

GLU-TISS International Conference on

FINANCIALIZATION OF CAPITAL - DETERIORATION OF WORKING CONDITIONS

Concept Note:

Social Justice, Decent Work, Fair Globalisation

The 2008 ILO Declaration on Social Justice for a Fair Globalisation urges for a shift in global policies to achieve Social Justice and Decent Work. The Declaration calls to examine and consider all international economic and financial policies in the light of the fundamental objective of social justice.

The Global Labour University www.global-labour-university.org is a network of trade unions and universities that aims at facilitating research, debate and qualification programmes in order to address these global labour issues. At its annual conference in 2009 trade unionists and scholars are invited to present papers and discuss the challenges for organised labour as outlined in the two topics, which are elaborated on below.

I. Global capital mobility and its impact on wages and employment conditions.

The desire of enterprises to maximise profit has not changed over time. Nevertheless enterprise behaviour has changed dramatically over the last decades. Aggressive short term profit maximization by financial investors is a key feature of this new environment. Despite some impressive campaigns and organizing successes trade unions were not able to defend successfully workers' interest against these new structural forces. Informal and precarious employment is on the rise, concessions of workers in regular employment are widespread and inequality is growing. Hopes, voluntary corporate social responsibility could make a fundamental difference, evaporated under the heat of global competition. Increasingly the debate refocuses on the role of states and (global) hard law to reign in global capital markets.

Papers are invited that

- a) Assess the structural forces driving global financial markets,
- b) Analyse the impact of these trends on investment and employment strategies of companies,
- c) Suggest policy options to limit financial market volatility; strengthen workers' rights and promote productive investment instead of speculative bubbles.

II. Extending rights and collective bargaining to workers in precarious and informal employment

Global companies and the global financial industry have been successfully influencing decision making on national and international level in order to shape legislation and global rules in favour of individual and common business interests. The demand for immediate high returns from financial investors and the inability to

raise prices in a competitive environment do result in massive pressure on wages and working conditions. Millions of workers are not protected by law or collective agreements. They are forced to accept precarious or informal employment.

Civil society groups including trade unions are becoming more global to defend their interest as workers and citizens against highest rates of return on private investment as the guiding principle of global policy making. This requires innovative approaches to organizing and changes in institutions and regulations to readjust the balance of power between private business interest and society at large in particular as transparent and accountable democratic decision making has in many cases been substituted by lobbyism and supranational bodies that lack democratic control and legitimacy.

Additional Note:

The financial system is in deep crisis. After the deregulation wave since the 1970s, a new type of finance-driven capitalism has been created which led to higher instability, more unequal distribution, a weakening of unions, an increase of the informal economy and an explosion of uncertainty to all persons in society.

Profit growth is rather driven by financial transactions as compared to economic growth in the real economy. As the virtual wealth of ever riskier financial market operations evaporates, working people and their families are losing homes, jobs, savings and pensions. The crisis shows: financial markets are too important for societies to be left to bankers.

Policy alternatives are needed to protect the interest of workers and society at large against the narrow interest of defenders and beneficiaries of a flawed system. The GLU invites trade unionists and academic scholars to discuss these issues at its annual conference in February 2009 in Mumbai. Contributions focusing on the current financial turmoil and a labour agenda to respond to this crisis are welcome as well as those focusing on the issues outlined in the earlier Call for Papers.