CONCLUSIONS AND WAY FORWARD

CONCLUSIONS

We, trade union leaders, researchers and educators meeting at the ITUC-Africa Forum on the Global Financial and Economic Crisis and the Global Jobs Pact from 14th to 16th September 2009 at the ITUC-Africa Headquarters in Lome, Togo, have debated and agreed as follows:

We note that the current global crisis, which began in the United States of America and other industrial countries, is rooted in the exploitative relations and the neo-liberal contradictions of the capitalist model, which have been imposed on our countries over the past three decades. This crisis has aggravated various food, energy, climate and governance crises which were already plaguing Africa and causing as a result increasing precariousness and poverty.

We note that although African countries are not responsible for these crises, they are the worst hit. This crisis has led to the collapse in revenues, reserves and overall economic activities with attendant job losses and drastic cuts in social programmes.
We further note that the collapse in revenues and foreign reserves will threaten African countries with another round of devastating debt crisis.

We recognise that the responses to this crisis at global, regional and national levels are inadequate and misplaced and only reinforce existing structural rigidities as well as Africa’s economic dependency.

While there has been a focus on mobilising huge resources to address the immediate impact of the crisis, Africa has benefited little from such resources.

We further note that some of these responses have focused on the mobilisation of resources in areas which have no immediate productive impact on African economies.

Furthermore, there has been little action on the systemic issues which are at the heart of the crisis and on the contradictions arising from the primary commodity export dependency particularly in Africa.

We note that the on-going international negotiations, in particular the Economic Partnership Agreements (EPAs) and the imbalanced negotiations of the Doha round at WTO will deprive Africa of its leeway and resources needed to address the crisis and adopt long-term development policies.

We are concerned that these crises have contributed to aggravate Africa’s problems which arise from poor political, economic, social and environmental governance.

In the light of the above, urgent action needs to be taken in the following areas:

- There should be a change of paradigm. The neo-liberal model based on the dogma of deregulation and liberalisation of all markets and all sectors has failed. The economic policies based on growth and led by all-around exports and imports should be abandoned in Africa. Development strategies based on the needs and priorities of African peoples should be initiated from now on.
A democratic and accountable state based on the principles and ethics of development should be restored to play a central role in the implementation of development programmes in Africa;

Africa should develop its national economies by increasing its production capacity and adding value to its natural resources. In addition, it shall rely on agriculture, manufacturing, the services sector and the intensification of inter-sectoral in order to enhance industrial capacity. Lastly, national and regional markets should be expanded and strengthened through regional integration;

Africa should develop a financial system that supports the productive sectors instead of encouraging speculative financial markets;

Foreign Direct Investments will enter into Africa only if they can contribute to the development of Africa’s production capacity in strategic areas;

The global jobs pact and decent work should be at the heart of economic restructuring and investment development in order to satisfy the basic needs of the peoples. To this end, we call upon the International Labour Office to support and assist African trade unions in promoting the Global Jobs Pact;

We appeal to the African governments to create jobs in accordance with the spirit of the Trade Union Declaration issued during the G20 Summit in Pittsburgh, which makes employment creation its first priority.

The architecture and global governance put in place after World War II around the International Monetary Fund (IMF) and the World Bank can no longer adequately regulate the global economy today. A new global architecture based on democratic principles and involving the participation of all regions of the world must be constructed. The World Trade Organisation (WTO) should be reorganised so that it can provide better responses to the needs of African countries and other developing countries.

It is important to take new measures at the international level to address the recurrent problem of basic commodity price fluctuations.
• The EPAs negotiations should be suspended, while action is taken to pull Africa out of the crisis; and the Doha Round negotiations should be rebalanced to address the true developmental priorities of Africa;
• A moratorium on Africa’s debt repayments and servicing and an international sovereign debt restructuring mechanism should be adopted;
• African governments should play an active role in the follow-up process of the United Nations Conference on the Global Financial and Economic Crisis and its impact on development in order for its outcomes to be implemented.

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• Trade Unions should involve themselves at take part at national, regional and global levels in the formulation, adoption and implementation of policies that lead to the creation of productive and decent jobs and the transformation of the informal economy;

• Trade unions should demand to be consulted by governments on all aspects of their response to the crisis;

• Trade Unions should build national, regional and global democratic, independent and united trade union organizations to ensure the well-being of all African workers and to build a world where everyone can fully develop their potentials in conditions of freedom, democracy, good governance, equality and social justice;

• Trade Unions should undertake concrete actions to build their capacity and improve their knowledge base and sources of information, sensitize workers and propose and campaign for an alternative to neo-liberalism. To this end, the capacity of the African labour researchers’ network should be strengthened.

• Trade Unions should build strategic alliances with other progressive forces to promote social justice.