

A NEW GLOBAL DEAL

Strengthened Partnership for a Better Society



Anna Lindh Seminar 2014

Anna Lindh 1957 - 2003



Anna Lindh was a devoted Swedish politician and internationalist. In 1984 she was the first woman to be elected Chair of the Swedish Social Democratic Youth League. During her political career she held many offices, including Member of Parliament, Minister of the Environment and Minister of Foreign Affairs. She was a fierce believer in an open, sustainable and inclusive society, and throughout her life she worked hard to promote human rights, democracy, environmental issues, solidarity and international cooperation. In honor of Anna Lindh's memory, the Swedish Social Democratic Party and the Olof Palme International Center, host an annual international seminar. The seminars address global affairs, focusing on the Middle East and globalization.

Education:

1982 LL.B from Stockholm and Uppsala University

Positions:

- 1998 2003 Minister and Head of the Ministry for Foreign Affairs
- 1994 1998 Minister and Head of the Ministry of the Environment
- 1991 1994 Stockholm City Commissioner for Culture and Leisure, Chair of Stockholm City Theatre
- 1991 2003 Member of the Executive Committee of the Social Democratic Party
- 1984 1990 Chair of the Swedish Social Democratic Youth League
- 1982 1985 Member of Parliament and Member of the Parliamentary Committee on Taxation
- 1982 1983 Law Clerk, Stockholm City Court
- 1981 1983 Chair of the National Council of Swedish Youth Organization

New Global Deal -Strengthened partnership for a better society Anna Lindh Seminar December 10th, 2014 Stockholm

The Anna Lindh seminar of 2014 continues to focus on the issue of a New Global Deal. This concept has been launched by Prime Minister Stefan Löfven, Party leader of the Swedish Social Democratic Party, and developed to describe the ideals of a globalization driven by pragmatism and a strong social bond of confidence between social partners such as employers and employees. Dealing with precarious working conditions, rising unemployment, discrimination, corruption and other social problems demands a fair balance between capital and labour.

This year's Anna Lindh seminar focuses on these issues and aims to develop concrete ways to increase cooperation between capital and labour.

This report summarizes the content of the debate but does not cover all the different aspects or everything mentioned in the seminar. Instead it tries to highlight the general theme of the discussions.

Previous Anna Lindh Seminars

2004	Strengthening Democracy in a New Global Order
2005	Next Step after Gaza
2006	A Labour Movement Perspective on Globalization
2007	Religion and Globalization
2008	Women Power in the Middle East
2009	EU and its Global Neighborhood
2010	Peace Initiatives in the Middle East
2011	The Arab World in Transition: Prospects and Challenges
2012	A New Global Deal between Capital and Labour
2013	Legacy and Future: Human Rights and Sustainable Development

Introductory speech by Carin Jämtin

Dear friends, it's a pleasure to welcome you all to the Social Democratic Party in Sweden and to the Swedish Parliament to discuss this important topic – a New Global Deal! We will address the essential issue how we can make the relationship between capital and labour more balanced, and how to secure basic workers' rights and decent work for all. The background is that globalization and mobile capital flows offers an opportunity for increased growth which create capacity to increase prosperity for all. But without proper regulation and without political will the results will not be equally distributed. The natural driving force of private capital is profit maximization. The driving force of labour is a decent living standard. The driving force of states should be the well-being of its citizens and economic stability. In the long run these three actors are inter-depending. To put it in another way with the words of Prime Minister Löfven himself at the Anna Lindh seminar 2012:

> "What we need to do is to secure a basic model worldwide – a New Global Deal between capital and labour, putting in place a foundation for free and fair trade, shared prosperity and decent work for all. And to achieve such a deal puts new demands on both governments, on business and on labour."

So I really look forward to our exchange of views today. My which is that we will have concrete ideas about how to achieve a New Global Deal, or at least take some substantial steps on the way. That is the best way of commemorating the accomplishments of Anna Lindh.

Again, thank you all for coming!

Carin Jämtin, Secretary General, Swedish Social Democratic Party

List of participants



Maria Andersson Willner MP Social Democratic Party, Sweden



Monica Arvidsson Head of Research at think tank Tiden, Sweden



Marie Chris Cabreros International Secretary Akbayan, Philippines



Sabina Dewan President & Executive Director, JustJobs Network Senior Fellow, Center for American Progress, India & USA



Zita Gurmai President PES Women, former MEP, Brussels



Lobna Jeribi MP and member of executive committee Ettakatol, Tunisia



Carin Jämtin Secretary General Social Democratic Party, Sweden



Susanne Lindberg Elmgren Researcher LO – Swedish Trade Union Confederation, Sweden



Wanja Lundby Wedin President Olof Palme International Center, Former President of LO - Swedish Trade Union Confederation, Sweden



Bulgantuya Khurelbaatar Secretary General, Mongolian People's Party, Mongolia



Kristina Persson Minister of Strategic Development and Nordic Cooperation, Sweden



Loreto Schnake Neale PPD Chile & Science Attaché at the Chile Embassy in Germany



Radmila Sekerinska Vice President Social Democratic Union of Macedonia, Former Prime Minister of Macedonia



Anna Sundström Head of Operations, Olof Palme International Center, Sweden

International Secretary Social

Democratic Party, Sweden

Andrine Winther



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Olta Xhacka MP Socialist Party of Albania & President for Socialist Women, Albania

Questions to be discussed during this round table

Monika Arvidsson continued the seminar by explaining concrete examples from Sweden on how to create a new deal between capital and labour.

In the 1930s there was strong social unrest in Sweden, causing many unregulated conflicts. In parliament, there were far-reaching plans on a prohibition law to settle the turbulence, an initiative which was however rejected both in parliament and also by the employers' organization and the trade union confederation. In 1938 after three years of negotiations the social partners, as an alternative, signed the Saltsjöbaden agreement to settle the conditions of the labour market. With the signing of the agreement began an era of consensus between the labour market partners which prevails to this day, and is an important factor for the so called Swedish model. The spirit of collaboration has served both social and economic development well.

We need a similar deal on a global scale between capital and labour to guarantee economic growth in combination with social justice.

- 1. Which should be the strategy of the New Global Deal initiative?
- 2. Should the focus be on generally improving the atmosphere of capital-labour cooperation at the global level, or on more narrowly delivering concrete results on the ground?
- 3. Should we concentrate only on one or several issues?
- 4. How do we add momentum?

General discussion

Kristina Persson – Minister of strategic development - stressed the need for the discussion surrounding a New Global Deal to be more specific. Who is the recipient of this New Global Deal and what are the main problem surrounding the ILO as a framework? Minister Persson later pointed out that existing platforms such as ILO, EU and the UN are



Zita Gurmai, Wanja Lundby Wedin, Carin Jämtin and Sabina Dewan

The president of Olof Palme International Center – Wanja Lundby Wedin – raised the issue that we need to develop a cooperation on several levels and platforms. The core element of the Saltsjöbad agreement was not the agreed upon content of the agreement but instead the actual framework where both parties (business and union) accepted and recognized each other as bargaining partners. The need for an institutional framework is especially important when the different actors are far apart.

Several speakers agreed that a New Global Deal would not replace a working ILO but instead work to strengthen ILOs ability to find a framework in which to speak to the capital actors. Bulgantuya Khurelbaatar from the Mongolian People's Party said in her statement that the current problem stems from lacking initiative from several international actors. There needs to be one actor that takes the lead. Also emphasizing that the biggest change will always come from national level where labour markets actors need to be strengthened, most urgently in developing countries.

Kristina Persson underlined the possibility for a breakthrough in the international community where the falling global growth might create a window of opportunity for employers to understand the need for a New Global Deal.

Radmila Sekerinska - vice president of Social Democratic Union of Macedonia – agreed that a general change in economic debate have occurred and that inequality now plays a larger role in international economic forums. Still the need for change at local or national governmental level is needed for further development in many countries.

Several influential academics are now supporting a more progressive agenda and has made headlines with far reaching policy suggestions around the world, but we are still lacking the political leadership for a shift from liberal economic politics – continued minister Persson.

The need to strengthen both local and international actors was widely discussed in several forms throughout the seminar and an important conclusion was to empathize knowledge exchange between local trade unions. Sabina Dewan – Center for American progress – continued this concept by declaring the need to operationalize the next steps for the concept of New Global Deal to continue:



Sabina Dewan

- 1. There is a myth. That there is a trade-off between higher living levels and economic growth. We need more voices, especially within academic research, to say that better working and living conditions together with higher growth is possible.
- 2. We have to make the argument to the employers that better working conditions is good for business. Unions and employers does not have to be on different sides but instead could work together.
- 3. Capital and labour have unequal powers. The only way to change this is to strengthen the voice of the workers. ILO is one way for this but usually its agenda is run by governments that for political reasons cannot take necessary steps.
- 4. We have to nationally find ways to strengthen trade unions.

The need to operationalize was met with support from several speakers and Zita Gurmai who is president of PES women also added that a gender view is important when finding concrete issues where we could work progressively.

The debate on economic growth needs to be attached to gender issues and investment plans, showing that growth and social justice is possible.

Women's rights together with climate change and workers' rights have been low on the political agenda for far too long, agreed Marie Chris Cabreros, International secretary of Akbayan – Philippines.

LO researcher Susanne Lindberg Elmgren pointed to the fact that when discussing operationalization we need to take into account the success of the Nordic model. The concept of close cooperation between employers and trade unions have worked very well in countries where applied, and we need to re-use this model instead of trying to re-invent it. Elmgren also followed up on the concrete suggestions from Dewan saying that we in this group need to make three concrete pledges that we agree to fight for at all possible levels.

One such pledge could be that we during 2015 decide to fight for the right to strike as this is one of the fundamental right for a New Global Deal.

Areas of focus and operationalization

Sabina Dewan made a suggestion that we should focus even closer on employment and jobs, in particular with a health-perspective, fighting health inequality would enable many more people to take available jobs. Lobna Jeribi intervened that Tunisia in now in such a situation where demands for social issues such as health is hard to make and any such demands must



Andrine Winther

be closely connected and balanced with business oriented suggestions. Andrine Winther – International secretary of the Swedish Social Democratic Party – reminded the round table that during the last meeting there was a business representative present and that this might be a good idea to continue next meeting. Anna Sundström – head of operations at Olof Palme International Center – agreed that including companies and business in our debates needs to be formalized.

"Not only do we need business leaders at these round table meeting but also we as individual participants have to invite progressive business leaders locally to sit down and discuss these issues." /Bulgantuya Khurelbaatar, Secretary General for Mongolian People's Party

Zita Gurmai agreed that concrete suggestions was necessary and pointed to European welfare, problematic demographic development, climate change and migration as the core challenges of our time. Also regulating the financial markets and enabling better education for young women in developing countries needs to be addressed. Several speakers talked about this need to show how social and ecologic improvements are needed for a more dynamic business and in relation to this Marie Chris made the suggestion that inequality should be our main theme. Focusing on jobs or education are only the means to combat the central problem of inequality.

Carin Jämtin agreed that visionary topics are important but that we should also be aware that we as social democrats are judged by our ability of concrete actions and thus we need to show voters why our suggestions would enable a better life for them. Olta Xhacka from the Albanian Socialist Party underlined this reasoning and Radmila Sekerinska developed it by saying that the conservatives' rhetorical adaption to social democracy have made it harder to show voters the differences between our ideologies.



Olta Xhacka and Susanne Lindberg Elmgren

Closing the round table was a discussion surrounding the ILO. Sabina Dewan said that the



Reception at the Swedish Parliament

ILO has a weak reputation among US politicians, stating that many of ILOs core political goals like "decent work" have become so politicized that using them for lobbying purposes is virtually impossible. New words and terms needs to be invented in order to move forward, even if these word would carry the same actual meaning. Instead of getting caught in the discussions of ILO we should use the New Global Deal network to exchange ideas on working policy suggestions.

Suggestions for action until next meeting

- Organize network meetings nationally by inviting both progressive business leaders and trade unions.
- Include business leaders at next round table meeting.
- Mention the New Global Deal at meetings during the coming year in relevant bodies such as WTO, IMF, EU, ILO i.e.
- Meet and mention the New Global Deal to political leaders.
- Find and support progressive academics that study the relationship between growth and social equality.
- Pledge to politically fight for the right to strike during 2015.

A new round table meeting will be organized at a later date to continue these discussions and develop the network and its ideas further.



Participants of the Anna Lindh Seminar 2014

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