

8. CONCLUSIONS

1. A FRAMEWORK FOR ACCOUNTABILITY AND COHERENCE

The decent work and fair globalization agenda can become a powerful tool to raise standards of accountability in economic governance. It provides a means to assess the effectiveness of economic policies that goes well beyond conventional measures such as growth rates, export performance or low inflation. The litmus test is what national and international economic policies are doing in terms of supporting or undermining the goals of full and productive employment and decent work for all. This agenda can also help articulate a wide range of issues, from social protection to macroeconomic financial and trade reforms, into a coherent framework. For instance, investments in social protection systems lessen not just the social but also the economic impact of recessions. Conversely, the various capital management tools and alternative macroeconomic policies described in this volume can limit not just economic instability (and thus the burden on social protection systems) but also help redirect finance towards long-term investments in productive employment, including “green jobs” in sectors that can promote low-carbon development paths.

2. CONNECTING WITH NATIONAL POLITICAL PROCESSES

The decent work-fair globalization nexus also helps to better connect civil society campaigns with national political processes – where elections are won or lost over the question of jobs. This publication provides some tools to engage more effectively in such debates, in a manner that goes beyond conventional ideological cleavages regarding the respective roles of the State and market in creating full and productive employment. It outlines a range of alternative public policies that can help better align entrepreneurial decisions with social and environmental objectives. It also articulates the relationship between national political debates on employment and their international dimensions, including changes needed in global economic governance to make the economy not only fair, but compatible with global full employment.

3. DECENT WORK IS A “WIN-WIN” PROGRAMME FOR SOCIETY AND THE ECONOMY

The multi-stakeholder discussions held in preparation for this publication highlighted the “public goods” quality of the decent work agenda: from a macroeconomic perspective, all actors benefit from widespread progress on the decent work agenda – this means higher consumer demand and thus higher sales revenue which can lead to further investments in productive jobs, thus creating a virtual circle in which decent work promotion is the pivotal link.

However, the short-term, high return expectations of deregulated financial markets impose incentives that go in the opposite direction. As one participant with a background in financial services noted at an NGLS co-sponsored workshop, “the credit ratings of enterprises and countries are very often *inversely* related to progress on the decent work agenda –

where job layoffs by companies are rewarded, where progressive policies such as raising the minimum wage are often penalized.” This publication suggests some avenues for new regulatory frameworks that can help reverse this trend.

4. THE MDGS AND THE DECENT WORK AGENDA

The years 2010-2015 provide a decisive opportunity to promote the decent work agenda as part of the overall development agenda of the UN. In 2010 the United Nations will review progress towards realizing the Millennium Development Goals (MDGs), including progress made in relation to the new MDG target on “full and productive employment and decent work for all” (added as a result of the 2005 MDG review). This publication suggests that the new target brings with it a much more comprehensive and incisive analytical framework to assess whether economic policies are helping or hindering progress towards the realization of the MDGs. It also shows the links with other important international processes, including follow-up to the proposals in the Global Jobs Pact and the recommendations of the Stiglitz Commission on financial and monetary reforms.

5. A HUMAN RIGHTS AGENDA FOR ECONOMIC REFORM

The different dimensions of decent work are firmly anchored in universal human rights. An implicit human rights proposal that runs throughout this volume is the extension of “affirmative action” into economic policy. Then UN High Commissioner for Human Rights Mary Robinson in 2002 had introduced this concept in relation to reforming global trade rules. She noted that “non-discrimination” under human rights law may require “affirmative action” to protect the weaker and more vulnerable players, as equal rules among very unequal players could result in the “institutionalization of discrimination” against the weakest. The implication was the need for more policy space for developing countries, discussed in Chapter 6.⁶⁶ This publication has shown how affirmative action could also be extended to other areas of economic policy, whether to support employment growth in smallholder agriculture, small and medium-sized enterprises, or socially and environmentally desirable projects that do not get backing from the market.

This publication has also provided concrete tools to determine whether economic policies measure up to the human rights principles of “progressive realization” and “non-retrogression” of decent work-related human rights. This applies to national policies (such as whether resources and institutions are aligned so as to maximize the promotion full productive employment and social protection for all), but also to “extra-territorial obligations” under human rights law. These imply duties to help fulfil human rights through international cooperation and to not impede the ability of other State parties to fulfil domestic human rights obligations (such as through inappropriate conditionalities, or unfair trade and investment agreements).

66. Report of the High Commissioner for Human Rights to the 2002 session of the UN Commission on Human Rights (E/CAN.4/2002/54). The concept of affirmative action in trade policy was also a center-piece recommendation in the 2004 Report of the World Commission on the Social Dimension of Globalization (ILO 2004).

Much more progress is needed in the realization of the “social and international order” in which the rights set forth in the Universal Declaration on Human Rights can be fully realized. This especially applies to reforms of the international financial architecture needed to make it more stable, equitable and compatible with full employment.

Heterodox economic policies can be used for good or ill, so all these efforts cannot be dissociated from civil and political rights to participation, transparency and accountability – at national and international levels.

6. “DEGLOBALIZATION” OR BETTER “LOCALIZATION”?

Some actors have described the increasing calls for a shift from export-led growth towards greater reliance on domestic demand-led growth as equivalent to “deglobalization,” which has been called for by many civil society organizations since the 1997-98 East Asian crisis. Others are concerned that “deglobalization” is a concept that goes too far, especially for very small economies that rely on exports to generate enough productive jobs. What is clear is that a “fair globalization” implies addressing the imbalance between the “global” and the “local” discussed in Chapter 2. It means giving more emphasis on the need for a successful “localization” that requires a framework of rules and policies much more conducive to generating more and better jobs in sectors that produce for the local market, where the majority of people and the poor are employed. This is important to address an essential dimension of the decent work and fair globalization agenda not covered in this volume: namely the issue of international migration. Much of the debate on migration has focused on the human rights of migrants, including their right to decent work, and countering the reactionary political backlash against intensified immigration in many parts of the developed world. But the other side of the migration debate needs to get much more visibility: how to generate enough productive employment opportunities in the areas where most people would choose to stay if given a chance at a decent job and livelihood?

7. CREATING SPACE FOR ALTERNATIVES

The economic alternatives exposed in this publication are by and large inspired from the Keynesian tradition of correcting market failures and guiding (or “animating”) entrepreneurial spirits and investment decisions towards desirable social goals. But there needs to be spaces to experiment with alternatives that go well beyond market-based incentives anchored on competition. Entrepreneurship based on the principles of cooperation and stewardship can also lead to quality productive employment. The NGLS global civil society consultation for the Stiglitz Commission revealed a range of alternatives, such as cooperatives, that need to be encouraged to flourish through a different set of financial rules and institutions than the ones that prevail today (NGLS 2009a).

This might include different mechanisms to support a “green jobs agenda for the South.” Much of the competitive edge for green technologies and thus the creation of new green jobs will emanate from industrialized countries and large emerging economies. In tandem with the financial and technology transfers discussed in climate negotiations, the application of an alternative development paradigm based on expanding productive capacities for productive employment can help low-income countries build their own green jobs agenda. But there are limits to what even “guided” markets can achieve in other key areas for low-

income countries, such as employment creation aimed at restoring biodiversity and large-scale reforestation.

A core agenda for future policy dialogue will be what innovative financial mechanisms and institutions can do to support decent work opportunities for promoting global and local public goods – whether related to climate change adaptation and mitigation, or local environmental and community rejuvenation. Most of these require something very different from market-based mechanisms.

The importance of generating publicly-financed employment is all the more important when the pace of capital accumulation in the private sector is not strong enough to generate enough employment, or overcome possible trade-offs between productivity growth and employment growth. Innovative taxes and the more sophisticated proposals for a new global and regional reserve system represent some of the promising avenues outlined in this publication to take this agenda forward.