

- A system whereby states could enter into voluntary reciprocal commitments to respect the core ILO standards. This might, for example involve subscribing to a commitment to ensure that the core Conventions are effectively implemented on the territory of the state of concern. In order to provide a market incentive to participate in such a system, some system of public recognition could be envisaged for participating countries. Ratification of the relevant Conventions would be a first and easily verifiable step. The precise institutional framework of such a system, and whether it could be accommodated in an existing international organization, would be matter for further reflection.
- Consideration of positive incentives in a wider sense. This would include additional ILO technical assistance to help compliance through technical co-operation within a framework of the Declaration.³⁶

A key element in these suggestions for reform is the potential for "positive" and "market based" incentives rather than the command and control techniques inherent in the treaty and monitoring and complaint procedures approach. This paper does not address private sector initiatives, such as codes of conduct, or labelling schemes, but as a general policy stance within the ILO, and elsewhere, the idea of positive incentives (as opposed to the negative incentive of "shame") is certainly a relatively unexplored avenue within the ILO and is implicit, for example, in the Declaration's notion of directing technical assistance to nations with a demonstrated commitment to progress in the core labour rights agenda.

(e) The ILO and Other International Institutions

At the centre of the coherence agenda lies an integrated understanding of the economic and the social. Institutional divisions of labour may be pragmatically necessary, but are dangerous to policy coherence over time as a result of institutional drift, special paradigm formation, narrowing of focus, and the need to get on with the day to day job, all of which conspire to obscure any overarching policy framework unifying multi-institutional agendas. The relationship with the ILO with the international financial institutions (IFIs), and the WTO, has been historically weak. There are some signs of improvement in the relationship of the ILO with the Bank and the Fund.³⁷ In particular the ILO has attained observer status on key committees and has worked with the Bank on Poverty Reduction Strategy Papers in a number

³⁶ Commission of the European Communities, "Communication from the Commission to the Counsel, the European Parliament, and the Economic and Social Committee" Brussels, July 18, 2001 (COM 2001 416 Final). Further suggestions along the same lines, are contained in Charnovitz, "The International Labour Organization In Its Second Century" (2000) 4 Max Planck Yearbook of United Nations Law, 1).

³⁷ These are summarized in a document entitled "ILO Relations with Bretton Woods Institutions" which is produced regularly within the ILO. the most recent version is from the Governing Body meeting of 2001 located at GB.282/esp/3.