

ITUC-Africa's Strategy on IFIs Issues and Projects

Main Elements of the IFIs Policies

- Privatising state-owned enterprises, deregulating and liberalising trade.
- Reducing public sector activities and expenditure.
- Reducing fiscal and monetary imbalances by curbing government expenditures.
- Rolling back the (welfare) state and public spending on social services.
- Adjusting exchange rate.
- Liberalising prices and imports.
- Elevating private interests above public interests in the development process.
- Promoting institutional reforms.
- Greater reliance on market forces.

Impact of the Policies of IFIs

- Degeneration of living standards.
- Economic recession caused by the massive devaluation of currencies, retrenchment and related issues.
- Increases in the cost of basic commodities and essential services.
- Aggravation of poverty.
- Violation of trade union rights.
- Environmental degradation.

Trade Unions Responses to the IFIs Policies

- The TUM has consistently challenged the policies of liberalisation, privatisation, deregulation and the unsound package of macro-economic policies imposed through structural adjustment conditionality by the IFIs.
- Organised labour throughout the 1980s and 90s vehemently criticised the SAPs, describing it as an ineffective instrument for development.

Trade Unions Responses to the IFIs Policies

- Trade unions and their allies have gathered enough evidence to show that the SAPs imposed by the IMF and WB have done more harm than good.

Policy Shift of the IFIs

- The IMF and WB acknowledged that a purely free-market growth model was not the best option.
- In 1999 the IMF and WB announced the HIPC's Initiative and also stated that the PRSPs would govern lending to the 80 poorest countries of the world. But the PRSP process has not salvage the situation.
- Adoption of the IFC's Performance Standards Agreement as a legal requirement for private sector lending.

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The ITUC-Africa in concert with the ITUC has been:

- Campaigning against the neo-liberal policies of the IFIs and putting forward alternative policy proposals.
- Organising mass protests, demonstrations in demand for the reform of the IFIs policies, programmes and projects.

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- Demanding that trade unions are consulted on IFIs issues and projects as well as on decisions such as privatisation or the changing of social protection laws.
- Engaging in constructive dialogue with stakeholders with a view to ensuring that the concerns of workers are incorporated into the IFIs programmes and projects.
- Building workers solidarity and effective networking strategy at the domestic and regional levels to influence and shape IFIs policies so that they reflect the aspirations of working people.

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- Consistently building concerted pressure on the IFIs to adopt a broader view of development that will ensure that economic growth goes hand in hand with social progress and environmental sustainability.
- Exposing the negative effects of IFIs policies and demanding the adoption of policies that tackle poverty and respect human rights.

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- Insisting that the IFIs operations are environmentally friendly and consistent with the core labour standards.
- Building the capacity of trade unionists on IFIs issues such as the IFC's performance standards requirements.

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- Disseminating information among trade unions and allied organisations throughout the African region on the IFIs issues and projects using multiple channels and networks.
- Encouraging experts at all levels of the TUM to create new information products out of the ITUC's Guide on IFIs e.g. training modules, posters, pamphlets explaining relevant sections using simple terminologies and language.

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- Facilitating dialogue and exchange of experiences among affiliates and allied organisations on IFIs issues and projects.
- Monitoring of progress in the implementation of the IFIs programmes and projects.
- Gathering facts on the impact of affiliates' participation in the IFIs programmes and projects.

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- Encouraging and supporting affiliates to expose and report violations of any aspects of the IFC's performance standards.
- Mobilising funds to support the above-mentioned activities.

Questions for Plenary Session

- What have you learnt at this workshop over the last two days?
- How do you intend to apply the knowledge and skills that you have acquired during this workshop?
- What kind of assistance do you require from the ITUC-Africa in order to work effectively on the IFC's performance standards?