

Valuing the dignity of work

In today's world defending the dignity of work is a constant uphill struggle. Prevailing economic thinking sees work as a cost of production, which in a global economy has to be as low as possible in order to be competitive. It sees workers as consumers who because of their relative low wages need to be given easy access to credit to stimulate consumption and wind up with incredible debts. Nowhere in sight is the societal significance of work as a foundation of personal dignity, as a source of stability and development of families or as a contribution to communities at peace. This is the meaning of 'decent work'. It is an effort at reminding ourselves that we are talking about policies that deal with the life of human beings not just bottom line issues. It is the reason why the International Labour Organization constitution tells us "Labour is not a commodity."¹ And we know that the quality of work defines in so many ways the quality of a society. So we must begin by helping the working poor step out of poverty and informality into quality livelihoods, self-employment or a formal job. And that's what our policies should be about: keeping people moving into progressively better jobs with living wages, respect for worker rights, nondiscrimination and gender equality, facilitating workers organization and collective bargaining, universal social protection, adequate pensions and access to health care. This is what millions of human beings are telling us worldwide: "Give me a fair chance at a decent job and I'll do the rest; I don't want charity or handouts." It will take longer and require different emphasis in developing and developed countries, but all societies face decent work challenges, particularly in the midst of the global crisis that still haunts us.

Why is this so difficult? There are many converging historical and policy explanations, but there is a solid underlying fact: in the values of today's world, capital is more important than labour. The signs have been all over the place—from the unacceptable growth of inequality to the shrinking share of wages in GDP. We must all reflect on the implications for social peace and political stability, including those benefitting from their present advantage. Pope John Paul II reminded us "All must work so that the economic system in which we live does not upset the fundamental order of the priority of work over capital, of the common good over the private interest." As Gandhi said, "There is enough for everybody's needs, not for everybody's greed."

But things are changing. Many emerging and developing countries have shown great policy autonomy in defining their crisis responses, guided by a keen eye on employment and social protection, as this Report advocates. Policies leading to the crisis overvalued the capacity of markets to self-regulate; undervalued the role of the State, public policy and regulations and devalued respect for the environment, the dignity of work and the social

services and welfare functions in society. They led into a pattern of unsustainable, inefficient and unfair growth. We have slowly begun to close this policy cycle, but we don't have a ready-made alternative prepared to take its place. We are moving into a rather lengthy period of uncertainty with no obvious source of global policy leadership: A period more of muddling through than forceful global decision making. This is an extraordinary political opportunity and intellectual challenge for the United Nations System. Coming together around a creative post-2015 global vision with clear Sustainable Development Goals can be a first step into a new policy cycle looking at what a post-crisis world should look like. And beyond the United Nations, we need to listen. There is great disquiet and insecurity in too many societies. From polls and elections to people in the streets and increasingly vocal social movements a clear message to governmental and business leaders is coming through: "Your policies are not working for a great majority of us."

And that's why the insistence of this Report on reclaiming the role of full employment, universal social protection and the road to decent work is so important. It builds on the existing consensus of the largest meeting of Heads of State and Government in the history of the United Nations. In their 2005 Summit they stated that "We strongly support fair globalization and resolve to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of our relevant national and international policies as well as our national development strategies."² So, at least on paper, the commitment is there in no uncertain terms.

Let me finish with one example of the changes necessary for which I believe there is widespread consensus. Strong real economy investments, large and small, with their important job-creating capacity must displace financial operations from the driver's seat of the global economy. The expansion of short-term profits in financial markets, with little employment to show for it, has channelled away resources from the longer term horizon of sustainable real economy enterprises. The world is awash in liquidity that needs to become productive investments through a regulatory framework ensuring that financial institutions fulfil their original role of channelling savings into the real economy. Also, expanding wage participation in GDP within reasonable inflation rates will increase real demand and serve as a source of sustainable development growth. Moving from committed minimum wage policies to a much fairer distribution of productivity gains and profits should be a point of departure.

Dreams or potential reality? We shall see, but no doubt this is what politics and social struggles will be all about in the years to come.

Notes

1. ILO 2010a, 2. UN 2005.

status or part-time work generally get a lower occupational pension.⁷⁶

Many of the working poor are in non-standard employment—involuntary part-time and temporary work in advanced countries and informal employment in developing countries. Ideally, employment rates rise, and the incidence of nonstandard employment falls over

time (see the category 1 countries in figure 3.7). However, the majority of countries with data saw unemployment and nonstandard employment both increase between 2007 and 2010⁷⁷ (see the category 4 countries in figure 3.7).⁷⁸

Informal employment, a particular challenge for developing countries, accounts for more than 40 percent of total employment in