International Framework Agreements: Global Union Federations and Value Chains

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Abstract

In this paper I discuss the emergence and main features of International Framework Agreements (IFAs). I argue that they constitute an advance, both, over social dialogue in international organisations as well as Codes of Conduct. Although framework agreements dispense neither with international regulation nor national application they should be regarded as an important feature of international industrial relations. A discussion of the substantive and procedural provisions leads to a hierarchical distinction between ‘rights’ agreements and ‘bargaining’ agreements. Another crucial and distinctive aspect relates to the institutional relation of framework agreements to European Works Councils (EWCs) and World Works Councils (WWCs). Finally, some of the substantive and procedural aspects of framework agreements are discussed in the context of their respective supply chain structures.

1 This is a slightly modified and updated version of a paper presented at the IREC, Industrial Relations in Europe Conference, Utrecht 26-28 August, 2004.
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1 Introduction

The rise of multinational corporations (MNCs) over the last decades as well as the ensuing proliferation of Codes of Conduct was accompanied by a broad debate over ‘corporate social responsibility’ (see Scherrer and Greven 2001; Diller 1999; Urminsky n.d.). These Codes of Conduct, together with multi-lateral instruments such as the ILO Tripartite Declaration, the principles of the UN Global Compact and the revised OECD Guidelines on Multinational Companies have contributed to the emergence of a complex social responsibility governance. Related to the debate on Codes as well as that on trade and labour standards (Block et al. 2001; van Roozendaal 2002) is the relatively recent innovation of International Framework Agreements (IFAs) on fundamental labour rights between MNCs and Global Union Federations (GUF) (see Tørres and Gunnes 2003). Starting with the World Works Councils of the 60s international trade unionism has for a long time tried to find suitable approaches and structures to deal with the rising power of MNCs switching between social dialogue in global multilateral institutions such as the ILO, World Trade Organisation (WTO), World Bank, International Monetary Fund (IMF) on the one hand, and industrial relations and/or campaigning at the level of MNCs on the other (Gumbrell-McCormick 2000; Northrup and Rowan 1979; Ramsay 1997; Rüb 2002). Jim Baker, then of the ICFTU, traces these international efforts back to the failures at national level:

‘In order to appreciate the forces that are moving the social partners to engage in international social dialogue, it is useful to recall the obstacles to collective bargaining and to social dialogue at the national level. The most important obstacles involve the failure of government. For various reasons, including international competition, many governments are not enforcing existing laws such as those that protect workers seeking to join or form trade unions and to bargain collectively and some governments overlook enterprises that avoid their legal obligations as employers.’ (Baker n.d.)

The argument in this paper is about a similar failure and locates the rise of International Framework Agreements in the failures of the social dialogue in global multilateral institutions. Although IFAs cannot dispense with either - international organisations for example in that they refer to ILO Conventions and Recommendations, or the nation state as any minimum standard has to be enforced at that level - they do represent yet another push in the private arena of international industrial relations. This can be said with regard to, both, a substantive as well as a formal dimension: IFAs commit MNCs to fundamental labour rights across their worldwide operations, oblige or at least encourage suppliers to follow, and provide a key role for trade unions in the implementation and monitoring process.

International Framework Agreements therefore should be regarded not as better Codes of Conduct, that is with trade union involvement, but as qualitatively different and a platform for

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2 I would like to acknowledge the support received for this research by Cardiff University through a travel fellowship, Cardiff School of Social Sciences and the International Institute for Labour Studies/ILO. Whilst they are not responsible for any of the following arguments I am also grateful for discussions with Ron Blum, Reynald Bourque, Finn Bowring, Steve Davies, Peter Fairbrother, Lone Riisgaard and Peter Unterweger.
international industrial relations. In fact, the overview below shows that IFAs are heterogeneous as to their substance and form. The analysis suggests to locate them on a continuum between labour rights agreements and collective bargaining agreements, distinguishing for example the early IFAs concluded by the IUF as opposed to those negotiated by ICEM. Interestingly, the distribution of framework agreements also reflects some of the shifting parameters of the international political economy: whereas the 60s efforts to establish international bargaining structures in World Works Councils were very much emanating from the North-American labour movement, the contemporary IFAs are overwhelmingly negotiated with MNCs headquartered in Europe and initiated in the context of existing European Works Councils.

In the following sections I have a look at the defining elements as well as the history of IFAs before presenting the similarities and differences in form and content. The discussion of the respective implementation and monitoring provisions provides the basis for a conclusion that locates the differences in the constraints of global market structures. Thus, the paper closes discussing the significance of different forms of IFAs by locating them with their respective commodity chain structures.

2 The Emergence of International Framework Agreements

The beginnings of International Framework Agreements are usually traced back to a social dialogue between Danone and IUF that started in the mid-80s and resulted in a series of agreements. In 1989 a ‘Plan for Economic and Social Information in Companies of the [then] BSN Group’ as well as an ‘Action Programme for the Promotion of Equality of Men and Women at the Workplace’ were concluded. This was followed in 1992 by an ‘Agreement on Skills Training’ and, in 1994, by an IFA proper, the ‘IUF/BSN Joint Declaration on Trade Union Rights’. A further very comprehensive agreement was reached in 1997 in a ‘Joint Understanding in the Event of Changes in Business Activities Affecting Employment or Working Conditions’.

For the rest of the 90s the conclusion of framework agreements was slow to take off: the IUF subsequently signed an agreement with Accor in 1995, the IFBWW with IKEA in 1998 and Faber-Castell in 1999, and ICEM with Statoil in 1998. Thus, 29 out of the 34 existing IFAs were concluded after 2000 and more than half were concluded after January 2002. So far the IMF has signed 10 IFAs followed by ICEM’s 8 and IFBWW’s 6 agreements. The IUF and UNI have each concluded 5 and the European Organisation of the ITGLWF one single IFA. At this point IFAs cover MNCs with a total 2003 sales figure of 792,470.9 Million USD and a total 2003 workforce of just above 3.0 million (see Table 1). Thus, even if a cautious extension to suppliers is taken into account the number of workers covered by the framework agreements reaches a multiple of that figure.

In the face of this explosion of framework agreements, we should start by exploring a definition of an IFA. The IUF/Danone agreement clearly sets an important benchmark in that it explicitly refers

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3 The ITF is left out of this analysis as it has not concluded an IFA but, more importantly, because it has already institutionalised collective bargaining on a global level to an extent that reaches far beyond IFAs (see Lillie 2004; Koch-Baumgarten 1999).
### Table 1: International Framework Agreements

<table>
<thead>
<tr>
<th>MNC</th>
<th>Headquarter</th>
<th>Main Activities</th>
<th>2003 Sales</th>
<th>IFA</th>
<th>GUF</th>
<th>ILO Conventions</th>
<th>2003 Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danone</td>
<td>France</td>
<td>Dairy Products</td>
<td>16,508.0</td>
<td>May 1994</td>
<td>IUF</td>
<td>87, 98, 135</td>
<td>88,607</td>
</tr>
<tr>
<td>Accor</td>
<td>France</td>
<td>Lodging</td>
<td>8,570.5</td>
<td>June 1995</td>
<td>IUF</td>
<td>87, 98, 135</td>
<td>158,023</td>
</tr>
<tr>
<td>IKEA</td>
<td>Sweden</td>
<td>Home Furnishings &amp; Housewares Retail</td>
<td>12,200.0</td>
<td>May 1998</td>
<td>IFBWW</td>
<td>29, 87, 98, 100, 105, 111, 135, 138; Rec143</td>
<td>76,000</td>
</tr>
<tr>
<td>Statoil</td>
<td>Norway</td>
<td>Oil &amp; Gas Refining, Marketing &amp; Distribution</td>
<td>37,378.0</td>
<td>July 1998</td>
<td>ICEM</td>
<td>29, 87, 98, 100, 105, 111, 138</td>
<td>19,326</td>
</tr>
<tr>
<td>Faber-Castell</td>
<td>Germany</td>
<td>Office, School &amp; Art Supplies</td>
<td>262.5</td>
<td>Nov 1999</td>
<td>IFBWW</td>
<td>29, 87, 98, 100, 105, 111, 138; Rec143</td>
<td>5,500</td>
</tr>
<tr>
<td>Hochtief</td>
<td>Germany</td>
<td>Construction</td>
<td>13,222.8</td>
<td>March 2000</td>
<td>IFBWW</td>
<td>'conditions and standards of the following agreements of the ILO'</td>
<td>34,039</td>
</tr>
<tr>
<td>Ballast Nedam</td>
<td>Netherlands</td>
<td>Construction</td>
<td>1,971.8</td>
<td>March 2000</td>
<td>IFBWW</td>
<td>'the relevant conventions and recommendations of the ILO ... such as'</td>
<td>5,000</td>
</tr>
<tr>
<td>Freudenberg</td>
<td>Germany</td>
<td>Automotive; Energy; Manufacturing</td>
<td>4,765.7</td>
<td>July 2000</td>
<td>ICEM</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182</td>
<td>28,479</td>
</tr>
<tr>
<td>Skanska</td>
<td>Sweden</td>
<td>Commercial &amp; Heavy Construction</td>
<td>18,337.3</td>
<td>Feb 2001</td>
<td>IFBWW</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182; Rec143</td>
<td>69,669</td>
</tr>
<tr>
<td>Telefónica</td>
<td>Spain</td>
<td>Telecommunications Services</td>
<td>36,563.9</td>
<td>March 2001</td>
<td>UNI</td>
<td>1, 29, 47, 87, 94, 95, 98, 100, 105, 111, 131, 135, 138, 155, 182; Rec116</td>
<td>148,288</td>
</tr>
<tr>
<td>Carrefour</td>
<td>France</td>
<td>Grocery Retail</td>
<td>88,474.3</td>
<td>May 2001</td>
<td>UNI</td>
<td>87, 98, 135</td>
<td>419,040</td>
</tr>
<tr>
<td>OTE</td>
<td>Greece</td>
<td>Telecommunications Services</td>
<td>6,178.3</td>
<td>June 2001</td>
<td>UNI</td>
<td>1, 29, 47, 87, 94, 95, 98, 100, 105, 111, 131, 135, 138, 155, 167, 182; Rec116, Rec143</td>
<td>17,169</td>
</tr>
<tr>
<td>Chiquita</td>
<td>USA</td>
<td>Fresh Fruit &amp; Vegetable Production</td>
<td>2,613.5</td>
<td>June 2001</td>
<td>IUF</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182</td>
<td>24,000</td>
</tr>
<tr>
<td>Merloni</td>
<td>Italy</td>
<td>Appliances</td>
<td>3,707.0</td>
<td>Dec 2001</td>
<td>IMF</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182</td>
<td>19,000</td>
</tr>
<tr>
<td>Triumph International</td>
<td>Switzerland</td>
<td>Apparel Manufacturing</td>
<td>1,909.4</td>
<td>Dec 2001</td>
<td>ITGLWF*</td>
<td>29, 87, 98, 100, 105, 111, 135, 138; Rec143</td>
<td>37,273</td>
</tr>
<tr>
<td>Endesa</td>
<td>Spain</td>
<td>Electric Utilities</td>
<td>20,925.0</td>
<td>Jan 2002</td>
<td>ICEM</td>
<td>'compliance with international labour standards, and in particular the ILO conventions on trade union freedom and the right to organise and international standards on the respect of human rights'</td>
<td>26,777</td>
</tr>
<tr>
<td>Fonterra</td>
<td>New Zealand</td>
<td>Dairy Products</td>
<td>7,173.8</td>
<td>April 2002</td>
<td>IUF</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182</td>
<td>20,000</td>
</tr>
<tr>
<td>Volkswagen</td>
<td>Germany</td>
<td>Auto Manufacturing</td>
<td>109,394.4</td>
<td>June 2002</td>
<td>IMF</td>
<td>'The social rights and principles described in this declaration take the Conventions of the ILO concerned into consideration.'</td>
<td>336,843</td>
</tr>
<tr>
<td>MNC</td>
<td>Headquarter</td>
<td>Main Activities</td>
<td>2003 Sales</td>
<td>IFA</td>
<td>GUF</td>
<td>ILO Conventions</td>
<td>2003 Employees</td>
</tr>
<tr>
<td>--------------</td>
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<td>-------------------------------------------</td>
<td>------------</td>
<td>---------</td>
<td>-------</td>
<td>---------------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Norske Skog</td>
<td>Norway</td>
<td>Paper &amp; Paper Product Manufacturing</td>
<td>3,993.4</td>
<td>June 2002</td>
<td>ICEM</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182; Rec143</td>
<td>9,873</td>
</tr>
<tr>
<td>DaimlerChrysler</td>
<td>Germany</td>
<td>Auto Manufacturing</td>
<td>171,529.0</td>
<td>Sept 2002</td>
<td>IMF</td>
<td><em>the nine principles of the Global Compact; principles orientated at the conventions of the ILO</em></td>
<td>362,063</td>
</tr>
<tr>
<td>AngloGold</td>
<td>South Africa</td>
<td>Precious Metals Mining &amp; Processing</td>
<td>2,026.0</td>
<td>Sept 2002</td>
<td>ICEM</td>
<td>29, 87, 98, 100, 105, 111, 138, 182</td>
<td>55,439</td>
</tr>
<tr>
<td>Leoni</td>
<td>Germany</td>
<td>Wire &amp; Cable Manufacturing</td>
<td>1,355.4</td>
<td>Oct 2002</td>
<td>IMF</td>
<td>87, 98</td>
<td>21,392</td>
</tr>
<tr>
<td>Eni</td>
<td>Italy</td>
<td>Energy &amp; Utilities</td>
<td>64,729.0</td>
<td>Nov 2002</td>
<td>ICEM</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182</td>
<td>76,521</td>
</tr>
<tr>
<td>ISS</td>
<td>Denmark</td>
<td>Commercial Cleaning &amp; Facilities Mgt Services</td>
<td>6,000.5</td>
<td>May 2003</td>
<td>UNI</td>
<td>1, 29, 47, 87, 98, 100, 105, 111, 135, 155, 167, 182; Rec116, Rec143</td>
<td>245,000</td>
</tr>
<tr>
<td>SKF</td>
<td>Sweden</td>
<td>Industrial Machinery &amp; Equipment Manufacturing</td>
<td>5,710.0</td>
<td>Nov 2003</td>
<td>IMF</td>
<td>138</td>
<td>38,700</td>
</tr>
<tr>
<td>GEA</td>
<td>Germany</td>
<td>Process &amp; Thermal Engineering</td>
<td>2,987.3</td>
<td>June 2003</td>
<td>IMF</td>
<td>29, 87, 98, 100, 105, 111, 138, 182</td>
<td>12,891</td>
</tr>
<tr>
<td>Rheinmetall</td>
<td>Germany</td>
<td>Auto Parts Manufacturing</td>
<td>5,332.1</td>
<td>Oct 2003</td>
<td>IMF</td>
<td>29, 87, 98, 100, 105, 111, 138, 182</td>
<td>20,888</td>
</tr>
<tr>
<td>Prym</td>
<td>Germany</td>
<td>Engineering</td>
<td>419.0</td>
<td>Nov 2003</td>
<td>IMF</td>
<td>29, 87, 98, 100, 105, 111, 138, 182</td>
<td>4,000</td>
</tr>
<tr>
<td>H&amp;M</td>
<td>Sweden</td>
<td>Apparel &amp; Accessories Retail</td>
<td>6,406.0</td>
<td>Jan 2004</td>
<td>UNI</td>
<td>29, 87, 98, 100, 105, 111, 135, 138, 182</td>
<td>28,419</td>
</tr>
<tr>
<td>Club Méditerranée</td>
<td>France</td>
<td>Travel Agencies &amp; Services; Lodging</td>
<td>1,913.6</td>
<td>Feb 2004</td>
<td>IUF</td>
<td><em>building on the principles set out in the ILO</em></td>
<td>20,333</td>
</tr>
<tr>
<td>Bosch</td>
<td>Germany</td>
<td>Auto Parts Manufacturing</td>
<td>45,635.3</td>
<td>March 2004</td>
<td>IMF</td>
<td>98, 100, 138, 182</td>
<td>232,000</td>
</tr>
<tr>
<td>SCA</td>
<td>Sweden</td>
<td>Paper &amp; Paper Product Manufacturing</td>
<td>11,776.6</td>
<td>April 2004</td>
<td>ICEM</td>
<td><em>(guided by ILO Declaration on Fundamental Principles and Rights at Work (core conventions) and SCA's Code of Conduct)</em></td>
<td>46,000</td>
</tr>
<tr>
<td>Lukoil</td>
<td>Russia</td>
<td>Energy &amp; Utilities</td>
<td>22,118.0</td>
<td>May 2004</td>
<td>ICEM</td>
<td>29, 87, 98, 100, 105, 111, 138, 156, 182</td>
<td>150,000</td>
</tr>
<tr>
<td>Renault</td>
<td>France</td>
<td>Auto Manufacturing</td>
<td>47,101.4</td>
<td>Oct 2004</td>
<td>IMF</td>
<td>29, 87, 98, 100, 105, 111, 138</td>
<td>130,740</td>
</tr>
<tr>
<td>Impregilo</td>
<td>Italy</td>
<td>Commercial &amp; Heavy Construction</td>
<td>3,680.8</td>
<td>Nov 2004</td>
<td>IFBWW</td>
<td>1, 29, 47, 87, 94, 95, 98, 100, 105, 111, 131, 135, 138, 155, 161, 162, 167, 182; Rec116, Rec143</td>
<td>12,998</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>792,470.9</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>3,000,290</strong></td>
</tr>
</tbody>
</table>

Notes: 2003 Sales are in Million USD; (1) Triumph International Sales and Employees are figures for 2002.
Sources: Global Unions, MNC websites; Hoovers
## Table 2: ILO Conventions in International Framework Agreements

<table>
<thead>
<tr>
<th>Number</th>
<th>Name</th>
<th>Adopted</th>
<th>Core</th>
<th>Ratifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>C001</td>
<td>Hours of Work (Industry) Convention</td>
<td>1919</td>
<td></td>
<td>52</td>
</tr>
<tr>
<td>C029</td>
<td>Forced Labour Convention</td>
<td>1930</td>
<td></td>
<td>163</td>
</tr>
<tr>
<td>C047</td>
<td>Forty-Hour Week Convention</td>
<td>1935</td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>C087</td>
<td>Freedom of Association and Protection of the Right to Organise</td>
<td>1948</td>
<td></td>
<td>142</td>
</tr>
<tr>
<td>C094</td>
<td>Labour Clauses (Public Contracts) Convention</td>
<td>1949</td>
<td></td>
<td>59</td>
</tr>
<tr>
<td>C095</td>
<td>Protection of Wages Convention</td>
<td>1949</td>
<td></td>
<td>95</td>
</tr>
<tr>
<td>C098</td>
<td>Right to Organise and Collective Bargaining Convention</td>
<td>1949</td>
<td></td>
<td>154</td>
</tr>
<tr>
<td>C100</td>
<td>Equal Remuneration Convention</td>
<td>1951</td>
<td></td>
<td>161</td>
</tr>
<tr>
<td>C105</td>
<td>Abolition of Forced Labour Convention</td>
<td>1957</td>
<td></td>
<td>161</td>
</tr>
<tr>
<td>C111</td>
<td>Discrimination (Employment and Occupation) Convention</td>
<td>1958</td>
<td></td>
<td>160</td>
</tr>
<tr>
<td>C131</td>
<td>Minimum Wage Fixing Convention</td>
<td>1970</td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>C135</td>
<td>Workers' Representatives Convention</td>
<td>1971</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>C138</td>
<td>Minimum Age Convention</td>
<td>1973</td>
<td></td>
<td>134</td>
</tr>
<tr>
<td>C155</td>
<td>Occupational Safety and Health Convention</td>
<td>1981</td>
<td></td>
<td>42</td>
</tr>
<tr>
<td>C156</td>
<td>Workers with Family Responsibilities</td>
<td>1981</td>
<td></td>
<td>36</td>
</tr>
<tr>
<td>C161</td>
<td>Occupational Health Services Convention</td>
<td>1985</td>
<td></td>
<td>23</td>
</tr>
<tr>
<td>C162</td>
<td>Asbestos Convention</td>
<td>1986</td>
<td></td>
<td>27</td>
</tr>
<tr>
<td>C167</td>
<td>Safety and Health in Construction</td>
<td>1988</td>
<td></td>
<td>17</td>
</tr>
<tr>
<td>C182</td>
<td>Worst Forms of Child Labour Convention</td>
<td>1999</td>
<td></td>
<td>150</td>
</tr>
<tr>
<td>R116</td>
<td>Reduction of Hours of Work Recommendation</td>
<td>1962</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R143</td>
<td>Workers' Representatives Recommendation</td>
<td>1971</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: [http://www.ilo.org/ilolex/english/convdisp1.htm](http://www.ilo.org/ilolex/english/convdisp1.htm)

The ILO has a total membership of 174 countries.
to ILO Conventions (before they were defined as such in the 1998 ILO Declaration on Fundamental Principles and Rights at Work; see Table 2 for a list of ILO Conventions referred to in IFAs). The set of the Danone agreements can still be seen as an ideal outcome of the most comprehensive contemporary IFAs. As Ron Oswald, IUF General Secretary, repeatedly phrased it, framework agreements constitute a ‘space for bargaining and organising’ (Interview 26 February 2002; see also Wills 2002).

To this effect, a number of GUFs, including the IMF and the IFBWW as well as the Global Unions drew up model agreements. The minimum provisions of an International Framework Agreement are contained in six key points (see also Nilsson 2002; Interview 04/11/2003):

- it must be a global agreement,
- Conventions must be referenced to the ILO,
- it has to require the MNC to influence suppliers,
- a Global Union Federation should be signatory,
- there has to be trade union involvement in the implementation, and
- there has to be a right to bring complaints.

Framework agreements therefore establish a platform for global industrial relations in defining GUFs as legitimate bargaining partners. They clearly moved beyond Codes of Conduct in that they are not mere unilateral declarations but contain obligations, although not legally enforceable ones. They further deal with government failure by setting global minimum standards and by getting MNCs to accept some responsibility for the labour rights situation up the supply chain. Finally, labour is one of the main actors in the implementation as well as a regular monitoring process.

Framework agreements normally commit MNCs to what has become known as core labour standards with the 1998 ILO Declaration on Fundamental Principles and Rights at Work, that is ILO Conventions 87, 98, 100, 105, 111, 138 whereas Convention 182 was only added in 1999. The distinct advance of framework agreements is further highlighted when we consider the specific status of these core conventions. The International Labour Conference has come to define these principles as so fundamental that it takes all ILO members as bound by them, as opposed to only those who ratified the Conventions in question. What International Framework Agreements do, then, is to really transform global unions into bargaining parties vis-à-vis MNCs and to make them part of a voluntary enforcement mechanism.

Thus, it can be argued that International Framework Agreements shift the parameters of international industrial relations. In an overview of models of international labour standards Block et al. (2001) distinguished between a legislative, a trade sanctions, a multilateral enforcement and a voluntary standards model. Through their combination of voluntary global bargaining based on international legislated standards that are mandatory for nation states, framework agreements present an interesting structural alternative to the established international labour standards governance. Although framework agreements are bound by their own constraints, arising mainly

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4 Such a definition would explain why the 2001 agreement with Triumph International is rarely included in lists of IFAs; it was not signed by the ITGLWF but only its European Regional Organisation, IG Metall and the company’s European Works Council.
from their voluntary character, they at least address the key limitations of the present labour rights system.

Still a closer analysis of the agreements reveals a number of differences of degree: whereas some IFAs’ emphasis is on establishing fundamental rights, there are others that come much closer to bargaining agreements in that they contain detailed provisions about regular meetings, deal with a range of issues beyond core labour rights and define a regularity of meetings and are meant to be discussed, renegotiated or prolonged after certain intervals. It is to these substantive and procedural elements I turn to in the next sections.

3 Substantive Provisions

All framework agreements operate on the principle of respecting minimum labour and human rights standards as well as national legal and industry regulations. Insofar as only 35 countries have ratified all seven core conventions in 1998 (van Roozendaal 2002, 175) there is a potential for IFAs to raise minimum standards in MNCs foreign operations. This mechanism, however, is mainly valid for the core conventions dealing with fundamental rights, that is nondiscretionary freedoms or protection. Where IFAs deal with more traditional bargaining issues such as employment, wages, working time, health and safety, training or restructuring, the phrasing tends to be more opaque and often retreats to the safer ground of ‘national legal and industry standards’. As will become clearer in the remainder of the paper, it is exactly these two poles, fundamental rights vs. further bargaining provisions, that structure the continuum of International Framework Agreements.

Next to a reference of labour rights to the ILO, agreements very often declare the respect of the UN Universal Declaration of Human Rights, the UN Global Compact, the ILO Tripartite Declaration on the Fundamental Rights of Workers, the OECD Guidelines for Multinational Enterprises and, again in a vaguer version, affirmations to support ‘fundamental human rights in the community and in the place of work’ (Statoil) or ‘corporate social responsibility’ and ‘social justice’ (Freudenberg). The agreement with GEA gives an example of a particularly ambitious statement:

‘It [GEA] will support to the best of its ability the combating of underdevelopment in third world countries and stands by its social responsibility. In this context it welcomes the principles of the “Global Company” and within the continuing process of internationalisation supports all the internal and external initiatives of a corporate social responsibility (CSR). It agrees to observe, secure or further extend the generally accepted ILO core working standards and human rights. The guiding principles of the OECD for multinational companies are thus applied by GEA AG’

The key areas of framework agreements clearly lie in the acceptance of the ILO core conventions regarding freedom of association, the right to organise and collective bargaining (1), equality and

5 Vague declarations, however, do not exclude surprisingly principled statements and (implicit) definitions of unethical business. The Freudenberg agreement, for example, contains the following: ‘The Freudenberg Group condemns involvement in unethical or illegal business. As a matter of principle no weapons or any kind of war materials similar to weapons shall be produced.’
non-discrimination (2) and the prevention of forced labour (3) and child labour (4). Although all IFAs
are referenced to the ILO, not all refer to them explicitly by number.

Differences range from mentioning C138 in the SKF agreement to record numbers in the IFBWW
agreement with Impregilo (20 conventions and recommendations) as well as the UNI agreements
with ISS (15), Telefonica (16) and OTE (18). Regardless of reference by number, however, all
IFAs, with the exception of the Danone, Accor and Carrefour agreements, commit the MNC to
respect of all core labour standards. The logic of the mentioned exceptions can be seen as ‘rights’
agreements, that is they do refer to the freedom of association and right to organise (C078), the
right to organise and collective bargaining (C098) as well as standards on workers’ representation
(C135). These ‘rights’ agreements therefore are based on the premise of International Framework
Agreements in establishing a platform for union strength that logically precedes any further
advances. As indicated above, a large number of IFAs go beyond those core provisions, in
particular with regard to workers representation, child labour, employment and restructuring,
wages, working time, training and health and safety.

Elaborating on the right to organise and bargain collectively, for example, 17 framework
agreements refer explicitly to Convention 135 on workers’ representatives and 8 agreements
mention the corresponding recommendation (R143). The Chiquita agreement, presumably
inadvertently, highlights the desperate need for such IFAs by saying:

‘Chiquita guarantees that employees will suffer no discrimination, threats or sanctions as
a result of any such visit by a union representative.’

Whereas ILO Conventions 100 and 111 normally constitute the standard with regard to equality
and non-discrimination, Lukoil has further subscribed to ILO Convention 156 on workers with family
responsibilities. A more complex situation exists with regard to the fight against child labour.
Whereas the majority of framework agreements contain Convention 38 on the minimum wage, they
also accept the latter’s exceptions for some developing countries (the general minimum age of 15
is thereby lowered to 14). Beyond this, companies such as Carrefour and H&M, have drawn up
Codes of Conduct (Carrefour’s is specifically on child labour) as part of a differentiated social
responsibility governance, that set out strategies to tackle child labour and develop alternative
projects.

Many framework agreements include provisions about employment, for example, restating
employer obligations under labour and social legislation, that conditions must be established or
expressing a preference for stable and permanent employment. Very interesting in this respect are
agreements with clauses on restructuring, seemingly a speciality of IUF agreements. Apart from
the separate 1997 agreement with Danone, the Fonterra and Chiquita IFAs also regulate
information and consultation as well as training plans in the case of restructuring. The agreement
with Club Méditerranée is also noteworthy as it precisely regulates the international mobility of Club
Med employees (in particular that of staff from Turkish villages):

‘The parties recognise the need to develop solutions to allow Club Méditerranée service
(GE) personnel with the required experience and qualifications to hold employment in
Club facilities in countries other than their country of origin, inasmuch as this satisfies the
needs of the organisation and the wishes of the employee concerned and provided that
such arrangements do not imperil employment, working conditions, salary levels and other social conditions for employees in the host country.'

In addition, the agreement provides for an EFFAT representative to monitor this initiative and commits the company to pay expenses and a set day rate.

The agreement with OTE refers to Conventions 95 and 131 on the protection of wages and minimum wage fixing respectively. A large number of other agreements do contain provisions on national legal and industry standards of wages and benefits, or outlaw wage deductions unless expressly regulated by law. In fact, as the OTE and Telefónica agreements comprise ILO Convention 131 they go even further in effectively including not only common wage standards but also a living wage. The OTE agreement reads:

‘No worker shall be paid less than the legal minimum wage and [this] shall always be sufficient to meet basic needs of workers and their families and to provide some discretionary income. (ILO Conventions 94, 95 and 131)’

Reflecting the specific problems in the textile industry, the agreement with Triumph International contains a similar clause:

‘Wages and other performance related payments conform to the legal or, for the industry applicable, minimum wage, which is enough to fulfil the basic needs of the employee and also leaves an amount, for free disposal.’

With regard to working time IFAs often refer to national laws and agreements, and sometimes include a statement about paid holidays. Overtime should be voluntary (OTE, Telefónica, ISS, Triumph International) and overtime pay should not be a substitute for insufficient remuneration (OTE, Telefónica, ISS, GEA). The UNI agreements with OTE, Telefónica and ISS further contain explicit references to ILO Conventions 1, 47 and Recommendation 116. The agreement with Triumph International, again reflecting the specificities of the sector, lays out a precise framework:

‘Working hours are set according to the current laws and the industry norm. Generally, a working week is not more than 48 hours and all employees receive at least one day off within a period of 7 days. Overtime is voluntary and as a rule restricted to no more than 12 hours per week. Each time this is compensated with an additional overtime payment, provided nothing different is agreed within flexible working arrangements.’

Just under half of the existing agreements specifically mention education and training, mostly though in a very general sense. Whereas the SCA and SKF agreements expressly support job enrichment, the special 1992 Danone agreement on skills and training is probably the most extensive. Two companies in particular, Statoil and Lukoil, further comprise specific training concerning the implementation of the IFA. The former, for example states that:

‘NOPEF/ICEM and Statoil will cooperate in developing joint training arrangements covering those issues – and their implementation - dealt with in this agreement. This will include appropriate training in health, safety and environmental best practice for union delegates from countries where Statoil is the operator. It will also include Management training programmes within Statoil. The cost of NOPEF/ICEM involvement in Statoil training programmes may be covered by Statoil, subject to agreement.’

Finally, about three quarters of IFAs commit to provide safe and healthy working conditions, a good number of agreements also refer to environmental standards. Again, it is the OTE, Telefónica and
ISS agreements that expressly refer to the ILO Convention 155, OTE and ISS further include ILO Convention 167.

Thus, this brief discussion underlines how framework agreements have developed, also in the range of issues that can be put onto the table. The ‘continuum’ between rights agreements and bargaining agreements can in some sense also be seen as an evolutionary process. As both, MNCs’ internationalisation and this form of social dialogue develops, the content is adapted and more likely to reflect industry specific issues. A look at the form and procedural arrangement of framework agreements will further highlight the influence of the respective value chain structure.

4 A Continuum between Rights and Bargaining

The foregoing overview of substantive provisions leads on to a distinction between types of framework agreements with regard to their form and procedure. The way this difference will be conceptualised in the following is through a distinction between rights agreements on one hand, and bargaining agreements on the other. Still, this should not be taken as an exclusionary distinction but as a hierarchical one: rights logically constitute the precondition for bargaining and bargaining at international level is not necessarily congruent with established notions of national bargaining.

The early IUF agreements with Danone and Accor can be seen as classic ‘rights’ agreements in that they first of all establish the conditions for an ongoing social dialogue and the right to bring up issues with the management. This definition, however, does not prevent further evolution after the signature of the agreement. For the case of these two mentioned IFAs, for example, it was precisely the ongoing dialogue through a number of conflicts and, in the case of Danone, a set of further agreements that created the context for regular negotiation over a broader range of issues (Oswald n.d.; Wills 2002). The briefness of the Carrefour and H&M agreements would suggest to put them in this category as well. However, these seem to be cases where a lot of ‘social responsibility’ has already been defined in Codes of Conduct before the framework agreement, so that the latter merely ‘catch up’ with regard to the labour dimension.

A number of the ICEM and UNI agreements come much closer to a ‘bargaining’ agreement in that the issues, annual meetings, the function, procedure and structure of these meetings as well as the costs are defined in detail. The industrial relations model for the bargaining agreements seems to be the works council: meetings take place once a year or more often upon request, the headquarter unions have a strong position and, normally, a representative of each of the company’s foreign operations (countries) is invited to attend. A number of agreements contain some procedure (often it is the signatory parties that jointly discuss question of interpretation), the Skanska agreement probably being the most explicit as it provides for an arbitration board which will issue binding decisions. In fact, a large number of IFAs do not only look like extended European Works Councils but were actually established on the back and on the initiative of the headquarter union’s activities in their EWC (see also Torres and Gunnes 2003)⁶.

⁶ Of all those European MNCs that signed framework agreements only Ballast Nedam, Telefónica, OTE and Endesa do not have a European Works Council.
This history of negotiation of framework agreements is normally reflected in the signatories (that is the GUF on its own, with a rational headquarter union or the EWC or World Works Council) and, more crucially, in their procedural arrangements. The agreements with Bosch, Club Med, GEA, Leoni, Rheinmetall, SCA and Skanska all integrate the respective EWC or a European structure in one way or another into the monitoring procedures; DaimlerChrysler, SKF and Volkswagen reserve a similar role for their World Works Councils. For the remaining IFAs it is the respective GUF, often together with the national headquarter union, that has the decisive role in this process. The framework agreements concluded by ICEM in particular but also those with ISS, Telefónica and OTE are very close to the ‘bargaining’ end of the continuum in defining detailed procedures and regular meetings (six-monthly international meetings at Endesa) and in conceiving them as renewable agreements⁷. Some IFAs also contain provisions regarding MNC’s obligation to bear the costs of the implementation of the agreement as well as the annual meetings, travel costs etc (see e.g. the remuneration of an EFFAT officer for monitoring the Club Med agreement).

Although the key point of framework agreements, the right of trade unions to bring complaints and to be involved in the monitoring, is guaranteed in all agreements, there are nonetheless important differences. A large number of agreements state a subsidiarity principle, that is a preference to discuss and solve matters at local level before concerning headquarter management and the respective Global Union Federation. The complaints procedure clearly has to be analysed on a case by case basis, depending to what extent regular IFA meetings take place on the back of EWCs or World Works Councils. However, it is noteworthy that some ICEM agreements (e.g. Norske Skog, Freudenberg, Anglogold) tailor the monitoring very much to the signatory partners whereas others (e.g. GEA and Rheinmetall) state that ‘all the employees have the right to address subjects and problems in conjunction with the agreed principles.’

Next to the ‘rights’ and ‘bargaining’ ends of the continuum, however, there are some IFAs that still stick out. The only existing ITGLWF agreement, for example, approaches an exemplary Code of Conduct from a trade union perspective. It normally is not included in lists of IFAs, one reason being that the ITGLWF itself is not a signatory (while Triumph International does have global operations). Still, it is included in this survey because it definitely satisfies the substantive and supplier provisions, because the ITGLWF considers it an IFA (Miller 2004) and because, regarding the organisational structure, the European Regional Organisation of the ITGLWF is actually an integral part of the latter (for many GUFs the European federations are formally separate organisations).

Manifest in many agreements are the histories and internal power structures of the trade union movement, that is, with sectoral differences, the relation between the global and national structures as well as the power resulting from EWC platforms (see e.g. Steiert 2001). UNI’s framework agreements are interesting as they manifest two different approaches: there are some agreements, such as those with Carrefour and H&M which only contain the basic reference to core labour conventions (the Carrefour agreement only lists ILO Conventions 87, 98 and 135). These IFAs fit on half a page and contrast markedly to the Telefónica, OTE and ISS agreements. The latter

⁷ Thanks are due to Reynald Bourque who first alerted me to the specific renewable bargaining character of the ICEM agreements.
contain extensive substantive and procedural aspects and integrate local trade unions (in the case of OTE and Telefónica) in the administration of the IFA. These different approaches can be traced to UNI’s organisational and political history, as UNI in fact is the result of a 2000 merger between the Communications International, FIET, the International Graphical Federation and the Media and Entertainment International.

Looking at the different procedures in framework agreements, the rights and bargaining continuum has to be complemented by a dimension concerning the participative structure. As mentioned earlier, a key innovation of IFAs, thereby ensuring their global character, lies in the recognition of GUFs as negotiation and bargaining partners by MNCs. However, it is important to recognise that the transnationalisation of national bargaining arrangements, or the export of national industrial relations models, can be in the interest of the headquarter management and union. A Volkswagen spokesperson, for example is reported saying:

‘We have enshrined our corporate attitude to conflict resolution ... That approach has been very successful in Germany, and this agreement is now helping us to transfer it to other parts of the world.’ (quoted in (Graham and Bibby 2002))

In the same way, however, as the relevance of a framework agreement crucially depends on union organising strength at the local level, it is the inclusiveness in the implementation and monitoring process that guarantees the truly global dimension of IFAs. Normally, even agreements with extensive procedural provisions leave a lot of discretion on who in fact will participate at the review meetings (the Endesa agreement, for example, contains the phrase ‘one ICEM representative for each country’). The significance of this inclusive procedural aspect of IFAs can only be mentioned here and requires further case study research (see e.g. the problems of international campaigning discussed by Miller 2004).

In order to sum up, it would seem fair and useful to locate International Framework Agreements on a continuum of consultation - negotiation - bargaining. Whereas agreements are designed to open up negotiations over minimum standards and ‘spaces for bargaining and organising’, the exact position in each case depends precisely on this process of bargaining and organising. Next to the sine -qua-non of trade union organisation along the value chain, this is essentially based on the implementation and monitoring of the agreements which is what I discuss in the following section.

5 Implementation, Monitoring and Managing the Supply Chain

The debate on Codes of Conduct and ‘corporate social responsibility’ (Diller 1999; Scherrer and Greven 2001) underlined the importance of publicity and a ‘good corporate image’. Clearly, there is no reason to assume that these factors don’t play any role in the case of International Framework Agreements. As the parties to Codes of Conduct and IFAs are however very different, have very different international power bases, legitimatory processes and mobilisation potentials it can be assumed there are specific motivations behind IFAs. These factors are clearly related to labour’s

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8 Whereas monitoring of the Merloni IFA, for example, is entrusted to the ‘National Joint Commission’ and where the Board reports to the EWC and the annual national contract meeting, it states: ‘For countries which are not members of the EWC, the information shall be given to representatives of the workers/union organizations at the individual plants by the local management.’
specific position within the respective MNCs, that labour is the key factor in the labour process as well as the key party (other than NGOs or transnational activist networks) in industrial democracy.

As the implementation of framework agreements depends very much on the actual motivations, the issues listed below exactly reflect labour’s specific role in global commodity chains (Gereffi 1999; Gereffi and Korzeniewicz 1994). To begin with, there is an obvious (if not universally accepted) business case for social peace. It is also important to note that the ‘agreement’ (as opposed to unilateral Codes of Conduct) character of IFAs not only commit MNCs but also the trade union side. Both parties find themselves in a process of social dialogue with its own formal or informal rules and/or constraints. In the case of the Chiquita agreement these procedural rules are formalised (again, in a bargaining-type element):

‘Avoid actions which could undermine the process spelled out in this Agreement, such as public international campaigns or anti-union retaliatory tactics, until such time as one or the other party declares there has been a failure to agree. A time frame for discussion and mutually satisfactory resolution of the issue will be agreed case-by-case by the Review Committee. No failure to agree can be declared before the expiry of that time frame’

However, there are other important motivations and factors which relate to global management processes, public procurement as well as MNCs being targeted for human rights violations in global campaigns.

Management problems in a global environment can provide as much a motivation to conclude IFAs as the respect for core labour standards. In this sense, framework agreements export certain approaches to human resource management and have to be seen as a tool of the MNC’s headquarters vis-à-vis its foreign operations. This is reflected, for example, in the signature of the IKEA agreement by the company’s procurement officer. In fact, these efforts do not have to be limited to the MNC’s own operations but can extend to the supply chain. Since the signature of the agreement IKEA has integrated the IFA into a Code of Conduct which is part of its contractual relations with suppliers and also established a separate compliance organisation.

This intersection between extending fundamental labour rights to suppliers and managing the supply chain in a broader sense shows interesting overlaps of management and trade union interests that lie at the heart of the implementation and monitoring process. Central from the point of trade unions is the guarantee of labour rights for the MNC’s workforce, its foreign operations as well as its suppliers. The standard phrasing in framework agreements in this respect is information of the content of the agreement and its translation into appropriate languages. As mentioned above, the Statoil and Lukoil IFAs set out plans of joint management/trade union training regarding the content and procedures of the agreements.

Regarding the extension to the supply chain, again, there are a number of different concepts. Monitoring stretches from integration of the agreement into the internal corporate audit (e.g. Leoni, DaimlerChrysler) to being included in the work of a separate compliance organisation (IKEA). MNCs at the end of buyer-driven commodity chains (Gereffi 1999) find advantages in making the framework agreement part of the contractual obligations of suppliers and subcontractors, together with a host of other obligations. Triumph International, for example, commits itself to implement the agreement by
‘integrating into all contracts with contractors and suppliers as well as licensees the duty to keep to the Code of Conduct and all its regulations.’

A cluster of MNCs can be discerned in this respect which put very concrete obligations onto their suppliers and to some extent established a complex governance structure of monitoring ‘social responsibility’. H&M, for example, obliges suppliers ‘to let an independent party (e.g. a NGO) of our choice make inspections’ (my emphasis):

‘8.2 Monitoring. All suppliers are obliged to always keep H&M informed about where each order is produced. H&M reserves the right to make unannounced visits to all factories producing our goods, at any time. We also reserve the right to let an independent third party (eg a NGO) of our choice make inspections, to ensure compliance with our Code of Conduct.

8.3 Non-compliance. Should we find that a supplier does not comply with our Code of Conduct, we will terminate our business relationship with this supplier, if corrective measures are not taken within an agreed time limit. If we find repeated violations, we will immediately terminate the co-operation with the supplier and cancel or existing orders.’

The specific dynamics of buyer-driven commodity chains can explain a good deal of these arrangements as well as the fact that the respective supplier-oriented Codes of Conduct are often more comprehensive and detailed than the respective framework agreement (see for example H&M, Carrefour). Still, it is the framework agreements that open the door to supply chain monitoring for trade unions.

Provisions regarding suppliers are less mandatory in other IFAs. The respective MNC normally commits to encourage its suppliers to adopt similar principles and standards and will regard this as a favourable basis for future business relations. What will in practice be more important is that the continuing violation of fundamental rights is seen, in the last instance, as reason to terminate business relations and/or contracts. Again, reflecting the specificity of the construction industry, the agreement with Ballast Nedam comprises very strong formulations about the latter’s responsibility as well as the different tiers of the supply chains (the Hochtief agreement is very similar):

‘Ballast Nedam acknowledges that it not only bears responsibility for the conditions under which its own employees work but also shares responsibility for the conditions under which the employees of its contractual workers do their work; ... Ballast Nedam requires that its contractual partners shall support this agreement and shall also ensure that it is adhered to by any of their contractual partners who are in any way active in connection with the business activities of Ballast Nedam.’

These agreements, Ballast Nedam again and ISS, include further references to the specific structure of the sector and suggest that the respect of fundamental labour rights can be an advantage in an industry continuously discussing public procurement regulations and blacklisting.

‘The IFBWW and FNV BOUW will attest Ballast Nedam vis-à-vis state and international institutions and major private clients a particularly positive role as setting a good example of responsible corporate management, the yardstick of which is the implementation of this agreement.’

What framework agreements have achieved is that they allowed trade unions to get a foot into the supply chain and tie the governance of the latter into bargaining arrangements based on the
legislative framework of the International Labour Organisation. It is the exact potential and constraints of this relation, between the dynamics of commodity chains and trade union organising on the basis of framework agreements, that constitutes an important challenge for, both, trade unions and researchers.

6 Global Unions and Global Commodity Chains

Debates over the character and features of globalisation over the last 10 years or so have emphasised the role of transnational corporations as well as their new organisation and global linkages. Much of this discussion has revolved around Gereffi’s notion of ‘global commodity chains’ (GCC) (Gereffi 1999; Gereffi and Korzeniewicz 1994), the French concept of the ‘filière’ (see Raikes, Jensen and Ponte 2000) or a newly developed approach of ‘global production networks’ (Henderson et al 2002). Although these approaches allow important insights into the changing features of global production and trade, it is notable that the bulk of this work has focussed on the governance of value chains (e.g. Gereffi, Humphrey and Sturgeon 2003) and that an analysis of labour other than a factor of production has been absent (Henderson et al 2002 for a similar critique).

However, a debate of International Framework Agreements, global trade union campaigns and union organising might draw some benefit from a consideration of the commodity chain analysis. While I do not want to enter into a detailed discussion of different concepts, I will mention two issues related to global commodity chain analysis. GCC analysis helps to shift the focus away from (mostly nationally conceived and regulated) sectors to more complex interlinked chains that cross a number of sectors in different countries (this point is made even more forcefully in the global production network concept). Gereffi initially introduced an analytical distinction between producer-driven and buyer-driven commodity chains:

‘Producer-driven commodity chains are those in which large, usually transnational, manufacturers play the central roles in coordinating production networks (including their backward and forward linkages). This is characteristic of capital- and technology-intensive industries such as automobiles, aircraft, computers, semiconductors and heavy machinery. … Buyer-driven commodity chains refer to those industries in which large retailers, branded marketers, and branded manufacturers play the pivotal roles in setting up decentralized production networks in a variety of exporting countries, typically located in the Third World. This pattern of trade-led industrialization has become common in labour-intensive, consumer goods industries such as garments, footwear, toys, housewares, consumer electronics, and a variety of handicrafts. (Gereffi 1999, 41).

Later on, this schematic dualism was modified to take into account a continuum between hierarchy, different forms of networks (captive, relational, modular) to market forms of the governance of global commodity chains (Gereffi, Humphrey and Sturgeon 2003). The variables in establishing this differentiation are the complexity of transactions between firms, the ability to codify transactions and the capabilities in the supply base.

In this light, key elements of GCC analysis are firstly useful in explaining part of the substantial and procedural differences in IFAs, regarding, for example, the agreements in the mostly producer-driven MNCs in the IMF’s remit compared to the H&M agreement. The more pronounced vertical integration in the former companies allows a broader trade union involvement based on EWC and
WWC structures than in companies that have no production facilities themselves but more than 750 suppliers. Whereas trade union representation can approximate the industrial reality the more hierarchical chains are organised, this is difficult to achieve in flatter network structures. Equally, vertically integrated chains provide a larger base for forms of regular social dialogue while the power of labour in networks rests much more on industrial organisation, social movement forms of campaigning as well as broader alliances with community and consumer movements.

Furthermore, GCC analysis can be used to derive key features for organising and campaigning. In fact, a large number of global trade union campaigns had a clear view of their opponent’s implication in the global economy, that is across sectors and countries (see for example Russo 1998 on Royal Ahold, or Greven 2003 on Continental). Equally, the GCC perspective can be used to analyse why some campaigns have failed. Miller’s account of recent ITGLWF campaigns to secure a framework agreement (2004), for example, would imply, in hindsight, that it is often difficult to strike a balance between the strategic value of a campaigning target on one hand, and the union’s capabilities to organise and campaign on the other.

Clearly, the value of these approaches for global union organising has yet to be proved by integrating labour into the analysis. Issues that are of obvious relevance are the distribution of labour productivity, purchasing power and profits across the spatial and scalar organisation of specific commodity chains, or the impact of different forms of work organisation and industrial relations across different parts of the chain. Finally, the value of such analyses rests on their ability to identify critical entry points for organising and campaigning as well as conclusively arguing for one strategy over others.

7 Conclusion

In a 1998 analysis of an emerging European system of industrial relations Streeck (1998) discussed the disparity between mandatory European-wide economic rule setting on one hand, and fragmented nationally-based social reregulation. As this structure is part and parcel of neoliberal hegemony it is probably not surprising to find it, although in adapted form, at the international level. The organisation and powers, for example, of the World Trade Organisation and the International Labour Organisation could not be a better illustration.

What Streeck also emphasised was that social integration and limits to the market can only come from public intervention. It is in this sense that the first experience with International Framework Agreements is significant. Mapping out a new arena of global industrial relations (Oswald n.d.) they deal with, both, the shortcomings of the debates on Codes of Conduct as well as that on trade and labour standards. Framework agreements link voluntarist bargaining with the ILO’s legislative role at international level while not intending to do away with national industrial relations. More to the point, international regulation is necessary in order to deal with the threats to national bargaining. Oswald (n.d.) rightly argues:

‘Trade unions nationally are also increasingly realising that a global system of industrial relations is absolutely necessary as a complement to existing national industrial relations systems, especially if national systems are themselves to be defended and to survive.’
In putting industrial relations back on the international level, in getting a hold on the value chain, the trade union movement has potentially found a grip onto the changing nature of global capitalism which, in turn, accentuates a number of key challenges for labour. In a general sense as much as for the particular case of framework agreements, questions will become more acute as to agreements with non-European MNCs, the relations between the global and the local, between the headquarter locations and peripheral workforces and affiliates as well as the true scope and reach of annual review meetings. Clearly, a lot of these questions need to go back to the platform of ‘rights’ agreements, that is campaigning, organising and bargaining. While there are some early examples and case studies of successes (and failures) on the back of framework agreements (see e.g. Miller 2004; Riisgaard 2004; Oswald n.d.; Wills 2002) the real tests still lie ahead.

References

Links to all International Framework Agreements are available from the ICFTU website:
http://www.icftu.org/displaydocument.asp?Index=991216332&Language=EN

Framework Agreements and Codes of Conduct can also be downloaded from the ILO’s Business and Social Initiatives database:


