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Conclusion

Although it is common enough to talk about market phenomena in terms akin to natural laws it is a comparison that does not hold. Gravity is not a moral issue as there is nothing that anyone can do about it but the view that markets lie outside the control of man is simply incorrect. It is for human beings to determine where and how markets are to operate (if at all) by way of market boundaries. The fact that the market will not generate morally beneficial outcomes all by itself means that a better understanding of the market and its boundaries is needed.

In this thesis international labor standards and more specifically the International Labour Organisation's Decent Work Agenda (DWA) were used as a way of discussing the relationship between markets and morality. Labor standards, having evolved over many years, are instituted to protect human beings from the workings of the market and as such these standards are one strategy to bring about norms in the market place. The relevance of the DWA (which builds on international labor standards) to the discussion of the normative side of markets is derived from the fact that it is based on two explicitly normative concepts, namely human dignity and decency. The concept of human dignity has its own history as a foundational value for market boundaries and fulfils this role in various other institutions (e.g. the Universal Declaration of Human Rights) apart from this agenda. The concept of decency is—in comparison—a more recent introduction to this field. Both seem antagonistic to the workings of the market and both - albeit the one more directly than the other - relate to the normative significance of the individual.

Using Avishai Margalit's *The Decent Society* we found that the concept of decency can be used as a foundational value for understanding the market and its boundaries. An important aspect of Margalit's writings is that he has operationalized decency *ex negativo*. This means that the advancement of decency—here tied in with the respect for human dignity—comes in the form of eradicating its negation, humiliation, i.e. the exclusion from the human commonwealth. I dubbed this methodology the prescriptive negative. One key advantage of this methodology is that it adds clarity to the objectives; it is overall far easier to determine what we *don't want* than it is to settle on what it is we *do want*. Also violations of what it is that

we want to protect—in this case human dignity—are easier to detect and identify than respect. Lastly, it is usually injustice (i.e. violations) that causes us to act rather than justice. And with regard to change, Margalit also directs our attention to an important normative insight, namely that it is not only the outcome that should be the focus of moral deliberation but also the process by which this outcome is to be achieved.

Overall we found that normative concepts like decency and human dignity can fulfill a meaningful role in guiding market forces by offering a point of reference and anchor by which economic policy can be guided and appraised. Furthermore we found that this role becomes more effective if there is a coherent definition of decent works in terms of the prescriptive negative. Although all constituents of the ILO subscribed to the idea of decent work, there has not emerged a broadly shared definition other than decent work as the convergence of the ILO's four focus areas: employment, social protection, worker rights and social dialogue. The absence of a coherent broadly shared definition can justifiably be called one of the major hurdles for the ILO's DWA.

This lack of definition has led various parties to introduce their own and at times conflicting definitions. A key difference between these definitions can be found in the conceptualization of the word "decent". Some see in this predicate an implied relativism based on the assumption that what is considered to be decent in one society may not be described as such in another. This view can be contrasted with one in which "decent" is deemed to refer to a universal standard.

Not having a clear conception of decency means that the DWA is not able to fully articulate its objectives in a coherent and interconnected way. Likewise, the invocation of the concept of human dignity by the ILO is not accompanied by an account of what is meant by this from which one could infer what (if any) the implications are for the market or economic policies.

With regard to the prescriptive negative, mention must be made of the attempt to discuss decent work in terms of deficits. The introduction of decent work deficits by the ILO's Secretary General was a promising route but was ultimately not pursued further; it didn't become the dominant way in which the DWA is discussed in or outside the ILO. A possible explanation for this development is that when normative concepts like decency and human

dignity are used in relation to the market they come with the implied associated moral obligations to act. This may very well have been too politically sensitive for the constituents of the ILO to adopt.

In order to clarify this point it is helpful to look at the project of making decent work measureable. Right from the launch of the agenda, the Director General of the ILO indicated that the success of the agenda would depend on the ability to measure decent work. Periodic measurement enables comparison between countries and allows monitoring of possible progress within countries over time. It thereby also helps in identifying issues that under the guise of the DWA would need to be addressed and once identified produce a demand to take action: to measure is to know and to know is to be morally obliged to act.

Apart from this implicit built-in demand for action there are other reasons which may have dampened the enthusiasm for the measurement project. Firstly, any attempt at measurement will introduce some form of standardization regarding the topic at hand and ultimately may lead to a conceptualization if not an outright definition: we measure therefore we define. As there was no consensus on what decent work entails to begin with, the attempt at measuring decent work was stranded by its inability to define what was supposed to be measured.

Secondly, objections were raised against the possibility of measuring decent work against an unattainable ideal. Any attempt at creating an optimal reference point or an ideal state with regard to decency became wrought with virtually unresolvable discussions. To speak of deficits in this manner, i.e. the distance between the actual and the optimal level of decency, is not likely to be very productive. If on the other hand we were to focus on the negation of decency, applying the *ex negativo* approach and use the absence of decency as a point of reference it would be possible to speak in terms of deficits in a meaningful way. Deficits would then refer to the difference between the bottom or floor below which no one should be allowed to fall and the actual conditions under which we currently live. This approach would shift the focus from promoting the good towards minimizing the bad.

While the measurement project is still ongoing, the ambitions of the ILO have been reduced over the years. The abandonment of efforts at creating a Decent Work Index which would emulate the Human Development Index (HDI) by ranking countries based on their ability to secure decent work is testament to this. The approach to measuring decent work currently

being pursued has led to an increase in scope (with an associated multitude of indicators) to such an extent that no coherent statement about the advancement of the DWA as a whole is now possible.

The measurement project also sheds light on one other issue that may have hindered the DWA from becoming an effective moral market boundary, namely the implications from the evaluations of measurement. To explicate this point we only need to compare decent work with the already mentioned HDI. The absence of human development is more likely to lead to increased sympathy rather than anything else. The HDI is in that respect a measuring rod based on the notions of pity and compassion. In contrast, absence of decency will always lead to indignation. By making explicit the failure to secure decency, the measurement of decent work will create a measuring rod for shame, and in all likelihood this has had a detrimental effect on the political support for the measurement project making it much harder for the DWA to become an effective moral market boundary.

Lessons Learned & Recommendations

Markets allow for moral deliberation albeit within the boundaries that confine market activity. It is possible to have a framework by which we can evaluate and steer market outcomes based on normative concepts such as decency and human dignity that address the normative significance of the individual. But as the discussion of the DWA has shown there are various hurdles and issues which limit how it serves as an effective moral market boundary.

The DWA is a global call for work in conditions and in an institutional setting that affirm human dignity. At the same time, the ILO emphasizes that the DWA is not a one-size-fits-all framework and that its application should be in accordance with local customs and circumstances. On the one hand the ILO wants to occupy the moral high ground in order to be a beacon in the world of work vis-à-vis the market, continue what it has done for nearly a century: drawing the line in the sand by introducing moral minimums in the form of the (core) labor standards. On the other hand the ILO does not want to be restricted by values but maintain its focus on the things that actually work free from ideology. These two positions do not sit well together as becomes clear when looking at the trade-offs between the various objectives of the DWA. Here we find all too often that compromises are made based on assumptions regarding the workings of the market, resulting in favoring employment creation at the expense of the other objectives; the “work” rather than the “decent”.

If the ILO would have embraced the approach of Margalit, it could have had a framework by which it would have been able to avert these self-created hurdles. This framework not only offers clear ideas regarding the nature and meaning of decency and human dignity but also by proceeding *ex negativo* avoids falling in the trap of the descriptive/attributes approach. Margalit's work could also have pointed the ILO towards the idea that our moral concern should not just be about the outcomes but also *how* these outcomes are achieved.

After more than ten years it seems that the momentum to implement a coherent framework based on the notion of decency has gone. But times may well change. The current global financial and economic crisis shows once again that morality and economics are closely intertwined in practice. The current crisis could offer the ILO a new opportunity to launch a revised version of its DWA that does away with its present shortcomings. In the meantime it is to be hoped that the measurement project will continue and that out of the multitude of indicators a Decent Work Index based on deficits will be constructed which will help in keeping the DWA on the public and political agendas.

Markets are subject to our moral convictions. Labor standards are clear examples of how these convictions and ideas are translated into the realm of markets and economic policy. The idea that the forces of globalization render this obsolete ignores the fact that globalization itself, as a process and project, is shaped by moral values that require consent and approval. Acknowledgement of the relationship between morality and markets is needed as well as engagement in critical debates on the basis of the morality involved.

Human dignity plays an important role in the shaping of markets and can't be brushed aside as a mere subjective preference as Neoclassical economics might have it. Human dignity expresses the normative significance of the individual. It expresses the importance of each individual human being not because of who they are but because of their shared humanity. To invoke human dignity means to acknowledge market boundaries: there are areas in our communities where we do not allow the market to work. Economists need to be aware of these boundaries and their foundational values in order to be fully able to study the workings of the market. But it also guides how we allow markets to work.

Decency and human dignity bring focus to the debate over what it is we want to accomplish with the market while providing a foundation to discuss and appraise the relationship between morality and markets. If we take decency to mean that we don't exclude another human being from the human commonwealth and that we value their humanity, we are presented with lines of demarcation that signify the absolute minimum to which our societal and thus economic arrangements should comply.