Global Framework Agreements and Union Networking: Quo vadis?

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AGENDA:
Introduction:
Research background / Arguments

1. Global Production Networks

2. Transnational Union Networks (TUNs)

3. TUNs and the Global Labour Relations Arena

4. Two Case Studies – Two Trajectories

5. Summary & discussion
Research Group

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Definition:
Global Framework Agreements (GFAs) are...

... based on contract relationships between transnational corporations (TNCs) and global union federations (GUFs) which

- mutual recognition of *actors* on both sides,
- provide for *processes* of conflict resolution and
- *content* sets standards regarding
  - ILO core labour standards (union rights and collective bargaining, no forced or child labour, no discrimination),
  - additional ILO conventions (working time, pay, health & safety).

within a defined organizational domain (*arena*)

As such, IFAs are an instrument of regulating international labour relations positioned between unilateral codes of TNCs and international law (ILO).

Total number of GFAs (active) (1994 to 2012, n=85)

By comparison:
++ over 70,000 TNCs
++ ca. 900 EWCs
ARGUMENTS:

1. GFAs define actors, content and processes. They project a space for the development of an arena of global labour relations.

2. Global production networks (GPN) are the structural object of reference with their "contested fields" of labor-management relations.

3. Global Union Federations (GUFs) are constructing Transnational Union Networks (TUNs) in this context to realize labour's collective voice in implementing GFAs and advancing trade union organization.

4. Structural, associational and strategic (agency) factors contribute to differing modes of governance in TUNs. Differing modes of governance lead to different outcomes.

5. Strategic choices can override institutional constraints.
1. Global Production Networks

...combine concentrated dispersion of the value chain across firm and national boundaries, with a parallel process of integration of hierarchical layers of network participants. (Henderson et.al. 2002: 443)

GPNs (according to Coe et.al. 2008)

- Emphasis on socio-political embeddedness and process
- Multiple layers, multiple and simultaneous connections
- Recognition of the essential role of labour (but not as a (collective) actor)

(Source: Coe et.al. 2008: 273)
2. Transnational Union Networks

Four inter-related characteristics of Transnational Union Networks:

(1) Constructed in a **fragmented transnational arena** of industrial relations

(2) Fix point: **contested fields** of an economic network structure, i.e. a **Global Production Network (GPN)**

(3) **Selected Participants**: autonomous trade unions and other collective actors from different countries and organizational levels

(4) Mode of Governance: inter-organizational bargaining and collective action to achieve a set of commonly shared goals **without having hierarchical authority** to control the contributions and resources of participants.
2. Transnational Union Networks

• **Goals:**
  Initiating, Securing and Implementing GFA "Ownership"
  Raise the leverage potential of local/national affiliates
  Use GFA for space to organize
  Build and strengthen cross-border cooperation and solidarity

• **Governance**
  Defined leadership structures;
    Coordination / Guidance via GUF or TUs
  Defined priorities and assigned tasks
  Commitment of resources
THE GFA ARENA
### 4. Case Studies: Research design and case selection

<table>
<thead>
<tr>
<th>Region of origin</th>
<th>Industry/ GUF domain</th>
<th>Host countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>• IMF • UNI • ICEM • BWI</td>
<td>• Brazil • Turkey • USA • India</td>
</tr>
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</table>

- TNCs headquartered in the EU (majority of all IFAs has been concluded by TNCs from continental Europe)
- Four industries (four GUFs have signed the bulk of IFAs):
  - IMF
  - UNI
  - ICEM
  - BWI
- Four host countries (due to their positions in global division of labor and their different industrial relations systems).

**Data:** ~ 16 cases, ~ 150 interviews (HQ and local actors, experts)
### 4. Case Studies of two TUNs: MetalCorp vs. SecureCorp

<table>
<thead>
<tr>
<th>Company</th>
<th>GUF</th>
<th>Year of IFA</th>
<th>Organizational context of global production network</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Industry</td>
</tr>
<tr>
<td>Metal Corp</td>
<td>IMF (IndustriALL)</td>
<td>2002</td>
<td>Cars, Busses &amp; Trucks</td>
</tr>
<tr>
<td>Secure Corp</td>
<td>UNI</td>
<td>2008</td>
<td>Security Services</td>
</tr>
</tbody>
</table>
### 4. MetalCorp vs. SecureCorp: TUN governance

<table>
<thead>
<tr>
<th>Network leader</th>
<th>MetalCorp</th>
<th>SecureCorp</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>World council</td>
<td>UNI</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supporting role</th>
<th>IMF, home country union, subsidiary unions</th>
<th>Home country union, single affiliates</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Coordination practices</th>
<th>Reliance on institutionalized procedures at HQ level</th>
<th>Global campaigning, local organizing initiatives</th>
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"It's easiest when there is a strong employee representation at the HQ location which claims ownership for the question of creating and maintaining a network and provides personal capacity for (...) organizing meetings and providing a communication platform." (IMF automotive coordinator)

"Even in [SecCorp] which was a much longer campaign and involved a lot more really fighting for a global agreement; we chose our negotiating committee. The negotiating committee, we informed them about every discussion, but we did not inform the whole sector about every discussion." (UNI rep 2)
### 4. MetalCorp vs. SecureCorp: Goals of GFA-related union network

<table>
<thead>
<tr>
<th>Goals</th>
<th>MetalCorp</th>
<th>SecureCorp</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Corporate accountability to labour standards, Transnational solidarity, supplier compliance</td>
<td>Recognition of global union, organization building in selected countries</td>
</tr>
</tbody>
</table>

"Of course, the idea to build solidarity among the subsidiaries around the world is always there (...) and too, preventing whipsawing is also part of the calculation, in the long run." (MetalCorp, works council rep)

»In our case, certainly the ability to freely organize unions is the key goal of a Global Agreement: to enable us to establish that multinationals are going to respect some key elements that allow workers to organise.« (SecureCorp, UNI rep 2)
### 4. MetalCorp vs. SecureCorp: Scope: Beyond TNC Headquarters

<table>
<thead>
<tr>
<th></th>
<th>MetalCorp</th>
<th>SecureCorp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement of</td>
<td>Yes, exceptional</td>
<td>Yes, prioritized</td>
</tr>
<tr>
<td>subsidiary unions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involvement of</td>
<td>Selectively (violations)</td>
<td>No</td>
</tr>
<tr>
<td>unions at supplier</td>
<td></td>
<td></td>
</tr>
<tr>
<td>level</td>
<td></td>
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</table>

*„Direct connections between subsidiary unions? I have no experience with that. As a rule, when there are problems anywhere in the world, the first thing is to expect help and assistance from headquarters.“*  
(IMF automotive coordinator)

*“We have affiliates (...) they will engage in direct action and in a way that makes SecCorp doubtful whether they really benefit of the bargain on their side.”*  
(SecCorp, UNI Rep)
### 4. MetalCorp vs. SecureCorp: Common barriers of a fragmented arena

<table>
<thead>
<tr>
<th>Economic barriers</th>
<th>Fluidity of GPNs, Centrality of core TNC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional barriers</td>
<td>Local presence of unions; union recognition procedures</td>
</tr>
<tr>
<td>Political barriers</td>
<td>Conflicts: representational, over recognition, and ideological</td>
</tr>
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</table>

"(...) Of course, union representation is different from country to country. If we have a good unionization and clear union structures, networks are much easier to manage and to develop as in cases where unions are not present at all" (IMF automotive coordinator)

"And fundamentally in every case I find, it goes back to very serious basics, do we have a strong local union, can they enforce the contract they have, or can employers undercut standards because they can't enforce them." (SecCorp, UNI Rep)
SUMMARY / CONCLUSIONS:

• GFAs are not a strategy by themselves. Together with TUNs they are a tool for union voice in GPNs.

• Implementation is not a management prerogative. GFAs are a joint labor-management statement to be jointly implemented.

• Ownership comes through common strategy. Building participation through TUNs during negotiations strengthens implementation.

• Transnational Union Networks need structure, leadership, purpose and resources. And a focus beyond the TNC on GPNs.

• GFAs and TUNs can benefit labor if they go beyond the single TNCs toward a comprehensive transnational political strategy for global labor relations.
Thank you for your attention!

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Conceptualizing the construction and governance of transnational union networks in an IFA-based arena of global labour relations is a useful contribution to theory on global production networks, institutional work and industrial relations.

- i.e. understanding TUN governance illuminates the role of labour as a collective actor (agency), global union policy, dissemination of global labour standards.

Unions’ network governance mode has an impact on the outcome of global initiatives for labor standards:

- Inter-play of structural factors (type of GPN), associational resources and power, and strategic decision-making.
- Multi-level: Linking the global (rights, space) to the local (union recognition, mobilization).
- Comprehensive or corporate-specific? Impact of policy field on organizational development.

Open questions – Loose ends: The floor is open!