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**“Should South Africa be using Trade Policy
to Promote higher Labour Standards and Prevent the Exploitation of
Unskilled Labour?”**

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Summary

Globalisation and trade liberalisation, are dominant paradigms of the global economy we live in. Despite the focus on complete trade liberalisation that many developing countries see as a remedy to their economic woes, multilateral trade agreements set a framework for *'an open, rule-based, equitable, secure and non-discriminatory, transparent and predictable multilateral trading system'*. Rule-based trade opens the doors for constraining international trade transactions in favour of the social issues, where they be for preventing the exploitation of unskilled labour, the environment, or for other concerns. This has been demonstrated both through the use of trade restrictions in certain environmental agreements (such as the Montreal Protocol aimed at the protection of the ozone layer, and the Basle Convention targeted at controlling international trade in hazardous wastes), and through the use of trade measures to secure political objectives (such as the international trade embargo against Iraq and indeed trade sanctions against South Africa during apartheid). So where does this leave the highly controversial issue of trade policy and labour standards?

The recognition that trade policy can be used, as an instrument to secure other goals is one of the themes underlying the trade & social issues debate. Given a major cause for concern in this trade debate in South Africa relates to the relaxation of trade restrictions and their potential impact on the South African labour market, especially unskilled labour: Can not South African policy makers use restrictions on South Africa's traded goods to promote higher labour standards and prevent the exploitation of unskilled labour?

Although alot of recent research has focused on the impact of the trade liberalisation process on the South African labour market, not much work has focused on the merits of using trade policy in South Africa to secure better employment conditions for workers. This paper sets out to clarify the answer to the question: "Should South Africa be using Trade Policy to Promote higher Labour Standards and Prevent the Exploitation of Unskilled Labour?" In so doing, the paper attempts to ensure that South African policy makers are not misguided in their efforts to address labour issues by resorting to trade embargos or other trade policy instruments (strategic or otherwise).