, brings together the ILO and the UN Environment Programme (UNEP) as well as the International Organisation of Employers (IOE) and the International Trade Union Confederation (ITUC) in a



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unique partnership to develop coherent policies on greening the economy.

The partnership has already been responsible for the landmark report *Green jobs: Towards decent work in a sustainable, low-carbon world*,¹ which helped to begin the detailed analysis necessary for what it called a "just transition" to a low-carbon and sustainable society. Overall, this report carried a message of hope: "A global transition to a low-carbon and sustainable economy can create large numbers of green jobs across many sectors of the economy, and indeed can become an engine of development."

But it also warned of the need to manage the transition carefully: as it pointed out, some existing jobs are at risk of disappearing altogether. Workers and communities dependent on mining, fossil fuels and smokestack industries, as well as companies slow to address environmental issues, face substantial challenges, it said.

¹ ILO, UNEP, IOE, ITUC: *Green jobs: Towards decent work in a sustainable, low-carbon world* (Geneva, 2008).





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>> The right time to invest in green jobs

For the ILO's Kees van der Ree, the need to address these issues is urgent. "Some might argue that now, with the world in recession and with high

unemployment, is not the right time to address the need to move to lower-carbon economies. But now is, in fact, exactly the time to invest in green jobs. Infrastructure investment is one of the main means we have of restarting growth and creating jobs. Some of the investments which are most beneficial for adapting to climate change are also very beneficial in terms of employment," he adds.

He points to examples of good practice, as for example in the construction industry, the sector which has perhaps the largest single potential of any to reduce carbon emissions. It's not just a matter of designing and constructing new buildings to meet higher environmental standards, he says, it's also about retrofitting existing buildings. He says that the ILO has been working with several governments, including that of South Africa, to help develop this work.

Van der Ree stresses the fundamental importance of a structured approach globally to the process of transition. "The win-win result from moving towards a green economy and from the creation of green jobs is not automatic. Coherent policies are needed to reap the benefits," he points out.

Skills for green jobs

One of these policy areas where the ILO is already taking a proactive role is that of skills development. Participants at the Skills for Green Jobs workshop held at the ILO's headquarters in May heard of the work being undertaken across the



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world to meet emerging skills gaps in new, greener, areas of work, as well to help retrain workers in the new skills they will need in the future.

“Right skills for green jobs are the prerequisite to make the transition to a greener economy happen,” says Olga Strietska-Ilina, from the ILO’s Skills Development and Employability Department. “Economies moving towards greener jobs benefit from great potential for job creation but also face structural change and the transformation of existing jobs. The timely supply of relevant and quality skills is indispensable for successful transformations that safeguard productivity, employment growth and development.”

According to Strietska-Ilina, a number of sectors can be clearly identified as particularly affected by structural changes, and therefore in need of retraining initiatives. These include agriculture, forestry and fisheries, the extractive industries and fossil-fuel energy generation, and manufacturing, especially the automotive industry, shipbuilding and marine engineering. In some instances, new jobs can be undertaken with old skills – as she points out, a bus driver driving a bus powered by non-fossil-fuel energy still drives the bus in the same way. Sometimes, on-the-job learning or short courses may be sufficient: one example would be that of a welder working in wind turbine production.

Other changes will require more significant training or retraining, however. A car mechanic will certainly need some training to switch from a petrol-driven car to an electric car, for example, whilst emerging occupations such as solar energy technicians may well require longer continuous training or university-level study. “Workers may need knowledge about new technologies and new regulations. Changes in existing occupations happen more often at the low- and medium-skill level, whilst emerging occupations often require higher-level qualifications,” says Strietska-Ilina.

In the short term, a decline in carbon-intensive industries may lead to job losses in those sectors. Strietska-Ilina calls for this development to be adequately anticipated. “Although new job opportunities arising from new low-carbon markets are estimated to offset the unemployment, those who will get green jobs are not necessarily those who will have lost their jobs. Retraining becomes crucial for the success to smooth and just transition to the green economy. Low-skilled people are especially vulnerable and disadvantaged groups in the labour market will need targeted assistance.”

Making green jobs safe

Skills are just one aspect of the Green Jobs Initiative. Occupational safety and health brings in





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>> another dimension, particularly in areas such as waste management and recycling, where worker conditions can in some instances be very poor. Recent activities here have helped achieve real progress at grassroots level.

One initiative undertaken by the ILO in the Asia and Pacific region, for example, has seen the development and publication of a new training manual, *Work adjustment for recycling and managing waste* (WARM), specifically focused on workers engaged in collecting waste. WARM, which has been piloted in Fiji and is now being used in other Asian and Pacific countries, looks at ways in which community energy can be engaged to help ensure safer recycling and waste handling by workers.

Initiatives such as these are multiplying rapidly, as ILO constituents across the world, from Bangladesh to Kenya and Guyana, look for guidance and direct support to address the employment

and social dimensions of climate change and a greener economy. The Green Jobs Programme in response is growing in scope and scale, and (with the International Training Centre in Turin) is putting particular emphasis on knowledge management and capacity building throughout the ILO and the UN system.

For Kees van der Ree and other colleagues at the ILO engaged in these initiatives, the message is the importance of integrating the Green Jobs Initiative with the ILO's call for decent work. "Climate change is much more than an environmental issue, we're looking at a major transformation of economies and of societies. The shift to a low-carbon and sustainable society must be as equitable as possible," he says. "Green jobs relate to two big ethical questions: one is social justice and the other is climate change and an environment which is sustainable for humans in the long term. I think one cannot be achieved without the other."



Cooperatives and the crisis

“Our customers are also our owners”

Cooperatives have been more resilient to the deepening global economic and jobs crisis than other sectors. Andrew Bibby reports from Sweden.

MALMÖ – Another call is coming in from a customer to a modern call centre in Malmö in southern Sweden. The caller wants to discuss insurance, and the call centre agent, sitting at a computer terminal and speaking through a head-set, begins to explain the terms of the policies available. The conversation progresses, the sale is made.

The transaction takes place not in the Swedish language, however, but in Kurdish. The Swedish cooperative insurer Folksam first piloted the idea of

a multilingual call centre more than ten years ago, and its Malmö base can now handle calls in seventeen languages, including Somali, Farsi, Arabic and Polish. In a country where almost one in five of the population is from a migrant community, it's a sensible business service to offer and according to Folksam attracts 100,000 calls a year. As a direct consequence, Folksam now claims the lion's share of the insurance market of Sweden's immigrant communities.

It's the sort of idea that, you'd think, a bright new start-up company might come up with. But Folksam is no such thing: it is something of a venerable presence in the Swedish world of finance, having been offering Swedish people insurance for 102 years.

>>



>> Reconciling economic and social values

Its chief executive Anders Sundström argues that Folksam's business success can be attributed to its social values. Originally set up to meet the needs of Sweden's early social and trade union movements, it has maintained its difference from other insurers, not least in its company structure. It operates without shareholders, as one of the global family of cooperative and mutual financial institutions. As the company's website puts it, "Our customers are also our owners. The profit doesn't go to shareholders, it stays within the company and benefits us all."



© Holger Ellgaard

Cooperative banks and insurers have, historically, tended to avoid the headlines. They can operate without concern about their share prices and therefore without the day-to-day attention from business media and analysts which businesses with share capital tend to attract. Between them, however, their market share is a significant one.

Significant market share of cooperative businesses

According to the International Cooperative and Mutual Insurance Federation (ICMIF), for example, about 24 per cent of the global insurance market is in the hands of cooperative insurers. ICMIF's largest member is the giant Japanese insurance cooperative Zenkyoren which dominates the country's agricultural sector and attracts annual premium income of around 4,700 billion yen (or approaching US\$50

billion). Another ICMIF member, the Colombian cooperative La Equidad and the linked health-care insurer Saludcoop, occupies a similarly dominant position in its own country.

In banking, there is a similar story in many countries. In the Netherlands half the population is with Rabobank, whilst in Germany cooperative banks collectively have thirty million customers. One recent study gave cooperative banks 20 per cent of the European retail market.

The worldwide network of member-owned savings and credit cooperatives (known variously as credit unions and SACCOs) is also significant. It provides, according to the World Council of Credit Unions, 177 million members in 96 countries (many of them developing countries) with an easy and safe way to save and borrow.

The financial crisis which has transformed the financial world for the past three years is bringing some unaccustomed attention to this diverse family of businesses, which share the common feature that they operate to bring benefits to their members/customers rather than to investor shareholders. The business magazine *The Economist*, for example, earlier this year reported that cooperative banks had been steadily increasing their market share in Europe in recent years. Customers, it seemed, were seeking security and reassurance. A recent study by the German Central Bank (*Bundesbank*) found coop banks more financially stable and less likely to fail than shareholder-owned institutions.

Cooperatives more resilient to crisis

It is a view which has been repeated in other studies, and one which the ILO's Hagen Henryrý endorses. As chief of the ILO Cooperative Branch, he knows the cooperative sector better than most and suggests that it is the underlying structure of these financial institutions which helps explain their robustness. "Available evidence suggests that, with few exceptions, cooperative enterprises across all sectors and regions are relatively more resilient to the current market shocks than their capital-centred counterparts," he says.

Some of the available evidence he refers to comes from a recent study¹ for the ILO by two university academics, Johnston Birchall from the United Kingdom and Lou Hammond Ketilson from Canada. Their study confirms the view that cooperative institutions have come through the recent crisis rather better than investor-owned businesses. It also suggests some reasons why this may have been the case, directly linked to cooperatives' ownership structures: "The recent massive public bail-out of private,

¹ Birchall, J.; Hammond Ketilson, L.: *Resilience of the cooperative business model in times of crisis* (Geneva, ILO, 2009).



Savings and credit cooperatives are particularly good at reaching the poor.

investor-owned banks has underlined the virtues of a customer-owned cooperative banking system that is more risk-averse and less driven by the need to make profits for investors and bonuses for managers,” Birchall and Hammond Ketilson write.

In other words, some of this resilience comes from the fact that cooperatives are not under the same pressures to increase investor returns. The International Co-operative Banking Association points particularly to the long-term perspective which cooperative financial institutions can practise: “Cooperative banks don’t have an obligation to maximize short-term profit to distribute it to their shareholders but can have a long-term strategy,” the Association’s chairman Jean-Louis Bancel says.

However, not all cooperative businesses have escaped from the financial crisis unscathed. In Germany, the central cooperative bank DZ suffered a one billion Euro loss in 2008 as a consequence of high-risk investments. Cooperatives elsewhere have also had to cope with trading difficulties, particularly from unwise investment decisions.

Unglamorous business model

Nevertheless, there is at present within the cooperative sector a certain sense of satisfaction that – a little, perhaps, like the Aesop fable of the prudent ant

in contrast to the flighty grasshopper – their apparently unglamorous business model has proved its worth and sustainability in difficult times. In some cases, for the first time in many years cooperatives are strongly marketing their member-owned structures to potential customers, and emphasizing their distinctiveness and probity.

For many cooperatives, this is linked with an emphasis on ethical banking and insurance practice. In the United Kingdom, for example, Cooperative Financial Services (part of the large multi-sectoral Co-operative Group) has been stressing its strongly ethical approach to lending and investment under the slogan “good with money”. Folksam is another business with a strong commitment to the investment of its insurance funds ethically. The Swedish firm took a lead role in advising the United Nations on the Principles for Responsible Investment adopted four years ago.

The cooperative movement points out that its commitment to social values (reflected in the principles of self-help, self-responsibility, democracy, equality, equity and solidarity formally endorsed as “cooperative values” by the International Cooperative Alliance) does not prevent cooperative businesses from being profitable at the same time. For Hagen Henrj, these values link well with ILO concerns with the creation of decent jobs and decent work. “Cooperatives are close to a democratic, people-centred





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>> economy which cares for the environment whilst promoting economic growth, social justice and fair globalization. Cooperatives play an increasingly important role in balancing economic, social and environmental concerns, as well as in contributing to poverty prevention and reduction,” he says.

The role of ILO Recommendation No. 193

The ILO has long taken an interest in cooperatives, but the ILO Promotion of Cooperatives Recommendation adopted by the International Labour Conference in 2002 (No. 193), has a particularly important role to play in helping governments worldwide create the laws, administrative systems and policies needed to enable cooperatives to develop in the coming century. Recommendation No. 193 helps to ensure that cooperatives have the modern legal frameworks they need. Its adoption also marked a renewed emphasis internationally on the importance of protecting cooperatives’ internal democratic practices after a period when, in some countries, some “cooperatives” were effectively little more than state-managed enterprises.

The need for appropriate cooperative legal structures may need to be reasserted in the aftermath of the global financial crisis, according to Hagen Henry. He points to moves in a number of countries to harmonize cooperative laws and regulatory regimes with those that apply to capital-centred companies, a process which he says can bring benefits but also dangers. “The homogenization of cooperative law with company law helps cooperatives to become more competitive in the narrow economic sense. However, this homogenization transforms cooperative enterprises, being based on transaction

relationships with their members, into enterprises that are based on investment relationships with their investors,” he points out. “It weakens the associative character of the specific governance structures of cooperatives.”

ILO Recommendation No. 193 specifically calls on governments to provide supportive policy and legal frameworks appropriate for the particular ownership structures and social values of cooperative businesses. Before the financial crisis, this could perhaps have seemed a fairly marginal area of activity. Today, however, the value of cooperatives can be more readily appreciated. “Capital-centred enterprises must not be the yardstick by which all enterprise types are compared and assessed,” Hagen Henry says.

A chance for cooperatives to reassert their position in the global economy may come shortly: the United Nations has recently resolved that 2012 will be declared the International Year of Cooperatives.

Cooperatives are represented internationally by the International Cooperative Alliance (ICA), which is also the body responsible for establishing the agreed statement on cooperative values and the seven guiding principles by which cooperative businesses undertake to put their values into practice. The ICA and the ILO share the same definition of a cooperative as “an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise”. Among the agreed principles is that of open membership, without gender, social, racial, political or religious discrimination, as well as that of equal voting rights, on the basis of one member, one vote.

The ILO Recommendation No. 193 refers to the cooperative laws and principles in its call for the promotion of cooperatives “as one of the pillars of national and international economic and social development”. It says, among other things:

“Cooperatives should be treated in accordance with national law and practice and on terms no less favourable than those accorded to other forms of enterprise and social organization. Governments should introduce support measures, where appropriate, for the activities of cooperatives that meet specific social and public policy outcomes, such as employment promotion or the development of activities benefiting disadvantaged groups or regions.”

Paving a way out of poverty for people with intellectual disabilities

Millions of people with intellectual disabilities and their families are inordinately affected by poverty and social and economic exclusion. In March 2010, the ILO–Irish Aid Partnership Programme gathered representatives from several East African countries, Australia and the United Kingdom at a three-day conference in Lusaka, Zambia to explore opportunities for people with intellectual disabilities to train and work alongside non-disabled workers in their communities, thereby paving a way out of poverty.

LUSAKA – Jacqueline Minchin works part-time as a clerical assistant in the office of Penglais Comprehensive School in Aberystwyth, Wales. “I love going to work. I wouldn’t miss a day. It makes me feel good that I have different jobs to do and that I do them well,” she says. In addition to work, she volunteers one morning per week at a local playgroup with preschool children.

Jacqueline is also an athlete with Down’s syndrome. Swimming is her main sport. She has been a Special Olympics athlete for the past twenty-



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>> three years. Last fall, Jacqueline won Gold, Silver and Bronze medals at the Special Olympics European Swimming Championships in Majorca, Spain, where she represented the British team.

Quincy Mwiya of Livingston, Zambia also has an intellectual disability. He is a council member of Inclusion International, a global federation of family-based organizations advocating for the rights of people with intellectual disabilities and their families. He is also a self-advocate member of Africa Network for Developmental Disability (ANDD) and a member of the Zambia Association for Children and Adults with Learning Disabilities (ZACALD).

Both Jacqueline and Quincy were eager to travel to Lusaka to share their experiences about the important role work plays in their lives and to make sure that the voices of others with intellectual disabilities are being heard, when they spoke to the nearly 80 individuals gathered for the confer-

ence. Too often people with intellectual disabilities are “invisible” and their stories are not influencing decisions that affect their lives. “My dream is to see that people with intellectual disabilities are part of the solution to the many problems they face and that no one is left out,” says Quincy.

Through their stories, Jacqueline and Quincy called on others to recognize them first as individuals – as daughters, sons, neighbours, co-workers – and secondly as individuals with interests – sport, dancing, and community activism. They also asked others to recognize that though they may learn in different ways, they can make their own unique contributions to their families and communities. More important is that they want the same as others.

Poverty and exclusion – a global story

There are 130 million people with intellectual disabilities and their families around the world, according to Inclusion International. In Africa, some 10 to 15 million people – from a population of over 800 million – have an intellectual disability. Because of stigma and discrimination, the majority of those affected live in poverty and isolation.

For decades, even in developed countries, efforts to promote inclusion and opportunity in all aspects of community life for people with intellectual disabilities have met many barriers, some quite resistant to change. Globally, more than for any other group including people with other forms of disability, people with intellectual disabilities experience higher unemployment rates and are excluded from education, employment, health care and other general services, and from “belonging” in their communities.

Families often provide the main support for persons with intellectual disabilities, whether they are adults, children, or adolescents. Care of family members with intellectual disabilities by productive adults means that one or more parents are not able to access paid work or must work fewer hours or give up on

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ABOUT THE ILO – IRISH AID PARTNERSHIP PROGRAMME

The ILO–Irish Aid Partnership Programmes supports disability-specific projects in selected countries of East and Southern Africa. The Project “Promoting the Employability and Employment of People with Disabilities through Effective Legislation” (PEPDEL) examines disability-related training and employment laws and policies, and aims to promote their effective implementation. The Project “Promoting Decent Work for Persons with Disabilities through a Disability Inclusion Service” (INCLUDE) supports the full participation of persons with disabilities in mainstream programmes and services in vocational training, entrepreneurship development, employment, and microfinance.

job advancement. This contributes to a vicious cycle of poverty and exclusion.

“Support services aimed at development of work skills and employment opportunities catering to this population are far too few in many countries of Africa,” explained Gerry Finnegan, ILO Director and Representative for Malawi, Mozambique and Zambia. “Every day we hear how people with intellectual disabilities or their families are struggling to belong, get needed supports, to find a place in school, or get a job.”

“Getting access to the workplace, in particular, poses a major challenge to people with intellectual disabilities,” said Barbara Murray, ILO Senior Disability Specialist. “We have a long way to go,” she said. “Fear and attitude and misconceptions about people with disabilities among employers and others continue to present barriers to their full participation at all levels of society. It will take many years to undo this mindset.”

The way forward

Slowly, things are changing. There are reasons for this optimism. A new era of opportunity has been ushered in with the entry into force of the United Nations Convention on the Rights of Persons with Disabilities (UN CRPD) in 2008, which many African countries have ratified or signed with a view toward ratification. Together with the ILO Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159) and other international, regional and national initiatives, the tools exist to bring about meaningful improvements in the lives of people with intellectual disabilities and their families.

The CRPD signals a dramatic shift from past practices by including a number of work and employment provisions requiring governments to provide training and employment opportunities for disabled jobseekers alongside non-disabled workers. People with intellectual disabilities are entitled to gain from the provisions of the CRPD, as well as people with other types of disabilities. Yet they are frequently not well placed to benefit from the CRPD’s changed emphasis on inclusion. The three-day conference in Lusaka aimed to change that by bringing together governments, social partners, civil society agencies and international organizations to discuss shared issues – in particular, training for people with intellectual disabilities and preparing them for work.

One particular successful outcome was the **Lusaka Declaration on People with Intellectual Disabilities: Achieving Full Participation in**

Training and Employment. The Declaration is a compilation of ideas and suggestions from conference participants and disability advocates to collectively affirm the vision and values for people with intellectual disabilities, while recognizing key challenges and providing recommendations for implementation. The set of recommendations spells out concrete actions to be undertaken by governments, employers and their organizations, trade unions, non-governmental organizations and parents’ groups in the disability field. The Declaration will provide a framework for action in this area in the years to come.

“The exchange of personal experiences, the review of good practice in supporting people with intellectual disabilities in integrated employment settings, and the involvement of non-governmental organizations as well as employer representatives not only helped to encourage and motivate women and men with intellectual disabilities, but also provided opportunities for long-lasting, joint cooperation,” says Barbara Murray.

The long-term vision of the ILO–Irish Aid Partnership Programme is to help promote decent work opportunities for people with all forms of disabilities in the open labour market, Murray says. “We know from experience that with appropriate training and jobs suited to their skills, interests and abilities, people with disabilities can make positive contributions to the workplace. Work not only helps to provide them and their families with the means to meet their basic necessities, but also allows them dignity and self-respect.”





SUCCESS STORIES

Each of the stories below provides a living example that having a disability does not prevent the individuals concerned from fully participating in their communities. Today, through their hard work and confidence, they are not only standing up for themselves but also serving as role models for other women and men with intellectual disabilities.

"I am an athlete"

Jacqueline Minchin, 33
United Kingdom (Wales)



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Jacqueline works part-time as a clerical assistant in a school office. In addition to work, she volunteers one morning per week at a local playgroup with pre-school children. She is also an athlete specializing in swimming. Last fall, Jacqueline won Gold, Silver and Bronze medals at the Special Olympics European Swimming Championships in Majorca, Spain, where she represented the British team.

"I am an advocate"

Quincy Mwiya, 34
Zambia



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Quincy is a council member of Inclusion International. In the council, he represents the region called Inclusion Africa and Indian Ocean. Quincy is also a self-

advocate member of Africa Network for Developmental Disability (ANDD), and a member of the Zambia Association for Children and Adults with Learning Disabilities (ZACALD).

With help from ZACALD, ANDD, the Norwegian Association for Persons with Disabilities (NFU), Inclusion International and the UN Department of Economic and Social Affairs (UN-DESA), Quincy was able to attend the Ad Hoc Committee Session on the UN Convention on the Rights of Persons with Disabilities in New York. He was instrumental in that process as a self-advocate, particularly for Africa.

"I am an office worker"

Rajab Bakar Simba, 39
(United Republic of Tanzania)



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Rajab works temporarily at the Zanzibar Association for the People with Developmental Disabilities (ZAPDD) where he is tasked with gardening, cleaning and sometimes photocopying. Rajab has been a member of ZAPDD since 2004. Membership has helped him to learn about his human rights and about life skills – knowledge that he passes along to other persons with disabilities.

Rajab is very interested in having a permanent job that will allow him to earn enough to contribute to his family. Currently, he alternates living with his brothers and sisters, though he would like to get married some day and have a family of his own.

Small premiums, long-term benefits

Why poor women need microinsurance



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Microinsurance coverage is an important safety net for households in developing countries, providing a tool to protect productive assets. For poor women, however, coverage can be even more critical.

Monica Kirunguru's husband was an outgoing man, and a prominent member of his small community. The couple lived together on a farm near Mount Kenya, where they worked hard to support their seven children and five grandchildren. In

August 2009, Monica's husband was admitted to hospital, where he died one month later.

Coping with the emotional shock that accompanies the death of a life partner can be staggeringly difficult. Coping with the financial shock at the same time can make the situation seem impossible. Typically, a Kenyan woman in Monica's circumstances would have two options to cover the hospital and funeral expenses: take out a high-interest emergency loan, or approach friends and family for money. Monica was lucky. When her husband was



>> admitted to the hospital, she was informed that he had bought health and life insurance two months earlier. The policy paid out US\$330 to cover hospital bills, a weekly stipend of \$25 for the family's living expenses during hospitalization (Monica used this money to continue paying the children's school fees), and \$400 toward the funeral, which was attended by over 1,000 people. She is now learning how to run the farm on her own, grateful not to be in debt.

Monica's story is certainly an exception among poor women struck by crisis. The role of microinsurance is to help low-income people manage risk and reduce their vulnerability to shocks, yet it is estimated that only 3 per cent of the low-income people in the world's 100 poorest countries benefit from a microinsurance product, leaving approximately two billion people unprotected. Of those two billion, more than half are women.

Making the most of women's resources

Women comprise 70 per cent of the world's poor. They earn less than men, have less control of property, and face higher levels of physical vulnerability and violence. They are often caregivers, homemakers, and, increasingly, household resource managers and income earners. Considering this combination of vulnerability and responsi-

bility for the welfare of their families, women have a unique and pressing need to manage risk.

Traditional risk management strategies that women use to cope with crises involve long-term sacrifices that perpetuate the cycle of poverty. For example, using business profits to deal with emergencies instead of using them for long-term investments is one of the largest barriers to growth for female entrepreneurs. Similarly, selling productive assets such as livestock or equipment sacrifices any future income from those assets. Another crisis management strategy, pulling children out of school, not only stunts children's social and intellectual growth but also severely curtails their long-term earning potential.

Sustainable and sensitive: Designing products for women

Microinsurance offers a promising alternative for poor women to manage risk and use their assets more productively. As resource managers and caregivers, women are a natural target market for insurance companies. The challenge, however, is creating microinsurance programmes that meet the needs of poor women, minimize operating costs, and keep premiums affordable – all at the same time.

Poor women have specific needs that make it difficult to design profitable insurance products.



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SEWA Bank offers its clients – all self-employed poor women – a choice of three microinsurance schemes covering death, health and assets.

© SEWA/India

For example, many health microinsurance programmes exclude pregnancy, citing the high costs caused by adverse selection. However, some schemes have successfully used innovative models to reduce costs and improve accessibility. In West Africa, a French NGO called *Centre International de Développement et de Recherche* (CIDR) has developed a health insurance product with maternity cover. The product is sold at the village level, with all inhabitants paying an annual fee to cover all pregnant women in the village. Since participation is mandatory, adverse selection and administrative costs are minimized, allowing for an extremely affordable premium: only \$0.40 per year. In Guinea, after one year, the maternity benefits covered 1,000 women.

In India, another programme is meeting women's unique needs in a sensitive, sustainable way. SEWA Bank offers its clients – all self-employed poor women – a choice of three microinsurance schemes covering death, health and assets. Like pregnancy, coverage for the entire family is another aspect of microinsurance that is important to women but is often unaffordable. Available at various price points to ensure accessibility, SEWA's schemes provide options to cover husbands and children for a low incremental fee. All the children in a family are covered by one premium, to avoid families having to choose which of

their children to insure. Another innovative feature is that the insurance is integrated with SEWA's savings accounts. Clients can use their accrued interest to pay premiums, improving accessibility and reducing administrative costs. Starting with 7,000 clients in 1992, Vimo SEWA now covers nearly 200,000 women, men and children.

The future of microinsurance for women

Microinsurance represents a new frontier of development, and there is much work to be done toward creating a gender-sensitive microinsurance industry. It is crucial to understand how women combine microinsurance with existing risk management strategies, how their attitudes toward risk differ from those of men, and how microinsurance affects their rates of investment into businesses, savings behaviours and household consumption. Donors, researchers, and practitioners each have an important role to play in furthering the development of microinsurance.

As for Monica, she reports that since her husband's death her friends and family have been asking her about the insurance and how she managed to avoid incurring debts or asking the community for money. Monica is spreading the good word – she now tells everyone she meets that they should buy the insurance. And, she says, she will definitely renew the policy when it lapses.

ILO Director-General urges G20 to stay focused on reducing the global jobs deficit

On 26–27 June, world leaders met in Toronto, Canada, to pursue talks on recovery policies from the global economic and financial crisis. ILO Director-General Juan Somavia welcomed the G20 Leaders' statement in which they gave the "highest priority to safeguard and strengthen the recovery and to the next steps they should take to ensure a full return to growth with quality jobs".

"To do so they agreed to a delicate policy balance between continuing the stimulus plans and a growth friendly fiscal consolidation process differentiated for and tailored to national circumstances," said Mr. Somavia. "The ultimate political, economic and social impact of the Toronto Summit will depend on whether this agreement is also implemented in a balanced manner at national and regional level."

"Building confidence is not only about calming financial markets; it is also about citizens feeling confident that leaders are implementing policies in a fair way," Mr. Somavia said. "For working families there is no sustainable recovery without jobs recovery."

"Social dialogue among business and labour, the actors of the real economy, will be crucial to sustain recovery and address fiscal issues as an important means of getting the right balance at this critical phase when the risks of a double-dip recession are still worrying," Mr. Somavia said.

He also underlined the statement of the G20 Leaders that "we welcome the recommendations of our Labour and Employment Ministers, who met in April 2010, on the employment impact of the global economic crisis. We affirm our commitment to achieving strong job growth and providing social protection to our most vulnera-

ble citizens. An effective employment policy should place quality jobs at the heart of the recovery. We appreciate the work by the ILO in collaboration with the OECD on a training strategy that will help equip the workforce with the skills required for the jobs of today and those of tomorrow."

The ILO Director-General said, "The ILO is already working with some G20 members in the implementation of these measures and the Global Jobs Pact, endorsed by the Pittsburgh Summit last September, and we look forward to continuing this work in cooperation with our employer and worker constituencies." In this context the Director-General emphasized the importance of the commitment made to "improving access to financial services for the poor and to increasing financing available to small and medium-sized enterprises in developing countries... including the launch of an SME Finance Challenge aimed at finding the most promising models" in this respect.

Mr. Somavia backed the decisions of the G20 leaders to recapitalize multi-lateral development banks, notably regional development banks, and to take a new initiative on food security.

A major focus of the Toronto meeting was building on the Framework for Strong, Sustainable and Balanced Growth launched in Pittsburgh in September 2009, which also set up a Mutual Assessment Process designed to strengthen policy actions and frameworks. "The ILO, as a participating organization in the Mutual Assessment Process, will continue to work with countries in the coming months to assist in the achievement of the G20's employment, development and poverty reduction goals," Mr. Somavia said.

Noting that in the hardest hit countries, the key is a pickup in business investment and household consumption, he added, "If the private sector does not take the lead in driving recovery, the next G20 may well have to revisit the policy balance agreed in Toronto."

International Labour Conference: ILO urges strong action on jobs

The annual Conference of the International Labour Organization (ILO) concluded its 2010 session with a strong call for placing employment and social protection at the centre of recovery policies. Meeting in the run-up to the G20 Leaders summit in Toronto, representatives of the “real economy” – government, employer and worker delegates from the ILO’s 183 member States – expressed broad concern that the global economic recovery remained “fragile and unevenly distributed, and many labour markets are yet to see jobs recovery match economic recovery”.

Delegates called for action to apply the ILO’s Global Jobs Pact. The Pact was adopted at a crisis summit held during last year’s International Labour Conference and received strong support during the G20 summit in Pittsburgh last September.

Speakers also backed Mr. Somavia’s call for a “balanced” policy strategy aimed at securing a “jobs-rich” economic recovery, and his warning that recent deficit reduction measures, mainly in social spending, could “directly affect jobs and salaries” at a time of weak economic recovery and continued high levels of unemployment.

The Conference reiterated its call to the ILO to place full and productive employment and decent work at the centre of economic and social policies to strengthen the social dimension of globalization. “It is urgent for the ILO to play its full role in the challenges posed by globalization,” said Mr. Gilles de Robien (France), President of the Conference.

Conference delegates called on the ILO to enhance its collaboration with the multilateral institutions, particularly the United Nations, the IMF and the World Bank, strengthening policy coherence across financial, economic, trade,



Mr. Gilles de Robien

employment, social and environmental policies.

The Conference took place against a backdrop of new concern over the continuing global jobs crisis, that has elevated global unemployment to more than 210 million, or its highest level ever recorded, according to the Director-General’s report *Recovery and growth with decent work*. Mr. Somavia noted that the ILO had seen no significant indications of a reduction in the global rate of unemployment this year, despite signs of an economic recovery.

Speakers from governments, employers and workers alike noted that the continuing lack of a jobs recovery placed a “terrible burden” on the unemployed, while at the same time hindering efforts to create “the right environment for enterprises to create employment”. Others cau-

tioned against premature exit from stimulus packages, which would simply “make matters worse”.

“The message of this Conference is very clear – put jobs at the centre of the recovery. In terms

of the G20 meeting in Toronto this means keeping the Leaders’ commitment, under the chairmanship of President Obama, in Pittsburgh to put quality jobs at the heart of the recovery”, Mr. Somavia said.

SWISS PRESIDENT OPENS CONFERENCE



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“The crisis will not be over as long as unemployment and underemployment prevail,” said the President of the Swiss Confederation, H.E. Ms. Doris Leuthard, at the opening ceremony of the 99th annual Conference of the International Labour Organization.

Speaking to some 4,000 delegates gathered for the International Labour Conference, Ms. Leuthard stressed the importance of “cooperation and consistency not only between governments, but also with the social partners to address development challenges and to meet economic, social and environmental needs.”

“As the global economy seems to recover from the crisis, let us not be blinded by encouraging signals and indicators. Let us not succumb to the temptation to return to business as usual. Unemployment remains a major concern of governments, and we must strive to eliminate the damage caused by the crisis on the labour market,” Ms. Leuthard said.

Conference Agenda

Delegates also discussed a wide range of other issues, including employment policies, a new Recommendation on HIV/ AIDS, domestic work and the effect given to ILO labour standards.

On 17 June, Conference delegates gave overwhelming support to a new international labour standard on HIV and AIDS and the world of work. The Recommendation is the first international human rights instrument to focus specifically on HIV and the world of work. It contains provisions on prevention programmes and

anti-discrimination measures at national and workplace levels, aimed at strengthening the contribution of the world of work to universal access to HIV prevention, treatment, care and support.



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The Conference also adopted a resolution on the promotion and implementation of the Recommendation that invites the ILO Governing Body to allocate greater resources to give effect to the new standard, requesting that a Global Action Plan be established to achieve its widespread implementation with regular reporting from ILO member States.

The Conference also held a first discussion on new international labour standards for domestic workers. The adoption of such instruments would present an unprecedented opportunity to facilitate access to decent employment conditions for this historically disadvantaged group, mainly comprising women and girls.

The proposed instruments would set out some minimum protections for domestic workers worldwide, taking into account the specificities

of domestic work and its heterogeneity.

A second discussion on the proposed instruments will follow in June 2011.

The Committee for the Recurrent Discussion on Employment concluded that the ILO and its social partners have major roles to play in advancing the objective of an employment-centred macroeconomic framework, and asked the ILO to improve and coordinate its technical and analytical capacity to examine macroeconomic policies from the perspective of employment outcomes.

During the plenary, delegates addressed the latest ILO report on the situation of workers in the occupied Arab territories which shows some improvement in the economic situation in the Occupied Palestinian Territory although the latter remains precarious, particularly in Gaza.

Delegates also discussed the ILO's Global Report on child labour on 11 June. The Report shows that global efforts to eliminate the worst forms of child labour are losing momentum, and warns that unless they are significantly stepped up the 2016 target will not be reached. (For further information see page 4 of this issue.)

International labour standards

The Conference Committee on the Application of Conventions and Recommendations

examined 25 individual cases covering the whole range of concerns addressed by the ILO Committee of Experts on the Application of Conventions and Recommendations in its report submitted to the Conference (for more information, please go to http://www.ilo.org/global/What_we_do/InternationalLabourStandards/WhatsNew/lang--en/docName--WCMS_141995/index.htm).

The Committee again held a special sitting on the application by Myanmar of the Forced Labour Convention, 1930 (No. 29), following

"REAL ECONOMY" LEADERS DISCUSS POLICY

Two high-level panels were convened at the ILO's International Labour Conference amid growing concern over unemployment, which remains at its highest point ever, and the impact of the sovereign debt crisis and recent moves to reduce deficits, impose austerity measures and take other steps towards fiscal consolidation.

The two panels were convened to discuss ways of forging a job-rich recovery and fostering more sustainable and balanced growth through making employment a macroeconomic objective of the same order as low inflation and deficits. They also discussed the con-

tribution of productive employment and social protection to realizing faster progress to achieve internationally agreed development goals such as the MDGs.

"The ILO has helped lead the way with the Global Jobs Pact which is moving job creation up the priority list," said United Nations Secretary General Ban Ki-Moon in a statement prepared for the discussion. "Now is the time to go even further. A recovery is not meaningful if people learn about it in the newspaper. Working women and men need to see it in their own lives and livelihoods. Simply put, a real recovery must reach the real economy."



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up measures taken in the context of Article 33 of the ILO Constitution.

The General Survey discussed by the Conference Committee this year was on employment instruments, in light of the ILO's 2008 Declaration on Social Justice for a Fair Globalization. The Survey was intended to promote greater coherence between the normative and economic and social policy work of the Organization through an analysis of the laws, practices and policies of countries in the field of employment.

The role of the International Labour Conference is to adopt and oversee compliance with international labour standards, establish the budget of the Organization and elect members of the Governing Body. Since 1919, the Conference has served as a major international forum for debate on social and labour questions of worldwide importance. Each of the 183 ILO member States has the right to send four delegates to the Conference: two from government and one each representing workers and employers, each of whom may speak and vote independently.

RESPONSES TO GLOBAL ECONOMIC AND JOBS CRISIS



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“social protection is both a social stabilizer and a stabilizer for the economy, at least in countries where such protection exists”.

Panellists also warned that the accelerating sovereign debt crisis, coupled with government policies designed to squeeze public expenditures at the expense of job creation, also threatened to stall or reverse progress in achieving the Millennium Development Goals of reducing poverty and promoting development by 2015.

At the same time, a number of speakers cited examples of balanced economic and social policies in response to the crisis. Brazilian Foreign Minister Celso Amorim said that a strategy of strengthening the real economy while prioritizing social justice had helped mitigate the impact of the global economic crisis in Brazil, adding that “peace, cooperation and fair trade will be the new name of development”.

US Secretary of Labor Hilda Solis, speaking in a video message, presented the conclusions of the G20 Labour and Employment Ministers’ meeting last April in Washington, noting that the meeting had highlighted the role of the ILO’s Global Jobs Pact and Decent Work Agenda as “valuable resources for governments as they design further measures to address employment and social protection systems”.

Other speakers also stressed the role of social protection as an essential part of the response to the crisis. Gilles de Robien of France, President of the Conference, said the succession of crises had shown that

Mr. Valentin Mocanu, Secretary of State, Ministry of Labour, Family and Social Protection, Romania noted that the Conference had just concluded groundbreaking discussions on employment issues that underscored that the ILO and its social partners “have major roles to play in advancing the objective of an employment-centred macroeconomic framework. We have asked the Office to improve and coordinate its technical and analytical capacity to examine macroeconomic policies from the perspective of employment outcomes.”



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ILO Governing Body elects new Chairperson

The Governing Body of the International Labour Office (ILO) elected H.E. Mr. Adelwaheb Jemal, Ambassador of Tunisia and Permanent Representative of Tunisia to the United Nations Office in Geneva, as Chairperson for 2010–11. The 308th Session of the Governing Body also considered a range of other business, including a report of the ILO Committee on Freedom of Association.

Mr. Daniel Funes de Rioja, President of the Social Policy Department of the Argentine Industrial Union and Chairman of the Employers' Group of the Organization of American States from 1995 to 1998, was re-elected as Employer Vice-chairperson. Sir Leroy Trotman, General Secretary, Barbados Workers' Union and spokesperson of the Workers' Group in the Governing Body, was re-elected as Workers' Vice-chairperson.

The three will serve as Officers of the Governing Body during the period 2010–11. The Governing Body is the executive council of the ILO and meets three times a year in Geneva. It takes decisions on policy and establishes the Programme and Budget of the ILO.

The Governing Body also prepared the agenda of the 100th Session of the International Labour Conference in June 2011. It decided to include a general discussion on "Labour administration and labour inspection – Trends and challenges" in the agenda. The 2011 Session will also hold a second discussion on "Decent work for domestic workers" with a view to standard setting, and consider the strategic objective of social protection, the application of ILO Conventions and Recommendations, reports of the Chairperson of the Governing Body and the Director-General, and proposals for the ILO Programme and Budget for 2012–13.

Mr. Abdelwaheb Jemal replaces H.E. Mrs. Maria Nazareth Farani Azevêdo, Ambassador of Brazil and Permanent Representative of Brazil to the United Nations Office in Geneva, who served as Governing Body Chairperson during the period 2009–10.

Prior to this appointment in Geneva in December 2008, Mr. Abdelwaheb Jemal had worked as General Commissioner of Regional Development in the Tunisian Ministry of Planning, Chief of Staff of the Minister of Social Welfare, Governor of the provinces of Mahdia and Nabeul, Permanent Secretary (with the status of a Deputy Minister) in the Constitutional Democratic Rally and Ambassador of Tunisia in Mauritania.



Mr. Abdelwaheb Jemal

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Freedom of association

The Governing Body approved the 357th report of the ILO Committee on Freedom of Association. At its present meeting, the Committee examined 39 cases. Altogether there are currently 128 cases before the Committee.

■ The Committee drew special attention to the cases of the Democratic Republic of Congo, Ethiopia, the Islamic Republic of Iran and Peru.

■ In the case of the **Democratic Republic of Congo**, concerning the arbitrary detention of members and leaders of the Congolese Labour Confederation (CCT) working at the Ministry of National Economy and Foreign Trade by intelligence services, the Committee requested the Government to immediately start an independ-

ent inquiry to explain the nature of their arrest and the offences for which they have been charged. Such an inquiry should also establish whether the trade unionists have been detained for a month before being questioned and whether they have been subject to inhuman and degrading treatment. The Committee requested that the detained should be released immediately if the inquiry revealed that they were only in prison because of the exercise of their legitimate trade union activities.

■ In the case of **Ethiopia**, the Committee regretted that the National Teachers Association (NTA) has still not been registered with the Government despite the Committee's earlier recommendations in this regard. It urged the Govern-

ment to proceed immediately to register the Association so that teachers can fully exercise their right to form associations to defend their professional interests. More generally, the Committee urged the Government to fully guarantee the rights of union officials, including public schoolteachers. The Committee also noted the adoption of a new Proclamation on Charities, asking the Government to provide information on its implementation, especially with respect to alleged interference of the body responsible for registering associations.

■ The two cases concerning the **Islamic Republic of Iran** show that the difficulties related to the exercise of the right to freedom of association affects both employers and workers in the country. In the first case, involving repeated acts of repression against the union of the Bus Company of Tehran Vahed (SVATH) and detention of its President, Mr. Mansour Osanloo, the Committee welcomed efforts by the Minister of Labour to obtain his release and a decision to include him in a list of persons to be pardoned. It strongly expected to see his immediate release and demanded the immediate release and dropping of charges brought against several other trade unionists. The Committee also called for measures to amend the legislation to recognize the principles of trade union pluralism, and the right to public protest and expression.

■ The second Iranian case concerns the Government's interference in the affairs of an organization representing employers and its administrative dissolution. In the light of a recent court decision in this matter, the Committee expressed the hope that the Government will immediately register the employers' organization concerned (ICEA) and asked it to adopt a position of neutrality with respect to the exercise of employers' associations. The Committee reiterated the need to amend the labour law to provide protection against acts of government interference and guarantee the freedom to form and join organizations of workers and employers. Finally, the Committee expected the Government to accept a mission to the country to discuss all issues related to freedom of association, including the issues raised in the present case.

■ In the case of **Peru**, concerning the dismissal of many union leaders in the mining sector following a strike and the assassination of two trade

unionists, the Committee strongly expressed its hope that the ongoing investigations into these murders will deliver concrete results and determine responsibilities. The Committee also called for an independent investigation into the allegations of dismissals of trade unionists for strike and requested their reinstatement if it turns out that participation in strikes was the only reason for their dismissal.

■ On a positive note, the Committee welcomed the revitalization of social dialogue in **Japan**, particularly with respect to the formulation of a legislative framework to ensure basic labour rights to public servants and the establishment of a committee to examine the issue of the right to organize of firefighters. It urged the Government to continue in this direction and to keep it informed of all developments in this regard.



Firefighting in Japan

ASEAN'S strong recovery faces challenges

ASEAN countries have rebounded remarkably from the global economic crisis and many are recording pre-crisis economic growth levels. But they face key challenges, including rebalancing growth, improving workforce skills, rebuilding employment and – critically – accelerating productivity to compete with India and China, according to a new ILO report.

Labour and social trends in ASEAN 2010: Sustaining recovery and development through decent work is a study prepared for the 2nd ASEAN Human Resource Conference held in Hanoi, Viet

Nam, on Tuesday 25th May. The report finds that while the impact of the crisis was large, the region is rebounding better than many predicted and is expected to grow by 5.4 per cent in 2010 compared to a mere 1.4 per cent in 2009. Fiscal stimulus packages and demand from China have played important roles in this.

However, during the crisis ASEAN's labour productivity relative to China and India deteriorated. Average annual labour productivity in the ASEAN region contracted by 0.3 per cent between 2007 and 2009, while in China and India it surged by 8.7 per cent and 4.0 per cent respectively. Investing in skills and improving job quality are two critical preconditions for improved productivity, the report says.

With the strong recovery, unemployment has fallen to pre-crisis levels in some countries, but

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rolling back informal employment (where productivity is low, working conditions poor and social protection minimal) will take longer. In 2009, more than 61 per cent of all ASEAN workers were estimated to be in the informal sector. Meanwhile, the number of working poor (earning less than US\$2 per day) is believed to have risen in the past two years, from 140 million to 158 million people (or from 51 per cent to 57 per cent of the region's workers).

"Recent labour productivity trends highlight a serious competitive challenge to the ASEAN region, particularly for the more developed member countries," said Gyorgy Sziraczki, Senior Economist at the ILO. "Increasing productivity is critical for sustained growth and must also be reflected in higher wages, better jobs and working conditions. Without higher wages domestic consumption can't increase and economies will remain dependent on exports. On the other hand, sharing the gains supports a virtuous circle, with productivity leading to better wages and conditions, higher living standards, and stronger competitiveness."

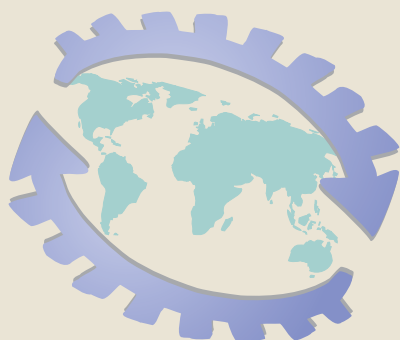
The study suggests some policy priorities to sustain the region's recovery, including improved competitiveness and productivity translating into more and better work; training to equip workers with the skills needed now and in the future; investment in infrastructure and support for small and medium-sized enterprises (SMEs); social protection policies acting as "automatic stabilizers", cushioning economic shocks and helping maintain demand.

"To sustain the recovery ASEAN needs balanced, realistic policy options that will support economic, social and environmental sustainability and foster decent work," said Sachiko Yamamoto, ILO Regional Director, Asia and the Pacific. "The ILO's Global Jobs Pact offers just such measures, aimed at promoting a productive recovery, centred on investment, employment and social protection."

The report comes from the ILO's Regional Office for Asia and the Pacific in Bangkok. Copies can be found at www.ilo.org/asia or are available on request. Interviews with the authors can also be arranged.

AROUND THE CONTINENTS

A REGULAR REVIEW OF THE INTERNATIONAL LABOUR ORGANIZATION AND ILO-RELATED ACTIVITIES AND EVENTS TAKING PLACE AROUND THE WORLD



Decent work for seafarers

■ The Government of Canada deposited its instrument of ratification of the Maritime Labour Convention, 2006 with the International Labour Office on 15 June. Canada is the first North American country to ratify this key maritime labour Convention, sometimes called the “super Convention”, adopted by the 94th International Labour Conference (Maritime) in Geneva in February 2006. Canada’s ratification in 2010, the International Year of the Seafarer, marks an important “one-third of the way” step towards achieving the second requirement of 30 ratifying countries. Progress in many other countries indicates that the number of ratifications needed for entry into force will be achieved, as expected, in 2011, the fifth anniversary of the Convention, if not before. Once this second requirement is met the Convention will enter into force 12 months later.



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DWCP for Oman

■ Last June, the Decent Work Country Programme (DWCP) for the Sultanate of Oman was launched at the 99th Session of the International Labour Conference in Geneva. The Sultanate of Oman becomes the second Gulf State to sign its DWCP after Bahrain’s signature of its programme in March 2010. The programme will be implemented during the period 2010–13 and relies on a set of priorities agreed upon between the ILO, the Government of the Sultanate of Oman and the country’s social partners to enhance decent and productive job opportunities for women and men in conditions of freedom, justice and dignity.

Robinho teams up with ILO



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■ The Brazilian football star Robson de Souza, better known as Robinho, has lent his support to the International Labour Organization’s campaign to eliminate the worst forms of child labour in Brazil. Robinho, who was part of the Brazilian squad during the 2010 football World Cup in South Africa, has agreed to be the face of the national campaign that is being carried out by the ILO’s International Programme on the Elimination of Child Labour (IPEC) in Brazil.

The country has been a leader in the international fight against child labour. The Government has set 2015 as the goal to eliminate the worst forms of child labour and 2020 for all forms, in accordance with the Hemispheric Agenda on Decent Work in the Americas, adopted at the ILO 16th American Regional Meeting in Brasilia in May 2006.

Denmark makes major contribution to the ILO



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■ The Government of Denmark will contribute DKK40 million (approximately US\$7.1 million) in flexible and predictable resources to the ILO’s Regular Budget Supplementary Account (RBSA). The decision was approved by the Minister of Development in Copenhagen after recommendation by the Danish Board for International Development Cooperation, and the agreement between Denmark and the ILO was signed on 3 June. Traditionally one of the most progressive donors, Denmark has again set an example by aligning with the principles of Aid Effectiveness embodied in the Paris Declaration and Accra Agenda for Action. The Danish Government’s contribution for 2010–11 will take the partnership with the ILO to

a new level by providing fully flexible and un-earmarked resources.

New director for ILO-IFC Better Work Programme

■ Corporate social responsibility expert Dan Rees of the United Kingdom has been selected by ILO Director-General Juan Somavia to head “Better Work”, a partnership of the ILO and the International Finance Corporation (IFC). Better Work seeks to improve labour standards compliance in global supply chains, both to protect workers’ rights and help enterprises become more competitive. Mr. Rees comes to Better Work from his previous position as founding Director of the Ethical Trading Initiative (ETI), one of the world’s most respected corporate social responsibility organizations. Mr. Rees will assume his position at the Better Work global programme office in Geneva in August 2010.

For more information on the Better Work programme, please contact Ms. Chandra Garber at +4122/799-7814 or garber@ilo.org.

Media for Labour Rights 2010 Award

■ On 21 June, the Third Annual Media for Labour Rights feature-writing prize was awarded to Nina Corpuz, a journalist from the Philippines, for an article on domestic workers and the threats of trafficking and abuse that they face. The award is given by the ILO’s International Training Centre in



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Nina Corpuz

Turin. The article was selected among stories written by professional journalists who attended the training courses on “Communicating Labour Rights”, organized annually by the Centre. The courses introduce journalists and media professionals from all over the world to international labour standards, with the aim of raising public awareness of their relevance to local labour and social issues.

DWCP for Benin



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■ On 10 June, the Republic of Benin and the ILO signed a Memorandum of Understanding to implement the Decent Work Country Programme (DWCP) 2010–15 with the aim of strengthening social dialogue, promoting decent work for youth in rural and urban areas through the development of sustainable enterprises, and enhancing social protection.

For more information, please contact Guebray Berhane, Senior Communication and Public

Information Officer in Addis Ababa, phone: +251-11/544-4415.

South-South cooperation

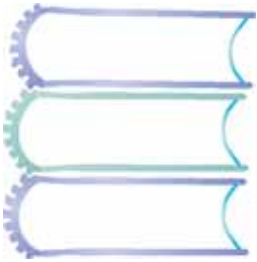
■ The Governments of Timor Leste and Brazil have signed a Cooperation Agreement that will bring more than US\$520,000-worth of assistance to Timor Leste. The agreement was signed at a ceremony held during the International Labour Conference (ILC), in Geneva. The agreement will fund a project that will contribute towards the establishment of a social security system in Timor Leste. This work will include the creation of training instruments to strengthen the capacity of Timor Leste in the field of social security protection, and work on a strategy for creating the relevant public policies. The project began in June 2010 and runs until September 2011. It is being implemented with the assistance of the ILO. Of the project funding, US\$385,825 will come from Brazil and US\$136,000 from the ILO, making a total of US\$521,825.

For more information, please contact Sophy Fisher, ILO Regional Information Officer – Asia Pacific, fisher@ilo.org, phone: +41 (0) 79 558 6341.



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MEDIA SHELF



■ **Trade and employment in the global crisis**

Edited by Marion Jansen and Erik von Uexkull. Geneva, ILO, 2010. ISBN 978-92-123334-3. US\$25, €16, 25 Swiss francs.

In many low- and middle-income countries, the global financial crisis has led to significant losses of jobs and pressures on real wages. Based on the findings of ILO-sponsored studies of employment impacts in Brazil, Egypt, India, Liberia, South Africa, Uganda and Ukraine during the global crisis, this book analyses how cross-border trade has acted as a transmission channel, spreading the crisis to developing and emerging economies. Key topics covered include the role of export concentration in increasing labour markets' vulnerability to trade shocks, the effects of global price volatility on household and company investment decisions, the impact of the global slowdown on workers' and governments' bargaining power and the impact of negative trade shocks on gender inequality.

The book reviews the suitability of the different policy instruments that countries have applied during the crisis. The authors underline the benefits of stimulus packages with infrastructure components for their potential to combine short-term employment creation with increased opportunities for future trade. They also argue that policies targeted towards specific sectors may not always meet policy-makers' expectations in reducing the economic slowdown and may even be in conflict with multilateral trade rules. By contrast, cross-sectoral social or labour market policies tend not to be trade-distorting and have significant potential to cushion the slowdown in growth by stabilizing domestic demand. The authors highlight the fact that in countries where policy instruments were in place before the crisis, these acted as an automatic buffer and could be relatively easily scaled up.

The book also takes an in-depth look at the strategies households have developed to cope with

the crisis and the effects of the crisis on inequality and bargaining power. Finally, the study reviews how policy instruments designed to protect workers have fared, and makes recommendations for responses to future crises.



■ **Don't waste the crisis: Critical perspectives for a new economic model**

Edited by Nicolas Pons-Vignon. Geneva, ILO, 2010. ISBN 978-92-123442-5. US\$28, €22, 30 Swiss francs.

This collection of short articles examines the causes and consequences of the global financial crisis, with a focus on labour. The articles suggest ways to strengthen labour's capacity to influence policy debate, offering inspiration to those who feel that national and international policies must change and who are convinced that the labour movement has much to contribute after years of declining influence. The crisis has many possible outcomes. The *Global Labour Column* (where these articles first appeared) has endeavoured to explore all the possibilities, even if this means reopening difficult debates. The various alternatives are discussed with passion and expertise. The authors – prominent academics and trade union leaders from both North and South – differ in their views, but concur that it is time to adopt policies which protect workers and that social justice must be the objective. Providing a rich source of ideas, the authors' analyses do not shy away from pointing out the failures of unions, as they share the belief that a stronger and more inclusive union movement is essential to avoid wasting the crisis. This stimulating collection is accessible and essential reading for those who feel that returning to "business as usual" is simply not an option.

■ **The employment relationship: A comparative overview**

Edited by Giuseppe Casale. ILO, Geneva, 2010. ISBN 978-92-2-123302-2. US\$48, €33, 50 Swiss francs.

The issue of who is or is not in an employment relationship has become problematic in recent decades as a result of major changes in work organization as well as in the adequacy of legal regulation in adapting to such changes. In different parts of the world there is increasing difficulty in establishing whether or not an employment relationship exists in situations where the respective rights and obligations of the parties concerned are not clear, where there has been an attempt to disguise the employment relationship or where inadequacies or gaps exist in the legal framework or in its

interpretation or application. Vulnerable workers appear to suffer most in these situations. At the same time the social partners and labour administrators have emphasized that globalization has increased the need for protection, at least against the circumvention of national labour legislation by contractual and/or other legal arrangements.

The employment relationship is thus increasingly under scrutiny, not only by labour lawyers but also by workers, employers and the judiciary. Changes in the world of work have modified the traditional notions of the employment relationship. These changes in the "standard employment relationship" shape the scope of protection and application of labour legislation and automatically affect the way labour law is implemented.

This book presents the way the scope of labour legislation applies to the realm of the employment relationship. Terms, notions, definitions, laws and practice in the various regions of the world are reported.



■ **Social protection expenditure and performance review and social budget: Zanzibar**

ILO, Geneva, 2010. ISBN 978-92-2-122872-1. US\$40, €25, 40 Swiss francs.

Zanzibar's lack of social protection has left it vulnerable during the current financial crisis and economic downturn, and basic social services are urgently required. The ILO-DFID funded project sets out the current situation of existing social transfers within Zanzibar's social protection system. The report builds on this work to provide the foundation for future analysis of policy options and for any supporting social dialogue regarding social protection as a means of reducing poverty in the region. It examines the country's demographic characteristics, economy, structure of the labour market, poverty, contributory and non-contributory provision and policy options and evaluates the social budget for projected government social expenditures. Its recommendations form the basis for a social protection strategy.



■ **Occupational Safety and Health Series, No. 73**. ILO, Geneva, 2010. ISBN 978-92-2-122413-6. US\$32, €23, 35 Swiss francs.

Workers exposed to ionizing radiation in the course of their work may claim for compensation if they develop cancer. However, cancer is a common disease, especially in

older age, and most cancers will be caused by non-occupational risk factors. Compiled by international experts, this book examines in detail the scientific basis for risk attribution, focusing in particular on the methodological issues associated with attributing individual cancers to previous occupational radiation exposures. The general features of compensation schemes are also presented, along with examples of compensation schemes from different countries which illustrate a variety of approaches.

Jointly published by three international organizations with mandates relating to occupational

health and ionizing radiation – the ILO, IAEA and WHO – the publication will be useful for national authorities, trade unions, employers and other parties with an interest in ensuring an equitable approach to workers' compensation.



■ **International Programme on the Elimination of Child Labour (IPEC): What it is and what it does** International Labour Office, Geneva, 2010.

This new brochure provides a

summary of the role and activities of the ILO's International Programme on the Elimination of Child Labour (IPEC). Substantial progress has been made in the struggle against child labour. Around the world, there is a growing society-wide consensus that it is unacceptable to rob children of their childhood and the right to education through child labour. The ILO has brought hope of lasting change to children, their families and the societies they live in. IPEC's work with its constituents and through donor-funded projects and activities, has contributed substantially to this changing social landscape.

INTERNATIONAL LABOUR REVIEW, VOL. 149 (2010), NO. 2 FORTHCOMING SPECIAL ISSUE: THE GLOBAL CRISIS

■ **A legal perspective on the economic crisis of 2008 – Alain SUPLOT**

The 2008 global financial meltdown was the symptom of an underlying crisis in law and institutions caused by the neoliberal utopia of Total Market – “scientific” depoliticization of the economy, full commodification of labour, land and money, and all-out competition, with even legal systems subject to “law shopping”. Financial markets were so successfully deregulated that they were the first to collapse: taxpayers are now paying the bills. But the markets for natural and “human resources” are also at risk. In the spirit of the 1944 Declaration of Philadelphia, Suplot argues, the rule of law must be reinstated to end human subordination to economic efficiency.

■ **It's financialization! – Richard B. FREEMAN**

Wall Street's 2007–09 implosion and the ensuing global recession highlight the crucial relationship between finance and the economy. Governments, international agencies and experts had failed to detect rising risk levels in the deregulated financial sector. The author outlines the resulting huge cost in lost jobs and likely reductions in public goods and growth, as economies restabilize budgets after paying for massive bailouts and stimulus packages. Specifically, he assesses the role of monetary incentives for rent-seeking in the decisions that led to

the crisis. Finally, he makes the case for radical reform of the institutions linking finance and the real economy.

■ **Will only an earthquake shake up economics? – Ronald SCHETTKAT**

“Natural rate theory”, the Efficient Market Hypothesis and its labour market application dominated interpretations of economic trends and policy prescriptions from the 1970s onwards, with their views of public policy and regulation as distorting otherwise well-functioning free markets. The upheaval of the current crisis is shaking these theories to the core. In this context, Schettkat examines European experience from the 1990s onwards and shows the theories to be unsubstantiated: high unemployment persisted post-recession despite structural reforms to labour market institutions, and the resumption of economic growth was hindered by then-dominant deflationary monetary and fiscal policies inspired by these theories.

■ **Global crisis and beyond: Sustainable growth trajectories for the developing world – Jayati GHOSH**

Despite recent signs of output recovery, casual resumption of the growth model that crashed in 2008–09 will exacerbate the domestic and global imbalances that caused the crisis in the first place – to the detriment of the real

economy, equitable development, and employment recovery. The model's environmental unsustainability is also evident. The author therefore argues for a broad policy agenda including reform of the international financial system, development strategies re-focused on wage-driven domestic demand and viable agriculture, fiscal promotion of greener technologies and demand patterns, and redistributive social policies to reduce inequalities and act as macro-economic stabilizers in downturns.

■ **Incomplete crisis responses: Socio-economic costs and policy implications – Raymond TORRES**

This article examines the perverse effects of incomplete crisis responses. Initial emphasis on the role of government – through coordinated fiscal measures to stimulate the economy, cushion job losses and support vulnerable groups – was effective in averting another Great Depression, despite widening public deficits. However, a policy mistake was made by bailing out banks without reforming the dysfunctional financial system that triggered the crisis: concern over the financial markets' reaction to growing public indebtedness has shifted policy towards a more traditional, market-oriented approach focusing on fiscal consolidation, smaller governments and weak social protection. The risks are greater inequities and economic instability.

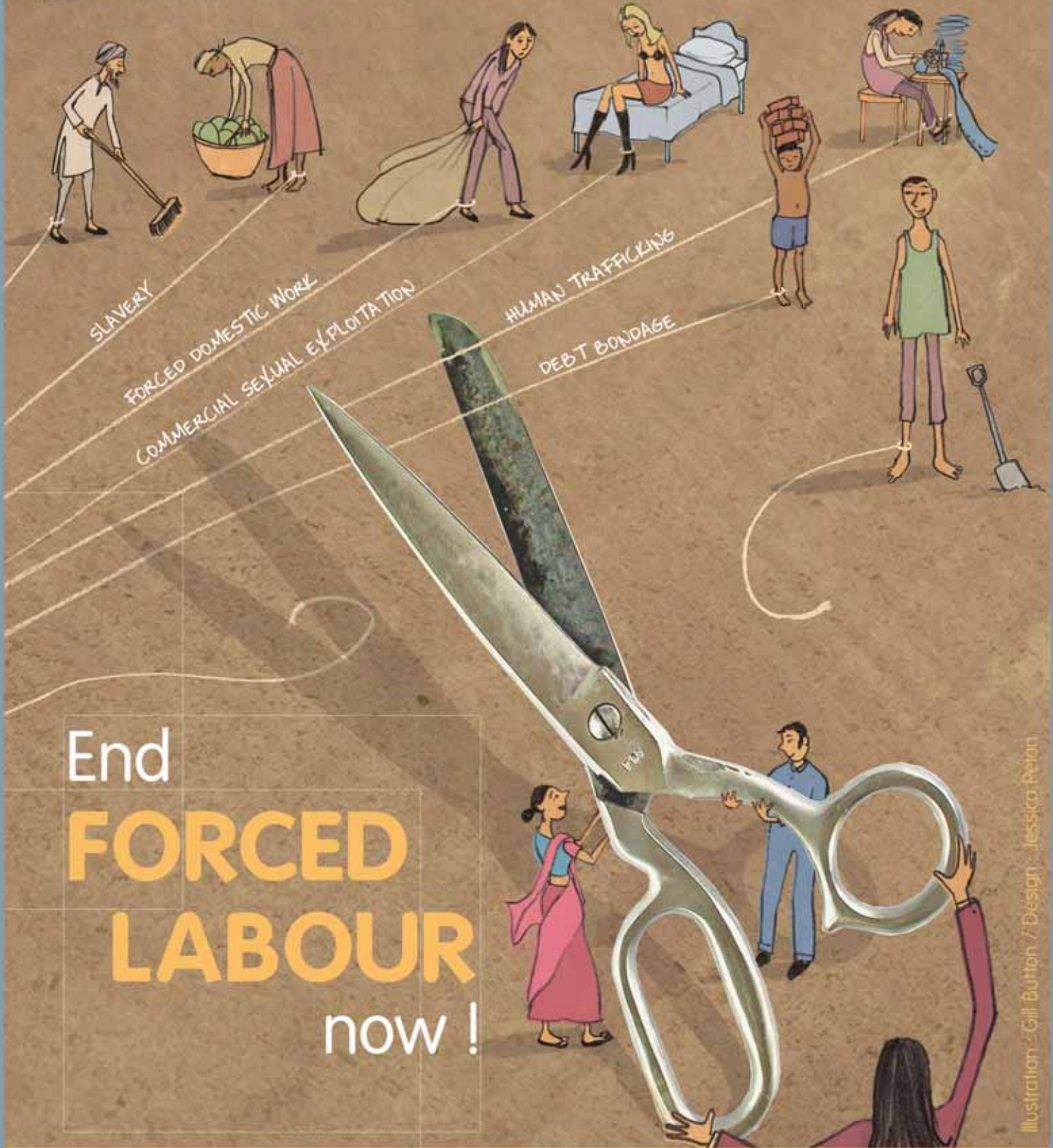
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ILO estimates there are at least 12.3 million people in forced labour worldwide. The Special Action Programme to combat Forced Labour (SAP-FL) has spearheaded the ILO's work against forced labour and human trafficking since early 2002. Working with partners across the world, ILO raises awareness and understanding of modern forced labour and assists constituents in their efforts to eradicate it.



International
Labour
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No. 69, August 2010



End
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LABOUR**
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Illustration: Gill Button / Design: Jessica Peiton

Find out more at www.ilo.org/forcedlabour