

THE JAKARTA EXPERTS' MEETING: OPERATIONAL ISSUES

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The Task Force's Experts met in Jakarta, aware of the complex nature of the crisis and the issues raised for the Working Group by the call for an HRD response to its impacts. Four outcomes of the Experts' Meeting are particularly important for the development of an HRD response to the crisis within APEC.

The first outcome relates to the development of a set of principles, which should inform any HRD intervention. The principles are:

- any HRD activities should be realistic, achievable and demonstrable in their effect. This reflects the growing focus within APEC on "deliverables," or outcomes which are transparent, useful and, preferably, in some way measurable;
- deliverables resulting from any HRD interventions should be clearly value-adding. They must complement in a constructive way the domestic measures adopted by economies in response to the crisis;
- any HRD interventions should consider the issue of timing. A balance needs to be struck between short-term possibilities and long-term possibilities. Reflecting medium- to long-term perspectives, this principle also recognizes that the role of the Task Force may be to prepare for future economic dislocations as much as for the current crisis;
- consideration of HRD impacts of the crisis should extend beyond the most affected economies. Not only do the impacts of the crisis extend beyond the most affected economies, but also the adjustment experiences of other economies may well offer important insights into possible responses;
- Any APEC-based HRD responses to the crisis should be consistent with both TILF and ECOTECH agendas and should complement the work of other international agencies, in particular, the Asian Development Bank (ADB), the International Monetary Fund (IMF) and the International Labour Organization (ILO). We have outlined above the significance of the first element of this principle. The second is

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also important. Complementarity with the work of other organizations is likely to reduce duplication of effort, create a community of purpose around agreed activities across institutions and economies, and result in efficient policy outcomes. The welcome presence of representatives of both the ABD and the ILO at the Jakarta meeting confirmed this view.

The elucidation of principles is important as it, first, defines a potential consensus around which work may be undertaken, and, second, defines potential parameters of HRD activity. In a body such as APEC, which functions on the basis of consensus and a willingness to commit to activity, the definition of agreed principles is a *sine qua non* for future effective activity. These principles, endorsed by the Experts' Meeting, provide a clear and acceptable way forward not only for the work of the Task Force, but also for further activities beyond the life of the Task Force in the area of short-term labour market adjustment.

A second outcome is related to the role of the private sector in developing HRD responses to the crisis. APEC is committed to building stronger public-private links within both the TILF and ECOTECH agendas. The significant role given to the APEC Business Advisory Council (ABAC) within APEC captures this commitment. As the case studies already discussed illustrate, any effective responses to the labour market impacts of the crisis rely on strong cooperation between governments and their respective business sectors. Future work on the HRD aspects of the crisis should bear this in mind, and ways should be sought to promote business involvement in the development of short-term measures.

A third outcome reflects the impact of the Second HRD Ministerial meeting, held in Seoul in 1997. As a result of this meeting, the seventh medium-term strategic priority for the Working Group effectively sets in place a commitment to a tripartite relationship between government, employers and employees in the

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context of quality, productivity and efficiency issues (see Appendix B). The potential for this tripartite framework to contribute positively to the work of the Task Force and to the definition of appropriate policy outcomes should be considered carefully. One outcome might be to include representatives of both employers and employees in future meetings of the Task Force, beginning with the June Chinese Taipei Symposium.

A fourth consideration for the Working Group relates to the possible inputs of the Working Group's various networks to the work of the Task Force. The Network for Economic Development Management (NEDM) is the key network for the activities of the Task Force, a logical location. However, the labour market group, in its paper to the Jakarta meeting, indicates important possible inputs to the Task Force's work in the areas of data gathering and analysis and the preparation of some in-depth presentations on most affected economies. Equally, the technological dimensions of short-term adjustment might become an area of concern for the Human Resource Development on Industrial Technology Network (HURDIT), and the Business Management Network (BMN) might consider the role of management and managers in the preparation of appropriate policy tools in response to short-term labour market difficulties. Finally, the Education Forum might well devote some of its energies to the consideration of short-term measures associated with the transition from school to work, bearing in mind such initiatives as those undertaken by Malaysia in this area (see above). Whilst relevance to the development of short-term policies may vary across networks, it is clear that the Working Group has ample opportunity to consider a range of complementary activities in association with the Task Force.

The listing of these outcomes begs the question: what are the types of outputs of the Task Force and the Working Group, beyond the existing medium-term programme, which might help resolve the labour market and

HRD crises facing the affected economies? During the Jakarta meeting, several options were tentatively canvassed. These included:

- the identification of viable and generalizable policy responses in the HRD/labour market area for discussion and potential implementation across APEC member economies;
- the inclusion in Working Group-supported projects of projects focused on short-term issues;
- the exchange under the APEC banner of technical assistance relevant to the definition and implementation of appropriate HRD/labour market policies to deal with the impact of the crisis;
- the development of early warning systems, including the definition of indicators, which might help avert future crises (this was noted as a concern for the May 1998 meeting of the APEC Finance Ministers); and
- the establishment of an APEC HRD Training Centre.

It was agreed in Jakarta that APEC's role in the identification of appropriate HRD responses to the crisis should be facilitative (in the sense of information sharing, networking and joint policy analysis) rather than based on the provision of funding. The particular role of APEC as a conduit for the flow of information was stressed. Clearly, a range of relevant and useful initiatives are available to APEC and the Working Group in response to the HRD aspects of the crisis. Effort is required in the clarification and implementation of appropriate interventions.

Conclusions

Amongst the many challenges posed to the region by the recent financial and economic crisis, its impacts on labour markets and the search for short-term responses to these impacts stand out as particularly important. Labour market dislocation is not only likely to exacerbate economic dislocation, but also to fuel social unrest, which is equally

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disruptive to economic performance. Consequently, it is inevitable that APEC should consider labour market responses to the crisis

through the Working Group. Such work complements other work on the crisis undertaken in other Working Groups and fora.¹⁰

¹⁰ This raises the interesting question about the manner in which responses to the crisis developed in different APEC fora will be integrated. For example, the recent Finance Ministers' Meeting

(May 1998) considered the crisis in detail. It remains to be seen whether APEC-wide activity around the crisis is integrated.