

Brics Trade Union forum:

No to neoliberal economic policies

The Brics Trade Union Forum is part of a call to action to stop the group from adopting neo-liberal agendas similar to those promoted by the International Monetary Fund (IMF) and the World Bank, but which have been overwhelmingly rejected by the Left. Instead, it calls on Brics to develop alternative economic policies.

The Forum has the support of the Congress of South African Trade Unions (Cosatu) and other trade union movements from the Brics countries.

Speaking at the Forum meeting, which happened as a counter summit during the Brics Summit in Durban in March 2013, the general secretary of Cosatu Zwelinzima Vavi said its purpose was to 'change the conditions of working people in our various countries and the world over, with particular interest in Africa and the Global South'.

Vavi alluded to a global capitalist crisis which he said was in-built in the capitalist system itself. 'Capitalism is in crisis and so are the rich elites of the world. They have a monopoly over the world economy, while we are all made to share the crumbs from the master's table... It is inevitable that a system rooted in the ruthless exploitation and the systematic impoverishment of the majority of producers will not survive without crisis, which is inherent in the whole system'.

It was in the interests of the Brics to challenge the trade

monopolies of the Global North. 'Whilst Brics countries are at different levels of development and industrialisation, they have an interest in changing international relations of trade and challenging the traditional powers and their monopoly over global governance, whilst also asserting their national interests and therefore the interests of the developing world as a whole,' added Vavi.

Vavi also called upon the World Trade Organisation (WTO) agreements to allow Brics countries to industrialise using quotas, tariffs and subsidies as this would promote fair and just trade. He also called for more trade between Brics countries and criticised uneven trade relations as not good for developing countries because they led to 'unemployment, de-industrialisation and deepening of poverty'.

There were also other economic problems such as 'erosion of domestic producers, not only in that product line alone, but in the transport and logistics chain. In particular, this results in loss of revenue to the service sectors, job cuts and unemployment. Poverty

is bound to rise as a result of unemployment. The problem of the displacement of local, mainly small producers is another factor,' remarked Vavi. Furthermore this caused 'material injury' to 'government, producers, workers, and consumers, especially on public value. Local price wars may lead to further closures of businesses and workers losing jobs'. Other problems included health and environmental risks as a result of dumping products in emerging economies.


Reforms that were taking place at the WTO were not enough, argued Vavi. 'Despite the considerable leeway provided to the importing countries to invoke the anti-dumping agreement's instruments to protect their domestic industry, the WTO dispute resolving and settlement mechanism is flawed and skewed. Settlement panels' rulings show the extent of the abuse of the powers in favour of industrialised countries and trade harassment of developing countries'.

RECOLONISATION

Most African countries were financially cash-strapped and

in some instances did not even have money to fund their governments thus giving former European powers an opportunity to recolonise them. 'Developed countries have used their financial powers to recolonise developing, particularly African, countries through conditional aid and loans, as well as neo-liberal policy dosages. Linked to that, developed countries have a disproportionate say and voting rights in the World Bank and the IMF, resulting in their dominance over the entire global financial and economic architecture,' said Vavi.

Cosatu also welcomed the development of an alternative banking system in the form of a Brics development bank, remarked Vavi. However this bank 'should be free from the stranglehold of a few powerful countries, within or outside Brics. It must be based on a fundamentally different model, which prioritises the developmental interests and needs of the poor majority, not the selfish narrow interests of a few rich shareholders'.

As an alternative to neo-liberal policies, Vavi proposed a democratic developmental state within the Brics countries. Such a state would 'advance a progressive and popular democratic outlook; eliminate divisions and inequalities brought about by colonialism, apartheid and capitalism; take direct responsibility for development and eliminate the profit motive and narrow class interests of the privileged few in the delivery of basic goods and services and provide universal access to basic goods and services and pay special attention to the historically disadvantaged and poor communities,' suggested Vavi. 

Brics Trade Union Forum declaration

In the spirit of international solidarity, working-class unity and trade union co-operation, the Brazil, India, China and South Africa (Brics) trade union movement gathered in Durban, South Africa on 23-25 March 2013 to reflect on the critical challenges facing the working class in today's changing global political economy and how it impacts on workers' rights, human dignity and sustainable development for all.

Gathered under the auspices of the Brics Trade Union Forum, we sought to build on the foundations laid by the Moscow Declaration, which was adopted at the 1st Brics Trade Union Forum in Russia in December 2012. This declaration correctly located the cooperation resulting in the emergence of Brics in the context of the historic prevailing global power relations which favours the interests of developed countries to the exclusion of the developing countries.

We wish to express our profound solidarity and support to all workers involved in struggles in defence of their rights, dignity, health and safety, against poverty, inequalities, unemployment, environmental degradation and for a world based on peace, justice and gender equality.

We affirm the right of all the peoples of the world to determine their own economic policies free from current imposition by the Bretton Woods Institutions.

Amongst others, we discussed the global capitalist crisis, which is increasing inequalities and underdevelopment in several parts of the developing world. Given the location of this year's summit, we paid special attention to the conditions facing the working people of Africa, who suffered colonial dehumanisation and still suffer extreme conditions of exploitation. This is a consequence of the persisting structures of neo-colonial patterns of accumulation, unfair trade and exclusion in global governance systems.

The significance and concrete meaning of Brics to workers under the current global conditions should be positioned as an alternative model of inclusive development that serves the interests of the majority in society.

In this regard, we emphasise in one voice the need for the effective and full participation of the working class in all institutions of Brics. Only in that way will Brics be different from existing multilateral institutions.

We identified and dealt with four thematic areas relating to the fast-paced developments in the Brics bloc of countries and the importance of workers' views on its meaning to the struggle for social justice and development for all.

1. ***On Brics trade patterns and what they mean for working-class solidarity today? Towards a just and fair world trade system***

We note that trade within the Brics countries is centred mainly on commodities and very little on value-added goods. We believe that trade policies within the Brics countries should aim at supporting industrialisation. The key objective should be the realisation of mutually beneficial trade amongst Brics countries and amongst all countries of the world to address the imbalances between the Global North and the Global South. In addition, Brics countries should work with other developing countries towards the transformation of the world trade system.

2. ***On the development of alternative sources of development finance: Our perspective on the Brics Development Bank***

We acknowledge that we are in an era marked by the rise of the financialisation of the economy, which has resulted in the domination of finance capital in many developing countries and the rest of the world. We cautiously welcome the proposal of a Brics Development Bank and strongly believe that this bank should take a different form from the World Bank and the (IMF). It should primarily be developmental in character. We envisage a Brics Development Bank solely owned by Brics, publicly funded, taking all decisions on consensus, promoting trade based on own currencies of its member countries, with a core focus on infrastructure and development in consultation and approval by all stakeholders, inclusive of the community and trade unions. Brics trade unions should be represented on the Brics bank's highest decision-making body and its various task teams.

3. ***Building working-class power for workers' rights and an end to inequalities, unemployment and poverty for decent work and inclusive development***

We recognise that without a coordinated approach within the trade unions, workers' interests may not be taken forward. In defending and advancing workers' rights, we commit to ensuring that all multinational companies comply with core labour standards, and do not exploit unequal conditions between countries, driving down wages and eroding workers' rights by playing workers against one another. In addition, we recognise the importance of national and global tripartite dialogue structures, and pledge to defend these as a key site for advancing the decent work agenda and ensuring the protection of workers' rights, particularly those of vulnerable and migrant workers. We will struggle to ensure that the Brics agenda does not isolate regional and continental counterparts, and will work to advance the interests of the developing world in general.

4. ***On the position and role of Brics trade unions in shaping the agenda in the interest of social justice and people-centred development***

It is our considered view that the emergence of Brics presents the potential to organise it into a progressive force around which various struggles can be coordinated. However, we continue to call for a further decisive shift in the current political and economic outlook of Brics. In order to enhance our cooperation, we will establish a coordinating mechanism consisting of representatives from all trade union federations based in each of the Brics countries. The immediate task is to implement this and previous declarations, including preparations for the next Trade Union Forum in Brazil in 2014.

This declaration was downloaded from the Congress of South African Trade Unions website: www.cosatu.org.za.