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Transnational union networks: the challenges and opportunities in a new arena of global labor relations

Internationale Solidarität reloaded
Wissenschaftliche Tagung
der HBS-Promovierenden 2014

2. – 4. April 2014
Göttingen
Definition: Global Framework Agreements are...

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

• give mutual recognition of actors on both sides,

• provide for processes of conflict resolution and

• specify standard-setting content regarding

  • ILO core labour standards
    (union rights and collective bargaining, no forced or child labour, no discrimination),

  • additional ILO conventions
    (i.e. working time, pay, health & safety)

within a defined organizational domain (arena)

Total number of GFAs (active)
(1994 to 2014, n = 103)
GFA Implementation: mostly not happening,

**BUT ...**

**Pattern of successful cases:**

- Local union seeks recognition / CBA
- Resistance by local management
- Involvement of GUF / home country union based on GFA
- GUF / TU "persuasion" – local union publicity
- TNC Hq. intervenes. "neutrality" of local mgt.
GFA General Assessment

- GUF recognition
  - Top down. Lock-in to social dialogue
- From CSR to Labor Relations
  - Limited ownership
- ARENA creation
  - Conflict resolution bound to TNC
- Widening horizon Workplace to GVN
  - No neutrality, no union access

Challenges and Opportunities for Transnationalizing Workers' Power
Transnational Union Networks

Four Aspects or Issues:

1. Global Value Networks
2. Power and its Strategic Use
3. Network Governance
4. Collective Action
1. Understanding Global Value Networks (GVN)

A Strategy Perspective beyond National Systems and single TNCs

- TNC-led Global Value Networks account for 80% of global trade.

- GVNss are constructed strategically for profit, not in accordance with "sectoral boundaries"

- GVNss undercut local/national union bargaining power. Corporate decision-making not accessible for negotiated response.

- GVNss drive precarization of work: *Outsourcing* – *Offshoring* – *Whipsawing*

- Precarious employment relations increase in GVNss with the institutional and locational distance from the center of power to the periphery
2. Transnationalizing Power in Global Value Networks

Power:

• Structural / Associational / Institutional

Are these power resources being used? If so, how?

• Structural: Collective identity and action (IT, R&D, Transport)
  Spontaneous, autonomous

• Associational: Exceptional Cases G4S, DHL, European Dockworkers

• Institutional: Basis for most GFAs

Are these power resources singular, conflicting, or complementary?
2. Strategic Choices. Political Opportunity
Building Transnational Union Power

The whole GVN in mind – strategic focus on pressure points

- Where are the neuralgic/weak nodes or links in the GVN? (structural power)
- Where are there strong unions? (associational and institutional power)
- Where are there weak unions, where are unions non-existent and where is potential for "union building"?
- Where are scandalizing opportunities and allies?
3. Organizing Networks

Transnational Union Networks and GFAs

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

• **Governance**
  Defined leadership and decision-making structures;
  Coordination / Guidance via GUF or TU affiliates
  Commitment of resources
  Defined priorities, assigned tasks and goals
GFA Negotiations (top down, TNC-centered process)
4. **Transnational Union Networks and Collective Action**

- Changing the game through involvement of additional actors beyond the GFA signatories (TNC – GUF/works council/home union)
  A new balance of power

A collective action problem for unions?

**E. E. Schattschneider (1960)**
- Contrary interests between privatizing and socializing a conflict
  The stronger party (here: TNC) – keep the conflict private

- Ownership of a GFA and transnational union networking means “expanding the scope of conflict.”

**Walton/Cutcher-Gershenfeld/McKersie (2000): Negotiation Strategy**

- "managing internal differences to promote solidarity on one's own side while exploiting divisions on the other side"
Building Transnational Union Power in GVNs: Conditions of Success / Constraints

- Identifying strategic goals: Challenging the asymmetry of power. Union building / Organizing
- Mobilizing resources and transnational union power
- Conducting goal-driven research GVNs: points of intervention / disruption / union building
- Organizational learning and campaign anchoring
- Addressing governance in union networks
Thanks for your attention!