Speech by Juan Somavia, Director-General of the ILO, to the 9th Basic Income European Network Congress¹, September 13

I would like to welcome you all to the ILO, and in particular His Excellency Dr. Pascoal Manuel Mocumbi Prime Minister of the Republic of Mozambique. We are very honoured that you have found time from today’s pressures of the affairs of state to join us in looking over the horizon at what might become the affairs of tomorrow’s state.

I would also want to thank Mr. Unger, who is here on behalf of the city of Geneva, for joining us. La Genève Internationale is a unique place; ideal for meetings to compare different national experiences and discover that we can all learn from each other and sometimes come up with a common approach. Your presence, Sir, gives me the chance to say how much we appreciate the invaluable support of your city and your country to the ILO and to BIEN.

We are happy to host the BIEN Congress here in the international parliament of labour, especially as the subject matter is so close to our hearts - income security as a right. Just glancing at the rich agenda and the impressive set of technical papers is enough to assure me that your deliberations are central to the ILO's interests and mandate. I am personally very excited with your meeting.

We live in an era of profound social and economic insecurity, which is affecting people of all walks of life in all parts of the world; a world of benefits for a few and diverse forms of uncertainty for everybody. This is dangerous for us all and cannot be allowed to continue.

We all know that you can control the expressions of social insecurity by suppressing the symptoms. That’s what dictatorships do. I come from Chile. I've lived through it. Or you can decide to tackle the underlying causes. That's what democracies should do. That is what we must demand from our political leaders and policy makers.

And one of the most fundamental underlying causes is a lack of economic security, epitomized by pervasive poverty and growing inequality of income and wealth fuelled by a model of unequal globalization. Unfortunately, many democracies in rich and poor countries either cannot or do not want to act in a forceful way. Too much lip service – too little action. Nothing like enough is being done around the world to reduce poverty and inequality.

Some are handcuffed by external conditionalities, others by the decision not to tackle unequal distribution patterns. Latin America is an example of both. Others still, are so enamoured with market fundamentalism that they simply cannot imagine solutions beyond the narrow limits of neoliberal economic thinking.

I have just come from the World Summit on Sustainable Development in

¹ For more information on BIEN and the Congress see BIEN's website (www.basicincome.org)
Johannesburg. It was a difficult conference at the end of a difficult preparatory process. But it was addressing the right question: how should the world integrate social, economic and environmental policies to achieve sustainable development.

Answering that question puts distributional issues at the heart of national and international agendas. The global preoccupation with uncertainty and insecurity obliges us to refocus on how to narrow the gap between the “have nots” and “have lots”.

But there are no one-size-fits-all solutions. Policies must reflect a basic understanding of the dynamics of people, societies, cultures and democracy that governments and societies have to contend with in very different settings.

This is one reason why the ILO established a World Commission on the Social Dimension of Globalization. Co-chaired by two serving Presidents, Tarja Halonen of Finland and Ben Mkapa of Tanzania, it brings together 25 eminent individuals from different walks of life and regions of the world. They are creating a space to meet the need for new thinking and new policies. At present, the Commissioners are conducting a series of consultation meetings to gather in views from a wide range of perspectives.

The goal of the Commission is to generate ideas for change that can make the process of globalization more inclusive, and widen the sharing of its benefits. The sorts of ideas being explored in this Congress are directly relevant to its deliberations and I will make sure your ideas feed into its work.

And that leads us to rights, because strengthening rights is what drives the human community forward. Those rights must include economic rights, which were given rather inadequate attention in the past 50 years. We in the ILO are promoting a new concept, which we call *Decent Work*. It is based on respect for workers’ rights, adequate social protection, employment and enterprise creation and social dialogue. This is much more than a slogan. It is about giving 21st century meaning to an old (and often misused) idea, namely *the right to work*.

After all for most individuals and for society as a whole it is through work, - and work that is accomplished in conditions of freedom, equity, security and human dignity, - that people can rise out of poverty, earn a decent living and relate to society and the environment in a truly sustainable way. People need the chance to work themselves out of poverty. But unequal globalisation produces inequality of opportunities.

To escape this global poverty trap, people need security. The security that comes from going to bed at night, knowing that you and your family are not going to wake up hungry and humiliated the next day. It is the security of knowing that by applying yourself, by learning and developing capabilities, you will have a good opportunity to work productively and earn at least enough income to cover the basic necessities.

Your studies have demonstrated that economic security is an essential foundation for responsible citizenship. It fosters self-confidence and the sense of social solidarity that makes for strong communities and creative work. We have all seen how the absence of economic and social security leads to desperation and the temptation to
act destructively. Sustainability, the goal of the Johannesburg Summit, depends on answering people’s need for security.

And in that respect, what you in BIEN are doing to advance a new vision of universalism and social solidarity through a rights and basic income approach is making a direct contribution to our work to enlarge the concept of social protection. This is a theme particularly dear to my colleague, Assane Diop.

Decent work, of which social protection is a main pillar, is a concept that relates directly to the realisation of economic and social rights and responds to a common demand that people in all countries are systematically putting on political systems – election after election

The choice of the words “Decent Work” is deliberate to show that the ILO is concerned with all forms of work, not just wage labour, although that remains a fundamental concern. Informal working arrangements are everywhere. And we all rely on the care work of others. This has been historically the domain of women. I think by legitimising it and valuing it in the same way as other forms of work, we will help break down the sexual division of labour and give care-workers the same security and rights as those possessed by others in society.

Your Congress is all about how to globalize basic security and social solidarity. But if we are successful it is also about how to inject consumption capacity for people living in poverty that could kick-start a morose global economy. A dream perhaps, but would it be impossible to develop sound economic ways of just adding an additional dollar a day to the incomes of the 1.2 billion people, a fifth of the world’s population, who currently survive on only a dollar a day or less?

This could also provide an economic rationale for a global basic income strategy. It would result in a strong non-inflationary demand for goods and services to satisfy basic needs and thus stimulate local enterprise development and job creation.

I would like to conclude this welcome by telling you that as Director-General, I want this Organisation to be a listening and a disseminating body - a modern organisation that helps to facilitate the exchange of great new ideas and help our constituents employers, worker organizations and governments -to reflect on new possibilities. New ideas to promote freedom and development, and practical ways of implementing them, are what we need to make the ILO and other international organisations relevant to the needs and hopes of individuals and their families.

I urge you to be creative intellectually, innovative and demonstrate that out-of-the-box policy thinking is one of the best avenues we have for a more stable and secure world for everybody.

The moment may be nearing when your ideas will become common sense.