



Statement by His Excellency Archbishop Silvano Tomasi, Permanent Observer of the  
Holy See to the United Nations and Other International Organizations in Geneva  
at the 101<sup>st</sup> Session of the International Labour Conference  
*Geneva, 7 June 2012*

Mr. President,

The Delegation of the Holy See joins previous speakers and expresses its appreciation to Director-General Mr. Juan Somavia, as he concludes his mandate, for his precious service and his able leadership and extends congratulations to the new Director-General Mr. Guy Ryder. We look forward to a continued collaboration as the International Labour Organization addresses work and its impact on the economy and society in the best interest of every human person and for the just progress of every country.

The financial and economic crisis has generated a widespread sense of frustration as the aspiration for decent work appears to many people totally unreachable. In fact, half of the world's workers, more than a billion and half persons, hold on to a vulnerable job. More than 200 million people are officially unemployed, among them 80 million young persons. A quick recovery doesn't seem realistic. A long period of stagnation risks causing more unemployment and social instability. It is safe to say that, in recent years, several of the paradigms that we were accustomed to are no longer valid and should to be reassessed.

The first paradigm is related to what constitutes the engine of growth of the world economy. During the last 25 years more than half of world's economic growth has been contributed by the advanced economies while the emerging markets 'share has been around 40%. During the 2008-2009 crisis, on the other hand, emerging markets contributed almost 90% of world's growth and served as growth engines. The advanced economies, Europe in particular, are still struggling to deal with the debt problem inherited from the financial crisis and have not entered a solid period of recovery. The high growth of some emerging economies during the last decade has allowed the lifting of several million people out of poverty. It has been an unprecedented step toward poverty reduction. But in too many developing countries growth is not happening. In fact, in terms of per capita income, they are now as far behind advanced economies as they were thirty years ago.

The second paradigm that has been challenged by the crisis is the assumption of a "one size fits all" policy as a recipe for growth. The experience of some of the BRICS

economies shows that it is possible to consistently grow at high rates by following unconventional policies.

Mr. President, the Holy See, on several occasions and in different *fora*, has stressed that the effective idea needed to implement true development is centring it on the human person. It is by putting the human person at the centre that growth and development strategies can be inclusive and sustainable. They can be inclusive because they share this universal principle and they are sustainable because they call for the real participation of the person as the true protagonist of development. As His Holiness Benedict XVI said in the *Caritas in Veritate* "As a spiritual being, the human creature is defined through interpersonal relations."

Several important consequences follow from this premise. First of all, development needs to be employment oriented. During the last decade the world economy has not been able to create sufficient employment opportunities. In particular, the current crisis has led to a substantial increase in youth unemployment rates, reversing earlier favorable trends. That the global youth unemployment rate increased to a greater degree than the adult unemployment rate supports the classic premise that youth are more vulnerable to economic shocks. Young people are the "first out" and "last in" during times of economic recession. Youth unemployment and underemployment impose heavy social and economic costs, resulting in the loss of opportunities for economic growth, erosion of the tax base which undermines investment in infrastructure and public services, increased welfare costs, unutilized investment in education and training, and with the possibility of social instability and conflict, increased levels of poverty, crime and substance abuse. Too many young people are employed in informal work while those in formal work are subjected to insecure employment conditions and to the constant pressure of subcontracting, which brings lower wages and lack of protection in the area of social security, preventing many from leading a decent life.

Work is more than a job. It implies exertion and fatigue to produce and achieve good results, but also the ability to transform reality and fulfil a personal vocation. Thus, work expresses and increases man's dignity<sup>1</sup>. There is a practical advantage as well in this approach. The *subjective, personal* dimension in work affects the actual *objective* result in all activities, but especially in services, in research and technological innovation; that is, in those economic activities that promote knowledge and true wealth creation, human and social development.

A second consequence deals with social protection, a right of all to social security and to a standard of living adequate for the health and well-being of themselves and their family. Healthy and safe working conditions, wage protection, decent working hours, are all measures to be taken into account according to national circumstances. The global

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<sup>1</sup> Cfr. Pope John Paul II, Encyclical Letter *Laborem exercens*, n.27-

market and the today's profoundly changed environment have stimulated first and foremost, on the part of rich countries, a search for areas in which to outsource production at low cost with a view to reducing the prices of many goods, increasing purchasing power and thus accelerating the rate of development in terms of greater availability of consumer goods for the domestic market. These processes have led to a *downsizing of social security systems* as the price to be paid for seeking greater competitive advantage in the global market, with consequent grave danger for the rights of workers, for fundamental human rights and for the solidarity associated with the traditional forms of the social State. Systems of social security can lose the capacity to carry out their task, both in emerging countries and in those that were among the earliest to develop, as well as in poor countries. Here budgetary policies, with cuts in social spending, often made under pressure from international financial institutions, can leave citizens powerless in the face of old and new risks. Such powerlessness is increased by the lack of effective protection on the part of workers' associations. Through the combination of social and economic change, *trade union organizations* experience greater difficulty in carrying out their task of representing the interests of workers, partly because Governments, for reasons of economic utility, at times limit the freedom or the negotiating capacity of labour unions. Hence traditional networks of solidarity have more and more obstacles to overcome. In reforming and redesigning social security systems it is important that an adequate importance is given to the family. The family is not only the center of personal relations of individuals but also a strong responsibility for those who are the primary source of income for their next of kin. In such cases the loss of a job can become an economic tragedy as well as a loss of opportunities for young people.

The *mobility of labor*, associated with a climate of deregulation, is an important phenomenon with certain positive aspects: it can stimulate wealth production and cultural exchange. Nevertheless, uncertainty over working conditions caused by mobility and deregulation, when it becomes endemic, tends to create new forms of psychological instability, giving rise to difficulty in forging coherent life-plans, including marriage. This leads to situations of human decline, to say nothing of the waste of social resources. In comparison with the casualties of industrial society in the past, unemployment today provokes new forms of economic marginalization, and the current crisis can only make this situation worse. Being out of work or dependent on public or private assistance for a prolonged period undermines the freedom and creativity of the person and his family and social relationships, causing great psychological and spiritual suffering.

In conclusion, Mr. President, the path forward to an effective recovery presupposes a new vision and strategic investments to provide employment and to sustain enterprises. Priority given to work shows that the economy remains at the service of man and society within an ethical horizon that guarantees its proper role. Confidence becomes possible again as well as a sense of solidarity that embraces the victims of the crisis, first, but extends to society at large. The *primary capital to be safeguarded and valued is the human person in his or her integrity*: "Man is the source, the focus and the aim of all

economic and social life”<sup>2</sup>. Good decisions are necessary in order to move toward a post-crisis phase of the globalization of the economy and of work. But only a corresponding “ethical interaction of consciences and minds”<sup>3</sup> will give rise to integral development where the human person, at the centre of labour relations, journeys with hope toward a better future.

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<sup>2</sup> Second Vatican Ecumenical Council, Pastoral Constitution on the Church in the Modern World [Gaudium et Spes](#), 63

<sup>3</sup> Pope Benedict XVI, Encyclical letter *Caritas in veritate*, n. 9