ILO's 75th Anniversary

Promoting social justice in the new global economy

After 75 years, the mission of the International Labor Organization remains unchanged; however, promoting social justice throughout the world will require innovative approaches

Michel Hansenne

Organizations constantly have to adapt to change. This has been true of the International Labor Organization (ILO) throughout its existence and is more than ever true today. In recognition of the organization's 75th anniversary, the theme of this article, "Defending values, promoting change: social justice in a global economy," depicts the nature of new challenges facing member nations. While the basic mission of the ILO—promoting social justice throughout the world—remains unchanged, the world in which it is to be carried out has changed profoundly in recent years. The international arena is constantly driven by rapid change in the geopolitical scene, far-reaching technical progress, and the intensification of economic globalization.

While many of these changes promise greater efficiency, higher growth, employment creation possibilities, and ultimately, enhanced social welfare, such improvements will not be realized automatically. On the contrary, they will impose a heavy burden of adjustment in all countries and on all groups within countries, with the serious risk of rising inequality both among and within countries as a result. These are fertile conditions for social conflict that could frustrate the necessary processes of change. Thus, social issues need to be given substantial weight by the international community, and to be fully taken into account in managing the global economy.

Indeed, there is a great challenge to the international community today, and it is twofold. The first is to create institutions that promote effective international cooperation to manage the global economic and social transformations that are under way. The second is to adopt national policies and programs that support efficient and equitable ways for making the required economic and social changes.

The ILO is clearly obligated to play an important role in mobilizing international action to meet the challenges of globalization. In doing so, it will continue defending its core values of basic worker rights, tripartism, and social justice. But the ILO must also develop innovative means to translate these values into social reality because prescriptions to regulate the labor market and develop social policy often require updating.

This willingness to innovate is essential for the continued relevance of the ILO in its major fields of competence: labor standards, industrial relations, employment, training, and social security. In each of these fields, there is a need to adapt existing paradigms to new realities and the lessons of experience. For instance, the *standard-setting* activity and machinery should be adapted to the profound changes that have occurred in the nature and organization of work, as well as to the pressing social issues resulting from freer international trade and globalization of production and markets. For example, I have called for a more rigorous procedure for choosing subjects for new standards, more emphasis on evaluating existing standards, and efforts to improve the compliance of member states with ILO Conventions relating to fundamental rights. I also have offered alternatives, consistent with the volun-

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About the ILO

The International Labor Organization (ILO), headquartered in Geneva, Switzerland, was created by the Treaty of Versailles in 1919 to improve living and working conditions worldwide. It is a tripartite organization, consisting of representatives of workers, employers, and governments. The ILO's structure includes:

The *International Labor Conference*, an annual assembly, which convenes representatives of workers, employers, and governments of member states to develop international labor standards, adopt a budget, establish broad policy lines, and provide a world forum for discussing social and labor issues.

The *Governing Body*, an executive council, which coordinates the work of the organization and decides questions related to policy and programs; elects the Director-General of the International Labor Office; and supervises the work of the office, and subsidiary organizations, industrial committees, and regional and other meetings.

The *International Labor Office*, ILO's permanent staff of officials and technical experts, which serves as the organization's research center, publishing house, and operational headquarters.

The ILO assists its 171 member states by:

- Setting and monitoring a code of international labor standards consisting of Conventions (now numbering 175), which, upon ratification, become binding obligations among the ratifying countries; and Recommendations (182), which are recommended guidelines for national policy and are not open for ratification.
- Providing a range of technical assistance aimed at spurring economic and employment growth.
- Tracking workplace trends and problems through extensive research and publications to help shape workable solutions to problems.

tary nature of the ILO, to encourage governments, employers, and workers to find a multilateral approach to developing fair labor standards and free international trade.

In *industrial relations*, changes in labor market institutions as well as the emerging "cross-border" dimensions of collective bargaining systems have to be taken into account through dialogue and interaction between governments, employers, and workers. Social dialogue, collective bargaining, and compromise all must be encouraged everywhere and at every opportunity, because they are the key to economic and social stability. Tripartism—the symbiosis of business, labor, and government—is indeed an invaluable institution and the ILO has to ensure that it is fully recognized at the international level. This is one of the fundamental aspects of the work that lies ahead.

For *employment policy*, new insights from macroeconomic and microeconomic theory have to be assimilated with the implications of globalization for national and international policymaking. Similarly, the enormous faith that is placed in training as a solution to unemployment and social exclusion should stimulate a search for new, effective, and equitable approaches to training people, designing training programs, and delivering these programs to the appropriate parties.

Finally, the ILO must work on creative solutions to the *social security* problems posed by rising program costs and by the incompatibilities of program incentives.

Above all, the need to recognize the growing interconnection of seemingly disparate interventions is vital. There are strong synergies to be reaped from a multidisciplinary approach, and these must be exploited to the fullest. Indeed, a compartmentalized approach that tackles one problem at a time is likely to prove ineffective in the face of the growing complexity and interconnection of contemporary social problems. For instance, the success of employment promotion policies depends on how well these policies are articulated with labor legislation, industrial relations systems, training policies, and the level and duration of unemployment benefits. This is because the nature of labor legislation and industrial relations systems affects labor costs and flexibility, which in turn impinge on job creation. Similarly, the level and method of financing social benefits also affect labor costs as well as incentives to work. In addition, training and employment policies should be harmonized in order to avoid mismatches between labor supply and demand and to ensure the success of active labor market programs.

By adapting to and initiating change, the ILO stands ready to defend workers' fundamental rights throughout the world and to promote social justice. The future of the ILO is, above all, an ethical consideration. The ILO not only provides the framework for an effective and efficient organization, but also asserts the commitment of the international community to the cause of social progress. □