

The SDGs as a transformative development agenda for workers in the era of Global Supply Chains?

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Abstract

This paper argues that the Sustainable Development Goals do not question the neoliberal development orthodoxy and therefore do not represent a transformative agenda for the global labour movement. Nevertheless, the SDG process can represent potential for the global labour movement to cement their position in international development discourse and practice. In particular, we argue that core to the contemporary development theory and practice are global supply chains and that the Decent Work in Global Supply Chains discussion at the International Labour Organisation may prove to be a crucial instrument in bringing about a progressive implementation of the SDGs. The research is based on interviews with ILO and ITUC officials as well as observations during the 105th International Labour Conference.

Key Words: SDGs, Global Supply Chains, ILO, Development

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Introduction

When Agenda 2030 and the Sustainable Development Goals (SDGs) were adopted at the United Nations (UN) General Assembly in New York on September 25th 2015, they hailed the promise of a new and transformative global development paradigm. UN Secretary General Ban Ki-moon welcomed the adoption by claiming that the agenda represented a ‘universal, integrated and transformative vision for a better world’ (UN 2015).

The SDGs were developed through a process of consultation far more wide ranging than its predecessors, the Millennium Development Goals (MDGs), and include references to

inequality, environmental sustainability and labour rights. And while the International Labour Organization's (ILO) Decent Work Agenda was introduced into the MDGs during the midterm review in 2007, the SDGs are the first global development agenda to engage with the core strands of Decent Work and specifically refer to labour rights.

The extent to which the SDGs represent a transformative development paradigm, however, remains to be seen (Gore 2015). Critics argue that the SDGs failure to engage with global power relations (Esquivel, 2016) and the root causes of global poverty and inequality (Fukuda Parr, 2016) undermine their transformative potential. This paper will contribute to the growing literature on the SDGs and sustainable development by examining to what extent the SDGs represent a transformative development agenda from a global labour perspective.

We will argue that contemporary development theory and practice have focused on the eradication of poverty and the development of the Global South through the expansion of global capitalism. Core to this development paradigm, since the crisis of profitability in the 1970s, has been a focus on economic growth facilitated through export-oriented industrialisation (EOI) in the Global South and privatisation and financialisation in the Global North. This has led to the rapid expansion of Global Supply Chains (GSC). This understanding of poverty and development regards workers as a simple input into development (Selwyn 2016) and sees attempts by workers to improve their condition as either illegitimate (Selwyn 2016) or as impeding development. In fact, neoliberal development prerogatives have led to the deliberate weakening of worker protections and trade unions in the name of greater labour market 'flexibilities'. Seemingly defying this consensus, the SDGs commit countries to the "promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" (SDG Goal 8). Here, we will examine if the SDGs do in fact defy the existing neoliberal development consensus and thus represent a 'transformative' agenda for workers.

First, we will evaluate the core characteristics of contemporary development theory and practice and how they have affected workers and the global labour movement. Through a detailed literature review we argue that of key concern to workers are the continued promotion of neoliberal economic growth and the restructuring of production process into Global Supply Chains.

Next, we examine the SDGs' promise to challenge these dynamics and hence provide a 'transformative' development agenda for global labour. We rely on key informant interviews with members of staff at the International Labour Organisation (ILO) and International Trade Union Confederation (ITUC) and observations during the 105th International Labour Conference (ILC) in June 2016, to show that the SDGs do not fundamentally challenge this development paradigm. We argue that the SDGs do not critique the asymmetric power relations that empower capital at the expense of labour and continue to expect development to occur as an implicit consequence of traditional neoliberal perspectives on economic growth. Of particular concern is the lack of emphasis on Freedom of Association and Collective Bargaining – the Social Dialogue pillar of the Decent Work Agenda – as these would provide labour movement with tangible avenues to challenge the skewed global power relations and work on a more progressive, labour-centred perspective of development.

And yet, the SDGs and their implementation can offer new platforms for workers to cement their position within the development process. The SDGs through the national sustainable development strategies, the emphasis on the ILO and the possibility of globally recognised indicators of labour rights can provide a tool for global labour campaigns.

These however will simply be additional tools for workers to organise and push for improved conditions. From the SDG perspectives, workers and labour organisation continue to be understood as passive recipients, not active agents of development. A truly transformative agenda for development would attempt to overcome the underlying dynamics of development that lead to systematic labour violations and chronically low wages by empowering worker and their representative organisations. Strengthening freedom of association rights and collective bargaining structures would be at the core of this. The Global Supply Chain discussions at the ILO, which managed to address some of the contradictions at the heart of the SDGs, could bring about a truly progressive implementation and help overcome the shortcomings at the heart of the SDGs.

Development, Global Supply Chains and Labour

To assess the SDGs' promise of transformative development with regards to workers worldwide, we first examine contemporary development theory and practice with regards to

workers. Declining profitability in the 1980s led to the emergence of new avenues for profit maximisation by northern Multi-National Corporations (MNCs), facilitated through state interventions (Bhattacharjee and Roy 2015). Focusing on privatisation and financialisation in the Global North and export-oriented industrialisation in the Global South, these neoliberal development strategies led to the rapid expansion of Global Supply Chains – or Global Production Networks/Global Value Chains – in manufacturing and service provision. The geographical and functional dispersion of production and services (Coe & Hess 2013) has not just created ‘new working classes’ in the new industrial hubs (Silver 2003) but caused new challenges for formal and informal workers at places where GSC connect (Mosley 2011, cf Coe & Hess 2013). GSCs are therefore key to understanding the position of workers under the mainstream contemporary development paradigm.

Development through neoliberal growth models

Neoliberal perspectives on development assume that increases in wellbeing and human development are intrinsically linked to economic growth. Development, particularly in the Global South, is therefore equivalent to a growing market and the responsibility of the state becomes the facilitation of the market – often through global supply chains. This development paradigm explains the “relationship between capitalism and poverty as one based around the dichotomy of inclusion (into capitalism) vs exclusion (from capitalism)” (Selwyn 2014, p.1). Munck (2010) argues that this turns the world into a giant market place where everything can be bought and sold and where “social relations are reduced to market relations” (Munck 2010, p212). The “opening-up of the world market becomes the *raison d’être* of development, with only some token gestures paid to social and human development” (Munck 2010: 212). This view of development has created a capitalist globalisation driven by “dynamics of surplus accumulation” (Scholte 1997, p.428), the most striking consequences of which can be seen as a “rise of massive globalizing corporations, the rapid spread of so-called free trade [...] and the denationalization and privatization of former state monopolies” (Sklair 2002: 4).

The Millennium Development Goals, the predecessor to the SDGs, were a clear demonstration of the dominance of these neoliberal development paradigms. The MDGs, and the Millennium Declaration from which they were emitted, represented the entrenchment of a market-led development paradigm (Koehler 2015) or “neoliberalism under a pretty cover” (Fukuda Parr 2010). Neither addressed the causes of poverty and inequality (McCloskey 2015; Fukuda Parr 2016) nor did they take power relations into account (Fukuda Parr 2016).

They were a top-down, reductionist agenda narrow in reach (Fukuda Parr 2013) that failed to “adequately address human rights, economic development, environmental sustainability and gender equality” (McCloskey 2015, p187). In fact the MDGs were blind to the possibility that poverty, inequality and exploitation may in fact be consequences of this particular idea of ‘development’. Or as Fukuda Parr put it:

“The MDGs presented a simplistic vision of meeting basic needs for all without recognising the root causes of poverty embedded in power relations and exacerbated by current economic models of neoliberal globalisation that prioritise corporate profits over human rights.” (Fukuda Parr 2016, p.?)

Initially, the MDGs did not address concerns over labour rights and working conditions. Eventually, during the mid-term review in 2007 the ILO Decent Work Agenda was included under Goal No. 1 on the eradication of poverty. A concern for workers was added as an afterthought and with no real engagement of their role and position within developmental processes.

In practice this meant that the period covered by the MDGs, and steered by neoliberal development policies, did see significant GDP and GDP/capita growth, it was neither sustainable nor sustained growth however (Ghosh 2015). In fact, economic growth over the last three decades has been built on rising volatility leading to multiple economic crises – most notable the global economic crisis of 2007/2008. Prior to the global crisis the world had experienced an economic boom fuelled by finance-led globalisation predicated on rising inequalities within and amongst countries and a “net transfer of financial resources from the South to the North” (Ghosh 2015, p 322). Overall, the last decade - the period covered by the MDGs – was marked by “debt-driven global growth has trended downward and been punctuated by severe and destabilising crises; capital formation has been sluggish, and livelihoods have become more fragile and vulnerable, even as those at the very top enjoyed soaring incomes” (ibid p.321).

This growth was facilitated through the rising power of capital over labour and accelerated rates of exploitation of workers in the Global South and North. Returns on shares and financial assets have continued to rise while the labour share of national income declined globally (Piketty, 2014; Stockhammer, 2013), even before the global economic crisis. The

global economy grew on average 3.3% a year between 1995 and 2007 while wages on average only grew by 1.9% per year (Bhattacharjee and Roy 2015). Simultaneously, incidents of severe workers' rights abuses have increased over the last 10 years (ITUC 2016) and unemployment, having already risen sharply after the crash in 2008, is predicted to reach unprecedented levels over the coming years (Koehler 2015). This occurred in a context of a laboring class which has grown from 1.1 bn in 1980 to over 3bn in 2005 (Selwyn 2014). A growing proportion of which, especially in the low-value added export oriented production sectors, are women often working for less than USD 5 a day. They represent only one portion of the growing number of working poor worldwide. The number of people on low-pay (defined as earning less than two-thirds median income) has increased in almost two-thirds of countries (Bhattacharjee and Roy, 2015).

These patterns of growth, and their underlying mechanisms of development, continue to be based on “maintaining gender and class inequalities as the means to keep labour costs low” (Esquivel 2016, p.1) leading to ever newer forms of exploitation because “the policy context in most of the world is still very much one that privileges capital and emphasizes market power over human rights” (Ghosh 2015, p325). The creation of GSCs – partly through the neoliberal prescription of export-oriented industrialisation (EOI) policies in the Global South by International Institutions – have become “nothing more than a mechanisms to capture low labour cost” (Bhattacharjee and Roy 2015).

In other words, the predominant theories and global policy making aimed at eradicating poverty and increasing human wellbeing have empowered capital at the expense of labour and led to the internationalisation of patterns of production and consumption into Global Supply Chains. Labour in this context is seen simply as an input to facilitate capital accumulation (Selwyn 2016) and workers in their attempts to organise for fairer wages and better conditions are faced with power relations systematically skewed towards capital.

Development and the Power and Agency of Labour in Global Supply Chains

In GSCs the production is internationalised through complex networks of suppliers and subcontractors, while the intellectual property, technical know-how, and largest share of the profits continue to be based in northern economies. Countries integrate into Global Supply Chains, usually at the low value added end, which relies on large amounts of low paid workers. Growth in formal employment follows foreign direct investment (FDI) in export-

oriented industries, often skewing capital ownership towards international investors¹. Countries can become ‘specialised’ in certain production processes and not be able to escape their position within the chains (Miller & Hohenegger 2016). They become stuck in a position where they accumulate wealth outside its national borders through the exploitation of workers within its borders (Smith 2015).

These GSCs represent a transformation of production patterns across the globe and have been conceptualised in several different ways. The term ‘commodity chains’ first appeared across the world systems tradition (Hopkins and Wallerstein, 1986; Bair, 2005) and was developed into the Global Commodity Chain (GCC) approach by economic sociologist Garry Gereffi and colleagues (Gereffi and Korzeniewicz, 1994) and later the Global Value Chain framework (Gereffi et al., 2005). Criticism emerged that the GCC’s, and in particular the GVC’s, overly linear conceptualisations and emphasis on dyadic inter-firm relationships neglected labour (Rainnie et al., 2011; Selwyn, 2011). In response researchers, particularly labour geographers (Dicken et al., 2001; Henderson et al., 2002), developed the Global Production Network (GPN) approach which explicitly aimed to focus not just on linear relationships between lead firms and their governance structures, but to evaluate power relations of all social actors involved in networks of production. Whereas GVC/GCC had largely written labour out of the script, the GPN framework provided an analytical approach with room for labour (Cumbers, 2015). Still, labour remained a passive actor, a victim of global production dynamics continuously searching for new, cheaper and less regulated sites of production (Cumbers et al., 2008). The role of labour as an active agent, the role of the labour process and the role of the state too often remain in the background of analysis of global production (Smith et al., 2002). And this in a context where patterns of global production are simply ‘networks of embodied labour’ (Cumbers et al., 2008), where all value added is based on labour and the labour process which converts labour power into profits (Taylor et al., 2015). The capitalist labour process is without a doubt at the core of these supply chains – in manufacturing as well as transport and retail – and workers selling their labour power are therefore core to GSCs. Workers’ are also rarely seen as active agents of development (Gray 2015), although many developmental outcomes – higher wages, skills

¹ In Cambodia, for example, over 90% of factories are wholly or majority foreign-owned; consequently the only benefit to Cambodia that the garment industry brings is low-paid (low-skilled) jobs, as almost all raw materials are imported and all added value exported (Kingdom of Cambodia, 2014).

development, social security – were the outcome of class conflict and worker organising and not through top-down developmental programmes (Selwyn 2016).

The globalisation and internationalisation of production into GSCs has also transformed the position of workers and their ability to organise. The labour process and employment relationships have changed and the dominant fordist corporatism is over. Most workers today, especially those in labour intensive manufacturing industries like apparel and garment, have found themselves in a workplace where the traditional labour-capital compromise is broken (Huws, 2008). Worker organising and collective bargaining have become more complex as multinational brands and retailers have complex or non-existent relationships to the workers producing, transporting and selling their products. Despite only employing a small fraction of the workers involved, European and US retailers are the most powerful actors within their respective supply chains. Often, brands and retailers set the prices (having a direct relationship on wages and profit margins throughout the chain) but have no legal relationship to the workers sowing the products. This new relationship between capital and labour (and the role that the state plays) changes the positional power of labour (Mayer and Pickles, 2011). Mayer and Pickles (2011) argue that the ability of labour to shape its own future, the positional power of labour, depends, among others, largely on “the structure of the value chain, and the ways in which a particular industry and regional economy are inserted into global production networks” (Mayer and Pickles, 2011).

Key to the ability of workers to shape their future are rights to Freedom of Association and Collective Bargaining. These are internationally recognised through the core ILO Convention 98 and 87, and yet have been under pressure across the global production and service chains. The UN special rapporteur on Freedom of Assembly in 2016 published a special report on the importance of association rights at work emphasising how globalisation of capital into GSCs has made it increasingly harder for workers to enjoy these rights (UN 2016). The ITUC Global Workers’ Rights Index found that collective bargaining was one of the most violated rights in 2016 with employers completely refusing to bargain or delaying negotiations until they become meaningless in 89 out of 141 countries involved in the survey (ITUC 2016). Freedom of Association and Collective Bargaining rights are rarely the focus on development interventions and for a long time were seen as barriers to development by international financial institutions. In many respects, therefore, contemporary development theory and

practice have attempted to limit the ability and delegitimise attempts by workers to ameliorate their own conditions (Selwyn 2015).

Therefore, if we speak of ‘sustainable development through inclusive growth’ to realise that the current growth model is one based on labour exploitation through global supply chains – where global brands and retailers are in control. GSCs, and in particular power relations across these chains, are therefore important for any success or failures of the SDGs and any attempts to promote labour rights and create more sustainable inclusive forms of growth.

We have argued that development theory and practice regards labour as simply an input into economic growth. It rarely engages critically with the root causes of exploitation and poverty, and alternatives to capital-led development. This ‘development’ is heavily reliant on the transformation of production into Global Supply Chains, which have further skewed power relations and disadvantaged workers and worker organisations. Unfortunately, the freedom of association of workers and their right to collective bargaining have been repeatedly undermined in the name of development – particularly in Global Supply Chains.

Gore (2015) argues that we need not simply a new set of goals but a “deeper paradigm shift in development thinking and practice” (Gore, 2015 p.721). Whether the SDGs fit this requirement will be explored in the next section.

Labour, Development and the SDGs

The SDGs, as a global development agenda, follow in the footsteps of the MDGs and previous UN Development Decades. These agendas represent the basis of global social and development policies. As such their importance in terms of national and international policy making, in particularly to the initiatives and programmes of the international institutions and development agencies, cannot be underestimated. We argue that in order to be a transformative agenda for labour the SDGs need to address the core strands of contemporary economic development and their relationship to labour.

Inclusive Process

The SDGs have been hailed as a transformative development agenda. One that addresses the shortcomings of the MDGs and is more adapt to deal with contemporary global challenges.

This is largely because a) the SDGs were developed through a more inclusive process and b) because the agenda address a broader set of development issues than its predecessors. The SDGs are also intended to reflect a truly global development agenda, applicable in Ireland as much as in Cambodia, signifying a shift away from the paternalistic North-South aid agenda of the MDGs (Fukunda Parr 2016, Koehler 2015).

The more inclusive negotiation process of the SDGs was particularly important for global labour. The Open Working Group tasked with drafting Agenda 2030 and the SDGs recognised input from the *Major Groups* allowing worker representatives to have a seat at the negotiating table. The Major Group System was developed during the UN Conference on the Environment and Development to allow key non-governmental stakeholders input into the process. The International Trade Union Confederation (ITUC) was therefore directly involved in negotiation process, something that is not always guaranteed at the UN. Often, all civil society actors are grouped together, making it difficult to focus specifically on issues relating to workers (ITUC Interview²). ITUC decided to focus on the inclusion of the ILO's Decent Work Agenda during the negotiations.

Indeed, the ILO had been working on including the DW agenda in the SDGs for a long time leading up to the post-2015 negotiations (ILO Interview³). Though DW was nominally included in the MDG review in 2007, the SDGs truly represent a more thorough engagement with the agenda and aspects of its four pillars (ILO Interview). The four pillars of DW are standards and rights at work, employment creation and enterprise development, social protection and social dialogue.

A more holistic agenda?

The outcome of this more open process and change in the overall perspective lead to a development agenda that included a stronger focus on inequality, decent work and labour rights. Of particular interest here is the inclusion of Goal number 8 which states:

² 'ITUC Interview' represents the data collected during three key informant interviews with ITUC staff on the SDGs and Global Supply Chains. Interviews were conducted in March, June and July 2016.

³ 'ILO Interview' represents data collected in two interviews conducted with senior ILO officials in March and June 2016.

“Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”

Although there was an almost unanimous support for inclusion of ‘decent work’ in Goal 8 – and a number of other references to decent work throughout the agenda – including targets related to all four pillars was difficult. In particular, a reference to freedom of association and collective bargaining rights – social dialogue – were a non-starter (ITUC Interview). Furthermore, Target 8.8 only provides a general reference to ‘labour rights’, because a number of States objected to the inclusion of ‘Core Labour Standards’ or ‘ILO International Labour Standards’ (ibid).

Nevertheless, the inclusion of the DW Agenda and reference to labour rights shows the consensus has shifted away from an understanding of development based entirely on economic growth (ILO Interview). This consensus, of course, was also forced through the global economic crisis and the large industrial tragedies that occurred in Pakistan and Bangladesh in 2013. Directly linking decent work and labour rights to economic growth was an attempt to not leave the economic growth target unchecked (ITUC Interview), though not universally popular amongst ITUC affiliates, it ensured that the development agenda based on economic growth would only exist in the context of decent work and the promotion of labour rights.

The SDGs and Neoliberal Development Paradigm

Critics say that the SDGs, however, continue to fail to address the root causes of poverty and inequality especially by not addressing the responsibility of powerful actors (Reddy and Harvold Kavangravan 2015) and omitting any discussion of conflicts or contradictions between different goals (Koehler 2015).

A focus on development through growth and trickle-down economics has shifted to one that is still, as discussed above, based on standard perceptions of economic growth but now also includes focus on workers’ rights, gender equality and economic inequality amongst others. The problem is that the SDGs continue to ignore the root causes of these inequalities and thus fail to critically engage with the economic system that is supposed to deliver this ‘inclusive growth’. The SDGs remain based on the implicit assumption that economic growth will lead to societal progress (Adam and Tobin 2014). Goal 8 connects the protection of labour rights

with economic growth, though provides no critique as to their relationship. It also emphasises the support mechanism for capital while staying silent on those for labour leading to a reiteration of a capital-centric approach to development (Sexsmith & McMichael, 2015).

So, although on paper the SDGs do seem to represent a new agenda, moving away from trickle down economic growth (as can also be seen by the inclusion of a goal on inequality), their practical implementation may not (ITUC interview). In particular, the support documentation – the Action Plan on Development Financing for example – contradict many of the normative goals (ITUC Interview).

Power, Growth and Global Supply Chains?

Most crucial for labour is the fact that the Goals and targets do not mention workers' freedom of association and collective bargaining, two core labour standards and pillar of the Decent Work agenda. Although, Freedom of Association (FoA) and Collective Bargaining (CB) rights have made it into the Agenda through the statistical indicators used to measure Target 8.8 it is important not to underestimate the importance of this omission in the list of targets. FoA and CB rights provide a voice to labour, which suggests a social democratic approach to development (Selwyn, 2016) as oppose to a purely state or market led approach.

Undermining these rights shows that the international consensus is clear against such an approach and does not value FoA or CB rights, and therefore workers as autonomous and active agents. We identified power relations and the agency of labour in Global Supply Chains as a core characteristics of development. The SDGs failure to include the Decent Work pillar on social dialogue – the one pillar specifically engaging with unequal power relations – illustrates their failure to be a transformative agenda for labour.

The SDGs continue to rest on the contemporary development paradigm which regards labour as a simple input into a process of capital accumulation. They do not challenge the underlying asymmetric power relations and continue to rely on traditional perceptions of economic growth. Furthermore, the lack of critical awareness of the root causes of poverty, particularly in Global Supply Chains poses a major stumbling block for the realisation of labour rights and inclusive economic growth as envisaged by the SDGs.

Nevertheless, the SDGs and their implementation can provide platforms for the global labour movement to cement their position within global development discourse and practice. The SDGs, more than their predecessors, show contradictions and cracks in its ideological coherence. This is partly the outcome of the wider process and the inclusion of ITUC and others in the negotiations at the UN. These cracks in the dominance of neoliberal development paradigms can provide strategic space for national and global labour movements. How the SDGs and their implementation may provide valuable opportunities for the global labour movement will be explored in the next section.

Transformative Potential for Global Labour

Despite their shortcomings, the SDGs can still provide an important tool for international and national trade unions (ITUC Interviews). If national unions can find the relevance of the SDGs in their day-to-day they can become an important platform to push for greater respect for labour rights (ITUC Interview). They also provide the opportunity for unions to input into national development strategies – as all countries are supposed to develop national action plans on sustainable development. Furthermore, the ILO is strengthened through the Agenda (ILO Interview) which, although it has its own limitations in what it can offer the global labour movement, will be a positive development for unions (ITUC Interview). The indicators for the SDGs, some which remain under negotiation, may also prove an important tool. In order to for the SDGs to be a platform with transformative potential, the global labour movement will have to push for a progressive implementation of the Agenda.

Decent Work in Global Supply Chains

We argue here that one of the possible ways in which labour can use the SDG framework to push past the SDGs' own limitations are the ongoing ILO discussions on Decent Work in Global Supply Chains. As we have argued above, GSC are a systematic component of the growth and capital led development paradigms and any attempts to put labour at the centre of these chains could significantly improve working conditions and labour rights. Although the SDG process and GSC discussions have largely been treated separately by the ILO and the Trade Union movement (ITUC Interview), the GSC discussion could be crucial to guarantee a progressive and successful implementation of the SDGs.

This ILO discussion is important for two reasons: a) they have provided a platform through which to address systematic aspects of exploitation and decent work deficits in contemporary development theory and practice, and b) they are providing an opportunity to redefine the global industrial relations framework in a way that challenges the underlying structural power imbalances. Two aspects key to a transformative development paradigm for labour, as we have argued above.

The ILC discussions have shown that these possibilities are a source of contention within the ILO, precisely because a new global standard on Global Supply Chains could, more than the SDGs in and of themselves, challenge the dominant development paradigm.

GSC as systematic exploitation

During the ILC discussion it very quickly became clear that employer representatives and workers' representatives were/are disagreeing over the role of global supply chains in delivering developmental outcomes and the dynamics within global supply chains that lead to so called 'decent work deficits'. The employer group clearly and repeatedly stated that GSCs provided benefits to workers and attempted to use academic evidence to show that wage premiums occurred in firms involved in cross-border supply chains. The employer spokesperson repeatedly referred to cross-border supply chains, as opposed to Global Supply Chains. This was an attempt to reframe the discussion in terms of the effects of export and import on production firms, as opposed to evaluating the responsibilities of global multinational capital for working conditions across their global supply chains. It was a pillar of the wider employer argument that Global Supply Chains do not lead to systematic exploitation of workers and that no dynamics across these chains are unique. Decent Work deficits simply occurred due to a lack of national enforcement of laws compliant with ILO standards. Furthermore, the employers argued that if any global dynamics are important these are covered under the UN Guiding Principles on Business and Human Rights. These voluntary Guiding Principles outline the extent to which private companies are responsible for any consequences of their actions.

The workers group clearly held against the attempts to remove all global analysis from the discussion and attempted to show that global supply chains exhibit fundamental power dynamics that cause decent work deficits. GSCs are core to modern production and service provision and lead firms disproportionately benefiting at the top of these chains.

Global Supply Chains, the power relations they represent, are not compatible with “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” (SDG Goal 8). In many least developing economies growth has been predicated on the exploitation of low paid and low skilled workforce, working in factories embedded in global supply chains. In Cambodia, for example, the economy is heavily reliant on the continuous growth of the garment industry to drive its steady 7% annual GDP growth. An industry marred with rights violations and low wages for decades.

Moving towards ‘global’ standards and a ‘global’ industrial relations system

The general discussion at the 105th ILC is remarkable also because it represents a different approach to ILO procedure. A standard on global supply chains, as envisaged by the workers’ group, would go beyond a traditional ILO instrument. ILO standards are typically international standards that are applied nationally. An instrument on Global Supply Chains would have to be a global standard - one that addresses cross-border relationships and the actions of firms and employers in multiple different national jurisdictions simultaneously. The only comparable instrument is the Maritime Labour Convention (MLC), frequently cited by the workers’ representatives as the sectoral precedent, which can and should be extended to all sectors operating in a governance vacuum.

The idea of a ‘global standard’ was vehemently opposed by the employer group. Arguing that Global Supply Chains do not operate in a governance vacuum as all production or service provision occurs within a national boundary and is therefore subject to national legislation. Existing ILO standards, therefore, were fully capable of addressing any ‘decent work deficits’ within global supply chains.

This notion of a ‘global’ rather than an ‘international’ standard is contentious also because it challenges the existing ILO tripartite structure. An instrument on Global Supply Chains, would heavily focus of the most powerful actors within the chains – the global brands and retailers ultimately offering the service or selling the products on their shelves. These lead firms would become central to the discussion and implementation of a standard across global supply chains. The lead firms would be ascribed a role for labour standards in jurisdiction where they may not have any formal employment relationship. Where they are not represented through any national employer organisation and where, in fact, their interest

clash with those of the national employer organisation. The national and by extension international employer organisations represented at the ILO may therefore not represent a key ‘employer’ or ‘tripartite partner’ in Global Supply Chains.

Though in reality this is already the case, with large global fashion brands partnering with the global unions on international framework agreements and partnering with donor governments to support ILO projects in the large manufacturing hubs of South East Asia, Africa and Latin America.

The GSC Discussion took almost ten years to reach the ILC. For nearly a decade the employer group and many states within the governing body refused to allow the discussion to go ahead (ILO Interview). Only a large scale industrial catastrophe killing over 1100 workers when Rana Plaza collapsed in Bangladesh, meant the discussion would eventually appear on the agenda. The GSC discussion posed, and continues to pose, a challenge to traditional perspectives on development and the responsibilities of capital. The discussion also threatens to move the ILO away from simplistic understanding of national enforcement and towards a more ‘global’ view of tripartite governance.

By suggesting that workers’ rights violations are fundamental to Global Supply Chains and arguing that they needed to be regulated in some way, worker’s representatives at the ILO essentially argued that the predominant development framework creates systematic violations and needed to be regulated. The discussion, therefore, outlined the inherent contradictions within Goal 8. As long as growth is perceived in traditional terms, it rests on systematic and sustained violations of workers’ rights and therefore cannot be conjoined with the promotion of decent work for all. In order to move beyond these contradictions a thorough analysis of the root causes of poverty and exploitation need to be conducted. In a development paradigm based on traditional growth models these root causes can be found within Global Supply Chains. An ILO instrument could hence be a welcome tool for the labour movement and crucial to the implementation of the SDGs.

Measuring and Monitoring Sustainable Development

One of the key opportunities that has emerged from the research is the possibility of unions playing a key part in the monitoring process of the SDGs. Influencing the development of national strategies for sustainable development and contributing to the national reviews as

well as the High Level Forums at the UN can provide space for the labour movement to continue to question the orthodoxy. In particular, measuring improvements on those Goals that the ILO is primarily responsible for will include a strong worker supervisor role.

Global Labour Rights and Sustainable Development through Global Supply Chains?

We have argued that the SDGs and Agenda 2030 as adopted by the UN General Assembly in 2015 do not represent a transformative development agenda for global labour, as the SDGs fail to critically engage with the underlying power relations in the global economy and continue to advocate for a traditional capital-led development paradigm. Nevertheless, through the interviews and observations conducted for this project we conclude that some international initiatives by the global labour movement can benefit from the SDGs and that, despite their intrinsic shortcomings, a progressive implementation of the SDGs can help the global labour movement cement its position and provide tools to further its campaigning.

We have argued that contemporary development and practice continue to be based on the neoliberal policies that systematically empower capital at the expense of labour. These policies have led to the expansion of Global Supply Chains and further skewed the ability of workers and workers' organisations to actively shape their own futures, improve their conditions and wages. The SDGs failure to actively address the power imbalances through the strengthening of Freedom of Association and Collective Bargaining rights further illustrates their failure in being a transformative agenda for global labour. From the perspective of the SDGs labour continues to be an input into development process and workers passive recipients of the benefits of economic growth. Albeit through better working conditions. Workers and their organisations are not, however, seen to be active agents of national and global development.

Nevertheless, the SDGs are the outcome of a much more wide ranging consultation and as a result do not represent the same ideological coherence than its predecessors the MDGs. These cracks provide an opportunity for the global labour movement. Using, for example, the ILO which has been strengthened through the SDG process to push discussions on the systematic exploitative nature of Global Supply Chains or the SDG indicators and monitoring structure to position trade unions at the core of global development discourse can help overcome the SDGs own internal shortcomings.

Funding

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