



Towards a better future – Decent work, social justice and sustainable development in a global internet economy
Seoul, 16 June 2008

Making a global goal a national reality – Policies, strategies and practices for decent work and sustainable development

Presentation by Roland Schneider, TUAC



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The Globally Integrated Enterprise

- The multinational corporation (MNC), often seen as a primary agent of globalization, is taking on a new form.
- According to Samuel Palmisano, chief executive of IBM, we need to abandon antiquated thinking on multinationals and embrace the emergence of “the globally integrated enterprise” that develops strategy, management and operations to integrate production worldwide.
- He argues that the global approach offers „a better and more profitable way to organize business activities – and it can deliver enormous economic benefits to developed and developing nations.

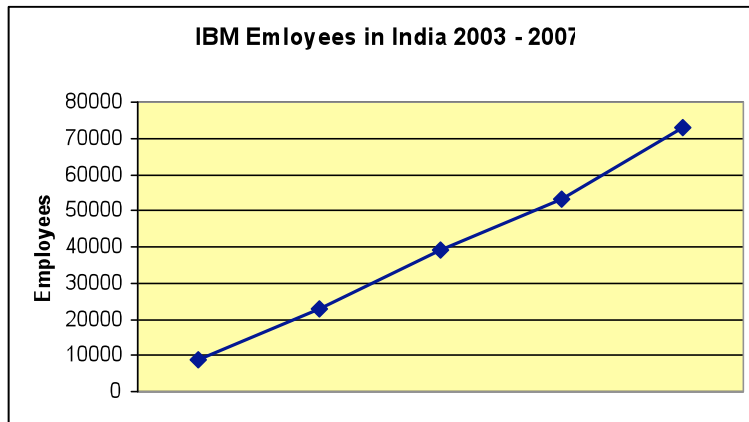


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Thursday, December 27th 2007 at 12:43pm

- **About 1 in 5 IBM Employees Now in India**
- BOSTON (AP) -- IBM Corp.'s expansion in developing countries shows no sign of relenting. The technology company revealed Friday that it now has 73,000 employees in India, almost a 40 percent leap from last year



**International Isn't Just IBM's First Name
Big Blue has built a global network for
client services and in the past three
years has hired 90,000 people in low-
cost countries**

by Steve Hamm

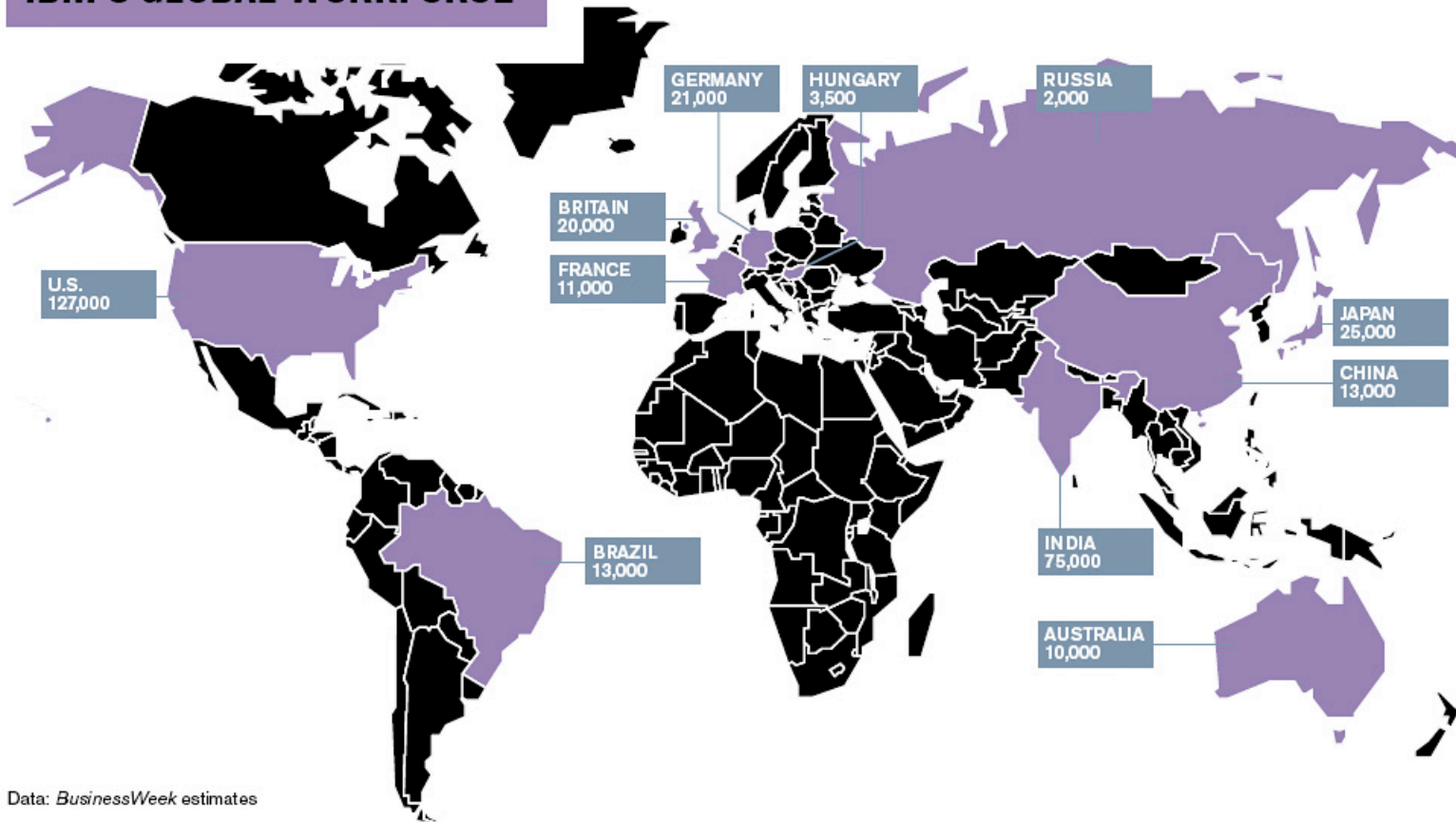
Davos Special Report January 17, 2008,
5:00PM EST

BusinessWeek



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IBM'S GLOBAL WORKFORCE





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- Global production networks (GPN), based on the internet, transform both the production and use of knowledge as well as of goods and services, with far-reaching implications for economic and social change



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- **The Doubling of the Global Workforce**
- **Harvard economist Richard Freeman estimates “that the entry of China, India and the former Soviet bloc into the global economy cut the global capital/labor ratio by just 55% to 60% what it otherwise would have been. “**
- **A decline in the global capital/labor ratio shifts the balance of power in markets away from wages paid to workers and toward capital, as more workers compete for working with that capital.**
- **The huge number of highly educated workers in India and China threatens to undo the traditional pattern of trade between advanced and less developed countries.**



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Doubling of the Global Workforce and its consequences

- **Protectionism is certainly not the answer** to the transition to global market capitalism
- Instead of seeking to protect capital, the World Bank, the IMF and the OECD need to help countries develop **policies to minimize the costs of adjustment to workers** during what is likely to be a long transition.
- **The world needs a new model of globalization and new policies that put upfront the well-being of workers around the world.**



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- Our answer: decent work
- Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.
- In each of these areas, people throughout the world face deficits, gaps and exclusions in the form of unemployment and underemployment, poor quality and unproductive jobs, unsafe work and insecure income, rights which are denied, gender inequality, lack of representation and voice, and inadequate protection and solidarity in the face of disease, disability and old age.
- We need to implement decent work across all parts of the lifecycle of ICT



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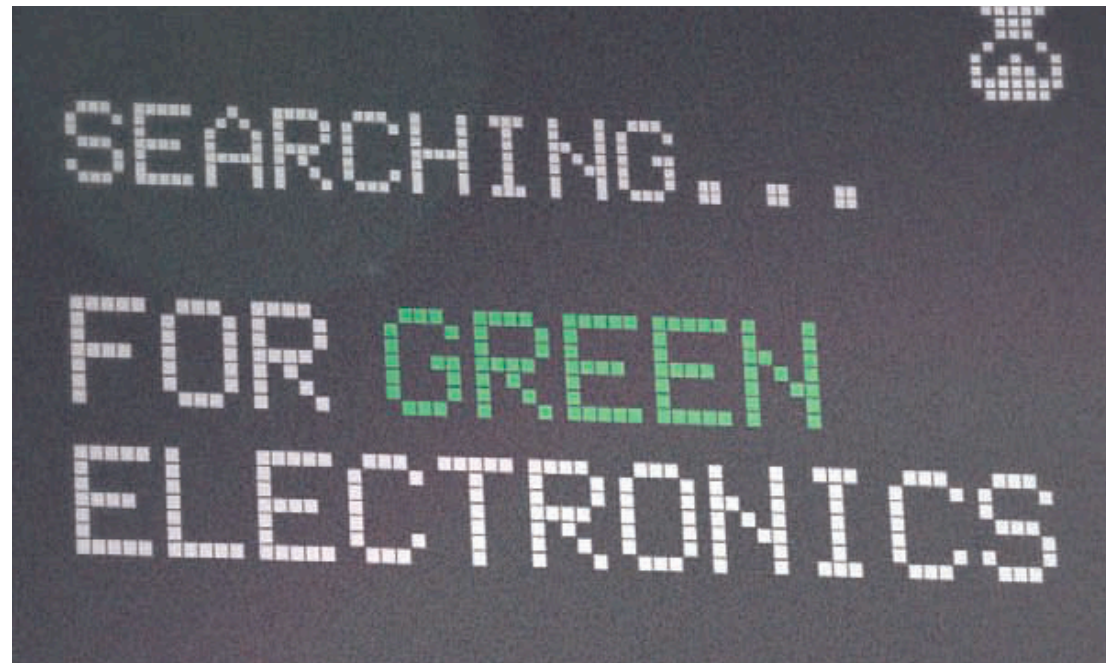
Life Cycle of ICT devices





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- Much needed





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- **Computer manufacturing soaks up fossil fuels, UN University study says**

The manufacture of an average desktop computer and monitor uses more than 10 times its weight in fossil fuels and chemicals, according to a United Nations University (UNU) study which has called for worldwide action to halt "the growth of high-tech trash."



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- May 20, 2008 - 6:11 PM
Charities see few gains for computer workers
- **The Swiss Catholic Lenten Fund and Protestant agency Bread for All say that computer manufacturers have done little to improve working conditions in Asia.**
- The two charities, which launched a campaign last year targeting major computer firms, reckon that an increase of just SFr50 (\$48.1) on computer prices would mean a better life for workers and help ensure that companies' social responsibilities are met.
- Before the campaign began, 27 suppliers in China, Thailand and the Philippines working for Dell, Hewlett-Packard, Acer, Apple and Fujitsu-Siemens – the biggest brands on the Swiss market - were investigated.
- Low wages, long work hours and health for workers were just a few of the problems highlighted.





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Another issue: e-waste or high-tech trashing of Asia

- **Electronics recycling is a toxic business for China**

- By Christopher Bodeen

- AP, GUIYU, CHINA

- Tuesday, Nov 20, 2007, Page 9

TAIPEI  TIMES

- The air smells acrid from squat gas burners that sit outside homes, melting wires to recover copper and cooking computer motherboards to release gold. Migrant workers in filthy clothing smash picture tubes by hand to recover glass and electronic parts, releasing as much as 3kg of lead dust

- **'Electronic recycling plants releasing toxic waste'**

- Our Bureau New Delhi , Aug. 19 2005

- GREENPEACE, a non-profit organisation, has found that toxic wastes, including heavy metals, are released into the surrounding areas of the electronic waste recycling plants in India and China.



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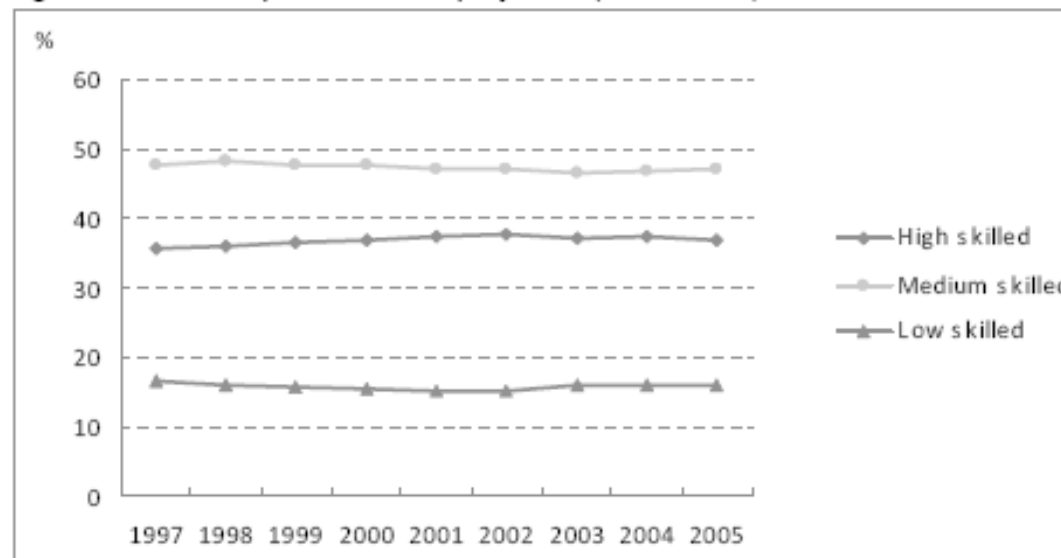




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- **Skills as a determinant of economic performance?**

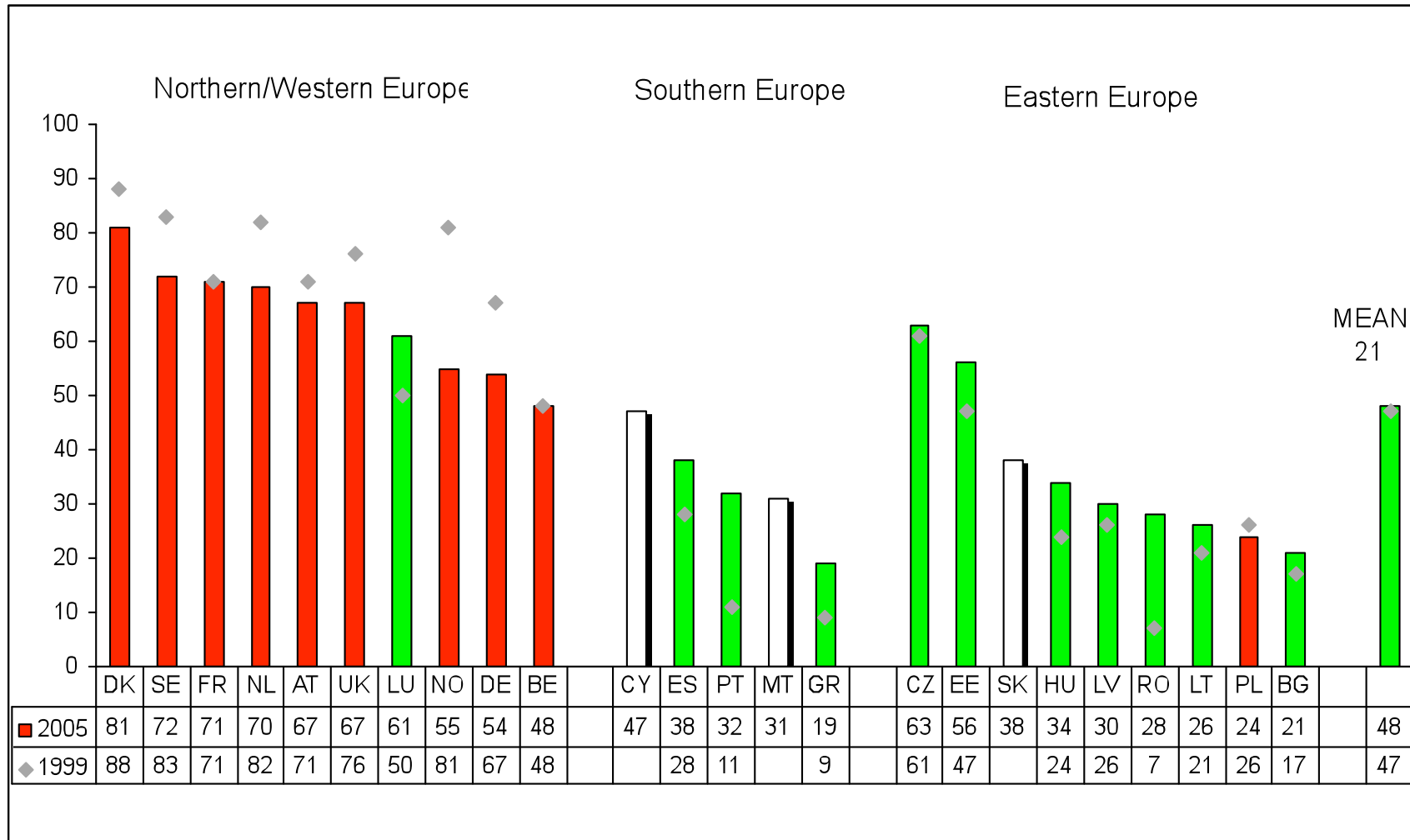
Figure 1. Skill composition of employment (1997-2005), OECD countries





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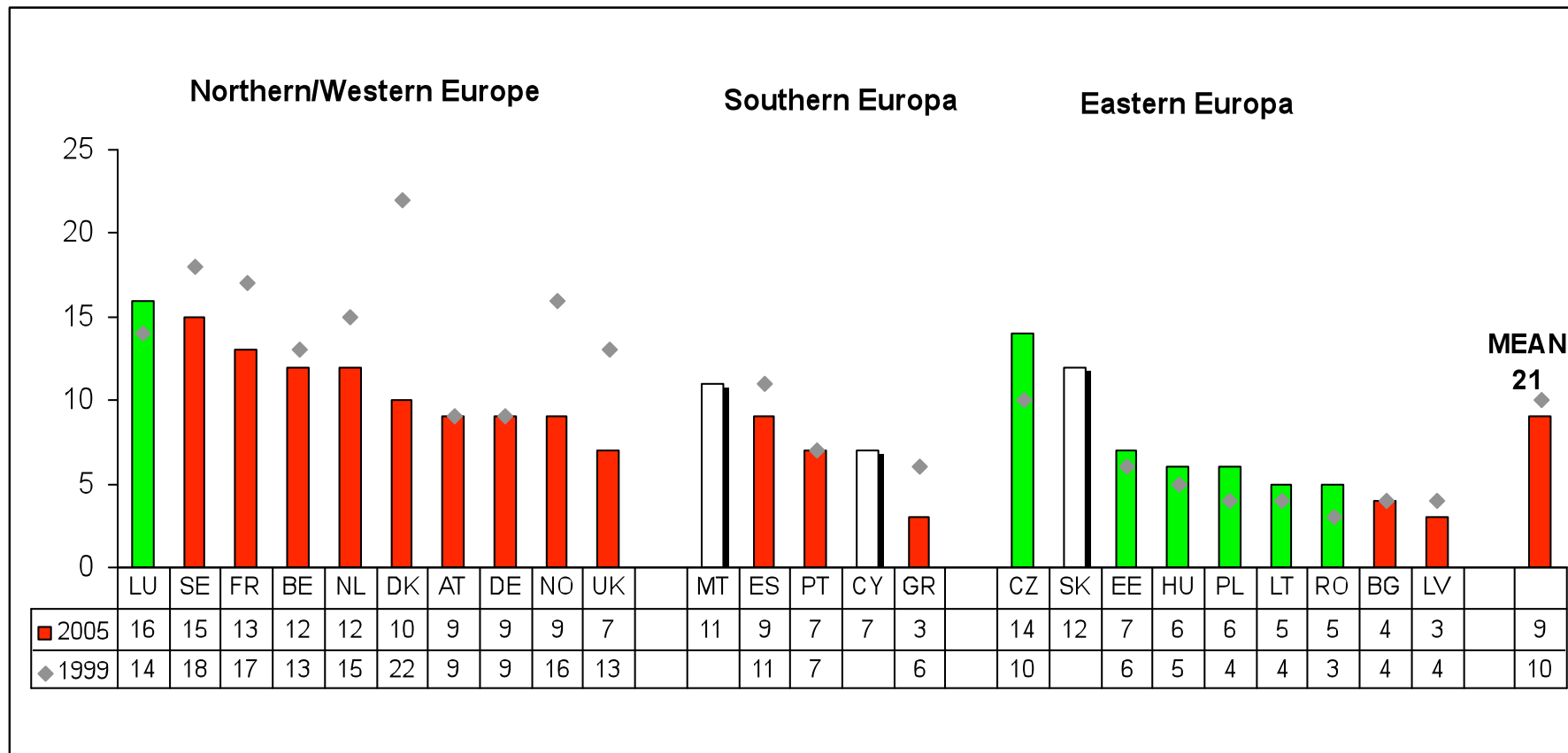
- Enterprises offering CVT courses in % of all enterprises, 2005 and 1999





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- Hours in CVT courses per employee in all enterprises, 2005 und 1999





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Promising: The combination of new ICT and workplace innovation

- Economic advancement and technological change don't automatically translate into better living and working conditions.
- The adoption of the very same ICT has produced strikingly different results across industries and countries.
- Research suggests that the combination of investment in new technology along with workplace innovation, characterized by a redesign of work systems, teamwork as well as training, has had especially high payoffs to firms and workers.