



International Strategy of LO Sweden 2021–2025



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Summary

THE SWEDISH TRADE UNION CONFEDERATION (LO) and its affiliated national unions have drawn up this international strategy for 2021–2025. The strategy determines the focus and highlights the priority objectives LO has for international activities in the relevant period. As a complement to the overall strategy, more specific policy documents are added to guide LO's work in regions and in development policy. The international strategy equally refers to LO's overall objectives.

The strategy is based on the power imbalance between labour and capital in the global arena. The strategy sets the goal for workers in the global labour market to be covered by fundamental trade union rights and rightfully take a greater share of the globalised economy's added value.

This is to be achieved through global solidarity work in existing formal and informal structures. The focus is on achieving a balance between labour and capital in collaboration with relevant organisations through a sustainable transition process.

The strategy will be evaluated and updated jointly with the affiliates annually, in connection with preparing operational plans. The priorities of the strategy will guide LO and its affiliates in our daily international work. The strategy will be complemented by LO's EU policy programme.

LO's international mission and purpose – vision

THE FUNDAMENTAL MISSION of the Swedish Trade Union Confederation (LO) and its affiliates is based on the membership, their everyday situation and the needs of working life. A working life that should include secure jobs, good terms of employment and working conditions, a secure and safe working environment, opportunities for development in the job and influence over one's own work situation.

LO's international work is based on respect for fundamental rights such as the right to establish free democratic trade unions, a secure and safe working environment and the ability to influence one's working life. LO and its affiliates work to ensure that states and companies respect national and international regulations that are to guarantee workers' fundamental trade union and human rights, both in working life and in society.

LO's international strategy 2021–2025 – decision-making procedure

The strategy serves as guidance for representatives of LO and its affiliates and for the focus of activities in organisations for cooperation such as Union to Union, the Olof Palme International Center, and in other organisations and contexts where LO is represented.

The strategy has been given support through a drafting process with representatives of the affiliates. LO and its affiliates decided to form a strategy at a meeting of the LO International Committee in autumn 2019, prompted by a forthcoming motion to the LO Congress in 2020. The strategy document has also been processed via the LO Inter-Union Council and the LO International Committee acted as a reference group.

Regional orientations for China, the EU, development cooperation and LO's environment and climate policy programmes are linked to the international strategy. The strategy will also be updated with an organisation chart.

The strategy should be a living document that forms the basis for activities and is agreed on annually by the LO International Committee.

LO's international strategy – current situation

In 2006, LO formulated the last international strategy that has been supplemented by operational plans and follow-ups adopted by the LO Executive Council.

The increasingly rapid changes in our external world are making new and increased demands on our international work, which is a necessity if we are to continue to be relevant as a trade union organisation representing our members' interests and needs.

International competition, conservative and right-wing populist governments with strictly market-oriented policies are increasing their influence, which increases the international stress and pressure on collective bargaining, wages and working conditions. New initiatives and actors in civil society challenge the role of LO and its affiliates in international work. This

requires LO and its affiliates to develop strategies and priorities to ensure that international work continues to be effective and successful.

The members of LO affiliates are affected by globalisation, and a growing number are working in internationally competing businesses. Corporate management strategies have led to more business being outsourced to suppliers in an endless chain. Global production chains constitute a growing share of the world's production. Employment security and workers' conditions are under pressure and challenged by companies' constant pursuit of new markets, lower costs and higher returns. This results in social dumping, workers being set against workers and forced to compete with each other. When solidarity is challenged and put to the test, it means major challenges for trade unions and demands for socially sustainable globalisation.

Globalisation drives economic development. World trade is growing and developing countries account for more than half of global economic growth, which is also increasing. Globalisation risks leading to unsustainable exploitation of natural resources, increased environmental problems, growing gaps between the poor and the rich, accelerated by companies and their operations moving to countries with low wages and poor working conditions.

The negative effects of globalisation through distorted economic distribution risk leading to increased political and economic polarisation where formerly traditional jobs with good conditions risk being lost and replaced by more precarious jobs. The lack of inclusion leads to a fragmented trade union movement that is challenged internally and externally to achieve the objectives of the trade union struggle.

The global and national trade union movement is facing major challenges that should be solved through joint commitments and priorities.

Global risks

- Governments and businesses lack respect for fundamental trade union rights. The majority of the world's workers live in countries where free trade unions are either prohibited or consistently opposed by states and companies.
- Informal sector – only about 40¹ per cent of the world's workers have a formal employment contract.
- Inequality – overall, the proportion of gainfully employed women is only 48 per cent. The corresponding figure for men is 75 per cent.²
- The majority of women in the labour market work in value-discriminated occupations. Value discrimination does not affect individuals, unlike other forms of discrimination, but affects entire occupational groups in the labour market. This means that employees in these occupations perform a job for a lower salary and with worse conditions than employees in corresponding male-dominated occupations.
- Inequality – 82 per cent of wealth growth goes to the richest percentage.³
- Collective bargaining under attack – about 80 per cent of the world's countries do not respect the right to negotiate collectively.⁴

¹ https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_627189/lang--en/index.htm

² ITUC

³ ITUC

⁴ ITUC

- 59 per cent of the global labour force does not earn enough to meet their basic needs, a “living wage”⁵
- Climate change hits the world’s poorest workers hardest, but also poses a significant threat to increased equality and economic development for all workers.
- Tax evasion and tax havens undermine societies’ conditions for development – the global tax revenue shortfalls are estimated to be between USD 100 and 240 billion, according to the OECD.
- Companies’ increasingly complex production chains challenge the possibility of guaranteeing good and secure working conditions.

The global risks form the basis for some of the challenges faced by the global trade union movement. In order to achieve a desired situation, the trade union movement needs to develop and strengthen the already ongoing work to meet the rapid changes in the market to achieve equality and influence.

Organisation and mobilisation

The starting point for LO and its affiliates is to influence working conditions and societal development on the basis of strength of membership. Trade union density is as fundamental to influencing working conditions in the national arena as in the global labour market. The global trade union movement is represented by the ITUC, which organises about 200 million workers in 163 countries through 332 national central organisations.⁶

The global workforce consists of about 2.9 billion⁷ people in the formal and informal economy. This means that the organised labour force constitutes a very small part of the total labour force. To be representative and able to represent the interests of workers, massive efforts are therefore required to raise membership in order for the global trade union movement to be legitimate.

At the same time, the right of free association is being increasingly challenged in more and more countries. This is shown for example in ITUC’s Global Rights Index.⁸ LO’s work within the ILO involves contributing to more countries ratifying and implementing the core conventions that are necessary for building union capacity and are therefore of fundamental importance.

The balance of power between work and capital in the global labour market is at risk of developing increasingly unequally. When groups are set against each other in the international labour market, the conditions for LO members are also affected.

The organising expertise of LO and its affiliates is therefore an important contribution to increasing the membership base internationally and thus equalising the balance of power between labour and capital. LO should also be able to contribute to the development of formal systems for membership recruitment, social dialogue such as a collective bargaining model, organisation of unemployment benefit through the Ghent system⁹ and insurance solutions.

5 ITUC

6 <https://www.ituc-csi.org/about-us?lang=en>

7 <https://www.ituc-csi.org/organising-602?lang=en>

8 ITUC Index 2019

9 https://www.lo.se/start/politiska_sakfragor/arbetsloshetsforsakring/gentsystemet

The role of LO and its affiliates in existing structures

Trade union structures

LO cooperates with its affiliates to coordinate international work. LO also cooperates with the Confederation of Professional Employees (TCO) and the Swedish Confederation of Professional Associations (Saco). The aim is to give Swedish workers a clearer and stronger voice in international politics. LO also cooperates within the Council of Nordic Trade Unions, NFS. When the Nordic trade unions join together, 9 million workers are represented¹⁰, which corresponds to the world's 12th largest economy.¹¹

LO is active in the ETUC (European Trade Union Confederation) and the ITUC (International Trade Union Confederation). For LO, the ITUC is an arena that provides an opportunity to influence global policy, formal structures and to participate in global summits. LO's role in the ITUC is to be a progressive stable partner for long-term development. LO's resources contribute to the development of the ITUC as an organisation, both internally and externally. The international work of the national unions takes its cue from the industry-specific global union federations, known as GUF. It is of great importance that the ITUC and the global union federations (GUF) coordinate their work and that priorities are made to promote Swedish interests. For this to be possible, it is of great interest to the Swedish trade union movement that these various international bodies are represented by prominent trade union leaders from Sweden.

¹⁰ <http://www.nfs.net/om-nfs/nfs-medlemsorg.-6039813>

¹¹ <https://www.svt.se/nyheter/utiset/svenska/norden-ar-varldens-tolfte-storsta-ekonomi>

Formal structures and tools

ILO

The UN labour organisation, the ILO, is a tripartite body in which representatives of employers, trade union organisations and governments gather. The ILO Conventions are legal and political tools that regulate fundamental human rights in working life, both in Sweden and globally. The ILO's eight Core Conventions are universal and binding on Member States. Despite the fact that most countries in the world have ratified these and many other ILO Conventions, compliance is often deficient. The major challenge to the trade union movement as a whole is to drive developments in a positive direction in collaboration with progressive forces. Sweden should urgently ratify relevant ILO instruments.

OECD Guidelines for Multinational Enterprises

LO works with the OECD Guidelines for Multinational Enterprises and the UN Framework for Business and Human Rights, which are valuable tools in trade union work to improve human rights and conditions in working life. LO and its affiliates are part of the National Contact Point, NCP, whose purpose is to report companies that violate the intentions of the Guidelines and to provide information and increase knowledge of the guidelines. LO considers that the NCP should be given increased resources. LO participates in the work of TUAC (the Trade Union Advisory Committee to the OECD) to develop the guidelines. There are increased demands that the Guidelines should be changed into law, nationally, in the EU and the UN. LO takes the view that this should be investigated and be based on existing international and national tools for the regulation of companies and human rights.

Global Deal

The Global Deal is an initiative launched by Sweden with the aim of strengthening relations between the parties in the labour market through the social dialogue, in order to achieve good working conditions. The Global Deal is based on the Swedish experience that sound, well-developed relations between the social partners are a requirement for establishing decent working conditions and good business development, as well as promoting sustainable social development. The Global Deal is run by an office within the OECD in Paris, together with the ILO. LO and its affiliates have carried out several activities in the spirit of the Global Deal, including an international concept called Let's Talk, which provides the opportunity for workers, employers and representatives of governments and relevant actors in civil society to develop forms of social dialogue in their local environment.

The UN and the 2030 Agenda for Sustainable Development

LO acts within the UN and its organisations to promote the work of LO and the international trade union movement. This is done through cooperation within ITUC. LO and its affiliates participate in meetings and conferences

on important issues such as climate, gender equality and the right to clean water. LO and its affiliates also work in relation to the UN business network, the Global Compact.

The 2030 Agenda for Sustainable Development is the UN's global agenda that seeks to end poverty and hunger, realise the human rights of all, achieve gender equality and the empowerment of all women and girls, and ensure the lasting protection of the planet and its natural resources. LO is encouraging the Swedish Government to put the agenda into practice, both nationally and internationally. The Global Goals are integrated, indivisible, and balance the three dimensions of sustainable development: economic, social and environmental. The Agenda's 17 development goals have been developed over several years in broad consultation with states, authorities, organisations and the general public. The trade union movement actively participated in both the preparatory work and the negotiations, nationally and internationally. For LO, Goal 8 on sustainable economic development and decent working conditions is particularly important, together with Goal 5 for gender equality and Goal 10 for equality to balance the globalised economy by implementing the ILO's Decent Work Agenda.¹² Based on their specific activities, the national unions have prioritised additional goals within the 2030 Agenda. LO contributes to the strategic work of the ITUC within the UN to influence sustainable development.

¹² <https://www.regeringen.se/4adaeo/contentassets/cb8468ff12924bd6b8d24e077913419f/landsorganisationen-i-sverige.pdf>

LO's and its affiliates' development cooperation

Development cooperation

LO's and its affiliates' development cooperation, which is mainly carried out with financial support from Sida (Swedish International Development Cooperation Agency), is an important tool for achieving their ambitions in international work.

All projects carried out by LO and its affiliates are to be based on strengthening the organisations that we cooperate with. Implementation of fundamental trade union rights (the right to organise and negotiate collectively) is therefore always a central part of the projects, regardless of whether the theme of the projects is organisation, capacity building, implementation of social dialogue/cooperation between social partners, work environment issues, negotiation techniques, legal competence etc. The gender equality perspective permeates all project activities LO conducts.

The need for support through trade union development projects is great and exceeds the capacity and resources that LO and the affiliates have. This applies to personnel resources as well as internal and external financial resources. The focus and strategic goals of the development projects are governed by the priorities of LO and its affiliates. The projects are to contribute to sustainable development for our trade union partner organisations in the countries and regions that LO and its affiliates prioritise.

In order to legitimise development cooperation, it is also important that LO's and its affiliates' individual projects have clear feedback to their members and their everyday lives, for example by counteracting exploitation and social dumping.

There is also reason to strengthen coordination between LO's and its affiliates' development cooperation in order to seek and benefit from synergies.

LO and its affiliates form development cooperation partnerships that are channelled through Union to Union or via the Olof Palme International Center, which coordinate the project applications.

Financial support plays a central role in enabling unions to be change agents and thereby contribute to poverty reduction and to strengthen development of democracy. The support is threatened by right-wing and not least nationalist forces, as shown by the experiences of our Nordic neighbours. Consequently, it is of central importance to find alternative financing opportunities to ensure long-term and stable international solidarity work.

LO and its affiliates in relation to civil society

LO and its affiliates are parties in the labour market. This gives a unique position and mandate to influence employer organisations, businesses, workplaces and politics. It is a position that needs to be constantly developed and defended. The position as the most representative organisation for workers gives access to inclusion in formal structures such as the ILO, OECD etc.

A number of civil society organisations operate within the international work. Most of these organisations pursue issues that are close or parallel to

the international activities of LO and its affiliated national unions. LO and its affiliated unions should affirm their special status as a party in the labour market while each individual case requires an assessment as to whether cooperation with a civil society organisation can benefit their membership.

The Swedish trade union movement with LO and its affiliates at the forefront has for a very long time seen other civil society organisations (CSOs) as strategic partners but also to some extent as competitors. Based on the international strategy, LO and its affiliates should review the organisations that it may be strategic to collaborate with to achieve their set goals, but also use this interaction to reach out to a wider Swedish public about conditions in the global labour markets.

Several national unions are already cooperating with many civil society organisations just as the global union federations also work strategically with global CSOs. Collaboration based on clear roles, where CSOs review development and the trade union organisations, with their unique role, negotiate agreements, is a tool for incorporating LO's and its affiliates' strategic international goals.

It is also evident that some CSOs want to take on the trade union role, while there is a tendency for multinational companies and even states to cooperate with CSOs rather than develop a social dialogue with their employees or their trade unions. When this happens, LO and its affiliates should always act to get all parties to understand the unique special status of trade unions in the labour market. This is best done through long-term discussion and interaction with CSOs, which have a tendency to intrude on the trade union area.

LO and its affiliates will analyse which Swedish CSOs can provide added value to achieve the international strategy, but also how we can strategically benefit from their established channels, both in relation to the general public and to those in power.

Climate and sustainability – Just Transition – technology and digitalisation

THE MEASURES REQUIRED to reduce human climate impact vary between regions, economic sectors and individuals. A sustainable transition requires that all countries of the world jointly share the costs of changing the world's societies so that the Paris Agreement becomes a reality. Even though greenhouse gas emissions are local, international cooperation is needed to achieve sustainable, economic and socially equitable solutions. In some cases, intergovernmental financing solutions such as the EU's Green Deal and the various funds created within the framework of UN climate negotiations are also required.

It is important that international measures to reduce greenhouse gas emissions include strategies and measures for high employment rates, education, improved jobs and working conditions, and clear ways into the labour market for those who risk losing their jobs in the transition.

LO believes that the international trade agreements should contribute to reducing negative environmental and climate impacts. The world must move away from direct and indirect subsidies to activities that are harmful to the environment and the climate. This also stimulates the emergence of climate-smart businesses and jobs.

Technology development and transition to manage the climate and the environment must be done in a way that enables workers to take the new jobs created with decent working conditions. Globalisation of the economy must not mean that economically weak groups are exploited, or our environment is ruthlessly exploited to create economic growth.

A just transition consists of two parts: 1) measures to reduce greenhouse gas emissions at least to the levels of the Paris Agreement¹³ and 2) strategies for continued high employment rates with economically and socially sustainable jobs and incomes. Emission reduction must not be at the expense of people being deprived of jobs and income. At the same time, anxiety that some jobs will disappear must not be a reason to oppose demands for reduced climate emissions. Both climate and employment goals must be achieved in order for the transition to be economically and socially sustainable and fair.

Democratise the green transition

Strategies for how this should happen must be based on the challenges at each workplace. Few other tasks are as well adapted to the strategy "Think globally, act locally" as a just transition. By starting locally, those most closely affected by the transition can influence their future themselves. They can also see what a transition towards climate neutrality means for their working and living conditions. A local starting point gives increased participation and democratisation of the transition that safeguards fairness.

¹³ <https://www.regeringen.se/regeringens-politik/parisavtalet/>

LO therefore wants to support local initiatives to initiate an economically and socially just transition in this way. Through our international cooperation, we intend to:

- Increase awareness of climate challenges and requirements for a just transition
- Support efforts to organise workers in trade unions so that they can work locally on the issue of a just transition
- Support local initiatives to create a just transition
- Support national initiatives for a climate-smart industrial policy

The impact of the global economy on LO and the members of its affiliates

SWEDEN IS A COUNTRY dependent on exports. Developments in the world around us directly and indirectly affect all members of LO's affiliates. Members working in export-related and internationally competitive companies, where variations in costs, demand and supply have a direct bearing on their own production, are directly affected. Indirectly, members of LO affiliates working in companies and businesses that are more dependent on national economic development are also affected, as the export-dependent sector in the longer term affects the economic conditions in the country as a whole and wage formation in the entire labour market.

As internationalisation of the economy has increased, exchange of goods and services between nations has become cheaper and faster. New production countries with lower costs have made the products cheaper. This has given rise to composite value chains that improve efficiency but have also increased the interdependence. LO and its affiliates therefore also promote fair international competition between countries and companies. It is important that companies are met with equal conditions regarding workers' rights and that irresponsible employers cannot get away with not respecting common rules and agreements.

For workers, the development has meant that companies can relatively easily reschedule their operations, change their country of production and/or replace one group of workers with another. LO is in favour of open trade for efficiency reasons and because it creates economic growth and thus new jobs. At the same time, it is crucial that international trade takes place on equal terms. Workers' rights must always be respected and must never be seen as a costly obstacle to trade. For example, by using and developing the EU's "sustainable development chapters", we can demand good social conditions in connection with the drafting of trade agreements.

Distribution of the economic benefits of globalisation is distorted from the perspective of wage earners, which has been evident for decades, with a declining wage share in the economy in favour of an increased capital share. Capital owners and multinational corporations have power and influence by virtue of their economic strength. Where investments and employment are established is often a matter for negotiation, where workers' rights are sometimes overridden by political representatives to give a competitive advantage over other countries. The origins of trade unions as a democracy movement plays an obvious role in the work of achieving a more equal distribution of power and profits that arise in the wake of globalisation.

LO's communication in relation to international priorities

IT IS OF IMPORTANCE that communication is an integral part of the international work of LO and its affiliates. International trade union work now is not a separate part of LO's or its affiliates' work but very much an integrated part and therefore communication must also be integrated into the work through sufficient resources.

Through communication, union members and elected representatives can be involved in the work and see the need for international trade union activities. This strengthens the link to and understanding of how the international labour market and the economy affect our everyday lives. By building up and developing member-to-member communication, understanding and commitment can increase.

LO and its affiliates should develop their communication work more strategically regarding international trade union activities to naturally connect international initiatives with the affiliates' elected representatives and members. When more people understand and can take note of how global developments are linked to our everyday lives, we can in turn increase understanding of trade union work transnationally through cooperation with other trade unions, as well as advocacy and negotiation with multinational companies and states.

It should be emphasised that by being a trade union member you are also part of the world's largest popular movement. At the same time communicating our international initiatives and successes gives us the opportunity at home to bring fundamental trade union rights into focus, which today are often taken for granted in the Swedish labour market. This also includes highlighting the Swedish collective bargaining model as a platform and driver for security, development and cooperation between the social partners in comparison with other countries where the most fundamental human rights in working life have not even been ratified.

LO's international priorities – conclusion

- LO'S INTERNATIONAL WORK is based on LO's overall priorities concerning investing for equality, decent work and organise or die. To achieve these goals in international work, it is crucial that LO and its affiliates are well coordinated and proceed from their common priorities. The priorities should have increased relevance, be measurable and regularly followed up with the affiliates.
- The international work of LO and its affiliates promotes the affiliates' membership benefits.
 - The international work of LO and its affiliates must influence policy in a direction that promotes the interests of the membership.
 - LO is to develop and pursue political priorities in coordination with its affiliates in relation to relevant actors.
 - The international work of LO and its affiliates takes place in solidarity to promote democratic, equal and gender-equal global development.
 - LO's and its affiliates' development projects are carried out and based on LO's international strategy in relation to the needs that exist in the rest of the world.
 - LO and its affiliates work actively to continue to hold leading positions of trust within the international trade union movement with the aim of promoting the interests of Swedish workers internationally.
 - LO and its affiliates collaborate with civil society on relevant issues.
 - LO and its affiliates jointly pursue the issue of a just and sustainable transition.
 - LO and its affiliates implement national communication initiatives to increase commitment to international trade union issues among their members.
 - LO and its affiliates are to work actively to influence Swedish companies and employers to act so as to respect fundamental trade union rights in Sweden and internationally.

LO's International Strategy 2021–2025

– Improved member benefit through strengthened trade union influence

Focus areas

Workers' rights

- The right to organise and bargain collectively is inviolable.
- Free trade unions form the basis for achieving more and better jobs.
- Participate within existing structures to influence decision-makers.

Equality

- A global economic model that promotes economic equality.
- Fair and inclusive globalisation that promotes good working conditions.
- Democratic development for inclusion to combat nationalism and right-wing populism.

Gender equality

- A gender equality focus in all activities on which the strategy is based.
- Women's labour force participation must increase.
- Focus on women's health.
- Women's representation in trade union organisations must increase.

Climate and sustainable transition

- A fair climate and digitalisation transition.
- Sustainable economic systems.
- Participation in international climate initiatives.
- Climate and employment goals must be achieved for the transition to be economically and socially sustainable and just.

Means, Method and Tools

- Trade union political cooperation
- Collaboration
- Advocacy
- Policy development
- Development cooperation
- Communication

Follow-up and development

- Annual follow-up
- Reporting
- Development
- Process planning
- Updating



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