

Interview

On the International Labour Organisation (ILO)

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Professor Guy Standing is a former senior staff member of the International Labour Organisation (ILO). He worked for the ILO from 1975 to 2006. During that time he was director of labour market policies, coordinated technical work in eastern Europe following the collapse of the Berlin wall and was director of the ILO's Socio-Economic Security Programme. In 1998-99, he served as a member of the transition team of the new Director General Juan Somavia.

It would be fair to say that he knows the ILO inside out. Now Professor of Economic Security at the University of Bath in the UK, he is well placed to reflect on the organisation's potential and failings. By temperament, Standing is a reformer; by any objective measure, the ILO is in sore need of reform. Be warned, what follows is not masked in the "bureaucode" which generally obscures this kind of discussion.

Got questions?

For a deeper discussion of these issues, see Guy Standing's recent article in the journal *Development and Change* (Vol 39, Issue 3): *The ILO: An Agency for Globalization?*

New Unionism: Let's be frank, most people know nothing about the International Labour Organisation, or ILO. It sounds like something out of a conspiracy theory. Can you tell us a little about it?

Guy Standing: The ILO was set up after World War One to raise labour standards. It has always been "tripartite", meaning it brings together representatives of Government, Workers' and Employers' bodies. They used to represent many more than they do now.

Over the years, they have debated and passed a series of Conventions and Recommendations - there are now nearly 200 of each. Conventions are supposed to be legally binding, if the country ratifies them. Then, if unions believe their government is not adhering to a particular Convention that has been ratified, they can bring a complaint, which should be investigated. The trouble is that the ILO can do no more than criticise and urge action.

The organisation was set up largely to counter the advance of socialism in the wake of the Bolshevik revolution and other uprisings in Europe, as well as regulating against some of the excesses in the labour market. Without ever saying so, it stood for a model of capitalism where traditional employees are treated decently in return for accepting the employers' prerogative to manage and to

extract profit.

The roots of the ILO's current problems began in the 1970s, with the rise of economic philosophies that tended to view any kind of regulation as a 'market distortion'. It was not long before the ILO was seen as a symbol of an antiquated way of thinking. The USA actually pulled out from 1977 to 1980. This precipitated a crisis and ever since then, particularly after the fall of communism, the ILO has been struggling to redefine itself.

The trouble was that the ILO itself did not wish to offend the Americans, the World Bank or other institutions and governments supporting neo-liberalism.

The ILO still sets labour standards, of course, but it made a historic mistake in putting its faith in a new Declaration in 1998 establishing core standards to which all its members had to subscribe. Not bad, you might think. The problem was that this tended to marginalise all the other Conventions and it was not legally binding. Meanwhile, the ILO has tried to take on a role of a development agency, providing technical assistance to governments, and it has tried to become a global provider of knowledge and expertise. It has lost its focus, and cannot stretch to all three roles successfully. The roles are all subject to internal pressures. This has resulted in a gradual shift towards vague terms and a reluctance to deal in objective measurement. There's a tacit understanding that these things just lead to trouble.

New Unionism: You're painting a fairly grim picture here.

Guy Standing: Behind the scenes there are few now who regard the organisation with respect or enthusiasm. It has become hopelessly compromised by the pressures it has to reconcile. It refused to move with the times, and its leadership has lacked courage.

Towards the end of the Cold War it found itself in a difficult position with regards to agencies like the World Bank. The Bank was preaching a free market solution to the crumbling socialist economies, and had the ILO challenged these forcefully it would have jeopardized funds for technical assistance projects. ILO researchers found evidence of the adverse effects of pro-market policies; at first, the evidence was dismissed, then it was kept quiet.

In 1999, the ILO adopted the vague notion of "social dialogue", a term it borrowed from the OECD. Taking shelter behind vagueness was becoming a general strategy. Another example was the Declaration in 1998, which enshrined "core" labour standards. These are all worthy standards: banning forced labour, gender discrimination, the worst forms of child labour, and calling for an end to restrictions on the freedom of association. However they are matters of common and civil law, rather than part a global strategy or progressive agenda. Most nations could sign on to these without the slightest thought, particularly as they are not enforced, and then continue down whichever path of self-regulation they choose. Rather than transform global labour standards, we have witnessed the rise of voluntary employer initiatives such as codes of conduct and corporate social responsibility.

Again, it is all part of a drift towards imprecision and soft labour law, as opposed to binding regulation. Over recent decades the ILO has stopped addressing inequality and replaced this with calls for employment equity. This was a shift the Employers had wanted. Under a voluntarist framework governments could ratify Conventions they felt comfortable with, ignore those they do not, and even "deratify" those they had changed their minds about. One of the great ironies of the time was that while regulation was being so denounced, at national level there were more new labour market laws being introduced than at any comparable time in history (mostly restricting workers' rights). All the ILO did was express general unease about the direction these were taking.

New Unionism: ...while the World Bank and the IMF were using their financial leverage to affect labour policies wherever they could?

Guy Standing: Relations between the international financial institutions and the ILO have been peculiar, to say the least. By the mid '80s senior levels in the ILO had lost confidence. They regarded the technical capacity of the Bank, the IMF and the OECD as higher than that of their own staff. The result was a loss of voice in international debates. This has been a disaster for working people, as well as the ILO itself. For instance the dismantling of social protection in the former soviet states, before alternatives could be put in place, resulted in mass poverty and several million deaths. As for the crisis of labour standards in development and trade, the ILO has handled this by glossing over it. And the Governing Body has become tentative and conservative.

New Unionism: By this you mean the Government, Worker and Employer reps?

Guy Standing: That is right. Each June over 3,000 of them from 180 member countries come together for an international conference in Geneva. This tripartite structure is what gives the ILO its legitimacy on the global stage. It does not take much imagination to guess what would happen if these three groups started taking control of the key positions. Rather than a genuine discussion over fact-based policy, presented by competent authorities, we would soon have capture or deadlock. Sadly, this is what happened. Some of the key management positions have been filled by Employer or Worker reps, and this has ushered in a regime of horse-trading. The ILO is at an impasse. Just a time when the world needs effective global rules, the organisation has allowed itself to become marginalised. It needs to be rescued, or something else created to fill a void.

New Unionism: What do you think of the huge campaign going on at the moment around the general concept of Decent Work?

Guy Standing: That's exactly what it is: a general concept. It is a platitude. It is an expression that nobody could really object to. What is demoralising for staff is that it is deliberately not measured. It is a bit like the notion of the "informal sector" which has preoccupied the ILO for so long. Generally speaking, when definitions are kept vague, policy will be confused.

New Unionism: Those market philosophies that oppose regulation on principle took a huge hit recently, with the financial crisis and the interventions and bailouts. Now even the most conservative voices are calling for a new era of regulation. Do you think this might help restore the role of the ILO?

Guy Standing: It is an opportunity. However, I think the failure to move from old-style labourism means that the ILO is not in any position to play a major role. Endless empty statements about decent jobs are no substitute for a really progressive strategy. Whisper it... but globalisation is dead. Now is the time for real friends of workers across the world to work for a new strategy for equality and freedom. I think the New Unionism movement must embrace that strategy, for it is as important now as at any time in history that we have strong associations to represent all of us in our work and in our dealings with the state.

I am afraid the ILO looks like a tired old outfit, and barely able or willing to help.

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P.S.

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