



*International Federation of Chemical, Energy, Mine and General Workers' Unions*  
*Internationale Föderation der Chemie-, Energie-, Bergbau- und Fabrikarbeitengewerkschaften*  
*Fédération Internationale des Syndicats de Travailleurs de la Chimie, de l'Energie, des Mines et des Industries Diverses*  
*Internationella kemi-, energi-, gruv- och fabriksarbetarefederationen*  
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*国際化学エネルギー鉱山一般労連*  
*Международная федерация профсоюзов химиков, энергетиков, горняков и работников других отраслей*

**President:** Senzeni Zokwana • **General Secretary:** Manfred Warda

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## **ICEM Call for Policies, Directives, Experiences of Current Financial Crisis**

Dear Sisters and Brothers,

Since the beginning of the global economic downturn in September 2008, the ICEM has received almost daily dramatic news from affiliates world-wide. Companies in all our sectors keep announcing cost-cuts and a catastrophic number of job losses. Whereas this affects the lives of trade unionists everywhere, worse off are workers and family members in the developing countries, who fear for their very existence and survival.

There is need that unions on the national and international levels take action. And there is also a need for solidarity actions worldwide, as this economic crisis continues to create deteriorating living circumstances in all regions of the world.

Three weeks ago, the International Monetary Fund (IMF) forecasted that overall global economic growth will be negative for the first time since World War II. Growth rates will be specifically negative in all industrialised countries, and in the emerging markets of Asia, Central and Eastern Europe, with developing regions expected to experience small positive growth, but growth at a much slower rate than before the crisis. There is little doubt that the strong growth in Africa and other commodity-exporting regions has ended. (The IMF forecasts, in many languages, can be found at <http://www.imf.org/external/pubs/ft/weo/2009/update/01/index.htm>.)

These forecasts come with a high degree of uncertainty, since they are based on the assumption that governments will implement large scale recovery programs. The recently published Global Employment Trend of the ILO warns what would happen if nothing is done: global unemployment could increase by 30 million, or even 50 million, and some 200 million more workers, mostly in developing economies, could be pushed into extreme poverty. (The ILO report can be found at [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_101461.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_101461.pdf).)

ICEM affiliates and other trade unions have already played a major role in convincing governments to take action, and a broad range of fiscal stimulus programs have been adopted at national levels. At the same time, there must be an understanding that the crisis is a global challenge that needs a coordinated political response at the global level with the international trade union movement playing a key role.

In several cases, the ICEM has already responded to the needs of affiliates. We have made use of our contacts with global employers, intervened with governments, and organised solidarity initiatives on behalf of affiliates.



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The ICEM was also part of meetings that the Council of Global Unions held early in 2009 with the Managing Director of the IMF, as well as with the World Bank President. Together we pushed these institutions to support immediate anti-recessionary measures and to implement effective regulation to ensure future global economic stability. We made it a strong point that trade unions need to be included – on all levels – as partners in establishing a new regulatory framework for the global financial system and for multilateral governance.

Even though these financial institutions would not admit their responsibility for what has gone wrong, the meetings at least demonstrated an unusual degree of consensus regarding the consequences of the crisis. Both IMF and the World Bank made commitments to strengthen social programs for workers hit by the crisis. And the IMF Managing Director indicated support for trade union involvement in the working groups that were set up by the G-20 meeting last November, working groups that are to prepare proposals on banking governance and financial sector reform.

As a follow up, the Council of Global Unions, led by the International Trade Union Confederation (ITUC), is now preparing a declaration to be presented to the next G-20 meeting, scheduled for London in early April. The Council will also make use of other opportunities, such as the G-8 Labour Ministers meeting in Rome at the end of March, and a high level discussion on the economic and financial crisis organised by the ILO Governing Body on March 23. We indeed must ensure that the ILO gets a greater role in this new multilateral architecture.

To get a broader picture of national and international trade union responses to the crisis, the Trade Union Advisory Committee (TUAC) to the OECD developed a compendium of trade union statements issued to date, which is available on TUAC's website ([http://www.tuac.org/en/public/e-docs/00/00/03/CF/document\\_doc.phtml](http://www.tuac.org/en/public/e-docs/00/00/03/CF/document_doc.phtml)). And, please, also take note of the attached "Plant-level responses to the economic crisis in Europe," responses which were collected by the European Trade Union Institute for Research, Education and Health and Safety (ETUI-REHS). It is only available in English at present, but there is the intention to translate it into other languages. The ICEM will send the other language versions of this document as soon as they are available to us.

In addition to this, we will regularly publicise reports on trade union statements and action on our web-site.

Let me appeal to all ICEM affiliates: send us the relevant information on the particular situation in your country, initiatives that you have taken with your governments, or with employers, and the impact of these initiatives. It will not only help us gain an overall picture of the situation in our sectors world-wide, but we also intend to make use of good practice models and experiences in order to share with affiliates who seek our assistance in dealing with the financial crisis. This will also serve as a base for the ICEM with the companies that are signatory to Global Framework Agreements, in contacts with other global employers, for solidarity actions, and in coordination of campaigns.

Please send us such reports in order that we may have a full discussion at our next Executive Committee meetings, which will occur on June 23-24, 2009. This will ensure that the coming Executive adopts a clear message for future action.



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Together, we must ensure that the right lessons are drawn from the present situation in order to prevent a repeat in the future. As the ICEM Presidium noted in a statement from its November 2008 meeting, we must “use our structures, and our involvement in the Council of Global Unions, to call for creation of a new and fairer system of global capital, and that this system contain stringent financial oversight and governance, including a new set of global regulations, as well as inclusion of more governments, particularly those of developing countries, to the list of countries that currently control global capital.”

In order for the ICEM to carry out its role regarding this, we need your assistance with information, policy directives, and interventions you may have had with your governments or employers intended to soften the impact of this crisis on workers and ordinary citizens in your respective countries.

Thank you for your time and attention to this most important matter.

In solidarity,

A handwritten signature in blue ink that reads 'Manfred Warda'.

Manfred Warda  
General Secretary