The social dimension of globalisation

2005/2061(INI) - 15/11/2005 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-intitiative report drafted by Mihael **BREJC** (EPP-ED, SI) on the social dimension of globalisation (Please refer to the summary of 05/10 /2005.) Parliament stated that although globalisation has many positive aspects, the process of globalisation is generating major economic and social imbalances both within and between countries, which is a matter of intense social concern, given the high unemployment and poverty afflicting large sections of society throughout the world. Globalisation increases the gulf between rich and poor. The economy is becoming increasingly global and politicised, and regulatory institutions remain largely national or regional, and none of the existing institutions provides democratic monitoring of global markets or redresses basic inequalities between countries.

Parliament felt that globalisation must be a process with a strong social dimension based on universally shared values, respect for human rights and individual dignity, and must be fair, inclusive and democratically governed, provide opportunities and tangible benefits for all countries and people, and be linked to the Millennium Development Goals (MDGs). The EU can make a significant contribution to this process through both its internal and external policies, through its social model and its development at international level and through the encouragement of global cooperation based on mutual respect, constructive dialogue and recognition of our common destiny.

Globalisation should mean not just that the EU can sell more outside Europe, but that third world countries should be enabled to sell more to the EU in order to boost their growth, employment and social inclusion levels. The Common Agricultural Policy will need to be reformed if this aspect of globalisation is to be delivered and if the "Make Poverty History" campaign is to enjoy success.

Parliament called for social rights and social dialogue, human rights and the primacy of law, and the protection of the rights of the child, in particular the right to education, to be accorded greater importance in the EU's various external programmes. The Commission must ensure, through bilateral agreements, that the Core Labour Standards are respected, in order to ensure humane working conditions and avoid abuse of women and children in the countries concerned.

The Union should use its bilateral relations to promote the recommendations of the WCSDG so that jobs which are moved off-shore or relocated outside the EU do not end up being performed in sweat shops in the third world, but, instead, jobs of high quality are created which help to improve the lives of workers and their families in the countries concerned. The Commission is asked to review all its existing bilateral agreements, particularly Economic Partnership Agreements and Fisheries Partnership Agreements, to ensure that they are fully consonant with the MDGs and the principle of sustainable development.

Parliament welcomed the Commission's proposal that the Commission, the Council and the Member States seek to attain observer status for the ILO at the WTO with a view to improving the quality of interinstitutional dialogue. Decent work in line with the ILO's Decent Work Agenda should be made a priority issue at national, EU and global level.

Parliament went on to state that the EU's partnerships should incorporate a social pillar, covering, among other things, labour standards. It expected the Commission to use EU funds in order to overcome negative results and open new perspectives for the more sensitive regions and industrial sectors and weaker groups of employees. The Commission must also take adequate measures to stop companies relocating for the sole reason of obtaining structural or other funds and demands a systematic review of whether long-term objectives in the distribution of such funds are being met.

Furthermore, the social dimension of globalisation argues for a reform of the WTO regime. WTO agreements must be evaluated in the light of their economic, social and environmental impact, and the 'necessity' tests in the Technical Barriers to Trade and other Agreements need to be replaced by 'sustainability' tests.

Parliament agreed with the Commission that the private sector and private initiatives, the formation and mobilisation of joint interest groups and global measures by various social bodies (for example NGOs) can make an important contribution to promoting good social governance. It welcomed the Commission's support for the OECD Guidelines for Multinational Enterprises which set benchmarks for responsible business conduct. The social and environmental responsibilities of multinationals should be clearly established, and EU action in this area should be stepped up.

Parliament invited the Commission to put forward a proposal on social labelling, based on criteria such as compliance with human and trades union rights, the working environment, training and development of employees, equal treatment and social and ethical consideration for employees and citizens in the surrounding community.

Finally, Parliament looked at migration policies, which are increasingly designed to meet the needs of domestic labour markets. It insisted that migration policies must be based on the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.