

GERARD GRIFFIN, CHRIS NYLAND, ANNE O'ROURKE*

Trade Unions and the Trade-Labour Rights Link: A North-South Union Divide?

Abstract: The demand that the ability to engage in international trade should be linked to respect for basic labour standards has become a highly contentious issue in the current globalisation debate. Arising to prominence with the creation of the World Trade Organisation (WTO), the demand has been advanced in a wide range of arenas, particularly by international union organisations such as the International Confederation of Free Trade Unions (ICFTU). In this paper we explore the claim that the demand has no support amongst trade unions in the developing world. Based on data gathered from questionnaire surveys of the industry-level affiliates of two Global Union Federations (GUFs) and of the national union delegates to the 2002 International Labour Conference, we conclude that an overwhelming majority of developing country union leaders support the formal linking of international trade and the basic rights of labour.

1. INTRODUCTION

Proposals to link respect for labour standards with international trade have a long history.¹ These proposals have centred round the proposition

* Gerard Griffin, Professor of Industrial Relations and Director, National Key Centre in Industrial Relations, Monash University, Australia. Chris Nyland, Professor of International Business, Department of Management, Monash University. Anne O'Rourke, Research Fellow, National Key Centre in Industrial Relations, Monash University.

1 See S. Charnovitz, 'The World Trade Organization and Social Issues', *Journal of World Trade*, vol. 28, 1994 pp. 17-33; D. K. Brown, *Labor Standards, Where do they belong on the International Trade Agenda?* Working Paper, Department of Economics, Tufts University, 2001, <<http://www.ase.tufts.edu/econ/papers/>>; and S. Engerman, 'The History and Political Economy of Labor Standards', in K. Basu, H. Horn, L. Roman, and J. Shapiro, (eds.) *International Labor Standards: History, Theory, and Policy Options*, Blackwell, Malden, 2003.

that core labour standards should be incorporated into international trade agreements. With the renewal and intensification of debates around globalisation from the 1990s onwards, and particularly following the 1995 establishment of the WTO, this issue assumed increasing importance and immediacy. It has engendered ongoing and vigorous debate amongst governments, policy makers, non-government organisations (NGOs), academics and unionists.²

Linkage proponents were strongly rebuffed at the inaugural WTO meeting in Singapore in 1996.³ Subsequently, a refocused strategy that concentrated on the incorporation of a limited number of labour standards into both multilateral and bilateral trade agreements was developed by organised labour and its allies. The linkage demand nevertheless continues to be resisted by governments of 'Southern' countries, and particularly by member countries of the G-77 group. This grouping, which was formed in 1964 by 77 developing economies, has been vocal in expressing opposition to any form of trade-labour linkage. For example, at the third WTO Ministerial Conference in Seattle in 1999, G-77 countries stated that "developing countries are firmly opposed to any linkage between labour standards and trade".⁴ Two years later, at the fourth WTO Ministerial Conference in Doha, nothing had changed. Responding to a demand from the International Confederation of Free Trade Unions (ICFTU) that the WTO incorporate core labour standards into its programmes, the G-77 reaffirmed its position. Collectively, they declared we "firmly oppose any linkage between trade and labour standards".⁵

These attitudes have led some analysts to assert that the issue of trade-labour linkage is effectively dead within the WTO. However, the case for this assumption tends to be based on the published literature generated by WTO Ministerial meetings.⁶ There are a number of problems

2 D. Brown, *op. cit.*, p. 1

3 N. Haworth and Stephen Hughes, *Death of the Social Clause? Reconstructing the trade and labour standards debate in the Asia-Pacific*, Paper to the International Conference on Labour Standards and Human Rights, University of California, Berkeley, 1998, p. 1 <<http://ist-socrates.berkeley.edu/~iir/clre/programs/death.html>>.

4 M. Benaissa, Statement Circulated by H. E. Mr. M. Benaissa, Minister for Foreign Affairs and Cooperation of Morocco, President of the Ninth Ministerial Meeting [of the G-77], World Trade Organization, Ministerial Conference, Third Session, Seattle, 1999 <http://www.wto.org/english/thewto_e/minist_e/min99_e/english/state_e/d5220e.pdf>.

5 Group of 77, *Declaration by the Group of 77 and China on the Fourth WTO Ministerial Conference at Doha, Qatar*, 2001, <<http://www.org?Docs/Doha.htm>>.

6 R. Wilkinson, *Locked Out, Shut Down; Workers' Rights and the World Trade Organisation*. Paper given at the *British Journal of Industrial Relations* Conference, September, 2002.

with this approach. It ignores the fact that the union movement and its allies have responded to the rebuff they received by turning to the traditional approach followed by the US when seeking to change multilateral trade law. This strategy seeks to win a series of victories in bilateral agreements, and when the number of these is deemed sufficient a new assault is made in multilateral forums.⁷ The method also fails to recognise that a great deal of the bargaining that occurs at trade meetings is held *in camera*. This is done precisely because negotiators are able to bargain more effectively when they are confident in the knowledge that transcripts will not be made available to their supposed allies and those at home who may be concerned at what is being placed on the negotiating table. It is precisely for this reason that the GATT Director General created the 'Green Room'. This is a room to which the Director General invites selected key players to conduct negotiations *in camera*. Why this may be especially relevant is indicated by developments at the 1999 Seattle Ministerial Conference. At that meeting, as noted above, the G-77 grouping was vehement in its public opposition to a trade-labour rights link. However, what is missed by analysts who focus solely on the public literature is the fact that, at Seattle, a full day was allowed for delegates to debate the linkage issue within the privacy of the Green Room. Moreover, while no transcripts are available, it is reported that, in this private domain, developing country governments were much more willing to explore the possibility of trade-offs that could render a trade-labour rights link acceptable.⁸

Regardless of whether it is the case that the developing countries have killed the trade-labour linkage demand within the WTO, the key question that is the focus of this paper remains salient. Given that union bodies and governments who support linkage are currently focusing their efforts on bilateral arrangements, the question of whether the unions of the South support the linking of trade and labour rights remains an important part of the globalisation debate. Accordingly, this paper analyses the views and policies of Southern unions towards the concept of trade-labour linkage. As discussed later, there is evidence, both theoretical and empirical, that some Southern unions have opposed linkage or offered only conditional support. Yet the views, attitudes and policies of the ICFTU would suggest that unions from the South now hold similar

7 J. Braithwaite and P. Drahos, *Global Business Regulation*, Cambridge University Press, 2000.

8 ICFTU/ITS Task Force on Trade, Investment and Labour Standards (TILS). *Discussion Document*. Brussels, 2000.

views to those of their Northern counterparts, that is, they support the linkage demand. The views of the ICFTU in the linkage debate are important. It is now clearly the dominant global confederation, representing 231 union federations in 150 countries. Importantly, two-thirds of its affiliates are based in Southern countries.

The issue, therefore, is who now speaks for unions of the South? This is a question that is fundamental to union attempts to forward the linkage demand. If it is the G-77 governments, this implies that a North-South union divide exists amongst unionists, a division that would have significant strategic and moral implications for the linkage debate. If it is the ICFTU, then Southern governments' opposition to linkage is not supported by Southern unions and hence the possibility that the demand can be successfully advanced is greatly enhanced. To address this question the paper proceeds as follows. First, theoretical approaches and taxonomies used to analyse different approaches to the linkage demand are reviewed. Second, the North-South debate on linkage is examined. Third, we introduce empirical evidence based on a range of questionnaire surveys and interviews with union officials and activists from more than 80 countries. These data reveal strong support for trade-labour linkage among unions of the South. Finally, we speculate why opposition to linkage has diluted or evaporated within those Southern-based unions formerly suspicious of, or hostile towards, linkage. In support of our conjectures we offer the example of change within Indian unions, a movement traditionally opposed to linkage.

2. TAXONOMIES, CONTAINMENT AND STRATEGIC RESPONSES

Analysts of the trade-labour linkage demand have adopted a wide range of approaches when seeking to comprehend and respond to the demand, and it is not self-evident how these many approaches should be categorised. One important contribution has grouped them into six defined positions or analytical perspectives: Neo-liberal; Institutional Corporatism; International Labour Response; Positive Sum Outcomes; Capital Logic Accounts; and Human Rights Arguments.⁹ The neo-liberal perspective covers neo-classical economists who are vigorous opponents of any rights regime intervening into the trade arena. Their arguments highlight the difficulty with universalising labour standards, the ambiguity concerning which labour standards should be enforced and at what

9 N. Haworth and S. Hughes, *op. cit.*, 1998, p. 3

level, and the notion that global standards are an unwarranted intrusion into sovereign affairs and a form of disguised protectionism. Institutional corporatism refers to the institutional basis of the International Labour Organisation (ILO) and the WTO. The structure and processes of the institutions, political sensitivities, budgetary constraints, historical modes of operation and the governing rules of the institutions define the parameters in which those who hold to this perspective respond to the trade-labour demand. International labour responses frame the debate within a rights regime and concerns about the impact of liberalisation on workers.¹⁰ Positive-sum responses, derived from the work of Sengenberger, emphasise cooperation through the process of change, particularly institutional cooperation between labour and capital in which imperfect market conditions can be improved to the benefit of both parties. Capital logic accounts seek to “explain the contemporary pressure for extended international labour standards in terms of the need to create conditions of existence for capital accumulation on an international scale”.¹¹

Finally, human rights arguments shift the debate away from issues relating to economics to those of ethics, morality and jurisprudence. This approach challenges the view that human rights are essentially a western concept and posits labour rights as fundamental human rights.¹²

Leebron utilises a very different taxonomy. He analyses the trade-labour linkage demand in terms of the ‘modalities’ that can be used to link a ‘non-trade issue’ to the trade regime. Two non-exclusive types of linkage claims are distinguished: the substantive and strategic. Substantive linkage is “based either on some relationship between the norms of the two regimes, or on the consequences of the norms of one regime for the goals of the other”.¹³ This type of linkage is then broken into two subsets: coherence-based and consequentialist. Strategic linkage is based on strategies and outcomes rather than any normative connection. Leebron follows this with a typology of linkage means, or various structures for achieving influence. These linkage forms are classified as Negotiating; Membership, Interpretive, Participatory and Permissive unilateral.

By contrast with these multi-set taxonomies, numerous scholars have worked with less complicated instruments in order to make a particular point or to focus discussion on a specific aspect of the debate which

10 N. Haworth and S. Hughes, *op. cit.*, 1998, p. 6

11 N. Haworth and S. Hughes, *op. cit.*, 1998, p. 8

12 N. Haworth and S. Hughes, *op. cit.*, 1998, pp. 9-11

13 D. W. Leebron, ‘Symposium; The Boundaries of the WTO: Linkages’ in *AJIL*, V vol. 96, 2002, p. 5

might be clouded if subsumed within a complex taxonomy. Tsogas¹⁴ for example, seeks to highlight the conflictual nature of the debate and hence works with a binary model dividing the protagonists into two groupings. The first group consists of neoclassical economists and free traders, employers and transnational corporations, developing country governments, political and economic elites, and some NGOs. He argues that the claims advanced by this group centre around two themes: that the demand for a trade-labour rights link, either within or outside the WTO, is a form of disguised protectionism that would favour developed economies and that the demand is in fact a new form of neo-colonialism. In the second group, Tsogas includes neo-Keynesian and neo-institutionalist economists, international employers who have developed “ethical” codes of conduct, national and international trade unions, some developed country governments and a plethora of NGOs, including human rights and religious groups. This group advances arguments that favour human rights, economic efficiency and skills development.¹⁵

Other scholars who have utilised a binary approach include those who have sought to determine if the linkage demand would have differing impacts on men and women, and consequently have been led to utilise a male-female taxonomy¹⁶ or divergent effects on the people of the rich and the poor nations, and consequently have utilised a North-South taxonomy.¹⁷ Going further, Ross and Chan use a unitary South-South categorisation because they wish to make the point that linkage is needed to curtail a race to the bottom amongst the countries of the South.¹⁸

14 G. Tsogas, *Labor Regulation in a Global Economy*, New York and London: M.E. Sharpe, 2001, pp. 21-22

15 G. Tsogas, *op. cit.*, 2001, p. 22

16 B. Athreya, ‘Trade is a Women’s Issue’, in *Foreign Policy in Focus*, Vol. 7, 2002, p.15 <<http://www.fpif.org>>.

17 See J. Bhagwati, ‘Afterword: The Question of Linkage’, 96 *AJIL*, 2002, pp. 126-134; J. Bhagwati and W. Bello, ‘Bhagwati and Bello Square off on Free Trade and Free Markets’, Transcript of a debate at Stanford University between J. Bhagwati and W. Bello printed in *Trade in Focus, Bulletin*, No 85. Focus on the Global South, Bangkok, 2003; G. Fields, *International Labor Standards and Decent Work: Perspectives from the Developing World*, Paper prepared for the Conference on International Labor Standards, Stanford Law School, 2002, <<http://www.law.stanford.edu/programs/ils/conference>>; A. Panagariya, ‘Trade-Labour Link: A Post-Seattle Analysis’, in Z. Drabek (ed.), *Globalization Under Threat*, Cheltenham, UK: Edward Elgar, 2000; G. Shaffer, ‘WTO Blue-Green Blues: The Impact of US Domestic Politics on Trade-Labor, Trade-Environment Linkages for the WTO’s Future’, *Fordham International Law Journal*, Vol. 24, 2000, p. 608; A. Singh and A. Zammit, *The Global Labour Standards Controversy: Critical Issues for Developing Countries*. South Centre, Switzerland, 2000.

18 J. R. Ross and A. Chan, ‘From North-South to South-South’ in *Foreign Affairs*, No. 81, 2002, pp. 8-13.

Given there exists a very wide range of perspectives associated with the linkage debate, choosing how to categorise these views is best determined not in the abstract but according to the purpose of the exercise. As noted earlier, the aim of this paper is to determine if the unions of the South have a differing perspective from their peers in the North regarding linkage. As the division between poor and rich nations is at the very centre of this question, we utilise the North-South taxonomy favoured by, among others, Bhagwati and Singh and Zammit.

3. THE NORTH-SOUTH DIMENSION

Since the mid-1990s there has been a concerted effort by Southern intellectuals such as Bhagwati, Panagariya, Singh and Zammit, Srinivasan, developing country governments and a number of Southern-based Non-Government Organisations (NGO) (notably the Consumer Unity and Trust Society (CUTS)), to discredit and defeat the demand for a trade-labour linkage.¹⁹ The basis for these actions is the neo-liberal/neo-classical economic philosophies identified by Haworth and Hughes and Tsogas.²⁰ The abundant cheap labour in the developing world is viewed as an unfair competitive advantage by developed countries, according to Panagariya, who claims that this is essentially ‘the age-old pauper labor argument that labor unions have repeatedly used to seek protection for labor-intensive industries in developed countries’.²¹ Supporting this perspective Singh and Zammit justify opposition to a trade-labour linkage on the grounds that it ‘would make little, if any, improvement in labour standards in the South’.²² This perspective is lauded by Bhagwati who has lamented what he perceives as an inability by many scholars to understand that the demand for linkage is being pursued by ‘the richest and most active NGOs’ of the North who are ignorant of the ‘viewpoints of the NGOs, intellectuals, and governments of the South’.²³

Few of the authors opposed to linkage refer to the views of organised labour. Rather, it is assumed that either Southern unions oppose this

19 J. Bhagwati, *op. cit.*, 2002; A. Panagariya, *op. cit.*, 2000; A. Singh and A. Zammit, *op. cit.*, 2000; T. N. Srinivasan, *Developing Countries and the Multilateral Trading System after Doha*, Economic Growth Center, Center Discussion Paper No. 842, Yale University, 2002, <<http://www.papers.ssrn.com/abstract+301394>>; Consumer Unity and Trust Society (CUTS), India, <<http://www.cuts-india.org>>.

20 N. Haworth and S. Hughes, *op. cit.*, 1998; G. Tsogas, *op. cit.*, 2001

21 A. Panagariya, *op. cit.*, 2000.

22 A. Singh and A. Zammit, *op. cit.*, 2000.

23 J. Bhagwati, *op. cit.*, 2002, p. 126.

linkage or that formal government statements represent the attitudes and opinions of workers in those countries. Two exceptions are Panagariya and Bhagwati. Panagariya argues a large number of Northern unions, as well as those from the South, oppose a trade-labour link. In support of this claim he notes that the 'World Federation of Trade Unions (WFTU), with 110 million members in over 100 countries, opposes bringing labour standards into the WTO'.²⁴ Panagariya's positing of the WFTU in this way is problematic for two reasons. First, to present WFTU as a body that is opposed to a trade-labour link is a distortion of its position. In fact the WFTU is opposed to all attempts to institutionalise international relations through institutions such as the WTO, and this includes trade relations, because it considers such bodies to be agents of imperialism.²⁵ Second, the claim that the WFTU represents 110 million unionists is simply wrong. As Herod and Waterman point out, many of the significant Southern union federations, such as the Congress of South African Trade Unions, the Central Unica dos Trabalhadores in Brazil, and the Korean Confederation of Trade Unions, as well as former WFTU affiliates from Lithuania, the Czech Republic, the Slovak Republic, and Romania, have now affiliated to the ICFTU.²⁶ The WFTU is now no more than a rump organisation whose affiliates membership has been estimated by the International Institute of Social History to total 1.7 million, a figure less than 1 percent of the membership of ICFTU affiliates.²⁷ Bhagwati refers to the opposition to a trade-labour link by the Indian trade union movement as if this somehow concludes the issue.²⁸ However, he fails to discuss the nuances or differences of opinion within the Indian labour movement on the linkage proposal or, as discussed below, changes in this opposition.

In an attempt to show that their support in the South extends beyond 'corporate interests and malign governments', and concerned by the

24 A. Panagariya, *Failure in Seattle Dampens Free Trade*, Labor Watch, 2000, p. 2 <<http://www.capitalresearch.org/LaborWatch/1w-0100a.htm>>.

25 World Federation of Trade Unions (WFTU), *World Trade Unions Say "No" to Neoliberal Globalisation, Privatisation and Liberalisation*. Published by the All Indian Trade Union Congress in cooperation with WFTU, 2003, <<http://www.wftu.cz/news-comments.html>>.

26 A. Herod, 'Of Blocs, Flows and Networks: The end of the Cold War, cyberspace, and the geo-economics of organized labor at the fin de millenaire', in A. Herod, G. Tuathail, and S. Roberts (eds.) *An Unruly World?* London and New York: Routledge, 1998, p. 177; and Peter Waterman, *Re: WFTU exists*, 2001. <<http://www.hartford-hwp.com/archives/26/047.html>>.

27 International Institute of Social History (IISH), *World Federation of Trade Unions (WFTU)*, 2003, <<http://www.iisg.nl/archives/gias/w/10777227.html>>.

28 Jagdish Bhagwati, *op. cit.*, 2002.

growing support for linkage within the South, a number of Southern intellectuals and NGO opponents issued a declaration in September 1999. Titled *Third World Intellectuals and NGOs' Statement Against Linkage (TWIN-SAL)*²⁹ this document, declared the signatories unambiguously opposed any linkage of labour and environmental standards by the WTO or the inclusion of any labour provisions in trade agreements. The premise of their statement is that growth and prosperity are best achieved by unhindered free trade. Those favouring linkage are characterised as falling within two groups; 'the politically powerful lobbying groups that are protectionist' and 'the morally-driven human rights and other groups'. The humanitarian concerns of the latter are 'fulsomely applauded' but their means are rejected because they supposedly highlight outrages in the South while violations of labour standards in the North are ignored.

The ICFTU responded to this document immediately with a statement titled *Enough Exploitation is Enough: a Response to the Third World Intellectuals and NGOs Statement Against Linkage (TWIN-SAL)*.³⁰ Denying the charge of selectivity, the ICFTU noted that the standards it emphasised were not determined arbitrarily but were 'the ones which have been endorsed explicitly time and time again by all UN member states in global conference'.³¹ In shaping its reply, the ICFTU took care to challenge the signatories' claim that they spoke for 'the poor in the South' by pointing out that, at that time, the ICFTU represented 124 million workers in 143 countries and that two-thirds of their affiliates were from developing nations. What makes this a telling point is that an examination of the TWIN-SAL statement reveals that, of the 99 signatories, 57 are associated with universities or research centres; 31 are professionals associated with NGOs in the areas of aid and development, consumer protection and the environment; three are lawyers, two are public servants, two are from church organisations, one a retired foreign secretary, one a judge and two unknown. In short, those who signed the document opposing the introduction of instruments designed to protect the fundamental human rights of workers did not include any workers or worker representatives.

Why the TWIN-SAL statement failed to provide any evidence that its views were shared by Southern labour is difficult to understand, given

29 Third World Intellectuals and NGOs Statement Against Linkage (TWIN-SAL), *Statement*. 15 September 1999, <<http://www.cuts.org/>>.

30 ICFTU, *Enough Exploitation is Enough: a Response to the Third World Intellectuals and NGOs Statement against Linkage (TWIN-SAL)*, 1999. <<http://www.icftu.org/display-document.asp?Index+990916168&Language+EN>>.

31 ICFTU, *op. cit.*, 1999.

that it is true some union bodies in the South have expressed concern at the notion of a trade-labour rights link.³² One consideration that may explain this omission is that the number of union bodies that hold such views seemed to be decreasing. A second may be the fact that an increasing number of Southern union bodies have joined in issuing public statements endorsing a trade-labour rights linkage.³³ Regardless of rationale, however, a major problem within the trade-labour rights debate is the fact that many participants have failed to show that their perspective is compatible with that of Southern labour; in particular, few even attempt to provide empirical evidence to support their positions one way or the other. A second major problem that we now briefly address is that much of the debate is characterised by strategic moves that are designed to capture the moral high ground. While this is an acceptable debating tactic, resort to morality in debate becomes a matter of concern when this is done in order to cloud the fact that one does not have the support of those for whom one asserts the right to speak. This is a particularly difficult problem for the opponents of linkage because organised labour has the advantage that it can at least claim it directly represents working people. Moreover, organisations such as the ICFTU have been careful to contain their opponents' capacity to establish a sound moral argument by highlighting the fact that what they demand is respect for fundamental human rights. The campaign by the ICFTU and its affiliates relates only to core labour standards. And as Dessing points out:

Core labour standards are considered enabling human rights; they set standards concerning processes (e.g. freedom of association). They seek to realise the conditions reflected in the very strong assumptions underlying neo-classical economic models, namely freedom of choice, equal bargaining power, and full information. Substantive labour standards, on the other hand, set standards concerning *outcomes* (e.g. actual wage levels or specific content of health and safety standards). Hence, unlike substantive labour standards, core labour standards do not bear on production costs

32 See for example SOLIDAR, *North South Seminar: The WTO and Core Labour Standards* 1998, <<http://www.solidar.org/Worker%20rights/WTO/Madrid/deminar.htm>>.

33 See for example ORIT, *Joint Declaration by unions and NGOs from around the western hemisphere on the Free Trade Area of the Americas*, Issued parallel to the Third Trade Ministerial Meeting in Belo Horizonte, Brazil, May 1997; and SALINGAN (Sentro ng Alternatibong Lingap Panlegal), *A Conditional "Yes" on the Issue of Social Clause in Trade Agreements*, National Conference on the Social Clause – Manila, October 16-18 1996, <<http://www.citinv.it/associazioni/CNMS/archivio/strategie/aconditionyes.html>>.

(with the exception of forced labour and slavery). They do not impair a country's relative comparative advantage.³⁴

The care taken by the international union movement to make it clear its trade demands are not quantitative makes it difficult for their opponents to argue from a high moral position. This is because they are forced to argue against procedures that can provide workers with basic bulwarks that can protect their humanity. The weakness of the critics' moral situation has, unfortunately, induced some of these contributors to adopt offensive arguments. Thus, Bhagwati has sought to give a moral basis to his position by putting himself forward as the defender of non-whites. He has asserted the labour rights demand is in reality an attempt by Northern unionists to 'secure the "white man's gain"'.³⁵

Given this history of claim and counter-claim within the linkage debate and the fact that many of these claims are not supported by empirical evidence, we decided to research the views of Southern unions. While it would obviously be of great value to directly assess the attitudes of workers across a great many countries, such a task was beyond our resources. Instead, we have come as close as we can to this goal by focusing on the views of full and part-time union officials and activists using the medium of Global Union Federations (GUF), supplemented by the views of ICFTU affiliates. GUFs, known until 2001 as International Trade Secretariats, group together unions from the same industry on a worldwide basis. The next section of this paper reports on the results of multilingual questionnaire surveys administered to delegates to the world congresses of two GUFs, the Education International (EI) congress held in Jomtien, Thailand, in July 2001 and the International Metalworkers Federation (IMF) congress held in Sydney, Australia, in November 2001. The attitudes, perceptions and beliefs of delegates regarding the inclusion of core labour standards in international trade agreements were the focus of these questionnaires. In addition, 24 interviews were conducted with Congress delegates, mainly full-time union leaders from Southern countries. We decided to research these GUFs for two reasons, one representative and one pragmatic. The representative reason was that this choice facilitated the collection of views across both types of worker (blue-collar and white-collar) and sector (public and private). The pragmatic reason

34 M. Dessing, *The Social Clause and Sustainable Development*, ICTSD Resource Paper No 1, International Centre for Trade and Sustainable Development, 2001, <<http://www.icstd.org/pubs/series.htm>>.

35 J. Bhagwati, 'Trade Liberalization and 'Fair Trade' Demands: Addressing the Environmental and Labour Standards Issue', in Balasubramanyam, (ed.), *Writings on International Economics*. Delhi: Oxford University Press, 1997, pp. 487 – 504

was that both GUFs were scheduled to hold their world congresses during 2001, thus facilitating access to worldwide representative delegates. Combined, the two GUFs, the largest of the 10 such organisations, represent over 500 national unions with a combined membership of close to 50 million unionists. To supplement this industry focus, we also researched the same issues at the international level of the union movement. The same multilingual questionnaire, with slightly varied or more generalised questions allowing response from all sectors, was administered to all affiliate delegates of the ICFTU at the 90th International Labour Conference in Geneva in June 2002. In contrast to the EI and IMF surveys, the ICFTU affiliated unions covered all industry sectors, including textiles, woodwork, mining, transport and the public sector. In addition, six interviews were conducted with worker delegates to the conference. Finally, where appropriate, this material is supplemented by data gathered in 20 interviews with key union participants in the trade-labour debate conducted throughout 2000 and 2001 in Europe, Thailand and Malaysia.

4. SURVEY METHOD

EI is a worldwide trade union organisation of educationalists, whose 24.5 million members represent all sectors of education from pre-school to university. It covers 304 national trade unions and associations in 155 countries and territories. EI has regional offices located in Africa, Asia and the Pacific, Europe, Latin America, North America and the Caribbean. It holds consultative NGO status with UNESCO, the ILO, the World Bank, the World Health Organisation (WHO), the Organisation for Economic Co-operation and Development (OECD), the International Bureau of Education (IBE), and the United Nations' Economic and Social Council. Prior to administering the questionnaire survey in Thailand, draft copies were provided to EI and its Australian affiliates, the Australian Education Union (AEU) and the National Tertiary Education Union (NTEU). A number of officials provided feedback on the questionnaire contents. There were 1181 participants at the Congress classified as follows: 647 delegates, 393 non-delegate union members, 25 accompanying persons, 22 Executive Board Members and 34 invited guests. The survey was carried out only amongst the delegates, of whom 244 completed useable questionnaires, a response rate of 38 per cent.

The IMF represents the interests of 24.8 million metalworkers in 207 unions in 101 countries. It covers all sectors of the metals and manufacturing industries including automotive and mechanical engineering, iron and steel, electrical and electronics, shipbuilding and airframe manu-

facturers. The IMF has regional and project offices in East and Southern Africa, East Asia, South East Asia, South Asia, Central and East Europe, Latin America and the Caribbean and Mexico. As with EI, draft copies of the questionnaire were provided to the IMF and its main Australian affiliate, the Australian Manufacturing Workers' Union (AMWU). Both organisations provided feedback on the contents. Overall, the contents of both the EI and IMF questionnaires were virtually the same, with variations to take into account different nomenclature and structures. There were 457 participants at the IMF Congress classified as follows: 392 delegates, 18 speakers/guests, 18 observers, 20 Secretariat and 9 regional office representatives. The survey was carried out only amongst the delegates, Secretariat and regional office representatives, 421 in all of whom 252 completed useable questionnaires, a response rate of 60 per cent.

Established in 1949, the ICFTU, in 2003, had 231 affiliated organisations in 150 countries and territories on all five continents, with a combined membership of 157 million unionists. The ICFTU has three major regional organisations covering the Asia-Pacific region, the African region and the Americas. It cooperates closely with the ILO, has consultative status with a range of United Nations bodies, and maintains contact with the International Monetary Fund, the World Bank and the World Trade Organisation. The ICFTU survey was conducted at a meeting of affiliates held during the International Labour Conference in Geneva in June 2002. As only a minority of affiliates were represented at that meeting, questionnaires were also sent to non-attendees. In total, 77 useable questionnaires were returned, a response rate of 34 per cent. However, presumably for reasons of confidentiality, nine respondents did not indicate their country of location. Of those who did identify their country, 44 respondents were from Southern countries while 24 were from Northern countries.

Table 1 provides some data on both EI and IMF questionnaire respondents. In terms of the key variable, North-South representation, 112 EI respondents were from the North and 132 from the South while the equivalent data for IMF were 191 and 61 respondents. The South categorisation is based largely upon country membership of the G-77 but, based on economic criteria, three non-G-77 countries (Croatia, Bulgaria and Latvia) were also grouped in the South. Remaining respondents were classified as Northern countries. We recognise that this division is now somewhat crude and inelegant, and that with differing rates of economic development, significant differences exist between G-77 countries. Indeed, expansion of membership of the group to 133 countries cannot but exacerbate these differences. Nevertheless, membership of the group does provide an indication of a country's self-perception and has been used by the Group's membership to differentiate itself from developed

Table 1. Data on GUF questionnaire respondents

Characteristic	EI		IMF		Total
	North	South	North	South	
No. of Respondents	112	132	191	61	496
Gender (% female)	45%	24%	12%	15%	23%
Status (% full-time officials)	68%	51%	73%	59%	65%
Mean Age (years)	52	47	49	48	49
Median Union tenure	11-15 years	11-15	11-15 years	11-15	11-15 years

economies. Further, in an attempt to alleviate somewhat the crude distinction, data are also presented on regional sub-groups within G-77. Overall, based on our differentiator, 24 countries from the North and 61 countries from the South were represented among respondents.

The survey instrument consisted of 24 questions. Part 1 sought to ascertain a range of personal information regarding respondents' gender, educational level, length of employment with their union, the position held in the union and the size of the union. In the more detailed Part 2, questions were designed to ascertain the respondents' views on a range of issues related to core labour standards and international trade agreements.

5. DATA

This section provides data on the views and attitudes of survey questionnaire respondents on three key, inter-related issues:

- the meaning of core labour standards and the perceived need for and effectiveness of such standards;
- the contention that core labour standards are a form of protectionism pursued by developed economies; and
- intra-South regional differences.

Meaning and need

There has been a long-term debate on what exactly constitutes core labour standards. For this research, we utilized the now widely accepted International Labour Organisation (ILO) definition covering four areas that have been deemed as fundamental human rights. These areas, and the relevant ILO Conventions, are:

- Freedom of association and the right to organise (Conventions 87 and 98)
- Freedom from forced labour and abolition of forced labour (Conventions 29 and 105)

- Freedom from discrimination (Conventions 100 and 111)
- Minimum age for employment/elimination of child labour (Conventions 138 and 182)

An overwhelming majority of both GUF respondents (94 per cent) and national federation respondents (97 per cent) accepted this definition. The lowest level of support, at 90 per cent, was found among EI Northern respondents. Of the small percentage that disagreed with this definition, most wished to add one or two extra ILO Conventions. These data show very clearly that there is now little disagreement among unionists as to what constitutes core labour standards.

A much more contentious issue, indeed a key issue and the focus of this paper, in the trade-labour linkage debate is the level of support among unions, particularly Southern unions, for such linkage. Our data are unequivocal: an overwhelming majority of respondents, 95 per cent of GUF respondents and 97 per cent of ICFTU respondents, held the view that trade-labour provisions are needed in trade agreements to protect core labour standards. Further, of the remaining respondents, most were unsure rather than opposed. This level of support was evident across all sub-groups including the two industries and regions. The “lowest” level came from IMF Southern respondents; even among this sub-group, however, 92 per cent of respondents favoured incorporation of labour standards into trade agreements. Overall, there can be no doubt that, in both Northern and Southern countries, officials and activists at the federation level and within education and metal unions strongly perceive the need for core labour standards to be included in international trade agreements. Turning to the future, 80 per cent of GUF respondents held the view that trade standards could be an effective mechanism for ensuring that core labour standards were not undermined. Statistically significant differences (chi-square $p < .01$) existed between the 74 per cent of EI respondents and the 87 per cent of IMF respondents who held this view, but not between Southern and Northern respondents. We sought GUF respondents’ perceptions of the levels of support for incorporating these core labour standards into international trade agreements among both members and other officials of their national unions, and among employers and their national governments. Table 2 presents the means (1= very weak support, 5= very strong support) and standard deviations for these measures; for comparison purposes, respondents own views are also reported in this format. Respondents perceived very strong levels of support for such incorporation among both their fellow union officials and also, crucially, among their union members. This level of support was found across both EI and IMF groupings and Northern and Southern respondents. Conversely, respondents’ views were that employers would

Table 2. GUF respondents' views and perceptions of the attitudes of union official and members, employers and government towards incorporating core labour standards into international trade agreements (mean and standard deviation: 1=low support, 5=high support)

Group	EI		IMF		Total
	North	South	North	South	
Respondents	4.7 (0.6)	4.7 (0.5)	4.7 (0.6)	4.4 (1.0)	4.7 (0.7) (N=469)
Other union officials	4.5 (0.6)	4.6 (0.5)	4.5 (0.6)	4.2 (1.1)	4.5 (0.7) (N=457)
Union members	4.3 (0.7)	4.6 (0.7)	4.4 (0.7)	4.3 (1.0)	4.4 (0.7) (N=464)
Employers	2.8 (1.1)	2.7 (1.3)	2.7 (1.2)	2.4 (1.1)	2.8 (1.2) (N=459)
National governments	3.3 (1.1)	3.3 (1.2)	2.8 (1.3)	2.8 (1.3)	3.0 (1.3) (N=453)

not support a trade – labour standards link: all sub-groupings of respondents rated employer levels of support below the scale mid-point of three. Perceptions of national government support was somewhat higher and, overall, averaged exactly the scale mid-point; inter-union perceptions varied with EI respondents being significantly more likely ($p < .01$) to perceive government support for this linkage.

Further analysis of the GUF data, based on a series of 2×2 between-subjects ANOVAs, with independent variables being union type (EI, IMF) and region of origin (South, North), did indicate some statistically significant differences between sub-groups. Small but significant differences existed between the views of EI and IMF Southern respondents with regard to their own beliefs, and their perceptions of other union officials and of member attitudes ($p < .01$), with the former more likely to hold and to perceive positive attitudes. Nevertheless, the views and perceptions of the relatively lower-scoring IMF Southern respondents offered very strong support for linking trade with labour standards, with mean scores well in excess of four on the five-point scale. Inter-union differences emerged with regards to perceptions of both employer and government support for incorporation: EI respondents were more likely ($p < .01$) to perceive employer and government support; no significant differences emerged in a North-South comparison. Overall, a clear difference existed between the views of GUF respondents and their perceptions of the attitudes of their fellow union officials and their members on the one hand, and respondents' perceptions of the views of government and employers on the other.

Table 3 details the mean levels of support for a trade-labour standards link perceived by ICFTU respondents. A clear dichotomy exists: respondents overwhelmingly perceived strong support among their national federation, their federations' officials and their federations' affiliates while, similar to GUF respondents, employers were perceived as being strongly opposed. National governments were again perceived as,

Table 3. ICFTU respondents' views and perceptions of the attitudes of their national federation, its official and affiliates, employers and government towards incorporating core labour standards into international trade agreements (mean and standard deviation: 1=low support, 5=high support)

Group	North	South	Total
My Federation	4.9 (0.4)	4.8 (0.5)	4.8 (0.4) (N=65)
Affiliates	4.8 (0.4)	4.6 (0.6)	4.7 (0.6) (N=65)
Union officials	4.8 (0.4)	4.7 (0.6)	4.8 (0.5) (N=64)
Employers	2.0 (1.0)	2.0 (1.2)	2.0 (1.1) (N=63)
National governments	3.6 (1.1)	2.6 (1.1)	3.0 (1.2) (N=65)

overall, being somewhat neutral; however, a key, statistically significant ($p < .01$) difference existed between the views of Northern and Southern respondents, with the latter group perceiving significantly less support among Southern governments. In short, ICFTU respondents held similar views to those of GUF respondents. Neither governments nor, particularly, employers are perceived as supporters of linking trade and labour standards, a linkage strongly supported by respondents.

Overall, for all survey respondents, governments and employers are not perceived as representing union movement views and opinions on the issue of core labour standards being linked to international trade. Further, respondents indicated not only their own personal support for linkage but also their perceptions that their fellow union officials, their union members and, for ICFTU respondents, their cross-industry affiliate unions also strongly supported such a development. Very clearly, for survey respondents, and directly addressing the key research question for this paper, the ICFTU, with its strong demand for linkage, speaks on behalf of unions of the South.

5.1. Standards as a Form of Protectionism

Is the demand for core labour standards a form of western protectionism? When governments of the South or intellectuals or NGOs make the claim that trade unions in developed economies support labour standards because they are a more subtle form of job protection than other devices such as tariffs, are they supported by Southern unionists? Only 14 per cent of GUF respondents support this contention (see Table 4); however, an additional 24 per cent of respondents were unsure as to its validity. Statistically significant inter-regional differences existed, with Southern respondents more likely to support this view ($p < .01$). Similarly, more Southern ICFTU respondents held this view ($p < .05$) (see Table 5). Obviously, as discussed earlier in the literature review, there is some degree of apprehension, some degree of suspicion among some Southern

Table 4. GUF respondents' perceptions on the use of labour standards as a form of protectionism (mean and standard deviation: 1=low support, 5=high support)

Contention	EI		IMF		Total
	North	South	North	South	
Incorporating core labor standards into international trade agreements is really only a form of protectionism by "western" countries	2.2 (0.9)	2.6 (1.2)	2.2 (1.0)	2.6 (1.1)	2.3 (1.1) (N=446)

Table 5. ICFTU respondents' perceptions on the use of labour standards as a form of protectionism (mean and standard deviation: 1=low support, 5=high support)

Contention	North		South		Total
	North	South	North	South	
Incorporating core labor standards into international trade agreements is really only a form of protectionism by "western" countries	1.5 (0.5)		2.9 (1.1)		2.4 (1.1) (N=61)

unionists that labour standards could be utilised as a form of job protectionism in developed economies. Equally obviously, this is very much a minority view.

5.2. Intra-south Differences

The thrust of our analysis so far has concentrated on exploring potential differences between Northern and Southern respondents. As the analysis progressed, what became clear was that relatively few differences exist between these two groups. Indeed, within some sub-groups, particularly EI respondents, where differences do exist, Southerners in fact tend to hold views more supportive of a trade-labour rights link. As noted above the G-77 countries comprise a wide range of economies. Accordingly, to tease out any differences that might exist within such a large bloc of countries, and particularly to test for any "intra-South" differences, we analysed the GUF data from three sub-groups of geographically-linked countries: Africa (19 countries, 84 respondents), Asia (12, 48) and Central and South America (14, 25). Combined, these respondents accounted for 81 per cent of all Southern respondents. We then re-ran our analysis among the sub-headings outlined above to assess the extent of intra-south differences. For reasons of space we do not report such data in full here. Briefly, however, no statistically significant differences were

found between the views of respondents in these three intra-south groups with regard to perceptions that:

- the four ILO Conventions comprise core labour standards,
- provisions are needed in international trade agreements to protect core labour standards,
- trade agreements could be an effective mechanism to ensure that core labour standards are not undermined,
- both members and officials of their unions support the incorporation of standards into trade agreements,
- employers would not support core labour standards, and small but significant differences – at the 0.05 level but not at the 0.01 level – did exist with regard to:
- the perceived level of government support for incorporating standards into trade agreements (Asian respondents were more likely to perceive their governments as being less supportive),
- perceptions of labour standards as a form of protectionism (American respondents were less likely to hold this view)
- the perceived level of union official and union membership support for incorporating standards into trade agreements (Asian respondents were more likely to perceive their fellow union officials and their members as being less supportive).

Overall, few differences existed between the three intra-South groupings with strong majorities in all three supporting trade-labour linkage. Where differences did exist, they tended to be small and more in the nature of minor variations in levels of support.

6. DISCUSSION

The survey findings are unequivocal: there exists overwhelming support among union officials and delegates to the EI and IMF world congresses and among affiliates of the ICFTU, whether from the developing world of the South or the developed world of the North, to actively link labour standards and trade. Some inter-union and inter-region differences do exist but most are relatively small in magnitude; frequently, all that differed was the intensity and level of support for this linkage. How can the strength of these findings be explained? At least three possible explanations exist. First, our data are not representative of labour views generally in the South. Second, unions in the South have always strongly supported linkage but their views have been misrepresented by governments, some NGOs and intellectuals. Third, support for linkage has been somewhat

uneven in the past but, during the 1990s, this support has firmed considerably among those Southern union movements that were not traditionally strong supporters.

We cannot discount completely the first explanation. We acknowledge that our survey findings are restricted to the views of education and metal officials and activists, and to leaders of union federations. We note, however, that the two Global Union Federations have traditionally played leadership roles in their various national industrial relations systems and that, combined, these union organisations represent 50 million workers. And the views of questionnaire respondents are clearly aligned with those of the leadership groups, as attested to during our interviews with the most senior elected officials of the two GUFs. Further, a series of interviews conducted with leaders of other GUFs and some national union federations in developing economies produced a wide consensus that unions in the vast majority of G-77 countries supported trade-labour linkage.³⁶ Interviewees identified a very limited number of countries, particularly Egypt, India and Singapore, as traditionally opposing linkage but some interviewees perceived a relatively recent weakening in this opposition.³⁷ More broadly, the ICFTU survey presents the views of 44 Southern union federations, the representative bodies for unions covering all industries. Finally, the only other empirical research on this issue found similarly strong support for linkage. In 1996 Egger and Schumperli conducted a survey of NGOs, research centres and trade unions of the South and of Eastern Europe. Of the 82 respondents, 67 were from the South but only 19 of these Southern respondent organisations were trade unions.³⁸ Their findings are thus more representative of the views of NGOs than of trade unions. Nevertheless, the very strong support for trade-labour linkage evident in their findings adds support to the findings of the present study. Overall, we hold that a strong case can be made that our data are representative and that similar pro-linkage views are held by all Southern unions.

The possibility that, for whatever reason, governments of developing societies do not necessarily reflect the views of labour, organised or

36 For example, Z. Awan, Secretary General, All Pakistan Federation of Labour, Brussels, interview June 2001; Jan Goudriaan, Deputy General Secretary, European Public Sector Union, Brussels, interview June 2000; and J.-S. Phee, Regional Secretary, International Federation of Chemical, Energy, Mine and General Workers' Union, Seoul, interview February 2000.

37 Z. Awan, *op. cit.*, 2001.

38 M. Egger and C. Schumperli, *Clause sociale, Sondage au pres des ONG et syndicats europeens et du Sud*, Lausanne, Pain pour le prochain et Declaration de Berne (mimeo), 1996.

otherwise, is not unlikely. Interviews conducted with senior EI and IMF officials (and with union leaders from countries such as South Africa, Kenya and Mauritius) underscored their strong support for linkage and the non-representativeness, from a union point of view, of the formal G-77 policy.³⁹ However, there is some evidence of a diversity of views among Southern unions during the 1990s, a diversity that arguably facilitated Southern government opposition to linkage. For example, participants at the 1996 meeting of the Democratic Labour Caucus, in Manila, titled their communique *A Conditional "Yes" on the Issue of Social Clause in Trade Agreements*. It rejected a framework of trade without social responsibility and favoured the inclusion of a workers' rights clause within the WTO. However, participants argued that such a development should be conditional on agreement being reached that only core labour standards would be linked to trade, and that outright sanctions would not be allowed. Rather, trade incentives and trade preferences would be encouraged, and sufficient compliance time would be given to violators.⁴⁰ The statement included 26 signatories from trade unions and labour organisations from Hong Kong, South Africa, the Philippines and Germany. Similar views were manifest in 1998 at a conference organised by SOLIDAR and the Spanish Trade Union Institute for Co-operation and Development (ISCOD). Held in Madrid, the conference explored the possibility of linking 'The World Trade Organisation and Core Labour Standards' and was attended by 35 participants from Northern and Southern NGOs and trade unions. At the conclusion of the debate, worker representatives from Senegal, Gabon, Mauritius, Malawi, Madagascar, Ivory Coast, Morocco, Tunisia and the Philippines expressed support for the social clause proposal, whilst those from Egypt, Zimbabwe and Tanzania did not.⁴¹ The caution and diversity illustrated in these examples make it apparent that, during the 1990s, there was indeed some diversity of views within the world labour movement, with a minority of unions holding some reservations about a trade-labour link.

The third possible explanation, and the one that we favour, is that, over time, extant union opposition to linkage has decreased significantly

39 S. Hanley, Deputy General Secretary, Education International, Brussels, interview June 2000; M. Malentacchi, General Secretary, International Metalworkers Federation, Sydney, interview November 2001; C. Natali, General Secretary, Kenya Engineering Workers Union, Sydney, interview November 2001; S. Nondwangu, General Secretary, National Union of Metalworkers of South Africa, Sydney, interview November 2001; and J. Lollbeeharry, President, Government Teachers Union, and also General Secretary, Mauritius Labour Congress, Jomtien, interview July 2001.

40 SALINGAN, *op. cit.*, 1996.

41 SOLIDAR, *op. cit.*, 1998.

and is now, for all practical purposes, non-existent. Developments in India, a nation identified, by Bhagwati⁴² and a number of our interviewees, among others, as strongly opposed to linkage, lend evidence to this contention. Certainly, in 1995, all the major Indian unions attending the 32nd Session of the Standing Labour Committee endorsed the Indian government's opposition to linkage, support that was based upon the notion of anti-imperialism and national sovereignty.⁴³ However, the debate leading to this statement of support revealed sharp differences amongst Indian unionists. A background document by the Centre for Education and Communication (CEC) in New Delhi points out that:

Extremely differing perspectives were presented. But everyone listened [to] the other with appreciation and acknowledgement. Some preferred an outright rejection of the proposal to link labour standards with international trade. On the contrary, some favoured the strategic use of the proposal, to demand better standards for the workers. While the representatives of the organised sector were mostly for a rejection of [a] labour standard WTO linkage, the representatives of the unorganised sector was [sic] not as clear in their position. They were concerned about the blatant violations of labour rights in the informal sector. Some openly advocated the need for an external pressure to improve the working and living conditions of the workers in the informal sector.⁴⁴

Hensman⁴⁵ also notes that the proposal for a workers' rights clause in WTO agreements was greeted in a positive light by informal sector activists as the latter saw little hope of securing rights for workers through purely domestic action, a view supported by Nigam.⁴⁶ Palo *et al.* point to a more formal change in policy based on the report of the Commission on Labour Standards and International Trade appointed by the Indian government to examine the issue of linkage.⁴⁷ The Commission, headed by Subramanian Swamy, former Minister of Commerce, suggested that:

42 J. Bhagwati, *op. cit.*, 2002.

43 A. Nigam, *Radical Politics in the Times of Globalization: notes on Recent Indian Experience*, undated, <<http://www.iisg.nl/~sephics/papers.htm>>.

44 Centre for Education and Communication, (not dated). *National Consultations on Social Clause in Multilateral Trade Agreements, A Brief Background* <<http://www.cit-inv.it/associazioni/CNMS/archivio/strategie/socialclause.html>>.

45 R. Hensman, *The Impact of Globalisation on Employment in India and Responses from the Formal and Informal Sectors*, CLARA Working Paper, No.15, Amsterdam, 2001, <http://www.iisg.nl/~clara/rep_hensman.htm>.

46 A. Nigam, *op. cit.*, undated, p. 7.

47 S. Palo, N. Padhi and S. Panigrahi, 'Labour Standards in the Aftermath of Structural Adjustment Programme: The Case of India', *Indian Journal of Industrial Relations*, ol 35, 2000, pp. 381-398.

There are some desirable core labour standards which deserve to be uniformly enforced internationally for which trade sanctions are ultimately necessary to obtain serious compliance. India should give up its defensive approach and play a proactive role in global forums, particularly in the World Trade Organisation, in evolving a moderate 'Middle Path' concept of [the] social clause.⁴⁸

Subsequently, the Indian Government's Advisory Committee on International Trade recommended that the government 'evolve a suitable response to a situation where even some of the developing countries are willing to accept some watered down version of a group on trade and labour with the WTO'.⁴⁹ Commenting on this development, Jenkins has observed that India, one of the developing countries that has led the opposition to linkage, 'appeared to be in danger of winning the battle of Seattle, but losing the longer-term diplomatic war, including the conflict waged for primacy in the theatre of public opinion'.⁵⁰ This evolving debate within India led the NGO CUTS, still a vigorous opponent of linkage but recognising the diversity of opinion, to host a two-day seminar in Washington in April 2003 with the title of *Linkages: How Do We Bridge The Gap? Additional evidence of this evolution of opinion within Indian labour was confirmed in a series of interviews with Indian officials at the EI and IMF world congresses.⁵¹ Overall, of the three possible explanations of the survey findings, that of changing views within the minority of Southern unions opposed to linkage appears most likely. If this interpretation is correct, what factors have influenced this change? Arguably, three developments have had the most influence.*

First, significant gains have been won by linkage advocates since the 1999 WTO Ministerial meeting in Seattle. Advocates of the linkage demand in the developed nations have been able to convince their governments to include precedent-setting labour provisions in bilateral trade agreements that have been negotiated with governments of the South. These include the Jordan-United States Free Trade Agreement, the Singapore-United States Free Trade Agreement, the Chile-United States

48 Commission quoted in Palo *et al. op. cit.*, 2000, p. 383.

49 Ministry of Commerce, India, *Current State of play: Status Note on issues under discussion at WTO*, 2000, <<http://commin.nic.in/doc/wtoapr2k2.htm>>.

50 R. Jenkins, *India and the Trade-and-labour-Standards Controversy*. Paper prepared for the Seminar, "India in the Beginning of the 21st Century", Instituto do Oriente. Lisbon 20-23 March, 2001, p.11

51 P. Radhakrishnan, State Secretary, Kerala, All India Primary Teachers, Jomtien, interview July 2001; and Samantrai, General Secretary, Steel, Metal and Engineering Workers Federation of India, Sydney, interview November 2001.

Free Trade Agreement and the United States-Cambodia Textile Agreement, the latter being particularly significant because it includes an ILO monitoring system. Linkage advocates have also convinced both the US and EU to modify their generalised system of preferences (GSP). In the case of Europe its GSP system now includes an incentive system that offers additional tariff concessions to developing countries that have complied with ILO conventions 87, 98 and 138: 'a reduction ranging from 15 to 35 percent of the Common Customs Tariff for industrial and 10 to 35 percent for agricultural products'.⁵² Relatedly, the increasing number of developing countries that have expressed a willingness to consider labour provisions in trade agreements, in order to win increased access to developed economy markets, has induced expressions of concern amongst others. This development has been noted by Bullard, who argued that the governments of the South are well aware that 'trade negotiations are going on continuously both inside and outside the WTO and, for example, the FTAA [Free Trade Agreement of the Americas], and some EU and US bilateral agreements already contain side-agreements or clauses on human rights and labour standards'.⁵³

Second, advocates of the linkage demand have been able to moderate the opposition to the demand coming from the corporate sector in a number of important nations. Most significantly, union campaigning in the United States, which managed to stall legislative measures to provide the President with trade negotiating authority, induced the corporate sector to re-evaluate its position and adopt a less antagonistic stance towards a trade-labour linkage. Thus in 2001, the Business Round Table, while stressing that the US must be flexible and recognise that "one size does not fit all", agreed to support the notion that future trade negotiations could include NAFTA type labour provisions, look at strengthening the ILO, and/or adopt new approaches through constructive dialogue with Congress, US negotiators, business, and labour and environmental groups.⁵⁴ As a result of this concession to the union movement and public opinion in the USA, the *Bipartisan Trade Promotion Authority Act of 2002* (fast-track authority), signed into law by President Bush on 6 August 2002, included worker rights provisions amongst its overall and

52 G. Tsogas, 'Labour Standards in the Generalized Systems of Preferences of the European Union and the United States'. In *EJIR*, Vol. 3, No. 6, 2000, pp. 349-370.

53 N. Bullard, 'Social Standards in International Trade'. Report prepared for the *Deutscher Bundestag* Commission of enquiry "Globalisation of the World Economy – Challenges and Answers", *Focus on the Global South*, 2001.

54 Business Round Table (BRT), *The Case for US Trade Leadership: The United States is Falling Behind*, 2001 <<http://www.brtable.org/pdf/498.pdf>>.

principal negotiating objectives. Essentially, this means that US trade negotiators must continue to pursue the trade-labour issue in all future bilateral and multilateral negotiations conducted under the auspices of the TPA.

A third factor is the phasing out of the Multi-Fibre Agreement in 2005 and its replacement by the WTO Agreement on Textiles and Clothing. This will eliminate the preferential treatment given to the poorer developing countries and provide for a more global open market the result of which will almost certainly initiate a South-South contest and possibly a 'race to the bottom' within the South. This is particularly threatening to many developing countries, given China's vast pool of low-wage, unorganised labour which 'can potentially out-compete export industries in virtually all other developing countries'.⁵⁵ As this threat draws nearer, it can be expected that it will facilitate moves from the South for minimum labour standards at the multilateral level. According to Ross and Chan, the South-South factor has already raised concern amongst some developing countries.⁵⁶ They point out that when the Multi-Fibre Agreement ends, 'China will then be poised to make inroads into rich-country apparel markets' at the expense of countries like Mexico, which, fearing this development, have "sought to delay China's entry into the WTO". Indian opponents of a trade-labour linkage are also aware of the fact that China's accession to the WTO may revitalise the labour standards debate. Mehta warns in reference to the trade-labour demand that:

While India has to still create a consensus at [the] domestic level on its ongoing labour reforms, it should also keep in mind the accession of China into the WTO and chalk out its plan of action accordingly. Looking at the poor labour conditions in China, the demand will gain momentum... even our clothing exporters are losing out to the suppressed labour costs of China.⁵⁷

This issue of the impact of the accession of China to the WTO was a recurring theme in our interviews. In particular, interviews with Indian officials highlighted this influence as a key factor driving changing opinion in India, while a senior ICFTU official claimed that "the INTUC (Indian National Trade Union Congress) has now moved [its position] because they have become increasingly worried about China."⁵⁸

55 S. Polaski, *Trade and Labor Standards: A Strategy for Developing Countries*, Carnegie Endowment for International Peace, 2003, p. 3.

56 Ross and Chan, *op. cit.*, 2002, p.12.

57 P. Mehta, 'The trade-labour linkage is not 'dead' as yet', CUTS.2001, <<http://cuts.org/article%20others.htm>>.

58 J. Howard, Director, Employment and International Labour Standards, International Confederation of Free Trade Unions, Brussels, interview June 2001.

7. CONCLUSION

Over the past decade, and particularly following the establishment of the World Trade Organisation in 1995, there has been a significant and growing debate about the role of labour issues in international trade. A specific focus has been the demand by sections of civil society for the recognition and incorporation of core labour standards into international trade agreements. In this debate, governments, intellectuals and various Non-Government Organisations have taken it upon themselves to speak on behalf of workers and various assertions have been made about the attitudes and policies of unions. This paper has drawn on the views of a wide range of union officials and activists to inject an empirically-grounded perspective into the debate on this contentious issue of labour standards and trade. In particular, our research set out to test the contention that unions from the G-77 countries, the developing economies, hold attitudes and policies different to those of their Northern counterparts and are opposed to linking standards and trade. Our findings show that governments, NGOs or groupings who claim to speak for Southern workers and unions, and who oppose linking labour standards and trade, speak neither for teacher nor metal unions, nor for union federations. The data show that, overwhelmingly, these unions support strongly a trade-labour linkage. The paper explored the implications of this finding and argued that it is now likely that linkage demands advanced by the ICFTU are supported by most unions, including those movements which traditionally were suspicious of the linkage demand.