



The Global Challenge of Human Rights and Solidarity to Nordic Global Companies and Trade Unions

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ABSTRACT

The idea that corporations, besides making profit, have a social responsibility to society is not new in history. Nor is it new that unions besides representing material interests stand for a universal ambition as defenders of the oppressed in the world. The article argues that corporations' social responsibility and trade union solidarity, to the extent both are based on universal principles of human rights, ought to open for cooperation concerning Corporate Social Responsibility (CSR), where trade unions should be recognized as important stakeholders in corporations. This idea is new, even if examples exist, and it challenges traditional concepts of the role of management and unions in the company. However, trade unions have taken a critical attitude to CSR, the implementation of which they have mainly been excluded from. Instead, they have tried to get global agreements, Global Framework Agreements (GFAs), with the MNCs.¹ In the article the development of the attitudes of the International Trade Union Confederation (ITUC) and of the Nordic national centers is investigated. A long-term historical perspective, in addition to a general theory of collective action will be used to draft the hypothesis that, when unions as interest organizations, through the process of national integration, have achieved a strong position in the domestic labor market, they lack reasons to take transnational action and seek international trade union solidarity. This hypothesis is valid today for the well-established unions in the Nordic countries. But in questions concerning social responsibility and human rights, the article presents the possibility that GFAs might become a platform from which to extend the Nordic model of national partnership to the global level, while at the same time global competition will increasingly make it difficult for the unions to show international solidarity in interest questions of capital investments and outsourcing.

KEY WORDS

Corporate social responsibility / exclusion of trade unions / Global Framework Agreements / International solidarity of trade unions / Nordic model / Nordic national centers' attitudes / universalism vs. interest

Introduction

Corporate social responsibility

Guidelines on Corporate Social Responsibility (CSR), established by international governmental organizations and codes of conduct on the homepages of multinationals, demonstrate that a general concept has been established about corporations, especially the multinationals with operations in developing countries, having a social responsibility, and that sustainable production, not only the highest possible profit, should be

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the goal for business. Under the pressure of social movements like Amnesty International, Clean Clothes, Human Rights Watch, and many others, corporations have generally accepted this opinion, but have countered by trying to establish CSR without public regulation and control. National governments and international governmental organizations have by and large bowed to this and created different voluntary guidelines for MNCs, issued by OECD, UN (Global Compact), and EU (European Alliance for CSR). Generally, trade unions have had no part in companies' introduction of CSR and have often been critical (ICFTU 2004).

However, after 2000, a mainly European trade union drive for Global Framework Agreements (GFAs) began and could be seen as a countermeasure to codes exclusively decided by corporations. Although the number of such agreements still is small, GFAs are thought to have a potential to become a global voluntary regulation (Hammer 2005; Telljohann *et al.* 2009; Thomas 2010). This could indicate that trade unions are beginning to claim their previously neglected position as an important stakeholder in the global companies' social responsibility.

Trade union solidarity

Trade unions have historically expressed their solidarity with other unions fighting for their interests, but also declared their solidarity in general with the victims of capitalism and injustice. The Inauguration Address adopted by the First International in St. Martins Hall in 1864 is a famous example of these two claims of trade union international solidarity. When the English trade unions could not control the influx of labor to England, the most developed market at the time, they founded the International to protect their national economic interests against migrant workers from the Continent. The Inauguration Address, however, also has another tune of lasting importance. It paid homage to the fight against slavery and expressed solidarity with the Poles in their ongoing insurrection against Russia. The International trade union movement thus declared itself as a champion for universal social justice and freedom (*Documents of the First International 1864–1872*, 1964).

Now, with globalization, when capital uses the global market for wage differences and wage dumping, trade unions seem to be back in the position of the English trade unions 150 years ago. Established national industrial relations systems may no longer provide sufficient job protection. Generated by the decline of labor during the last decade of the 20th and the first of the 21st century, a discourse on trade union revitalization is going on about an increase in trade union international solidarity being combined with identification with social grassroots organizations in order to form a strong social movement unionism (SMU) with an extended class base (Heckscher 1988/1996; Munck and Waterman, 1998; Lillie and Martínez, 2004; Bieler, Lindberg *et al.* 2008; Burawoy 2010).

Globalization of markets has brought demands for a more socially responsible capitalism respecting universal human rights in agreement with definitions based on declarations by UN and ILO conventions. At the same time, the weakening of unions' national position has led to demands for an internationally extended trade union solidarity and for SMU based on universal norms. We have thus capital and labor contesting each other's economic interests and, at the same time, both in principle stand for universal values

like social responsibility based on human rights and solidarity seen as a community of interests and identity built on the division of work, which holds societies together, the “*conscience collective*” (Durkheim 1960/1893). National identification has to be contrasted *in action* with transnational identification in a case under investigation; letting the one be the measure of the other as a method suggested by Harvey (2006).

Aim and approach of the article

In this article, I will argue that corporations’ social responsibility (codes of conduct) and trade union solidarity, *to the extent both are based on universal principles of human rights*, ought to open for trade unions’ participation in CSR as an important stakeholder in corporations.

A long-term historical perspective will be used to discern factors of basic economic and ideological nature, which might have a decisive influence today and may allow actual short-term conditions of a more recent origin to become visible (Schiller 1976). My analysis will accordingly move between a long-term structural perspective and a shorter current one, “*de l’événement à la structure, puis de structures et des modèles à l’événement*” (Braudel 1958).

In addition, an organizational theory for collective action by Mancur Olsen, which has been developed for trade unions’ international solidarity by John Logue, will be applied and linked to the long-term national integration of trade unions as a decisive variable for an understanding of the attitude of trade unions today to transnational solidarity action.

Against this theoretical background, I will hypothesize that it might be closer at hand for Nordic trade unions to try to extend globally the Nordic model of cooperation with employers through the establishment of GFAs as platforms for bargaining in questions both of universal social responsibility and solidarity than to apply direct transnational solidarity actions with foreign trade unions.

In the following I will discuss corporations’ attitude to social responsibility and to the inclusion of trade unions as legitimate stakeholders in CSR, as well as to what extent trade unions’ solidarity has been “nationalized” through integration in the modern industrialized society. The present situation and future possibilities will be examined against the background of the International Trade Union Confederation’s (ITUC) and Nordic trade union centers’ attitude to CSR and GFA.

Corporations’ social responsibility and the trade unions

Since the times of Adam Smith, and even before back to Antiquity, business ethics has been a flexible area, the delimitation of which is a process open to historical influences and new interpretations. CSR is only the latest. Nevertheless, it has been hailed as a change of historical importance in the history of capitalism. CSR is regarded as a revision of classic economic theory (Waddock 2002, pp. viii, 3). This is hardly correct. Liberal political theory put emphasis on individual rights and maximal happiness for the largest number of citizens possible. According to Amartya Sen’s interpretation of Adam Smith’s *The Wealth of Nations*, the desire for profits is but one of several competing



factors affecting business, of which several imply social restrictions (Sen 1987, 1999, pp. 18, 19, 27). In her large study of the history of ideas of the bourgeois society, Deidre McCloskey sees Smith as a dominantly ethical philosopher and rejects the interpretation of Smith as an economist in the modern anti ethical tradition. The purging of ethics in Smith started shortly after the French Revolution with the purpose to picture him and other economists in a less subversive and more acceptable light to British opinion. Since Bentham, economists promoted the interpretation of Smith that by making money you indisputably do good. Adam Smith was, according to McCloskey, the last important moral economist until the 1970s, when business ethics was “revived” and introduced in the curriculum in business schools in the United States (De George 1986, 6: ed. 2006; McCloskey 2010).

The “CSR movement” places the corporation in the central position surrounded by stake holders: owners, employees, subcontractors, consumers, etc. Corporate management has to take their different interests into consideration. A balance of interests exists, i.e., the company is perceived as a good *corporate citizen*, when stakeholders’ reasonable demands are met. The stakeholder model gives the company a central position of power (Antonacopoulou and Méric 2005). To the extent this is true and acceptable with democratic principles could be questioned. Globalization has affected the position of corporations through the new role NGOs have got with the help of electronic media, which allow them to set the record for public information and start campaigns out of reach for corporate control. This situation has made management in need of trade union cooperation against hostile campaigns by NGOs and consumers (Hammer 2005).

How do companies then in their social responsibility work regard the role of trade unions? It seems as if trade unions are more or less invisible within the CSR context. The same has been said about trade unions in research (Haunschild et al. (2008) with reference to David Held (2004)). Niklas Egels-Zandén in his dissertation finds this difficult to understand, especially among Nordic scholars (Egels-Zandén 2010).

An American, John T. Leahy, with a background in religious studies and business ethics, calls the trade union the “invisible man.” Trade unions are absent when business ethics is on the agenda in institutions, journals, courses, and at conferences. Leahy asks why the role of unions was excluded from the scientific discussion, and not only in the case of CSR, when ethics finally was accepted at business schools. He refers the answer to the weak position of labor and its bad relations with management in the United States (Leahy 2001).

In Europe, some researchers have discussed the role of trade unions in the social responsibility part of business. They understand CSR as a typical product of American industrial relations with its high degree of voluntarism and lack of regulations compared to Europe. CSR is out of place in the nationally regulated European conditions, which normally guarantee employees legally defined social protection. Already existing institutions, like European Works Councils (EWC), company work councils and board representation, make it more natural for European MNCs to accept GFAs. At least one example from the German car industry demonstrates how management and union together might integrate the company’s code of conduct in the codetermination system, *Mitbestimmung* (Haunschild et al. 2008; Held 2004).

Several motives obviously made MNCs adopt codes of conduct, even if campaigns by NGOs triggered the development in the 1990s. The new fashionable CSR policy from the United States had, however, to be implemented by European companies. Although

global, companies have distinctive ties to their national institutional system of cooperation between employers and unions. Where this exists, in Germany, France, and the Nordic countries, it is not too farfetched, and maybe even rational for management to include CSR and even GFAs in already existing institutions like global work councils and EWCs. New cases might reveal a number of additional motives, for example, to strengthen the company's legitimacy and confirm good cooperation with the group's unions and with national or international trade union organizations (Egels-Zandén 2008).

The trade unions between international and national solidarity

The first international

As already stated, a suitable starting point for a discussion of labor internationalism is the foundation of the First International in 1864. The proclamation, written in collaboration with French workers, came from English craft workers, who represented a tradition from Chartism, but also the practical interests of the "new" British trade union movement. Both these sources of inspiration merged in the proclamation (*Founding of the First International. A Documentary Record* 1935).

Transnational trade union co-operation against wage dumping, which had first initiated the British call on the French workers, took place in the following years. The General Council of the International also followed the second universalistic call for international solidarity outlined in its inaugural address. Later programs written by Karl Marx and the English trade union leaders, concerned for example, Irish political prisoners and a collection of money to the victims of a military massacre of workers in Belgium (*Documents of the First International 1864–1872*, 1964). The International thus created a line of solidarity pronouncements, which remains one of the most frequent trade union international activities of today.

With the help of a theory by an American political scientist, John Logue, the economic motives of the English workers for the creation of the First International could be generalized. Logue's point of departure is the trade union's character of interest organization, taking care of its members' interests.

'This suggests the corollary that *international action is rational for trade unions principally in those cases when members' goals cannot be achieved by national action*'. From this follows that "*the greater the degree of trade union control over its national environment, the less likely it is to undertake international activity to achieve its members' goals*" (Logue 1980, pp. 20–22, italics Logue).

When the English trade unions were unable to advance their interests at home, they went transnational and sat up an international organization in order to achieve collective advantages through cooperation with the workers of the Continent. As the most politically developed trade union movement, the English took the initiative. When the English unions in 1869–1870, in cooperation with the British Liberals, had achieved their domestic breakthrough and could protect themselves, they lost much of their active interest and identification with foreign workers and the International. Their dominating focus became national (*Documents of the First International 1864–1872*, 1964).



In 1980, when Logue developed his theory, and also today, unions in the industrialized countries have long been socially integrated and identify nationally; their international identification might be characterized as complementary or ideological. It might, according to Logue, exist because of personal engagement by trade union leaders or be a remnant of previous successful international actions (Logue 1980).

Marcel van der Linden has in his contribution to the great anthology of labor internationalism, among others, used Logue's theory and divided the internationalism of labor during the 19th century in three phases: a prenatal, to the end of the 1860s, a phase of transition to about 1900, and a national phase thereafter (van der Linden 2000). These phases correspond to different stages of the integration of the labor movement in the national state (van der Linden 1988). They could be followed also in the Scandinavian development.

The Scandinavian trade union movement and international solidarity

In all three Scandinavian countries, Denmark, Norway, and Sweden, trade unions, like in other countries, were first organized in handicrafts. In Denmark, where handicrafts were more developed, the trade union movement has an unbroken history from the 1870s, while permanent unions came in the 1880s in Norway and Sweden. Trying to control the labor market, trade unions took over the traditional methods used in craft guilds supporting and controlling their colleagues' travels and searching for employment. When necessary, using the more economically developed areas as a base, craft unions did not hesitate to cross national borders between Germany, Denmark, and Sweden in order to organize foreign workers, in the same way as the English workers had done in relation to the less industrialized Continent (Blomkvist 1979). The professional and cultural brotherhood of journeymen traveling in foreign countries existed before trade unions and offered transnational networks, which could be used for international trade union solidarity, hand in hand with socialism. Socialism contributed a universalistic solidarity to the transnational relations of the craft unions (Callesen and Logue 1979).

The high points of this internationalism occurred in Denmark in the beginning of the 1870s and in Norway and Sweden at the time of the foundation of the Second International in Paris in 1889 and the following year. Part of the radicalism of the period was also expressed in the founding of social democratic parties in the three countries. Without a longer historical perspective and a broad comparative view of Scandinavian labor this culmination of labor internationalism is hardly discernible.

The early internationalist period was followed by a long and gradual development toward a nationally oriented reformist labor movement. The main traits, which emerged during the comprehensive industrialization up to the First World War, were the same for the three countries. Traveling journeymen, the bearer of transnational relations, became a minority of a growing labor movement of less skilled workers recruited from the countryside. Mass affiliation resulted in more frequent and larger conflicts with employers, who also organized on a national basis. As a consequence, collective agreements were extended to the whole country, making trade unions a part of a national industrial relations system. National borders successively got a separating function, unknown, when the trade union movement consisted of networks, which had grown from larger trade union centers in Hamburg, Copenhagen, Malmö, Gothenburg, Oslo, and Stockholm. In

the period before 1914, the trade union movement in Scandinavia became national and centered in the capitals. At the same time, the political branch of the labor movements was incorporated in national politics as junior allies of the liberal middle class in the fight for franchise and social reforms (Logue 1979; Schiller 1984).

The Nordic model

The Scandinavian countries constitute their own, so-called model, of industrial relations, i.e., the relationship between workers, employers, and the state. After the Second World War it also includes Finland and has become a Nordic model for cooperation between well-organized parties, differing from other industrialized countries (Thörnqvist 2009).

What is the reason for this difference? The answer is historical—the relation between the social classes. In the North, a certain measure of local self-government and individual freedom existed with roots in a weak feudal society. Feudalism here did not mean the same oppression as in many countries on the Continent. Industrial workers were recruited from the landless in the countryside, but they were often sons and daughters of free peasants. With the support of the king, the peasants challenged the landed aristocracy, until this conflict was replaced with a more modern one—employees against employers (Carlsson 1964). This preindustrial historical background distinguished the Nordic countries from the Continent. Together with the absence of ethnic and religious divisions it made employers, earlier and more generally, willing to accept trade unions and to conclude collective agreements. Collective agreements stand in contradiction to social control through legislation. Because the Nordic countries are small and depended on exports, voluntary cooperation in the Nordic countries has also been easier.

In modern times, the strong position of the Nordic trade unions has, in the perspective of the theory presented above, greatly reduced their need for transnational action in order to compensate for national weakness. Except for mutual economic support in case of major conflicts, internationalism has consisted of a universal identification expressed through development aid and through support to the defense of trade union universal rights. There has simply been no need to organize workers across borders in order to protect wages as it was long ago. The national labor market has been protected against employers' efforts to use labor from countries with low wages—until now.

The attitude of the ITUC to CSR and GFA

Globalization is a new expansion not only of economic relations in the world, but also of social and cultural networks. A “world consciousness” concerning human rights, equality, and the environment seems to spread. An expression of this is the global growth of grass roots movements and a commitment in human rights questions by public opinion concerning social responsibility, which corporations must take into account. Pressure from grass roots organizations and media is generally directed toward management. Trade unions have been less publicly involved although trade unions often have influence at the headquarters of the MNCs in rich European countries. In principle, the local headquarter union should be able to influence the corporation to honor its codes of conduct if its operations in poor countries have become target for public criticism. It



represents the employees, who besides the owners are the most important stakeholders. Why have not trade unions generally focused on the commitment CSR contains and held the corporations responsible both nationally and globally?

In the drafting of guidelines from the UN's Global Compact, and the EU's European Alliance for CSR down to the national level, CSR, given its American origins, has been introduced with trade unions mainly as bystanders (Baker 2004; Gardner 2006). This might, indeed, have contributed to a skeptical attitude of trade unions. In reality, the response of the international trade union movement has varied considerably as demonstrated at a meeting in Brussels in 1998. At that time some of the earliest codes had been adapted after consultation with the unions and some unions supported campaigns to have corporations adopt codes. Others saw them as window-dressing by corporations, and worse, as efforts to privatize labor law and avoid regulation, including collective agreements with the goal of getting rid of trade unions. Two characteristics of the codes, which made them new, and attractive to trade unions, compared to codes from the 1970s, were that they saw MNCs' labor relations as international, not national or local, and that they were meant to apply to the whole value chain including suppliers and subcontractors to the MNC (Justice 2002).

In a commentary, written in 2003, when the tide of CSR was beginning to swell, by representatives of the trade union international, International Confederation of Free Trade Unions (ICFTU), and the textile workers' international, International Textile, Garment and Leather Workers' Federation (ITGLWF) the phenomenon was seen as a positive possibility to tackle the MNCs on the global level, which could be the beginning of a social partnership. The capability of unions, especially in the developing countries, had to be strengthened in order to fully exploit the new codes (Kearney and Justice 2003).

The positive attitude to international agreements with MNCs was also developed more fully in the guidelines on globalization published by the ITUC (2004). It was pointed out that on the trade union side the Global Union Federations (GUFs) for different branches already existed as global trade union frameworks. The next step toward global social relations was Global Federation Agreements (GFAs), signed by a GUF and an MNC. A fundamental difference, however, to previously existing structures such as global works councils, which could be found in some MNCs, was that these did not engage the company management directly. In contrast to the EWC, besides these being limited to the EU, they did not recognize trade unions as such as partners. A GFA, on the other hand, was a binding agreement between a global trade union organization and a global company and could be seen as a beginning of international collective bargaining. The earliest trade unions and collective agreements had preceded national legal frameworks, and international industrial relations might possibly follow when MNCs become engaged with international trade union organizations. A prototype and existing international collective contract, was exemplified in the agreement from 2000 between the Transport Workers' Federation (ITF) concerning standard terms and conditions for all seafarer working on ships operated by the International Maritime Employers' Council (IMEC). The advantages, not least for the global corporation, were emphasized in the guidelines. Based on a certain amount of confidence, GFA would constitute a partnership because it could work "informally and quietly." "Unlike campaigns and other public action, the intention is to implement common agreed principles in a way that leads to a speedy resolution of conflicts or even anticipation of conflicts, partly with the aim of

preventing damage to the reputation of the company. Even if conflicts had become public, there were examples that they had also been resolved through dialogues and agreements. This experience was based on over 30 framework agreements, some of which were published in the guidelines.

The ITUC wanted to reserve the central role for the GUFs in the implementation of the agreement as well as in their negotiation. At the same time GFAs were only frameworks and not detailed agreements. They were not intended to compete with collective contracts at the national level, rather to create a space for workers to organize and bargain. A union at the MNC's headquarter was important for creating a GFA and the best guarantee for the respect of labor rights (ICFTU 2004).

The introduction of GFAs

The weakness of the global and national governmental organizations, the successful resistance by capital to regulation of the social responsibility of corporations, and the widespread implementation of codes has finally forced the trade unions, first globally and then nationally, to find a strategy in voluntary framework agreements. Several years had then passed since the global companies began with their codes of conduct in the 1990s. Few European trade unions boarded the train at the end of that decade. The first, the French Danone's agreement, has the year 1988, but the second, Accor, was not signed until 1995 and the first Nordic, IKEA and Statoil, came as the third and fourth in 1998. After 2000 many more agreements followed.

It is noteworthy that of the 32 GFAs existing at the time of the ITUC's publication in 2004 all but three were European; 15 were Continental (German 9, French 4, Dutch 1, Russian 1), 8 were Nordic, and 5 Mediterranean, none British. In 2007 the number, not yet fully updated, had grown to 52. Still all but three were European with about the same rank order. The Nordic distribution was Sweden 6, Norway 3, Denmark 1, Finland 0 (*Globala ramavtal. Strategi för ett humanare arbetsliv* 2007). In 2013, the European Trade Union Institute recorded 121 international agreements, whereof 15 Nordic: Sweden 7, Norway 6, Denmark 2, and Finland 0 (<http://www.ewcddb.eu>).

The attitudes of the Nordic national centers to CSR and GFA

Which positions have the Nordic trade unions taken to CSR and GFA compared to the recommendations by their international organization? This is of course a larger investigation in itself, but to get some estimation, I have studied the homepages of the confederations for their positions expressed since 2000.

The *Danish LO* embraced the CSR but at the same time incorporated it in its general social domestic policy. LO preferred in 2001 to call CSR "workplace responsibility" (arbejdspladsens samfundsansvar, ASA) to emphasize that it was a process that included the whole workplace, both management and employees and of relevance for both public and private enterprises. There was a need for a paradigmatic shift in how to think about responsibility in business (LO, DK 2001). Two years later LO said that the discussion was too abstract and that it was not understood how responsibility was enlarged over and above collective contracts and local working environment. LO tried to provide tools



for ASA and informed about guidelines, social accounting, and labels (LO, DK 2003). In a pamphlet from 2006, pension funds' investment policy and public procurement were added to the list of subjects, which LO thought to be of importance. An increased focus on CSR was requested. Legislation requiring annual reports by the companies could be introduced gradually for larger companies in Denmark and should later be extended to include the activities of all quoted companies abroad (Denmark in a globalized world 2006).

A critical report, presented at the LO Congress in October 2007 and later presented in English, claimed that there was a gap between the priority LO gave to the national and the international agenda, respectively. Shop stewards in Danish MNCs and import-heavy companies did not have the language skills and advisors to be able to stand up to management. LO thought there should be better use of international framework agreements and better efforts to systematically influence their contents. "In this connection it is thought provoking that Denmark and other donor countries accept an attitude to issues such as labor market regulation, workers' rights and welfare in developing countries that they would never have accepted in their own countries" (Danmark og det globale arbejdsmarked 2007). In 2008 LO issued a handbook for how shop stewards could tackle questions concerning workplace responsibility, ASA, and that they should request to become partners. LO also endorsed the bourgeois government's plan to strengthen companies' reporting of social responsibility in line with the international guidelines of UN and OECD (Arbejdspladsens samfundsansvar—en håndbog for tillidsvalgte 2008).

Nevertheless, LO's report in 2011 stated that experiences of cooperation with Danish MNCs outside of Europe were limited. LO claimed to be actively engaged in building a bridge between various declarations and reality and to have offered its services to solve problems in China and Cambodia. More cooperation was needed (LO's faglige politiske Beretning 2011). LO and Carlsberg had, however, concluded a partnership to improve health and safety conditions and the social standing of woman, who sold beer in bars in Cambodia, in an effort to have the Beer Selling Industry respect international guidelines for social responsibility (LO, DK 2013).

The *Swedish LO* at first gave a neutral presentation of CSR. Later in 2006, LO declared that CSR could only be realized if companies completely followed OECD's guidelines and ILO's declarations on MNCs (LO, S 2000, 2006). The following year, the common LO-TCO organization for developing aid launched a pamphlet analyzing GFAs, which now together with national legislation was proclaimed to be the best tool to get human rights respected by global corporations. Important in GFAs was that they gave the right to organize a special position among the different rights covered. In addition prohibitions against discrimination, child work, and forced work were frequent. In addition the right to decent pay along with limited working time, education, health, and safety were also common themes. To the difference of CSR, which was just one-sided declarations by corporations, GFA seemed to promote trade union organizing (LO, S 2007). In 2008, LO modified its position on CSR, but especially it came out strongly in favor of GFAs (International Programme 2008). LO also tried to get the national unions to agree to a common platform concerning the content of the framework agreements (interview with Lindberg Elmgren 2011).

For the *Finnish Confederation of Trade Unions, SAK*, I have not found any principal discussions on CSR and GFAs on its homepages. Instead, corporations' social responsibility appears in connection to concrete cases. For example, the Finnish public should

have received a report from 2002 by the Union Solidarity Centre of Finland, SASK, with a sigh of relief. It approved of how the national flagship, Nokia, treated its workers in a free zone in Brazil. A year later, the president of the metal workers union used Nokia's code of conduct to demand transparency and mandatory consultations on the company's job reduction plan (Trade Union News from Finland 2002 and 2003). In 2005, Trade Union News from Finland published how half a dozen Finnish trade union organizations created a network for bringing the Clean Clothes Campaign's issues to the IAAF World Championship in Helsinki (Trade Union News from Finland 2005).

A complementary interview in 2011 confirms this picture (interview with Pekka Ristelä 2011). SAK had then just taken a position to CSR. Ristelä blamed industry with its negative and self-content attitude. Nokia and the big paper producers did not see any advantage in transnational agreements. The national contact point in Finland, part of the OECD system, where industry, unions, NGOs, and government could bring up cases of social discrimination, did not function. No concrete cases had been decided for several years. The same situation reigns in Sweden (Tullberg 2009). The Finnish trade unions had for years pressed for GFAs but companies had uniformly refused. Like Sweden and the other Nordic countries, SAK gave assistance to trade unions in the developing countries. In the Finnish case 85% was paid by the state and went to countries of interest for Finland's industry, like Brazil and to the Baltic countries, but also to countries of extreme suppression of labor rights like Burma and Zimbabwe.

On the *Norwegian LO's* homepages as with the Finnish SAK, a more focused discussion is not easily found (www.lo.no). Employers' social responsibility comes up as producers' responsibility in connection with ethical trading, an initiative from 2000 by the Norwegian Church Aid, Coop Norway, the Federation of Norwegian and Service Enterprises, and LO (Ethical trade—walk the talk. Annual report 2009). A framework agreement is, as already said, listed for Statoil as early as 1998, followed by Norske Skog in 2002 (Globala ramavtal 2007). In its strategy for international solidarity, democracy, and social justice LO urged the unions to continue to conclude GFAs. All of them should contain clauses for review by Norwegian and local trade union representatives (Strategy for international solidarity, democracy and social justice. LO, Norway 2008). Two shop stewards made such a revision in 2011, when Hydro had bought a major aluminum company in Brazil. They wanted to find out if the workers at the factory were treated in accordance with the Hydro model of employer–trade union cooperation. This was also reported to be the case in contrast to an earlier report from the trade union research institute, Fafo, in 2008 (LO, N 2011). It had concluded that there was much more to be done by Norwegian companies in Brazil, India, and Estonia. In short, this scientific report concluded that both Norwegian companies and the trade union movement lacked commitment to apply networks for social responsibility abroad (Løken et al. 2008).

The Nordic LOs have followed the ICTU's change in attitude to CSR and GFA, especially after 2000. The homepages, of course, reflect different structures of industry and trade union organization. Sweden has the largest number of MNCs and also of GFAs (although Norway has almost as many GFAs). In absolute numbers, and particularly in proportion to the size of the Scandinavian countries, they represent a major part of GFAs concluded. All the homepages are molded in the Nordic ideological tradition of partnership and cooperation, but with special national touches, for example, the Danish LO makes it a part of the general social policy of Danish labor. There remains, however,



much to find out about the Nordic trade unions' attitudes and policies, including, for example, the lack of any Finnish GFA.

The present

Compared to the 1970s, demands for global solidarity are not only heard again, but public opinion in the industrial countries demands that corporations be socially responsible and that maximum profit should not be their single consideration. The opposite opinion has more or less disappeared from the public. This social and environmental responsibility, because it refers in the last instance to the principles of the UN in the guidelines of the Global Compact, should also encompass all parts of the world where the corporations are active. Trade unions in general have avoided, or have been late, to make use of this "new" responsibility, to which large global corporations, under pressure from grassroots organizations and media, have responded. It has been regarded as something outside of the traditional task of trade unions and even something, which might introduce a system, which could threaten unions as representatives of the employees and thus spread deregulation further.

A number of "holy cows" have been out walking along the fence separating employers and employees. The myth that the only goal for a company is to be profitable for the long haul joined the myth that a company only had to obey the law. When it, nevertheless, became established that companies more or less are involved in social politics from the local to the global level, a new myth was created from around the turn of the century, that the question is "company owned and company driven"; social responsibility became part of the ownership of the company and an employer prerogative. It is not a question for the employees, not even for society, only for the company management. The functions of these kinds of myths are to conceal reality, exclude some topics from discussion, and thereby make some conditions self-evident and contribute to making them self-fulfilling.

Now CSR is generally accepted in the industrialized countries including by trade unions. GFAs, on the contrary, are restricted to Continental Europe. The Anglo-Saxon hostility to unions is not the only reason. The existence of more developed social institutions in Europe has been a factor (Hammer 2005).

Referring back to the two kinds of trade union internationalism, the content of a modern global framework agreement could also be analyzed concerning if it is about universal trade union and human rights, "rights" agreement, or if it has a material substance, "bargaining" agreement (Hammer 2005). Is it about universal rights, trade unions, in the North and the South, and management might easier reach consensus, while questions of interest definitely will open for conflicts.

The future

Provided globalization is not restrained by an increase of national and international regulations as a beginning of a more autarchic period in the global economy, trade unions in the industrialized countries will continuously be exposed to the pressure of low wage labor.

To protect their interests, like the English workers for more than 150 years ago, they will face the challenge to go abroad, when the fight for their *members' interest at home* proves deficient. Concerning the other part of the Inauguration Address, which called for *universal social justice and freedom*, the MNCs' confession to social solidarity based on human rights in principle offers new ways of action. GFA looks as such one, although of all existing MNCs, less than 150 have concluded GFAs (European Trade Union Institute, ETUI, <http://www.ewcdb.eu>). Experience of the contents so far shows that the dominant improvement for employees is freedom to organize and bargain, in addition to companies' pledges also to respect other human rights (Telljohann *et al.* 2009). The possibility to influence companies' cooperation with grassroots organizations like Amnesty, Greenpeace, Human Rights Watch, and many others exists. Researchers, who take part in the discussion of trade union revitalization, have especially pointed out such a strategy.

Cooperation for universal social responsibility will not be without dangers and advantages for both parties. Companies may encourage internal critiques. On the other hand, cooperation with their trade unions for CSR in a GFA ought to be of importance for companies to demonstrate legitimacy when they are attacked by media and targeted for grassroots campaigns for lack of global decency and solidarity. How unions then consider with whom their solidarity belongs might become a problem for them; is it with the company or with its critics? A union at the headquarters of a transnational company in the North, which is party to such a global contract, might have as many difficulties as management to honor the demands of social responsibility in the South. There is then a risk that the group management and the headquarter trade union will find it easier to reach a common understanding and thereby corrupt the struggle for social responsibility and trade union solidarity.

A partnership *a trois*, including a global trade union federation, might result in greater transparency and give universal transnational solidarity a better chance.

The international trade union organizations have already a delicate task to stand for universal trade union solidarity and balance the interests of the stronger organizations of the North and the weaker trade unions of the South. With the spread of GFAs entered into under the participation of global branch federations, these might get the role of mediator and arbiter in relation to different interests of local unions in one and the same transnational company (Hammer 2005).

However, when it comes to the part of *interest-based trade union internationalism*, which once was the primary goal for the English trade unions, transnational solidarity might be even more difficult for unions to handle than questions of universal solidarity and social responsibility. This will certainly be the case if questions of investment and company structure come up and GFAs begin to resemble global collective agreements.

For trade unions in the Nordic countries, with their well-established national cooperation with employers, GFA might become a platform to extend the Nordic model for partnership with employers globally. This might include fending off external requests for cooperation and solidarity by international or European trade unions in questions of restructuring and outsourcing. This may, and already has, at occasions put Nordic unions in conflict between their national interests and transnational solidarity. One such case is the abortive appeal for solidarity against the downsizing of their factory from the workers in Orange, a small town in Australia, to the Swedish union at the Electrolux group headquarters in Stockholm. The Swedish union decided to support the company's



plans for restructuring (Webster et al. 2008). Another example, which also concerns Electrolux and its trade union, is about lay-offs in Europe in connection with moving production to low-wage countries. A European research group concluded that, given the success achieved by Nordic unions at home, the Swedish unions probably rate their own system of industrial relations more effective than any common European interest representation (Da Costa et al. 2012). The group refers to a study of Danish and Swedish trade union “skepticism” in the European context (Knudsen 2005) and writes: “With regard to restructuring processes this position implies that there is no ambition to contest management decisions. Therefore representatives from these countries might not perceive a need for action at the European level.” This sounds like a confirmation of the starting point of John Logue’s theory above that trade unions are interest organisations taking care of their members’ interests. The whole solidarity complex ought to be taken up for penetration, not least by the unions themselves.

Conclusion

The future scenario, presented here, projecting the Nordic model of national cooperation between corporations and trade unions to the global labor market to a large extent may look unrealistic for the present, when the awakening of companies for the potential of trade unions as a stakeholder is still largely missing and the number of GFAs is limited and of varying substance. However, for both companies and still for many trade unions, a redefinition of their field of activity is required. Indeed, the whole question of the social responsibility of business and solidarity of trade unions illustrates how polices are historically formed by national traditions and by the contest of actors struggling to set borders and definitions to their own advantage. Management and trade union leaders are governed by their traditional interpretations of existing institutions and of what current interests they ought to consider. This border drawing takes place in a dynamic interaction with a changing reality. What is a legitimate trade union question and what is the task for management? This is an old unanswered question, but as the president of the Danish trade unions already said some years ago, it should be necessary “to axe a heel and cut a toe” here and there, i.e., mental changes should be necessary (Börsting 2008).

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End notes

¹ The terms GFAs or Global Agreements are now standard (Fichter 2013, note 7).

² In 2006 the ICFTU merged with the World Confederation of Labour (WCL) and became the ITUC.

³ A reservation, I have only read material in Swedish and English and there exist some discussions in Finnish in 2011 but no “official” position (Ristelä e-mail August 30, 2013).