



The International Trade Union Confederation Commemorates the 2nd World Day of Social Justice – 20 February, 2010

On 20 February, 2010 the United Nations, the ILO, and the international community are commemorating the 2nd World Day of Social Justice. This commemoration comes at a challenging time for workers around the world, faced with the worst economic downturn since the great depression. Trade unions are seeing their members - working men and women around the globe - grappling with a deepening jobs crisis brought about by the global financial and economic recession. Indeed, workers and their families are at the receiving end of multiple and converging crises: the jobs, food and climate crises.

The commemoration of the 2nd World Day of Social Justice impels us all to reflect on the meaning of social justice, and on the prevailing model of economic globalization that makes its attainment so elusive. Instead of producing social justice with decent livelihoods for all, the model has resulted in global economic instability, producing massive unemployment, worsening poverty, hunger, and social exclusion. Millions of working men and women have seen their jobs, homes, savings and pensions evaporate overnight. The stark social injustice of the situation is evidenced by the fact that the large banks and financial institutions responsible for the crisis have benefited from economic recovery packages through bail-outs and excessive executive compensation, while paying scant attention to the credit needs of ordinary workers, small entrepreneurs, and home owners.

The Food and Agriculture Organisation estimates that severe hunger and malnutrition are on the rise in low income countries, while UNICEF (United Nations International Children's Emergency Fund) and the World Food Programme have stepped up their interventions in poor and vulnerable communities. The United Nations is indicating that achievement of the Millennium Development Goals (MDGs) by 2015 has been severely compromised. The International Labour Organisation draws attention to the fact that the numbers of unemployed have risen by 34 million over the period 2008 to 2009, putting the number of jobless at an all-time high of 200 million at the end of 2009. Moreover, global unemployment is set to worsen throughout 2010.

In upholding the UN Resolution of 2007 establishing the World Day of Social Justice, the ITUC wishes to highlight, in particular, the ILO Declaration of 2008 on Social Justice for a Fair Globalization which provides the policy framework for giving effect to the UN Resolution. The ITUC emphasizes, also, that social justice must mean, above all, distributive justice. The global crisis has served to reveal the huge accumulations of profit and wealth amassed through risky speculative transactions in the financialised economy, and the failure to apply distributive mechanisms that could spread the wealth by creating decent jobs and livelihoods for all. Severe and persistent income inequality is a characteristic feature of many national economies. The wage share of gross national



income has been shrinking steadily over the years, while the capital share has been increasing. The crisis has shown that this model of financial globalization is inherently unjust, imbalanced and unsustainable.

Deep systemic reforms are needed, that would result in the effective regulation of the operations of banks and institutions such as hedge funds, private equity funds and highly leveraged instruments. Supervisory authorities must be transparent and accountable. Strict oversight of fiscal practices is needed in order to minimize losses to national income through tax evasion, mis-pricing, transfer pricing, and the use of tax havens. Progressive taxation reform is also key to providing public funding for socially sustainable investments. All of these reforms must be part of a new framework for distributive justice.

The ILO Global Jobs Pact is also central to such a framework. It provides a comprehensive set of measures that will result in distribution of resources to stimulate demand-led growth in the real economy, by creating decent jobs and ensuring social protection through genuine consultation with the social partners at the national level. The Pact proposes measures and policies

- to promote investments and job creation in employment intensive sectors, including the green economy,
- to retain women and men in employment as far as possible,
- to support skills development,
- to provide income support to those in need, through such measures as cash transfers and employment guarantee schemes,
- to establish or strengthen social security and social protection schemes.

The social protection measures proposed by the Global Jobs Pact will be of great benefit to women who often find themselves in precarious employment, and bearing a disproportionate share of the burden of family care, without compensation. The Pact also proposes the strengthening of international labour standards. These include the right to organizing as an enabling right for the promotion of social justice in the workplace, and collective bargaining, an indispensable tool for achieving distributive justice, by ensuring that workers can bargain for a fair share of the profits they generate in the global economy.

The Pact affirms the need to pay special attention to unemployed youth, and to prioritize skills development, as well as technical and vocational training, targeted to this group. The Pact emphasizes that recovery packages in response to the global crisis should integrate gender concerns into their design, as well as in the monitoring of implementation. This policy prescription finds detailed expression in the 2009 **ILO Resolution on gender equality at the heart of decent work**, which provides a blueprint for mainstreaming gender into employment-centred responses to the crisis.

The ITUC cautions against premature optimism about a supposed economic upturn, justifying moves to exit from stimulus financing for recovery. Rather, stimulus packages need to be revitalized and refocused on providing support for the ILO Global Jobs Pact,



and the ILO initiative to provide a universal social floor of protection. This is a fair, economically and socially sound way to stimulate growth, consistent with the principles of social justice, and with people-centred and employment-centred development. At the same time, this provides a way of reviving progress towards achieving the MDGs. Financing development and the MDGs through maintaining Official Development Assistance (ODA) commitments, mobilizing innovative financing for development, and prioritizing grants rather than loans to avoid new debt burdens for the Heavily Indebted Poor Countries (HIPCS) are all important aspects of a global social justice agenda. Also, International Financial Institutions and donor agencies must recognize the right of developing countries to have the policy space they need to implement worker-friendly development policies that uphold core labour standards, without harmful policy conditionalities.

Moreover, it is vitally important that investments go to the greening of the economy, with just transition measures to ensure good quality jobs for workers in the adjustment as called for in the “Green New Deal” launched by UNEP in collaboration with the ILO and the ITUC.

The obstacles to achieving social justice and decent livelihoods for all are many and daunting, but they are not insurmountable. In commemorating the 2nd World Day of Social Justice, the ITUC and the global trade union movement affirm their readiness to continue their active mobilizations and strong representations at the highest levels: the G20, the IFIs, the United Nations - advocating the systemic reforms that are a prerequisite to the attainment of social justice and the full implementation of the ILO Global Jobs Pact as a comprehensive response to the global financial and economic crisis.
