

TOOLS FOR ORGANIZERS

IN EXPORT PROCESSING ZONES AND INDUSTRIES



STOPPING ANTI-WORKER INTERNATIONAL FINANCIAL INSTITUTIONS POLICIES

DEFINITIONS

■ **ALLIANCE FOR PROTECTION OF NATIONAL RESOURCES AND HUMAN RIGHTS:** An NGO in Sri Lanka that works to maintain national control over the country's resources and human rights agenda, especially regarding privatization and labor law reform.

■ **BRANDS:** A brand is the unique name that a company uses to sell its products. The brand name is often the same as the company name.

■ **CAMPAIGN:** A campaign is a series of activities that a group of people, such as members of a union, do together to achieve a goal. Workers may carry out campaigns to organize a union in their workplace. After organizing a union, workers may carry out a contract negotiation campaign to win a legally-binding contract that spells out wages, benefits, and working conditions.

■ **EXPORT PROCESSING ZONES (EPZS):** EPZs are industrial areas in a country that offer special incentives to foreign investors. These incentives may include low taxes, lax environmental regulations, and low labor costs. Low wages, long hours, and dangerous and repressive working conditions are the norm in many EPZs. Sometimes organizing unions is banned or restricted. EPZs are also known by other names, such as Special Economic Zones, Industrial Development Zones, etc.

■ **INTERNATIONAL FINANCE CORPORATION (IFC):** The IFC is the private lending sector arm of the World Bank. Its president is also the World Bank president. Thanks to continuing pressure from the global labor movement, the IFC now conditions its loans to companies on their respect for core international labor standards, like the right of workers to organize into unions. However, this win for workers must be monitored regularly.

■ **INTERNATIONAL FINANCIAL INSTITUTION (IFI):** Generic name given to financial institutions operating on an international level, ranging from development banks such as The World Bank and Asian Development Bank (ADB) to monetary authorities such as the IMF.

■ **INTERNATIONAL MONETARY FUND (IMF):** One of the 2 major international financial institutions that provides loans to developing countries. Controlled by the rich countries, the IMF usually requires that to qualify for short or medium-term loans, the recipient country must adopt a set of economic policies that often include high interest rates, privatization of public enterprises, and deregulation of trade and labor policies. Although the IMF claims that adoption of these policies increases economic efficiency, critics of the IMF argue that the policies hurt workers, damage the environment, and increase poverty and inequality.

■ **LABOR UNION:** A labor union is an organization of workers who build collective power in their workplace in order to protect worker rights and improve working conditions, such as wages, hours, and benefits. Often the union negotiates a collective bargaining agreement (or contract) with the employer to define and secure the rights of their members.

■ **NON-GOVERNMENTAL ORGANIZATION (NGO):** NGOs are organized groups, independent of government, most often working to achieve a social objective such as ending poverty or serving particular groups of people, such as women or workers. NGOs can be small or large. They may be grassroots activist organizations, research centers, educational groups, or policy advocates.

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CONTENTS

Definitions	inside front and back covers
Introduction to Fighting for Labor Rights	2
Stopping Anti-Worker IFI Policies: Workshop Goals	3
Trainer's Notes	4
How the Workshop Works	6
Welcome and Get Started	7
Discuss the Story and/or Picture	8
Learn About Other Workers' Successes	10
Do Exercises to Learn New Skills	
EXERCISE 1:	
Learn and Teach About IFIs Through Songs or Skits	13
EXERCISE 2:	
Create a Timeline of a Union Campaign to Resist Anti-Worker Policies	17
EXERCISE 3:	
Draw a Diagram of How Different Groups are Affected by IFI Policies	21
Learn by Doing	25
Evaluate and Close the Training	28
Fact Sheet:	
The World Bank and the IMF	30
Acknowledgments and Credits	32

INTRODUCTION TO FIGHTING FOR LABOR RIGHTS

Besides unions at the workplace and alliances with other organizations, local, national, and international labor rights policies and laws are also an important part of worker power. These rights may include organizing rights such as the right to form unions, bargain collectively, and strike. They may also include minimum standards for wages, health and welfare, and safety. The stronger the labor rights laws and policies are, the greater the likelihood that workers will use them to organize for greater power.

Currently, the laws and policies governing the global economy favor corporate investors at the expense of workers. EPZs offer investors low costs for labor, utilities, and rent while often barring workers from organizing unions. Trade agreements contain regulations to protect investors' rights but rarely include enforceable provisions to protect workers. International finance policies offer loans to poor countries but require repayment through economic reform policies that often cause higher unemployment and lower wages.

The rules governing how the global economy works are written and managed by international public institutions, like the World Trade Organization (WTO), the World Bank, the International Monetary Fund (IMF), regional development banks, and the Organization for Economic Cooperation and Development (OECD). Only the OECD allows labor a formal advisory role (the Trade Union Advisory Committee, consists of labor federations from OECD member countries, headquartered in Paris, France).

In spite of this exclusion, some strong unions have been able to make significant breakthroughs in shaping labor laws and labor rights policies. This section, "Negotiating Labor Rights in EPZs," looks at South Africa to see how unions negotiated with their government for provisions that require foreign investors to recognize unions and adhere to labor laws. "Using Trade Provisions to Organize Unions," examines how unions in Swaziland used language in the Generalized System of Preferences to pressure the government to force employers to recognize unions. Finally, "Stopping Anti-Worker IFI Policies" studies how a coalition of unions and NGOs in Sri Lanka prevented their government from dismantling protections in labor law despite pressure from international financial institutions to do so.

MODULE 10: STOPPING ANTI-WORKER IFI POLICIES

WORKSHOP GOALS

INTRODUCTION

As countries struggle to develop their economies, they often need to borrow money. The World Bank and the International Monetary Fund (IMF) – also called International Financial Institutions or IFIs will lend money to countries, but only if the borrowing country adopts a set of economic reform policies. Typically, the reforms call for privatizing public services, lowering labor standards, expanding exports and reducing government programs like subsidies and services to the poor. Workers are affected directly by the widespread layoffs, lowering of labor standards and elimination of services. These economic reform policies have broadly failed to reduce poverty. New IFI programs require in-country consultations with unions and other civil society actors but significant changes in IFI policy are not yet widespread. An exception is the IFC's recent move to condition its loans on labor rights and environmental standards.

Unions can be overwhelmed by these challenges. These policies are set at a global level where most unions are not engaged. How can unions shape the powerful forces of the IFIs and globalization?

In Sri Lanka, unions built an alliance with NGOs, social movements, and members of the major political parties in order to mount a national campaign to oppose IMF demands for changes in labor laws that would reduce labor standards and worker rights. The strength of their coalition and the vast numbers of protestors they brought into the streets produced the pressure necessary for the government to consider the unions' demands.

TEACHING GOALS

- To understand what the IFIs and SAPs (and their successors) are and how they affect workers.
- To show that global policies can be fought and won at a local level.
- To create a strategy to respond to IFI policies.

SKILLS GOALS

- To identify allies.
- To plan action using a timeline model.

TRAINER'S NOTES

TIME TO DO THIS WORKSHOP:

The whole workshop will take about **5 hours and 30 minutes** if you do all the exercises as well as the Welcome, Action Planning, and Closing activities. If you want to make it shorter, you can do only one of the exercises or present the workshop over 2 training sessions.



TRAINERS TIP

When a workshop is over 2 hours long or participants are tired, breaks and energizers are important tools to keep participants interested and engaged in the training. Energizers are short, fun activities that let participants move around and take a mental break from the hard work of learning. Be sure to plan time for energizers, especially after lunch and in the evening when participants' energy is lowest. You can even ask a group of participants to form an "Energizer Committee" with the job of calling for a game or energizer whenever they see the participants are getting sleepy or distracted. This committee can then lead the games or ask you to lead them. Energizers can be songs, chants, or any non-competitive game or activity the group can do together.

TRAINER'S NOTES (CONTINUED)

MATERIALS NEEDED FOR THIS WORKSHOP:

- Something to write on that everyone can see: large paper and marking pens, or chalk and chalkboard.
- Copies of cards (Exercise 1 only): copies of the cards on pages 15-16, cut out ahead of time. You can make just one copy of each of the 4 cards, or if you have access to a photocopier, you can make copies for each participant.
- Copies of cards and tape or pins (Exercise 2 only): copies of the cards on page 19, cut out ahead of time, and tape or pins to attach the cards to the large paper or chalkboard.

BEFORE YOU START:

- Read the whole Workshop Curriculum.
- Plan your agenda for the workshop. Decide how long the workshop will be. Choose which exercises you will do. Plan time for breaks and energizers.
- Collect all the materials you need.
- Set up the room the way you want it.



TRAINERS TIP

Some words and terms in this curriculum may be new for you or for the participants in the workshop. Look on the inside front and back covers for a list of definitions.

HOW THE WORKSHOP WORKS

HOW THE WORKSHOP WORKS

The workshop has 6 sections. In each section you and the participants will be doing a different kind of activity. There is a picture to remind you of the kind of activity you will do in that section. Here are the pictures and what they are reminding you to do:



WELCOME AND
GET STARTED



DISCUSS THE
STORY AND/OR
PICTURE



LEARN ABOUT
OTHER WORKERS'
SUCCESSSES



DO EXERCISES
TO LEARN NEW
SKILLS



LEARN BY DOING



EVALUATE AND CLOSE
THE TRAINING



WELCOME AND GET STARTED

TRAINER: In this section, you will tell the group what the workshop is about. Then participants will introduce themselves to each other. The other activities suggested on this page can help people feel welcome, comfortable, and respected during the workshop. When people feel comfortable, they will learn more and the workshop will be more successful.

TIME: 30 minutes (or less if there are fewer than 20 people in your group)

ACTIVITIES FOR GETTING STARTED:

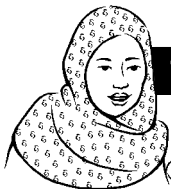
First do Activities **1** and **2**, then choose among **A**, **B**, and **C** for one more activity.

1. Tell the participants what the workshop is about.
 2. Ask everyone to introduce themselves to the group.
- A.** Ask everyone to take turns saying why they think the workshop is important.
- B.** Ask a volunteer to sing a song, say a prayer, or recite a poem.
- C.** Ask everyone to take turns answering the introduction question in the box. Answering the introduction question can help people to start thinking about the topic of the workshop.



INTRODUCTION QUESTION:

What gives you courage to continue struggling when a challenge you face seems very large?



TRAINERS TIP

SONGS, PRAYERS, AND POEMS let people know that their culture and spirit will be respected in the workshop. Songs, prayers, and poems are also an opportunity to let a participant be the leader.



TRAINERS TIP

INTRODUCTION QUESTIONS help people use their voices and participate in an easy way for the first time. Then they will be more comfortable to speak later on.



DISCUSS THE STORY AND/OR PICTURE

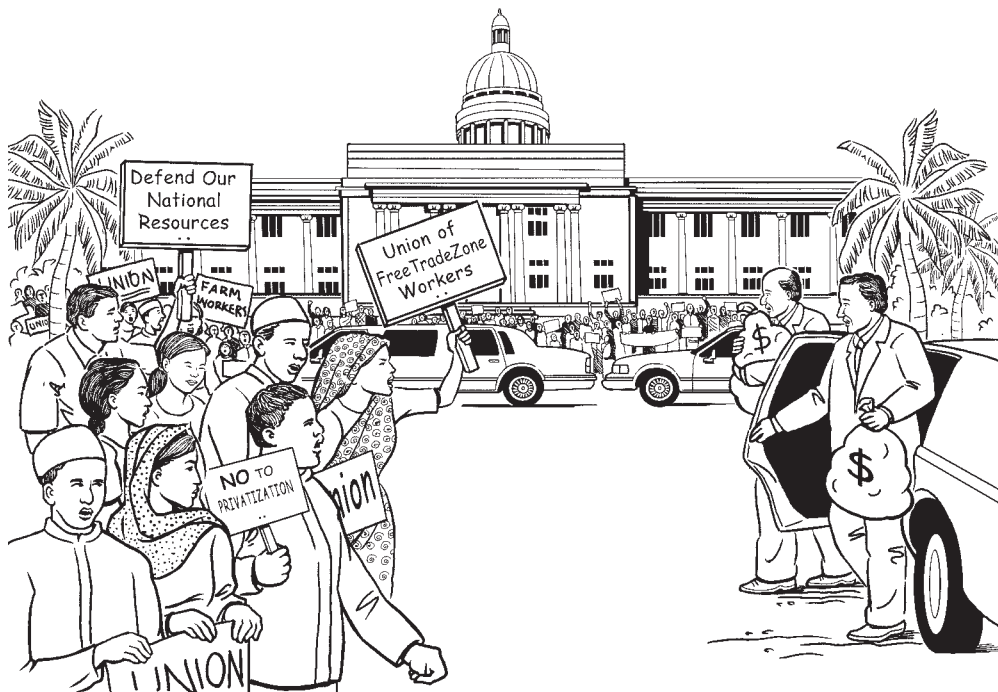
TRAINER: In this section, you can ask someone in the group to read the story out loud or you can read it out loud yourself. If you don't want to use the story, you can just look at the pictures together. Then discuss the story and/or pictures using the questions on the next page.

TIME: 30 minutes

ANTON MARCUS's Story:

“We formed the Alliance to face the challenge of privatization and labor law reform. The main goal of the Alliance is to see that Sri Lanka is not going to be under any world authorities. We want to maintain our independence. We want to make sure that our resources will be protected and the rights of workers should be respected. We should have the same rights as people in the developed world. But people's basic rights are under threat throughout the world.”

– ANTON MARCUS, Free Trade Zones and General Services Employees Union and the Alliance for Protection of National Resources and Human Rights, Sri Lanka



DISCUSS THE STORY AND/OR PICTURE (CONTINUED)

TRAINER: Ask the participants to discuss the questions below. Allow about 10 minutes for each question. If you want to, you can write what people say on a big piece of paper or a chalkboard as they answer the questions.

If there are more than 20 people in the room, you can divide into small groups of 4 or 5 people for the discussion. If they are in small groups, visit each group while they talk. Make sure that each person in each group has a chance to talk.

DISCUSSION QUESTIONS:

1. What is happening in this picture and story?
2. Do you agree with Anton's statement that workers have the same rights in poorer countries as in richer countries? Why or why not?
3. What policies of IFIs are affecting workers in our country and in our union?
4. In what circumstances have workers in our country protested against actions of the parliament or national government? What happened as a result of those protests?



LEARN ABOUT OTHER WORKERS' SUCCESSES



TRAINERS TIP

To “amend” a law means to change it. In many countries, a change in law has to be approved by the parliament or congress.

TRAINER: In this section, you can ask for several different people in the group to volunteer to read the different parts of the story out loud or you can read it out loud yourself. Then ask the group to discuss the question at the bottom.

TIME: 15 minutes



ANTON MARCUS'S Story, Free Trade Zones and General Services Employees Union, Sri Lanka

“The Alliance for Protection of National Resources and Human Rights is now made up of 125 organizations. Our campaign against privatization began in 2001 when 3 trade unions in the Free Trade Zones held a rally. We organized a campaign with other unions against the labor reforms. On May Day 2002, we held a joint rally with other unions – 18 unions participated, with 10,000 people, whereas the previous rally was only 3 unions.

“At the same time, the agricultural sector was facing lots of reforms under the IMF. One IMF proposal was to privatize water, so major NGOs were fighting that proposal. The NGOs and the trade unions came together after May Day. We formed the Alliance for Protection of National Resources and Human Rights. In October 2003 we had a rally with 20,000 people to protest the privatization of banks, insurance, and other public sector services, as well as the labor law reforms and the agricultural sector reforms. It was the largest rally since 1980.

“In January 2003, the government came out with the 3 major amendments to national labor law. The Prime Minister brought these amendments to Parliament on January 7.

story continued on page 11

LEARN ABOUT OTHER WORKERS' SUCCESSES (CONTINUED)

ANTON MARCUS's Story, CONTINUED:

“The Alliance called a protest for the same day. All over the country, workers came out at lunch and had a picket. The same day the reforms were being debated in Parliament, the Prime Minister called an emergency meeting with trade unions because of the protests. The Prime Minister tried to say, ‘Let’s just agree today because of the World Bank and the IMF, and then tomorrow we can change it.’ In the end, the laws were passed but with major changes. The government got rid of the bad clauses because of public pressure. Workers got a lot of strength because of this action.

“These were the 3 major amendments to the labor law that the government proposed:

- If workers were unlawfully fired, employers would be allowed to provide them with back wages but not reinstate them. The Alliance’s campaign forced the Prime Minister to agree that if the Labor Commission finds that an employer acted unlawfully, the worker would be reinstated with back pay.
- The system of hearing labor cases would be altered, supposedly to speed up the process. The Alliance opposed this, arguing that without a corresponding increase in staff and resources, cases could not be sped up without harming workers.
- The number of allowable hours of overtime worked per month would be vastly increased. Under previous law, only 100 hours of overtime per year were allowed, and only with the consent of the worker. The Prime Minister wanted to change the overtime law to allow 100 hours per **month** without the worker’s consent. The Alliance was able to lower the limit to 60 hours per month, unfortunately still without consent.

“We were successful because the campaign was very much independent, not only from the government but from the political parties. That’s why we were able to mobilize the rank and file and grassroots people.

“It’s a very difficult task to keep the unions together with NGOs. Unity is very essential. One of the major challenges is to convince the traditional organizations of the importance of the role of women. Women are the most important force, but it’s not reflected even in our alliance.

story continued on page 12

LEARN ABOUT OTHER WORKERS' SUCCESSES (CONTINUED)

ANTON MARCUS's Story, CONTINUED:

"We got so many people at the protests because we are organized at the district level. There are 9 districts in Sri Lanka, and any decision has to go to the district level for them to discuss. Trade unions in the public sector were very helpful. Everywhere there is a post office and a bank. Immediately we can send messages to those centers. Because these unions are already very strong, they have facilities to have meetings, and they can use these facilities throughout the whole country.

"We also have separate cultural groups – drama groups and musical groups – for women working in the Free Trade Zones. Every evening we have cultural activities. We have expanded these activities to other unions. Any demonstration and rally has street drama. Nowadays, young people are fed up with meetings and talking; we have to address them in other ways.

"If you really want to challenge the development model of the IMF, you must have a holistic approach."

DISCUSSION QUESTION:

1. What one new thing did you learn from this story?



DO EXERCISES TO LEARN NEW SKILLS

EXERCISE 1: LEARN AND TEACH ABOUT IFIS THROUGH SONGS OR SKITS

TRAINER: In this exercise, participants will read information about IFIs and how they affect workers. They will use this information in small groups to make a song or skit for the rest of the participants.

TIME: 80 minutes

WHAT TO DO:

1. Before the training, make one copy of the cards on pages 15-16. If you have access to a photocopier, make copies for all participants to read later.
2. Ask the participants to sit together in 4 groups. Give one card to each of the groups and ask for a volunteer to read the card out loud. In the small group, ask the participants to discuss the questions below. Give the small groups about 25 minutes for discussion.

DISCUSSION QUESTIONS:

1. What institutions or groups are involved in the situation described on the card?
 2. How are workers in export processing zones affected by this situation?
 3. In our own experience, what examples can we think of that help explain or describe this situation?
-
3. Ask participants to make a song or a skit to teach the information on the card to the other participants. Ask them to imagine that they are not only teaching the information, but that they are also motivating other workers with their song or skit to join a rally against the policies of the IFIs that hurt workers.

EXERCISES TO LEARN NEW SKILLS

EXERCISE 1: LEARN AND TEACH ABOUT IFIS (CONTINUED)

WHAT TO DO (CONTINUED)

4. After about 10 minutes to allow for planning the songs or skits, ask the participants to return to the large group. Ask each small group to show their song or skit to the large group.
5. Ask participants to answer the following discussion questions as a large group.

DISCUSSION QUESTIONS:

1. What did we learn in these skits and songs?
2. What information on the cards surprised us? In what ways?
3. How could this information help workers in our union to change economic policies in our country?

REFLECTION ON THE EXERCISE

At the end of the exercise, summarize in your own words what the group has learned. Be sure to include the following points, even if they did not come up:

- The IFI's directly affect workers through legislation and policies that their countries must adopt in order to get loans.
- Workers can shape IFI policies through organized campaigns, and where necessary, can block harmful policies.

Before moving on to the next exercise, ask the group to name 1 or 2 actions they could take to build their union using the lessons learned in this exercise. Ask a volunteer to remember or write down these Action Ideas for the group. You will use the Action Ideas to make an Action Plan at the end of the workshop.



WHAT IS THE IMF?

The International Monetary Fund (IMF) is a major international financial institution set up by wealthy countries after World War 2. The original purpose of the IMF was to make trade relations smoother and keep national currencies (the money printed in each country) more stable. The IMF claims that its policies allow developing countries to prevent inflation and generate more wealth.

The IMF provides short-term loans with “strings attached” to poor countries. The “strings attached” were originally called Structural Adjustment Programs, or SAPs, where the country receiving the loan must promise to make changes to its economy in ways that benefit export producers, many of which are multinational companies.

One of the main reasons developing countries seek IMF loans is that they need to make payments on large debts they owe to international lenders. In other words, developing countries borrow money to pay interest on money they already borrowed. Since the value of their exports is often less than the cost of goods they import, developing countries use loans to pay their debts. You can see how this process does not help poor countries get out of debt! Without debt relief, forgiving the debts of poor countries that can never be repaid, some countries may never escape the burden of international debt.

Although 185 countries are members of the IMF, it is controlled by the wealthiest countries in the world. Only the U.S. has the power to veto IMF policy.



HOW DO IFI POLICIES AFFECT WORKERS IN EPZS?

Workers in EPZs are affected by IFI policies in at least 2 ways:

- They are affected at their jobs.
- They are affected in their communities.

IFI policies affect EPZ workers at work by influencing labor laws and affecting the kinds of jobs that are available. Often IFIs pressure governments to make changes in labor law that make union organizing more difficult. In Sri Lanka, the IMF demanded increased overtime and less protection for workers who are unfairly fired from their jobs. When IFI privatization policies force the government to lay off public sector workers, there is more competition for jobs in the EPZs, which drives wages even lower than they already are.

IFI policies affect EPZ workers at home, in their communities. Some SAPs enforced by IFIs require governments to reduce the number of public employees, including teachers, health care workers, and postal workers. This means that her children might attend severely overcrowded schools, or go to a hospital with hardly any nurses. IFIs often demand privatization of services like water and electricity. That raises their cost and EPZ workers would have to pay much more to receive basic services. Also, IFIs often demand that a government reduce subsidies on basic goods, like rice, corn or wheat, making those foods cost more.



WHAT IS THE ROLE OF IFIS IN THE HISTORY OF EPZS?

The first EPZ was set up in 1959 in Ireland at the Shannon Airport. In many ways, this EPZ was a success for workers and employers both. Good jobs were created quickly and, after 10 years, the Shannon Free Zone employed more than 4,700 people.

Since the 1970s, the United Nations, IFIs, companies, and wealthy governments have promoted EPZs to create jobs and increase trade. They claim that EPZs help poor countries move out of poverty by increasing exports. They argue that in exchange for providing international companies with subsidies, tax breaks, and low wage labor, poor countries receive benefits such as jobs, profits, new skills and technology, taxes, and even the empowerment of women workers.

It hasn't turned out that way. With the spread of EPZs around the world, competition has led to a "race to the bottom" as countries promise lower and lower wages and taxes. For example, if it costs a company \$40 to make a chair in the U.S., and only \$12 to make the same chair in an EPZ in Brazil, the factory will move to Brazil. Later, a factory in China may promise to make the same chair for only \$4, and the factory will move again to China. The only one who wins in this competition is the company selling the chair.

As a result, labor rights are not respected in most EPZs. Wages are low and the health and safety conditions are terrible. Women workers, who are the majority of EPZ workers, are especially hurt by the bad conditions. They often receive even lower wages and no accommodation for pregnancy or raising children. EPZs don't help poor workers get out of poverty. They don't help poor countries get richer either, since EPZs do not help poor countries move beyond low-end assembly production toward more profitable kinds of manufacturing.



WHAT IS A STRUCTURAL ADJUSTMENT PROGRAM (SAP)?

A structural adjustment program or SAP [later renamed Poverty Reduction Strategy Paper or PRSP] is an agreement between an IFI and a developing country that needs a loan. In a SAP, the IFI promises to provide the country with loans in exchange for economic changes within the country. These economic changes usually include:

- Privatization of government-owned resources, industries, and services;
- Labor law reforms that benefit employers; and
- Expansion of EPZs.

Additional conditions that the IFI includes in the SAP plan include changes in taxes or laws related to trade.

IFIs say that a SAP will make the borrowing nation's economy more efficient—but efficient for whom? Certainly large Multinational Corporations have benefited from the new "efficiency," as the SAP makes it easier to take profits out of the country and to pay workers less.

Even though SAPs were supposed to help countries get out of debt, many countries are even more in debt now than when they first asked for help from the IFIs. The extreme measures imposed by the IFIs have made life harder for most workers and their families. Because of this, many unions are demanding debt relief for poor nations. Debt relief would cancel the debts of poorer nations and allow them to invest more of their nation's resources in its people.



DO EXERCISES TO LEARN NEW SKILLS

EXERCISE 2: CREATE A TIMELINE OF A UNION CAMPAIGN TO RESIST ANTI-WORKER POLICIES

TRAINER: In this exercise, participants will create a timeline for a union campaign, based on Anton Marcus' story from Sri Lanka. Participants will then be invited to add to the timeline additional steps that they think would be necessary in their own situation. Participants will then have a discussion about the completed timeline.

TIME: 45 minutes

WHAT TO DO:

1. Draw a “timeline” on a big piece of paper or a chalkboard by drawing a long horizontal line. If you don't have a paper or chalkboard, you can draw a long line on the ground.
2. Ask the participants to sit together in small groups of 4 or 5 persons.
3. Divide the cards on page 19 among the small groups.
4. Ask each small group to discuss the following question:

DISCUSSION QUESTION:

Remembering Anton Marcus' story, at what point in his campaign did each of the events happen that are described on your cards?

5. Ask each small group to come up to the “timeline” and tape, pin, or place their cards along the line, showing when the events happened, before or after other events. Check with the participants to see if all groups are in agreement with the order of events shown. Some events may have happened more than once.

EXERCISES TO LEARN NEW SKILLS

EXERCISE 2: CREATE A TIMELINE (CONTINUED)

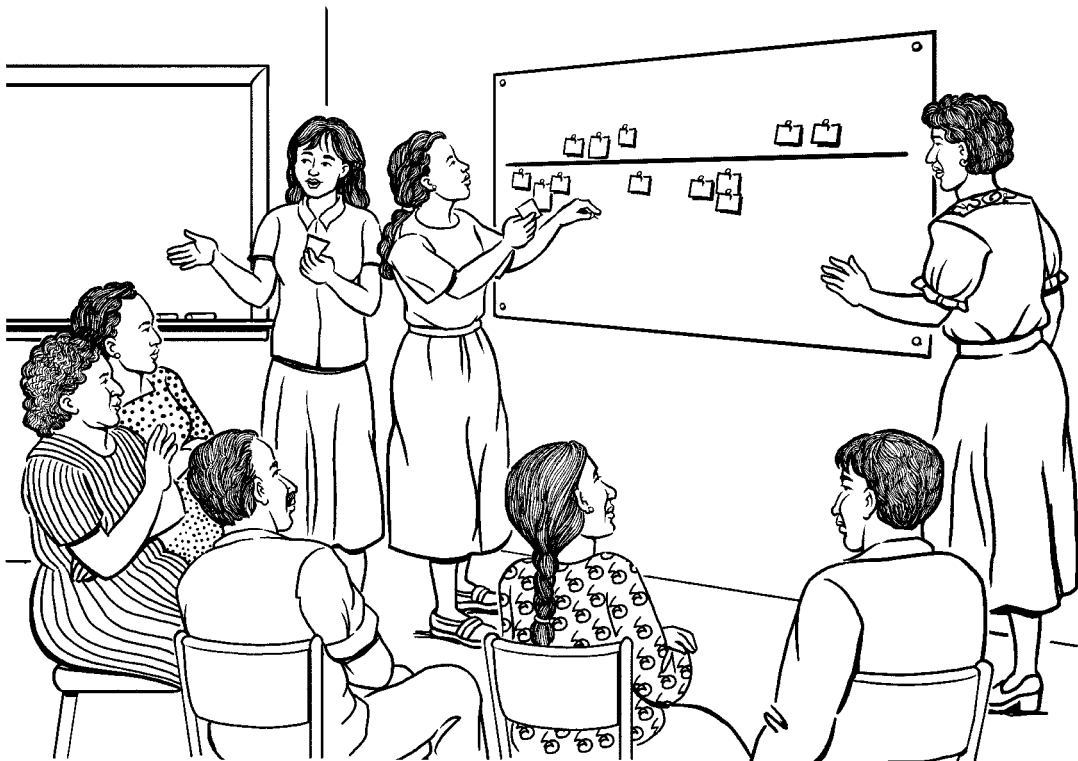
WHAT TO DO (CONTINUED):

6. Ask for a volunteer to retell briefly the story of the campaign in Sri Lanka using the timeline.

ADDITIONAL QUESTIONS:

Ask the participants to discuss the following questions as a large group. You may want to take notes on the timeline itself or on another paper during the discussion.

1. What additional organizing steps would you want to add to a timeline like this if the campaign were in your own country?
2. What do you think made the campaign in Anton's story so successful?
3. What do you think would help trade unions in your own country to change the IFI policies that hurt workers?



EXERCISES TO LEARN NEW SKILLS

EXERCISE 2: CREATE A TIMELINE (CONTINUED)

CARDS FOR THE TIMELINE EXERCISE



Hold union meetings.	Meet with NGOs that are also affected by the IFI policies.	Do skits, sing songs, or have other cultural events to encourage participation in the union.
Consult with trade union and community groups in different regions of the country.	Hold a rally or protest march.	Make banners and signs.
Ask the Prime Minister or Minister of Labor for a meeting.	Make a strategy and plan actions.	Talk to union leaders and NGO leaders about how they can work together.
Put announcements on the radio or in the newspapers about how the IMF rules are affecting workers.	Organize workers in free trade zones (EPZs) to defend their rights.	Defend workers who are dismissed unfairly for their participation in the union.
Make posters that educate the public about the lives of workers, especially women workers, in the EPZs.	Analyze the targets of the protest, identifying who in the government should be pressured.	Build a strong alliance with many unions and other organizations (NGOs).
Research the proposals of the IMF and the SAP plan for our country.	Train workers about their rights under current labor law and any proposed changes to labor laws.	Find examples of how workers in other countries have campaigned to change SAP plans.
Evaluate the results of the campaign.	Get support from international trade unions and organizations.	Maintain independence from traditional political parties if that will help mobilize supporters.

EXERCISES TO LEARN NEW SKILLS

EXERCISE 2: CREATE A TIMELINE (CONTINUED)

REFLECTION ON THE EXCERCISE

At the end of the exercise, summarize in your own words what the group has learned. Be sure to include the following point, even if it did not come up:

- The main way that IFI policies were defeated was by carrying out a big organizing campaign.

Before moving on to the next exercise, ask the group to name 1 or 2 actions they could take to build their union using the lessons learned in this exercise. Ask a volunteer to remember or write down these Action Ideas for the group. You will use the Action Ideas to make an Action Plan at the end of the workshop.



DO EXERCISES TO LEARN NEW SKILLS

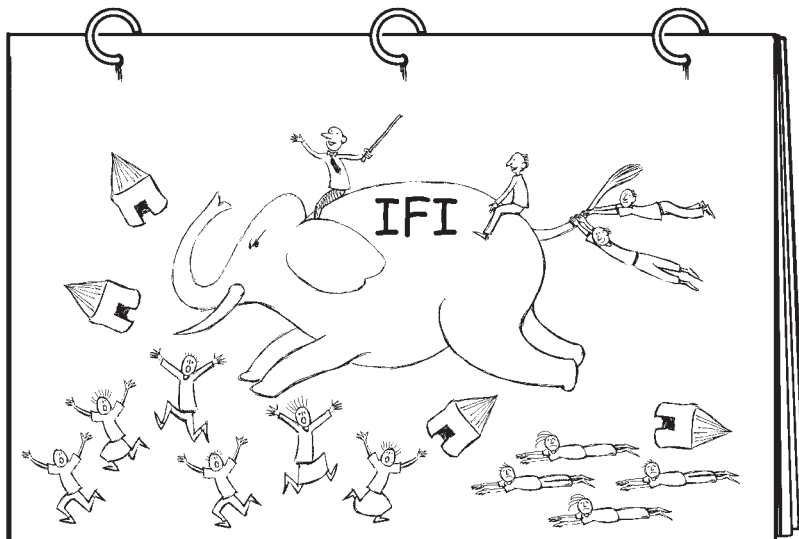
EXERCISE 3: DRAW A DIAGRAM OF HOW DIFFERENT GROUPS ARE AFFECTED BY IFI POLICIES

TRAINER: In this exercise, participants will draw a diagram of an elephant, which represents IFIs, and brainstorm a list of groups of people who are affected by the “elephant” running through their community. Participants will then have a discussion about the completed diagram in relation to their ideas for building alliances and strategy.

TIME: 60 minutes

WHAT TO DO:

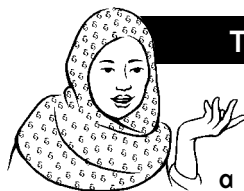
1. Ask the participants to sit together in a large group. Draw a “map” or diagram like the one below, showing an elephant labeled IFI, a person riding the elephant, one or 2 persons holding onto the tail and getting a ride as the elephant runs, and many people running from the elephant. You may also want to show small houses, either scattered or crushed by the elephant, to emphasize the destructive potential of the elephant.



EXERCISES TO LEARN NEW SKILLS

EXERCISE 3: DRAW A DIAGRAM (CONTINUED)

2. Tell the participants that the elephant in the picture represents IFIs. Ask the participants to discuss the following questions. During the discussion, label the parts of the diagram that are named by the participants.



TRAINERS TIP

If you prefer, you could draw a tiger, a bear, or some other large, strong animal instead of an elephant.

DISCUSSION QUESTIONS:

1. Who is riding the elephant? That is, who is controlling the IFIs?
2. Who are the individuals or groups within your country that are benefiting from IFI policies? That is to say, who are the people who are holding onto the tail of the elephant and getting carried along?
3. What groups of people in our country are hurt by the actions of the IFIs? If the IFIs are an elephant running through the community, who is at risk of being stepped on?



TRAINERS TIP: WOMEN WORKERS IN THE EPZs

In the campaigns in Sri Lanka, the union has had to confront the stigma against women who work in the EPZs. As one woman organizer, Chandrawathi S.A., says, "Some women can't go back to their villages... They can't marry because of the low social status of EPZ working women. So we've become enslaved to the free trade zones."

To help combat this stigma, the union created posters with slogans like, "Juki is not my name – I also have a name like you." Juki is the name of the machine the garment workers use.

Many women have become organizers in the union and in the Alliance for the Protection of National Resources and Human Rights. As Chandrawathi explains, "Nobody told us about laws and rights at the beginning. Then we learned and formed our unions, now we've come to a better stage. It's our duty to protect these laws and our rights."

EXERCISES TO LEARN NEW SKILLS

EXERCISE 3: DRAW A DIAGRAM (CONTINUED)

WHAT TO DO (CONTINUED):

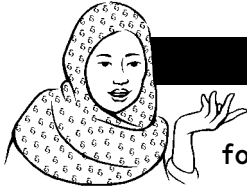
3. After all the parts of the diagram are labeled, ask the participants to sit in groups of 4 to 8 people and discuss the following questions:

DISCUSSION QUESTIONS:

1. What do you think **unions** in your country could do to change the anti-worker policies of the IFIs? Where would you draw unions on the elephant map?
 2. Which of the groups of people named on the diagram might want to join you in the task of fencing in this elephant? That is, which groups might join you in a **coalition** to stop the IFI policies that undermine workers' rights?
 3. What groups or individuals within the **government** of your country do you need to pressure in order to slow down the elephant (the IFIs)? Why?
 4. What could you do to talk to **other workers** inside your factory to support a campaign to change anti-worker policies?
4. Ask the participants to come back together as a large group. Ask each small group to share one strategy or action that they discussed. You or a volunteer can write down what people say on a big piece of paper or a chalkboard.

EXERCISES TO LEARN NEW SKILLS

EXERCISE 3: DRAW A DIAGRAM (CONTINUED)



TRAINERS TIP

Here are some examples of labels that participants could choose for the “elephant map” – or they may think of their own.

Riding on top of the elephant:

- Rich countries like the U.S., the U.K., and others
- Multinational Corporations

Holding onto the tail of the elephant:

- Factory owners and subcontractors in your country
- National government leaders
- Supervisors at your workplace

People getting hurt by the elephant:

- Workers
- Unions
- Farmers
- Poor families
- Women
- Children

REFLECTION ON THE EXERCISE

At the end of the exercise, summarize in your own words what the group has learned. Be sure to include the following points, even if they did not come up:

- The coalition of groups needed to fight against IFI policies was very broad, and even included politicians.
- Special attention must be paid to organizing certain groups, such as women factory workers.

Before moving on to the next exercise, ask the group to name 1 or 2 actions they could take to build their union using the lessons learned in this exercise. Ask a volunteer to remember or write down these Action Ideas for the group. You will use the Action Ideas to make an Action Plan at the end of the workshop.



LEARN BY DOING

TRAINER: In this exercise, participants will make plans for future work together based on what they learned in the workshop, including the Action Ideas from each exercise. They will have a discussion and fill out the Action Plan Worksheet on page 27.

TIME: 30 minutes or more



TRAINERS TIP

An important goal of this workshop is for participants to put their new skills in action. This exercise and the sample worksheets can help participants move from learning to action.

WHAT TO DO:

1. Make an Action Plan Worksheet like the one on page 27 on a large piece of paper or chalkboard. Explain to the participants that you will fill out this Worksheet together. Ask for a volunteer to take notes if you are writing on a chalkboard so the participants will have a record of their plan.
2. Ask participants to decide the overall goal of their campaign. Write what they say in the section of the Worksheet that says: “Overall Goal of Campaign or Project.”
Examples: “Win recognition of the union at our factory.” “Negotiate a contract.” “Pressure the government to make better laws for EPZs.”
3. Ask the participants to do a power analysis. Who would support this idea and who would oppose it? What kind of efforts will be necessary to increase worker power?
4. Ask volunteers for Action Steps to achieve the goal, based upon the Action Ideas they have come up with from the exercises and the power analysis. When the steps are complete, ask the participants to decide when they will do each step in the next year. Write a word or draw a picture representing this Action Idea in the appropriate section of the Action Plan Worksheet.

LEARN BY DOING (CONTINUED)

WHAT TO DO (CONTINUED):

5. As a large group, ask the participants to answer the questions below. You or a volunteer can write down what people say on a big piece of paper or a chalkboard.

DISCUSSION QUESTIONS:

1. What do we need to learn about how specific policies of the IFIs affect the workers in our union?
 2. What other workers and communities in our country are affected by these policies of the IFIs?
 3. In what ways do IFI policies affect women differently than men?
 4. What could an alliance of trade unions and other groups do to stop IFI policies that hurt workers and communities?
 5. How can we involve women workers as well as men in this campaign?
 6. Who in our government should be the focus or target of this campaign?
 7. What disagreements about economic policy, if any, exist within our government that we can use to our advantage?
6. As the participants develop new Action Ideas during this discussion, ask them when they will do these actions in the next year. Write a word or draw a picture representing these new Action Ideas in the appropriate section of the Action Plan Worksheet as in Step #3 above.



ACTION PLAN WORKSHEET

OVERALL GOAL OF CAMPAIGN OR PROJECT	
<p>ACTION STEPS FOR THE NEXT MONTH:</p> <p>Example: 3 things we will do to educate and mobilize members of our union about the effects of IFI policies on workers.</p>	<ol style="list-style-type: none"> 1. 2. 3.
<p>ACTION STEPS FOR THE NEXT 3 MONTHS:</p> <p>Example: 3 things we will do to identify other unions and NGOs to work with on this campaign.</p>	<ol style="list-style-type: none"> 1. 2. 3.
<p>ACTION STEPS FOR THE NEXT 6 MONTHS:</p> <p>Example: 3 things we will do to begin working with other unions and NGOs on this campaign.</p>	<ol style="list-style-type: none"> 1. 2. 3.
<p>ACTION STEPS FOR THE NEXT 9 MONTHS:</p> <p>Example: 3 things we will do to make sure that our campaign actively involves women and other workers who have less power.</p>	<ol style="list-style-type: none"> 1. 2. 3.
<p>ACTION STEPS FOR THE NEXT 12 MONTHS:</p> <p>Example: 3 things we will do to strengthen our strategy for defending workers from the policies of the IFIs.</p>	<ol style="list-style-type: none"> 1. 2. 3.



EVALUATE AND CLOSE TRAINING

TRAINER: In this section, you will remind the group what the goals of the training were and acknowledge the goals you have accomplished together. You will thank any individuals or groups who helped make the training a success. Then participants will have a chance to evaluate the training and commit to taking action. The closing activities suggested on this page can help people feel successful, hopeful, and powerful as they complete the workshop

TIME: 30 minutes (or less if there are fewer than 20 people in your group)

ACTIVITIES FOR EVALUATION AND CLOSING:

1. Remind the participants of the goals of this training (see page 3). Acknowledge that everyone has worked hard to finish the training and accomplish these goals.
2. Thank any individuals or groups who contributed to the success of the training, including those who contributed meeting space, food, time, etc.



TRAINERS TIP

Ask one of the participants to choose the closing ritual and lead the group in a chant, song, poem, prayer, etc. This gives someone in the group a chance to exercise leadership. It also makes clear to the group that what they have accomplished in the workshop belongs to them, not to you as the trainer.

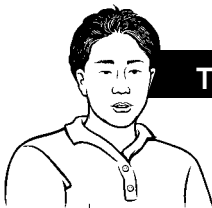
EVALUATE AND CLOSE TRAINING (CONTINUED)

3. As a large group, ask each person to say:

- One thing she or he learned in the training
- One thing she or he liked about the training
- One thing she or he will do to build their union based on what they learned in the training.

Options for this step: If you have a large group (more than 20 participants), you can ask for about 4 or 5 volunteers to answer the 3 questions or ask each person to answer only one question—rather than asking each person to answer all 3 questions.

4. Lead the group in a closing ritual. This could be a chant, song, dance, poem, or prayer.



TRAINERS TIP

You may want to spend more time evaluating the workshop with the participants if:

- you're working on improving your own training skills and you want to know how you can improve your facilitation;
- you're unsure of whether the content of the workshop was too easy, too hard, or just right for your participants;
- you're trying to decide whether to use this workshop again as part of your union's education program.

FACT SHEET: THE WORLD BANK AND THE IMF

(adapted from an AFL-CIO worksheet, copyright © 2004, AFL-CIO)

WHAT ARE THE WORLD BANK AND THE INTERNATIONAL MONETARY FUND?

At a 1945 conference in the United States, British and American negotiators created the World Bank and the International Monetary Fund (IMF) as specialized agencies of the United Nations. The World Bank and the IMF play major roles in shaping the global economy. They set, implement and enforce rules governing international trade, investment, aid, and loans. These rules have often benefited multinational corporations and rich countries at the expense of poor countries, workers, and the environment.

WHAT IS THE MISSION OF THE IMF AND WORLD BANK?

Since the 1960s, the World Bank and the IMF have provided assistance to poor countries for development programs and the promotion of economic stability. Since the 1980s, they have attached conditions to their loans that have dramatically changed the structure of developing countries' economies. These conditions, called Structural Adjustment Programs (SAPs), often "reform" countries in the wrong direction by tearing down trade and investment barriers, privatizing public services, weakening labor laws, and cutting social programs.

Workers have no formal role in the development of World Bank and IMF programs. The IMF places the same kinds of anti-worker conditions on their loans regardless of the local context, and has failed to ensure that fundamental workers' rights are respected. These policies do benefit big business, however, which takes advantage of newly deregulated economies and weakened workers' rights to make big profits.

THE WORLD BANK AND THE IMF (CONTINUED)

EXAMPLES OF HOW IMF AND WORLD BANK POLICIES AFFECT WORKERS:

Roll back worker rights

In Argentina, the IMF and World Bank required collective bargaining laws to be changed so workers could only bargain factory by factory, and not at a sector level where unions have more leverage or power. Now the World Bank is recommending the same type of “reform” for Mexico, and wants to get rid of severance pay and seniority-based promotions as well.

Reduce real wages

In Nigeria, the IMF required wage freezes and wage cuts to force workers to take non-union jobs with lower pay and no benefits. Working women have been especially hurt by these policies. The reduction of wages has resulted in less income, which also makes it more difficult for people to buy local goods and textiles produced by women workers.

Privatize and deregulate public services

In 2001, following World Bank and IMF privatization advice, fees for water service almost doubled in Ghana. A family making minimum wage had to spend almost half of its daily income for just three buckets of water. As a result, many families could not afford clean drinking water, and women and children bore the burden of collecting water from polluted streams and rivers.

Trap poor countries in debt

Poor countries – especially in Africa – owe more debt to the IMF and World Bank than to any other single institution. This money could be better used to invest in schools and hospitals, and to stimulate broad-based economic development. Instead, to raise the dollars needed to pay these debts, countries take out more IMF and World Bank loans. They are forced to accept further anti-worker conditions, slashing wages and worsening working conditions to try and export more and cheaper goods overseas.

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DEFINITIONS (CONTINUED)

■ **PRIVATIZATION:** The process by which publicly-owned or managed industries, resources, or services are transferred to the private sector. In theory, privatization encourages competition and free markets but in practice privatization causes the cost of services to rise as companies drive down their own costs to increase their profits. Privatization leaves workers in public-sector unions especially vulnerable, as their union may not be recognized by the new private owners. Thus privatization hurts workers both as employees and as citizens who need services. Privatization is often one of the economic policies that International Financial Institutions require to receive loans.

■ **STRATEGY:** A strategy refers to a systematic plan or main course of action for achieving a goal. For example, a first strategy to improve working conditions in a factory could be to organize a union, followed by a strategy of union protest to draw attention to bad working conditions and pressure management to change them.

■ **STRUCTURAL ADJUSTMENT PROGRAM (SAP):** A set of economic changes that an IFI may demand when it makes a loan to a developing country. A SAP requires a country to change its economic and labor laws to make it easier for international companies to do business in the country. Although IFIs claim these policies increase economic efficiency, SAPs usually result in more overtime and less protection for workers and the privatization of their country's resources. Because SAPs have generated so much opposition, in 1999 the World Bank and the IMF dropped the name

“Structural Adjustment Program (SAP)” but kept many of the most controversial policies in new lending programs characterized as “poverty reduction programs”.

■ **UNION CONTRACT:** A union contract is a written, legally-binding agreement between a group of workers and an employer. The contract generally describes how the employer will treat workers, including wages, work hours, and working conditions. The goal of many union organizing campaigns is to negotiate with the employer to get a union contract. A union contract is also called a “collective bargaining agreement.”

■ **WORLD BANK:** One of the 2 major international financial institutions the World Bank provides loans to developing countries. Controlled by the rich countries, the World Bank usually requires that to qualify for a loan, the recipient country must adopt a set of economic policies once called a Structural Adjustment Program (SAP), now known as a PRGF. SAP policies may include high interest rates, reduced access to credit, privatization of public enterprises, and deregulation of trade and labor policies. Although the World Bank claims that SAPs increase economic efficiency, these policies often hurt workers, damage the environment, and increase poverty, while benefiting the wealthy corporations and countries that control the World Bank. In contrast with the IMF, which provides short- and medium-term loans, the World Bank makes long-term loans (up to 40 years), that may be used to support both economic policy reforms (i.e. SAPs) and projects such as dam or road construction and education projects.

TOOLS FOR ORGANIZERS

IN EXPORT PROCESSING ZONES AND INDUSTRIES

TRAINING MODULES IN THIS SERIES:

SECTION I: ORGANIZING STRONG UNIONS

1. Building Unity
2. Tapping Our Strength
3. Developing Democratic Leadership
4. Building Unions That Last

SECTION II: BUILDING ALLIANCES

5. Allying With Other Unions
6. Linking With Non-Governmental Organizations
7. Mounting International Campaigns

SECTION III: FIGHTING FOR LABOR RIGHTS

8. Negotiating Labor Rights in Export Processing Zones
9. Using Trade Provisions to Organize
10. Stopping Anti-Worker International Financial Institutions Policies

This booklet, **STOPPING ANTI-WORKER INTERNATIONAL FINANCIAL INSTITUTIONS POLICIES**, is Module 10 of 10 in a series of training modules for working people organizing in Export Processing Zones or other export-oriented industries.