

EDITORIAL

This issue of TRANSFER is timely given the current debate in Europe about corporate social responsibility (CSR). It seeks specifically to get to grips with the implications of this phenomenon for the trade union movement in Europe. To what extent should the unions in fact concern themselves with what some have dubbed a philanthropic style of management, or even a marketing exercise, and what others have described as a new social relationship akin to the social dialogue?

This issue of TRANSFER is an initiative that takes up the line of thinking initiated by the European Commission in its 2001 Green Paper Promoting a European framework for corporate social responsibility. More particularly, it follows on from the 2001 European Trade Union Confederation project on trade union approaches to and prospects for CSR in Europe within three spheres: social, environmental and economic. The intention is to gain a deeper understanding of this concept and to heighten awareness of it among trade unions in order that they may make a greater input into the European and national debates. Furthermore, the contributors elucidate but also criticise the approach of European institutions to CSR, most notably Filip Dorssemont who emphasises the implications of this concept for one group of stakeholders whose specific circumstances the European Union appears to overlook: employees and their representatives.

The task of this issue is however not easy, in that CSR provokes a robust response from certain trade union organisations, some of them even going so far as to oppose any union involvement in this phenomenon or trend, which is essentially managerial in origin and has been sweeping through Europe over the past few years. It is true to say that there are few enthusiasts for CSR in trade union circles. To some trade unions, the term CSR is inaccessible at present. In reality, however, unions are involved in CSR initiatives on a daily basis but would not always recognise them as such. Indeed, almost all collective agreements as well as trade union activity around social and environmental concerns can be seen as contributing to CSR. One of the main difficulties encountered, therefore, is the lack of a clear definition of this concept (for some) or discourse (for others). Even though some authors help to clarify the thinking behind CSR approaches, on the whole they confirm its vague, ambiguous and multi-dimensional nature, which undoubtedly stays the hand of everyone concerned.

Others see CSR as a distinct threat not only to the future of social dialogue in Europe, but especially and more broadly to the observance and improvement of workers' rights through rules binding in law or by collective agreement. They see it as one of the ruinous effects of globalisation and of the predominance of economic concerns over social ones. The erosion effect of CSR may take many forms, such as the levelling-down of labour standards and more generally fundamental workers' rights, as shown by Filip Dorssemont, by choosing the lowest common denominator as a reference point, or by operating a selection amongst stakeholders that runs counter to or dilutes the legitimate interests of other players, such as workers' representatives. Moreover, CSR instruments are indicative of the inroads made by commercial and consumer law into the field of labour

relations. André Sobczak argues in his paper that this shift may lead to conflicts of interest between the company's different stakeholders, especially between workers and consumers, and also to a selective form of labour regulation, since consumer pressure affects only some companies and some social rights while neglecting others. Furthermore, the voluntary nature and lack of efficient implementation and monitoring of CSR measures make it extremely uncertain that they will be reliable, and this may bring social 'acquis' and the European social model under pressure.

However, the erosion effect that characterised the introduction of CSR in Europe seems gradually to be generating more acceptable, negotiated CSR practices, so that the social dialogue may after all benefit from these developments. Furthermore, industrial relations are nowadays not just about collective agreements but also about codes of conducts, guidelines, etc. Collective bargaining is broadening out in terms of issues, content and methods. Agreements on sustainable development are also emerging, and trade union action on the environment is now undertaken in tandem with public authorities or NGOs. Thus some of Europe's trade unions have become familiar with responsible corporate behaviour in the environmental and social spheres.

Now that they have become (or were they always?) 'stakeholders', what role can workers and their representatives assume that does not overlap or even conflict with the role assigned to them by legislation and collective bargaining, particularly in respect of social dialogue? What new scope is there for action, and in what partnerships? Alongside partnerships with public authorities that are often dubbed 'traditional', the trade unions are endeavouring to position themselves in relation to new actors such as business networks, commercial operators and NGOs which are coming to the fore in this new context of society-wide dialogue opened up by CSR. These traditional and new partnerships pose a challenge for the traditional actors, and according to a comparative study in some EU Member States described by Mikkel Mailand, the decisive factor seems to be the extent to which the new actors challenge the special positions of the traditional actors.

Moreover, and this is the belief not only of the European Commission but also of the trade unions and most NGOs, European and national public authorities alike have a legitimate concern and a political obligation to participate in framing and operating CSR initiatives. The active involvement of government bodies in formulating and monitoring CSR tools thus becomes an increasingly live issue, as evidenced by the Belgian social label experience described by Anne Peeters. Government-initiated approaches to CSR focusing on labour responsibilities, as explained in the article by Thomas Bredgaard based on the case study of Denmark, may well suggest that public authorities have a complementary role in promoting CSR.

Whereas these notions are sensitive (some might even say compromising) particularly because the acceptance of CSR in European trade union circles is so mixed and the instruments used are so complex, it is all the more necessary for the union movement to address them since, if no-one has ownership over CSR, those who appropriate it will be free to shape it according to their own requirements and objectives. Furthermore, the trade unions should not underestimate the multinationals' commitment – admittedly rather haphazard so far – to acknowledging their social and environmental responsibilities, in close connection with sustainable development. Trade unions could use this as a springboard for reaching out to workers who have until now been both inaccessible to trade unions and untouched by the body of legislation and collective agreements governing industrial relations, or else both – such as subcontractors or employees along the entire length of the production chain, for instance workers belonging to corporate networks within as well as outside of Europe's borders.

As to determining what means are currently available to the trade union movement to steer corporate behaviour in the direction of sustainable development and social responsibility, two contributions to this issue of TRANSFER give pause for thought: Henri Lourdelle shrewdly demonstrates that, over and above any traditional action carried out by the union movement, occupational pension funds – of which the unions have traditionally been mistrustful, and for good reason – can in fact become one of the new levers of trade union action. Malene Nordestgaard and Judith Kirton-Darling illustrate, by means of a study on the role played by the sectoral social dialogue committees in the developing debate on CSR in certain sectors, that various initiatives provide a means of giving CSR a tangible form at EU level. Potentially, collective agreements could have a strong role to play in the policy of CSR as a means of consolidating advances made either at sectoral or company level. Furthermore, CSR has the merit of providing a broad space for the development of innovative approaches to a whole variety of issues, according to the economic and market circumstances, but also as a means of preparing or ‘softening up’ areas of consensus.

Clearly trade unions must be cautious about getting involved in CSR initiatives to ensure that their personal credibility and interests are not jeopardised. It is therefore vital that any initiative seeks to strengthen the industrial relations system and underpin labour law. As the final report of the CSR Multi-Stakeholder Forum stresses, CSR as a voluntary integration of environmental and social considerations into core business operations is over and above legal requirements and contractual obligations and is based on dialogue with stakeholders. As an integral part of a company, the role of employees and their representatives should be given a particular attention. The ETUC re-emphasises, in its second resolution on CSR adopted at its Executive Committee on 9-10 June 2004 (see News and Background section), its view that CSR, to be effective, must mean a change of attitude permeating the entire company, making environmental and social considerations an intrinsic part of day-to-day management and decision-making. ‘Responsibility’ is not merely about improving commercial image or winning over consumers, but rather a challenge for corporate thinking on a worldwide basis. CSR in the EU must also reflect the principles of Social Europe and the aims of the Lisbon agenda, such as better jobs, sustainable development, and life-long learning.

One of the prime aims of trade union action in Europe, in this learning process shared by all the stakeholders in CSR, will therefore be to endeavour to align all the various trade union approaches to CSR so as to adapt it to the European social model, taking employment and quality of work as a major variable in corporate development and performance. There is a desire, shared by the European Commission and the European trade unions, to imbue CSR with a European dimension, namely to complement international standards with an EU approach based on the European social model, the Lisbon strategy, democracy and social progress, in order in particular to expand social dialogue to encompass new topics not currently within its remit. It is therefore up to trade union circles in Europe and around the world to disprove the words of Milton Friedman, winner of the 1976 Nobel Prize for economics, according to whom ‘the only social responsibility of a company is to increase its profits’. This can be achieved by using corporate social and environmental responsibility as a lever in order to react to and influence the effects of corporate activity on the environment, the social fabric, employment and the local economy.

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