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Route Internationale d'Atakpamé
Centre FOPADESC Agoè – Nyivé
B.P. : 4401 – Tel. : 00228 225 07 10
Fax : 00228 225 61 13
Email : info@ituc-africa.org
Web : www.ituc-africa.org

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and Economic Crisis and the Global Jobs Pact**

AFRICA AND THE TROUBLES OF THE GLOBAL FINANCIAL CRISIS

**A contribution to the trade union debates and responses:
ITUC-Africa's prospection**

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Economic and Social Policy Department

Introduction: The context of the global financial crisis

This Executive Bureau meeting is being held against a background of global economic and financial crisis preceded by a three-fold crisis, a climatic crisis, an energy crisis and a food crisis, which has repercussions on the workers in all countries and circles. The GDP is falling drastically everywhere, causing widespread deflation, a fall in the demand for exports and their prices, a global recession and millions of job losses.

This disaster is just the consequence of neo-liberalism carried to extremes and leading to total and excessive economic deregulation, massive privatisations and job flexibility. Under this system, the multinational companies have imposed a new economic and social order which is solely in conformity with their own strategy and interests and based on an expanding financial sector founded on an artificial economy and quick earnings. Thus, the world has become a gambling place, while labour is a secondary force of production.

In the face of this chaos, the neo-liberal economy is no longer capable of securing the right to work for each and everyone. This is an historic moment when the world is eagerly awaiting the implementation of the conclusions of the latest G20 Summit held in London. It is clear that things have changed and that ultra liberalism has actually failed. There is massive recourse to Keynes' policies, which had hitherto been rejected, and the decline of neo-liberalism. Huge sums of money provided mostly by taxes levied on workers' incomes serve to finance the recovery programmes and plans.

The G8 countries, which used to practise orthodox liberal policies, have now become supporters of interventionism. The following examples are given to illustrate this situation in 2009: In the USA, USD 816 billion has been injected into the economy; in Great Britain, 20 billion pounds; in Germany, 30 billion Euros; and in France, 26 billion Euros. Is this meant to patch up the financial system or is a new economic paradigm based on real and responsible regulation of economic activities emerging?

The recent G20 Summit held in London has planned to increase by USD 5, 000 billion its budget to revive growth and employment by 2010. Furthermore, it has planned to earmark USD 1, 100 billion to boost the funding of the world economy. This sum includes USD 750 billion for the IMF, USD 250 billion to boost global exchanges and USD 100 billion to support multilateral development banks such as the African Development Bank and the Asian Development Bank.

This crisis indicates that as a last resort the state is obliged to rescue capital holders, while labour is sacrificed through massive job losses and workers' income losses. In this new context, this meeting of ITUC-Africa Executive Bureau is opportune. It provides an opportunity to examine the implications of the global financial crisis around the continent and to explore the ways by which the stakeholders in Africa's development can contribute to overcome the challenges.

To continue this reflection, the rest of this paper will evolve around four other issues:

- First of all, it will recall the means of transmission of the global financial crisis to African economies;
- Secondly, it will indicate its economic and social implications for the continent;
- Thirdly, it will underline the actions undertaken by ITUC-Africa and the international trade union movement within the framework of the global financial crisis;
- Lastly, a conclusion will be drawn emphasising some strategic lines of action.

2. The means of transmission of the global financial crisis to African economies

While Africa was not seriously affected in the beginning by the global financial crisis due to its low level of financial integration, it is no longer spared by the crisis. In some respects, it is more seriously affected than the other continents. The African

continent is no longer spared by the effects of the crisis which has disastrous social consequences for the workers and the peoples. It is currently affected by the consequences because of the shocks and disturbance coming from the global economy through international markets which are the vehicles of transmission to national economies. Thus, in Africa, the effects of the crisis have spread through four main markets: The goods and services markets, the capital markets, the exchange markets and the labour markets.

Goods and services markets – One of the manifestations of the crisis and the global recession is the significant fall in the global demand for most products (goods and services). In Africa, this translated into a fall in the external demand for agricultural raw materials and minerals and a fall in the prices of most of these products. The price of a barrel of oil, for example, fell for more than half from USD 125.73 at the beginning of the financial crisis to roughly USD 50 in March 2009. During the same period, the prices of the following products also tended to fall: coal (66%), diamond (30%), silver (24%), platinum (36%), cotton (11%), cocoa (9%), coffee Arabica (21%), coffee Robusta (32%).

Regarding the services, the tourism sector has been significantly affected in African countries. In this sector, the number of in-coming tourists in most African countries has significantly fallen.

Capital markets – Despite the low level of financial integration of African economies, the financial markets have been strongly hit in the African countries where these markets exist. In general, contagion and interdependence have greatly affected most financial markets around the continent.

From the end of July 2008 to the end of March 2009, apart from the stock market of Tunis which only lost 1.5% of the value of its assets, in seven other countries, the fall ranged from 24.8% to 62.5% including Morocco (24.8%), South Africa (25%), Ivory Coast (38.3%), Mauritius (39%), Kenya (44.5%), Egypt (55%), and Nigeria (62.5%). For

some African markets such as Ivory Coast, Mauritius, Kenya, Egypt or Nigeria, the effect has been more significant than the effect noticed in the markets of some developed countries such as USA (31.71%), France (35.3%) and Japan (35.5%). Thus, African investors as a whole, especially Egyptian or Nigerian investors lost on average over a period of six months more than half of the asset they invested at the end of July 2008. This depreciation of wealth is more considerable than the losses incurred by the American, French or Japanese investors.

Furthermore, the falling trends should also be noticed in the international flows of private and public capitals because of the fall in foreign direct investments (FDIs), portfolio capital flows and official development assistance (ODA).

Money market – In most African countries, the crisis is followed by a depreciation of exchange rates, especially against the US dollar or euro. To give a few examples, from the end of July 2008 to the end of March 2009, the currencies of the following countries depreciated: Morocco (10.9%), Tanzania (11.8%), countries in the CFA zone (12.6%), Tunisia (14.2%), Botswana (16.2%), Algeria (16.3%), Kenya (17.2%), Ghana (18.1%), Namibia (20.6%), Nigeria (21.2%), Uganda (22.1%), Zambia (36.2%), DRC (38.7%), Sierra Leone, South Africa (21.8%), Seychelles (50.9%). However, during the same period, the euro depreciated by 10% only, while the yen appreciated by 10%. In general, the depreciation of most of these currencies was said to be due to the impact of the financial crisis on the prices of raw materials and foreign exchange reserves.

Labour market – The high tensions on labour markets due to job losses will strongly affect African migrant workers. In the host countries, most of them are the first workers losing their jobs. In addition, those among them who had seasonal employment opportunities are faced with a recurrent frictional unemployment (the case of African workers in the Spanish labour market is a case in point).

3. The implications of the global financial crisis on African economies

The repercussions are already affecting all economic activities, production, export of cash crops, main sources of foreign currencies for African countries, employment, the funding of the economy, households' incomes, the budget situation and workers and people's living conditions.

3.1 Economic and social implications

External exchanges - In the area of external exchanges, the global recession has caused a fall in the prices of raw materials exported by Africa. Due to the intensification of the crisis in the developed countries and in China, the fall in the prices of raw materials has accelerated and may annihilate all the gains made over the past few years. This fall will have several consequences including the reduction of foreign exchange reserves and export earnings, unprofitability of some oil fields and goldmines, the low funding power of some states and the cancellation or postponement of some investments in the extractive industries which heavily depend on foreign direct investments.

In South Africa, for example, exports dropped in 2008, following the fall in the prices of precious metals, one of the country's main wealth. In Burkina Faso, the balance of the balance of payments has negatively been affected by the fall in agricultural output and the fall in cotton fibre exports. In Botswana, the production of diamond has fallen by 50% due to a 30% fall in its price in the international market. In Zambia, the 65.8% fall in the price of coal has led to a considerable fall in the reserves.

As a whole, the export and import growth rates would lose 7% and 4.7% respectively. As a result, the trade balance would deteriorate. While there was a 2.9% growth rate in 2008, the continent's GDP will fall to -4% in 2009. The high GDP growth rate of 8.8% in the petrol exporting countries will fall down to -4%. This is the direct result of the predicted fall in petrol earnings.

Economic growth - Prior to the crisis, the economic growth rates in Africa were among the highest in the world. However, IMF and AfDB have already brought down their forecast for 2009. The continent's growth rate should fall from 5.4% in 2008 to 3.3% in 2009. According to AfDB, the provisional projections indicate a 3.7% loss in growth for petrol exporting countries in 2009 and 1% loss in growth for petrol importing countries. For the first time since 2000, the petrol importing countries' growth rates should be higher (3.4%) than those of petrol exporting countries (2.9%).

A few examples: South Africa, Angola, Kenya, DRC, 1.8%, 6.3%, 2.1% and 1.7% of growth rates expected in 2009 compared to 5.1%, 21%, 6.3% and 6.5% growth rates recorded respectively by these countries in 2007.

The crisis is going to negatively affect the situation of public finances. The overall budget surplus of 1.8% of GDP recorded in Africa in 2008 will turn into a budget deficit of -5% in 2009. The petrol exporting countries' GDP will fall down to -7% in 2009 compared to a budget surplus of 4% in 2008. The deficit will also get worse in petrol importing countries (from -1.7% to -2.1%).

After a while, the crisis should cause a fall in the flow of private capitals as far as the FDIs (Foreign Direct Investments) and remittances by migrants are concerned.

Direct and portfolio investments - According to the World Bank, the flows of private capitals meant for Africa have disappeared after rising from USD 30 billion in 2002 to USD 53 billion in 2007, causing projects to be cancelled, delayed or postponed. According to the AfDB, no foreign currency issue order has been made for the benefit of African countries in 2008. According to forecasts, investments will shrink in Ghana, Kenya and Nigeria. Kenya and Ghana had to postpone the issuance of bonds valued at USD 800 million. This is a matter of serious concern because many countries cover their current account deficits through the flow of private capitals.

Remittances by migrants – Regarding the remittances by migrants, their reduction will have negative implications for poverty reduction and safety nets. According to recent estimates, 77% of remittances amounting to USD 20 billion come from the USA and Western Europe. The first ten countries benefitting from the remittances in 2007¹ (in billions of dollars) were Nigeria (3.3), Kenya (1.3), Sudan (1.2), Senegal (0.9), Uganda (0.9), South Africa (0.7), Lesotho (0.4), Mauritius (0.2), Togo (0.2), Mali (0.2). The first ten countries benefitting from remittances in 2006 (in percentage of GDP) were Lesotho (24.5%), Gambia (12.5%), Cape Verde (12%), Guinea Bissau (9.2%), Uganda (8.7%), Togo (8.7%), Senegal (7.1%), Kenya (5.3%), Swaziland (3.7%), Benin (3.6%). Recent surveys have indicated that the official remittances by African migrants will fall from almost USD 1,100 million in 2008 to USD 800 million in 2009, i. e. a fall of USD 300 million (about 27%).

Official development assistance – Despite the intentions of donor countries and multilateral institutions during the recent London summit, the same tendencies could be foreseen for public flows if African countries do not mobilise themselves and if no appropriate governance is put in place to maximise public capitals mobilisation and use.

Economic activities and employment – The most affected sectors by the economic crisis are the agricultural, mining, tourism, textile and manufacturing sectors. Company closures and postponement or cancellations of projects are frequent in African countries. There are many job losses in all sectors, which have direct negative effects on workers' living standards. The following examples can be cited:

- South Africa: 36, 500 jobs have been lost in the automobile industry;
- Botswana: 5,000 jobs lost in the diamond industry;
- Kenya: The hotel occupancy rate has fallen;
- Liberia: 1, 500 jobs are threatened in the mines;

¹ This data only takes into account official channels. The actual amounts might be higher.

- Mozambique: Reduction of more than 20% of investments in the tourism industry;
- DRC: 300, 000 jobs have been lost;
- Tanzania: The tourism revenue has fallen by 20%;
- Zambia: More than 3, 000 jobs lost in the copper industry;
- More than 100, 000 TV subscriptions cancelled, causing 11, 000 job losses in 22 African countries;
- Thousands of jobs lost in the agricultural sector.

3.2 Implications for incomes, poverty and development

Incomes and poverty – It emerges from the analysis of the economic and social impacts of the crisis that it will negatively affect the distribution of incomes in countries as well as the incidence of poverty. More analytically, some simulations have recently been done to show the impact of a 10% reduction in the global prices of cash crops, the flows of external capitals and remittances coming from the rest of the world on the incomes of households and government, employment and welfare.

Impacts of a 20% reduction of the global prices of cash crops	
Indicators	Variation in %
Production of cash crops	-0.88
Export of cash crops	-10.4
Nominal income of households	-0.16
Available income of households	-4.45
Demand for informal work in the agricultural sector	-2.58
Variation in the well-being of households	-6.81

	Impacts of a 10% reduction in remittances coming from the rest of	Impacts of a 10% reduction in the flows of foreign capitals

	the world	
Indicators	Variation in %	Variation in %
Total added value	-0.12	-0.92
Nominal income of households	-0.67	-0.43
Available income of households	-5.16	-4.67
Formal application for work	-0.12	-1.38
Variation in the well-being of households	-6.56	-6.42
Government saving	-29.25	-29.32

These simulations clearly show that for some African countries, a reduction in the global prices of cash crops will translate into a fall in the production and export of these crops, a reduction in the nominal income and available income of households, an increase in unemployment in the agricultural sector, a degradation of households well-being, in other words, an amplification of the incidence of poverty. The same applies to the remittances coming from the rest of the world and the flows of external capitals which should translate into a fall in the added value in the national economy, the households' income and public savings, an increase in unemployment and a deterioration of the well-being of households.

Development – Despite these potentials, prior to the crisis, Africa was already characterised by:

- Mixed economic performances: With about 13% of the global population, Africa contributes only 2% of global GDP and less than 1% of the global industrial added value. Its share in global exports does not reach 2% of exports from developing countries. In international exchanges, Africa is marginalised since it receives less than 5% of the flows of Foreign Direct Investments (FDIs). The debt is a burden for Africa (80% of GNP);

- A significant unemployment and under-employment, many precarious jobs and sharp inequalities in employment opportunities, which do not favour women and the youth. Depending on the countries, unemployment affects between 20 and 40 percent of the labour force;
- A low level of development which translates into widespread and persistent poverty with an average of 35 to 60% of inhabitants living below the poverty line. Low access to essential social services and public services (namely health, literacy, education, water, sanitation, power, Internet), glaring inequalities with high discrepancies between the sexes, and depending on the place, deplorable ecological conditions. 34 of the 49 least developed countries are in Africa.
- Poor governance: Except a few cases, there are still many obstacles to administrative, economic, judicial, political and social governance. Some of the manifestations of the obstacles are: lack of democracy, non-transparent elections, lack of transparency in the management of public affairs, the malfunctioning of public institutions, corruption, embezzlements, impunity, and lack of political will to organise “social elections”, etc.

The current financial crisis may worsen the social and economic situation of Africa which was trying to rise up from the pangs of food and energy crises that had seriously weakened it. Thus, with the declining economic activities in Africa and the difficulties in funding infrastructure projects (water, sanitation, and energy), the prospects of achieving the Millennium Development Goals by 2015 seem to be undermined in the various objectives and their targets:

- ❖ According to ILO projections, there might be 30 million new unemployed in 2009, including 23 million in the developing countries. 50 million people might lose their job in 2009 if a more pessimistic scenario is considered.

According to some estimates, the number of poverty stricken people in 2009 might exceed by 55 to 90 million the figures foreseen before the crisis. These figures will rise if the crisis worsens and if the growth slows down again in developing countries. According to the World Bank, in Sub-Saharan Africa where there are very many poor people, the slowing down of growth will jeopardize the chances of rolling back poverty in 2009 as expected before the crisis.

- ❖ According to the World Bank, the food crisis and the new global financial crisis annihilate the progress achieved in the fight against hunger and malnutrition. Prior to the food crisis in 2007, some 850 million people in developing countries did not have enough food. This figure rose to 960 million in 2008 and should exceed 1 billion in 2009.
- ❖ The most worrying issue is the achievement of human development goals. According to estimates, the serious slowdown in the economic growth caused by the current financial crisis could result in an average of between 200, 000 and 400,000 additional deaths of children under one year old each year between 2009 and 2015, deadline for the realization of the Millennium Development Goals, which accounts for between 1.4 and 2.8 million new deaths of children under one year during this period. In poor countries, performance at school and rates of schooling also tend to decrease during economic crises, especially among girls.
- ❖ Regarding the goal of stopping the spread of transmissible diseases such as HIV/AIDS and malaria, and starting to reverse the tendency, encouraging achievements have been made but the MDGs could only be achieved in this area if there is accelerated progress. Concerning the improvement of access to basic sanitation services, the goal is also far from being achieved.

Finally, there will be degradation of economic justice and deterioration of social justice.

3.3 Implications for African trade unions

The previous crises had already led to significant unemployment because of the decline of economic activities, the expansion of the informal economy as well as widespread precariousness and poverty. This situation had already started worsening the trade union membership decline in Africa and provoking trade union fragmentation. It led to declining trade union representativeness and effectiveness. This financial crisis might worsen the problems facing the African trade union movement. ITUC-Africa is aware of it.

4. Current actions undertaken by ITUC-Africa and the International trade union Movement

Since the 1980s, trade unions have always mobilised themselves at the global level to expose the problems of ultra-liberalism and to call upon the governments, the powerful nations, the international financial and economic institutions and the multinational companies to stop globalisation from drifting and being a hindrance. That is the reason why since the first symptoms of this crisis, the ITUC-Africa involved itself with ITUC and the international trade union movement not only to understand its contours and implications for African workers, but also to formulate proposals to get out of it and to mobilise its members.

4.1. Initiatives undertaken by ITUC-Africa

ITUC-Africa believes that the reasons why Africa is marginalized are many. However, the low involvement or the absence of the key actors, including workers and trade union organisations in the drafting and implementation of economic development policies is one of the most important reasons. That is why ITUC-Africa has planned within the framework of its 2009–2012 Strategic Plan capacity building actions for trade unions in the area of socioeconomic analysis and formulation of alternative development strategies to neoliberal policies.

In this respect, in the wake of this financial crisis, ITUC-Africa has undertaken to sensitise and inform its affiliated trade union organisations about the manifestations of the crisis and its consequences on African countries. To that effect, ITUC-Africa organised jointly with ILO in Nairobi on the April 15, 2009 a forum on the financial crisis for its affiliates from the East African Community (Burundi, Kenya, Uganda, Rwanda and Tanzania). Sensitization actions will continue throughout the year.

Within the framework of this programme and considering the tendencies of the African context which is characterized by five phenomena, the impasse of poverty, the low accessibility of economies to global markets, poor governance of States, the trap of natural resources, the dangers of climate change and food insecurity, the economic policies recommended by ITUC-Africa take into account three main characteristics:

- i. The need to change the economic model in order to steer development policies and strategies in Africa, which means that ultra liberalism should be abandoned and the crucial role of the state as guarantor of social justice, promotion of human development and solidarity in all African countries should be recognised.
- ii. Good governance in all African countries should be required. The permanent threats of poor governance for economic, social and environmental balance and for the future of African men and women workers, is real.
- iii. There is need to reform the global governance to enable African countries to set themselves free from the domination of international institutions, Western powers and emerging powers.

Furthermore, to ensure that the policies implemented lead to productive and decent jobs creation, economic recovery programmes should take into account five measures:

- Debt reduction
- Support to vulnerable people and groups
- Support to productive investment
- Support to infrastructures investment
- Resource mobilisation.

4.2. Actions underway in collaboration with the international trade union movement

Since the G20 Summit held in Washington in November 2008, the international trade union movement's actions are permanent and regular. However, three important events need to be mentioned: the trade unions' declarations on the occasion of the G20 Summit of November 20, 2008 in Washington, the April 2, 2009 Summit in London² and the G8/G14 Summit held in Rome from 29 to 30 March 2009. In these three cases, these declarations were the results of a collective and participative work of ITUC through its various regional organisations, the Global unions and the Trade Union Advisory Council (TUAC).

The Washington Trade union Declaration

Prior to the G20 Summit in Washington, the trade union movement after an intensive and coordinated work submitted to the summit a declaration proposing initiatives and ways of tackling the crisis, recovering the world economy and employment, guaranteeing social protection and ensuring equity around the following four areas:

- A coordinated recovery plan for the real economy
- Regulation of global financial markets
- A new global economic governance

² G20 comprises the members of G8 (Germany, Canada, United States, France, Italy, Japan, United Kingdom, and Russia) as well as main emerging economies (South Africa, Saudi Arabia, Argentina, Australia, Brazil, China, South Korea, India, Indonesia, Mexico, Turkey) and the European Union. Two other European countries (Spain and the Netherlands) as well as international institutions and regional groupings were also represented in London. These were: Association of South Eastern Asian Nations (ASEAN), European Council, New Partnership for Africa's Development (NEPAD), Financial Stability Forum, International Monetary Fund, United Nations (UN), World Bank (WB), and World Trade Organisation (WTO).

- The crisis of distributive justice.

Before the holding of the summit, the trade union movement had assessed its declaration item by item in the trade union declaration. This assessment shows clearly that as far as some aspects related to market regulation and control and global governance are concerned, the trade union movement and workers concerns have been taken into account **to some extent**. However, the concerns related to the recovery of the global economy through the creation of decent jobs, transparency of banks, the improvement of social justice in the area of access to housing, solidarity financial services, establishment of distributive justice **have been neglected**.

The London Trade Union Declaration: After Washington, given the mixed results achieved in the area of global economic recovery, the poor decent work prospects and the mixed results achieved in putting in place a distributive justice, on the one hand, and the low level of the international community's commitment in favour of a rigorous and actual control of the financial markets and the international financial system, the lack of appropriate mechanisms to fund a fair human development at the global level, on the other hand, the trade union movement has continued to do its homework at all levels. On the eve of the London summit, the trade union consultations went on and intensified. In the end, a draft trade union declaration was adopted for the G20 London Summit held on April 2, 2009 on the economic and financial crisis.

As was the case during the preparatory work of the Washington summit, the draft trade union declaration has been circulated, amended and adopted. All the affiliates were invited on March 19th to undertake actions from March 23, 2009 by presenting to governments worldwide the materials disseminated by ITUC.

The gist of the matter is that through this trade union declaration, the international trade union movement challenged the G20 leaders to work towards a strategy for a fairer and more viable world economy for future generations.

The strategy focuses on five main lines of action, namely:

- a recovery plan and a sustainable growth programme coordinated at the international level (a)
- investments in the global economy to ensure that growth comes with little emission of carbon (b)
- new regulations for global financial markets ©
- an efficient and responsible global economic governance (d)
- a fairer world where one can work and live (e)

The Rome Declaration: This declaration called "Global plan of action for employment" was formulated during the preparatory work for the London Summit and aimed at submitting trade union perspectives to the G8/G14 Ministers of Labour and employment Social Summit held on March 29-30, 2009. This summit brought together the G8 countries and six others (South Africa, Brazil, China, Egypt, India and Mexico). The declaration was submitted in the course of this summit during a tripartite consultation comprising Ministers, Employers and Trade unions. An accent was put on five points:

- Employment protection and creation, the pillar of the sustainable growth plan;
- Protection of workers' pensions
- The fight against the reduction of salaries and for the defense of distributive justice
- Establishment of principles in the area of employment within the framework of an international agreement related to climate change
- Establishment of effective and accountable global governance.

In the frame of this debate and these consultations, **ITUC-Africa made some suggestions related to three lines of action**, namely (a), (d) and (e).

Regarding the line of action (a), ITUC-Africa insisted on the risks of job losses, intensification of migratory tensions and degradation of governance due to the crisis, and stressed the need to take some adequate measures to limit these risks in order to sustain growth and promote development in Africa.

Concerning the line of action (d), the need to introduce fair voting rights has been mentioned. The voting system should not only be based on economic criteria, but also on demographic, social and geopolitical criteria to enable Africa as well as Asia and Latin America to participate effectively in the global economic and financial governance.

As far as the line of action (e) is concerned, it was indicated that it was essential to establish regulatory and compensatory mechanisms for essential commodities. These mechanisms would guarantee the stabilisation of essential commodities prices, which are the main exports of most African countries and their main sources of foreign currencies and budget resources.

By the time the London Summit ended, all stakeholders committed themselves towards four major orientations:

- i. Mobilising resources to avoid financial bankruptcy - To this end, USD 1, 100 is earmarked for global financing;
- ii. Condemnation of tax havens and the need to increase controls of speculative funds;
- iii. Reinforcing the means and powers of international institutions including IMF, Forum for financial stability, the central banks institutional body;
- iv. Taking into account new actors in the geopolitics and decision-making.

These orientations are obvious in the declaration issued at the end of the summit, which emphasises five lines of action:

- Reviving growth and employment – To this end, for the year 2010, USD 5000 billion is earmarked for public expenditures to boost the global economic machinery;
- Reinforcing supervision;
- Strengthening global financial bodies;
- Rejecting protectionism;
- Guaranteeing a fair and sustainable recovery.

It is obvious that these measures and moves are mere intentions. The crisis cannot be ended with mere intentions. It is now that the work to be done is beginning. Mobilisation should continue not only to evaluate these measures and their implementation, but also to ensure that employment and protection related concerns are actually taken into account.

To this end, the ITUC and TUAC have published a detailed review of the declaration of the G20 summit in London. In this document, they have underlined the importance that the summit leaders have given to employment and social issues as well as their acceptance of the idea to discuss a new charter to reach a new global consensus related to the fundamental values and principles of sustainable economic activities. The document also analyses all the main elements of the summit declaration. In addition, ITUC has launched a new web page gathering articles, declarations, press statements and trade union opinions on the financial crisis, its causes and consequences and trade union responses³.

ITUC-Africa has made pledges within the framework of its 2009–2012 strategic plan and intends to initiate capacity building actions in the socioeconomic area to support its members and also to carry weight in social dialogue in the course of consultations at continental level. This survey is an evidence. However, the tendencies of the recent past of Africa make us think that the negative implications of the current crises might

³ For more information on the recent initiatives of the trade union movement, visit the web sites of ITUC and TUAC (Trade Union Advisory Committee) : www.ituc-csi.org and www.tuac.org .

last. Nevertheless, significant changes can lead to an improvement of the situation.

Two alternatives are therefore possible for the future:

- Alternative A: Continuing degradation
- Alternative B: Improvement

In the current context, trade unions have to work for the implementation of alternative B. To this end, given the situation, trade unions must mobilise themselves to push leaders to take actions so that sustainable solutions can be found. They should undertake concrete actions to improve their knowledge of the subject, sensitise workers and propose alternatives to leaders. This supposes some strategies in the following areas:

- ❖ *Information and research*
- ❖ *Organizing*
- ❖ *Capacity building in the area of socio-economic analysis*
- ❖ *Bargaining*

In order to answer the following questions: - How? - When? - With whom? - With what means, - For what purpose?

By so doing, ITUC-Africa and African trade unions would be able to influence the development strategies of states and international, continental, regional and country institutions, so that in their implementation, the concerns of the African people and workers can be taken into account in the following areas:

- i. A sustainable economic growth focusing on the strengthening of regional integration processes and depending on competitive agricultural and industrial sectors directed primarily towards market needs, in order to limit the heavy dependency upon external markets;

- ii. Creation of productive and decent jobs generating substantial incomes to stop the cycle of poverty;
- iii. social justice guaranteeing quick and low cost access of the population to basic social services, basic infrastructures, water, electricity, loans;
- iv. effective and efficient governance based on judicious utilisation of public resources and heavy involvement of trade unions;
- v. Fairness to reduce and eliminate in a reasonable period discrepancies based on sex, place, age and ethnicity.

Africa is rich however it is characterized by widespread and continuing poverty. Moreover, it is at a crossroads and completely marginalized, while it has a huge potential. In the current context, the world has become a global village, a kind of economic battle field where other peoples are emerging. In such a scene, it is important to be well prepared, to be willing to win, to move rapidly, to be offensive and to have good allies. Are we capable?

If African trade unions **mobilise themselves to achieve the vision of ITUC-Africa** “to build a regional democratic, independent and united trade union organization for the well-being of all African workers in a world where everyone can fully develop their potentials in conditions of freedom, democracy, good governance, equality and social justice”, **it would be possible to say yes to this question.**