

Shaping the Global Common Good

Report on the Labour 7 Dialogue, 12-13. May 2022



The German federal government assumed the presidency of the G7 for 2022 under the guiding principle of progress for a just world. In the Labor 7 Dialogue, one of seven civil society dialogue forums of the G7, the trade union umbrella organizations of the G7 states accompany and influence the political process in the interest of the employees and a democratic civil society. After a meeting of the trade union leaders of the G7 states (Germany, France, Great Britain, Italy, Japan, Canada and USA) on 11 May with Federal Chancellor Olaf Scholz in the Federal Chancellery, the conference of the L7 trade union dialogue took place on 12 and 13 May in the FES conference hall. As a platform for trade union dialogue at leadership level, the main goal was to discuss common positions on upcoming global challenges such as just climate change, digitalization and crisis management among themselves and with decision-makers and to give emphasis to the demands of the trade unions towards the G7 summit. After two years of corona restrictions, it was the first meeting in person for most trade unions, and the participation of the participants in the debates on the various topic blocks was correspondingly lively and committed.

The L7 trade union dialogue was opened by the chairman of the Friedrich Ebert Foundation, **Martin Schulz**. He emphasized the importance of trade union work as a central pillar of the Friedrich-Ebert-Foundation's self-image and affirmed the strengthening of international dialogue of trade unions and the promotion of their work as an interest group as a permanent and priority task of the FES. Referring to the current political crisis, triggered by Russia's war of aggression against Ukraine, which violates international law, he emphasized that this is also an attack on all of us, on the free and democratic values that we all, especially



the trade unions, stand for. In addition, he pointed to the social consequences of the war as a major challenge worldwide and emphasized the need to defend the EU peace project

Yasmin Fahimi, the newly elected Chairwoman of the German Trade Union Confederation DGB focused her welcome on the ongoing international cooperation of the DGB. With a reference to the new political catchphrase of the "turning point", she asked about their agenda and principles and the



instruments with which social justice can be implemented. In view of the current geo-political polarization, she called for a new "alliance of the reliable" who agree on a rule-based approach to achieving common goals. This also includes the climate goals, which are fully supported by the DGB, with Yasmin Fahimi emphatically emphasizing that these cannot be achieved over the heads of the employees, but only with them. She saw digitization as embedded in this, which evokes an ambivalent attitude in many people. Digitization is also about "security in transition".

At the same time, she sees the issue of trade union and human rights as an important issue and welcomes efforts to legislate due diligence requirements in global supply chains. Yasmin Fahimi also sees an important role for the EU's trade agreements here. She called for a European framework that includes human and labor rights as well as mandatory control mechanisms.

Marianna Mazzucato, Professor of Economic and Innovation Policy at University College London gave the opening lecture on 'Purpose and Mission Oriented Policies at the Center of a New Social Contract for Work'. She referred to the central thesis in her book "The Entrepreneurial State", for which she received the FES Hanns Matthöfer Prize for economic journalism in 2016, and explained that it was the state, i.e. collective capital, that has given the impetus to the most fundamental innovations and that it is a matter of re-evaluating and measuring the added value created with it. She stressed the need for a common good agenda to achieve the Sustainable Development Goals. In addition, she stressed the importance of redesigning treaties, institutions and programs and setting clear terms in a way that benefits everyone. She explained this using the example of the vaccines against the Covid-19, which although created collectively (with massive funding from government investments), the actual task of making them available to the general public, especially in the Global South, was not achieved.



Veronica Nilsson, the designated secretary-general of TUAC, the trade union advisory committee at the OECD, emphasized in her comment that public investors not only have to share the risks but also



the profits, because they contribute to value creation. She highlighted the model of "stakeholder capitalism" in which the needs of society, including those of workers, must be taken into account. New financial institutions, a new social contract and the establishment of public welfare funds (Public Wealth Funds) are necessary.



In the discussion that followed, **Salvatore Marra** from the Italian trade union confederation CGIL first emphasized the importance of employee participation for real change. **Pier Paolo Bombardieri** from the Italian trade union federation UIL explained the importance of including non-G7 countries in order to ensure equality. In addition, the demand for redistribution and more social responsibility of companies is essential. **Giulio Romani** from the Italian trade union confederation CISL bemoaned the lack of regulation and the problem that the focus is on short-term gains but not on long-term goals such as sustainability and equity. **Catherine Feingold**, international secretary of the US trade union federation AFL-CIO, highlighted the problem of political restrictions and unequal participation in the US with regard to transformation. She also highlighted the importance of creating "clean" supply chains.



Kemal Özkan, Deputy General Secretary of the global union federation IndustriAll summarized the challenges of the global community: peace, human rights, climate change, building a new social contract and involving trade unions in this process, fighting poverty, ensuring health for all and a new industrial strategy that also includes the global south.

Sharan Burrow, General Secretary of the International Trade Union Confederation, ITUC, stressed the importance of trust in unions and employee participation in decision-making processes. Investments in care, health and education are the basis for ensuring social security in society.



In the second topical session, "A just transition to climate neutrality", the parliamentary state secretary in the Federal Ministry for Economic Affairs and Climate Protection, **Michael Kellner**, first highlighted the achievement of the Paris goals as the greatest challenge for the international community. Germany is working on both a renewable energy law and financing guidelines. Another current priority in the ministry is achieving independence from imports of Russian oil and gas. This requires an acceleration of the energy transition towards renewable energy sources. It is essential that the international community keeps its promises to mitigate climate change.

In the debate that followed, **Luca Visentini**, General Secretary of the European Trade Union Confederation, ETUC, stressed that the short-term solution to the shortage of raw materials would be to bring them from other countries in Africa and the Middle East. However, we must not create "neo-colonialism" in the process, with the Global South paying the price for other countries.



For **Stephen Russel** from the British trade union confederation TUC, the main focus was on his contribution, that not short-term but sustainable goals are decisive. **Kwasi Adu Amankwah**, general secretary of the African regional association of the ITUC, underlined the priority task of the international community, which is to save lives and pointed to existential problems like the drinking water in Africa. Without this, the sustainable goals cannot be achieved..

The second day of the conference began with a thematic block on "Learning from the Pandemic - New Impetus for Global Solidarity". In her opening statement, **Rosa Pavaneli**, general secretary of the global union federation of public sector workers, PSI, addressed the weakness of the economy, non-functioning global supply chains, the exploitation of state support by companies, vaccine apartheid and the often unbearable working conditions of essential workers. **Kemal Özkan** from IndustriAll emphasized on the one hand the strengthening of global solidarity caused by the pandemic and on the other hand failures in terms of social protection, especially in the textile industry. He criticized the ILO for its failure to ensure workers' protection during the pandemic. The EU is also not doing enough, especially with regard to human rights and labor rights, e.g. in Myanmar.



Tomoyuki Yagi from the Japanese trade union confederation RENGO described the successes of the unions in Japan during the pandemic, which e.g. supported governmental financial support for employees, information points for answering employees' questions, the establishment of a crowdfunding system by students and the support of have used scholarship holders. **Kwasi Adu Amankwah**, from the ITUC Africa Regional Association, highlighted the problem of supply chain dependency and the need for more capacity in Africa to be able to produce the necessary products. **Rafael Freire**, general secretary of the ITUC's Latin American federation, pointed to workers' trust in unions in Latin America and stressed the need for a new model of society, with work and employment at its heart



Andreas Botsch, International Secretary of the DGB, made clear the need for a global response to the global crisis, particularly with regard to fair capital distribution. In addition, he emphasized the right to work safety as a fundamental right. **Yvan Ricordeau**, international secretary of the French trade union federation CFDT, referred to the problem of capital concentration and raised the issue of wealth redistribution. **Giuseppe Iuliano** from the Italian trade union confederation CISL stressed that countries should not be dependent on the supply of vaccines but should be supported to produce them themselves. **Yasmin Fahimi**, the chair of the DGB, explained her concern that the trade agreements concluded between the EU and Africa were disadvantageous for Africa. In addition, the federal government should assume more responsibility to enable the production of vaccines in Africa and Latin America.



The last thematic block of the conference was about "Democracy and workers' rights in the digitization process and along global supply chains". **Hubertus Heil**, Federal Minister of Labor and Social Affairs, made it clear at the beginning of his speech that, in addition to peace and security, work, social security and climate change are the government's priorities, and these are central issues for the G7 summit. With regard to global supply chains and for sanctioning companies in the event of a breach of their duty of care, a European directive on human rights due diligence is necessary after the successful passage of the German Supply Chain Act. In



view of the challenges that digitization poses for employees, his ministry is currently working on a data protection law for employees.

Commenting afterwards, **Christina Colclough**, Director of the Why Not Lab, explained that human rights are abused by digital technologies on a daily basis. She referred to the founding documents of



the ILO, which state that work is not a commodity. However, with increasing “datafication”, work is increasingly becoming a commodity. In the ongoing regulatory efforts for artificial intelligence, there is a lot of talk about setting standards and certification. But data systems are not static but fluid systems and the employees must be involved in their regulation. Co-governance is an absolute must! Christina Colclough went on to say that the widely accepted demand for “free flow of data” is dangerous because free flow does not mean free access to data. However, if we cannot decide about our lives, but are determined by “algorithmic control”, we are denied freedom. Finally, she posed the provocative question: Do we actually have the power to regulate data responsibly and in accordance with human rights? The clear answer: No! At the moment, “we don't know what we don't know”.

Yasmin Fahimi highlighted the issue of supply chain and raw material dependency. An alliance of reliable people is needed to set up supply chains and to monitor corporate due diligence based on partnership. **Rafael Freire** expressed his regret that Latin America is far from having a legal basis on supply chains and due diligence. **Luca Visentini** criticized the European Commission's current proposal for the Corporate Due Diligence Directive as lacking in ambition and pointed to the risk of accelerating the split if progress is limited to the EU. **Christina Colclough** spoke about privacy in the workplace, emphasizing the dangers of the free flow of data and subjecting workers to algorithmic control: “We need to know how the technology is secured from a human rights perspective”. **Isabelle Schömann**, Confederal Secretary at the ETUC, explained that it is about democracy and participation in the workplace. She pointed to the problem of unilateral corporate power and lack of victim support. **Sharan Burrow** (ITUC) made reference to discussions about replacing labor with artificial intelligence and stressed the need for human control.

At the end of the conference, **Yasmin Fahimi** handed over the presidency of the L7 dialogue to the chairwoman of the Japanese trade union federation Rengo, **Tomoko Yoshino**. Japan will chair the G7 in 2023.





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