

GLOBAL
UNIONS
GLOBAL
BUSINESS

GLOBAL UNION FEDERATIONS
AND INTERNATIONAL BUSINESS

by
Richard Croucher
and Elizabeth Cotton

This book analyses the work of the Global Union Federations, illustrated in our opening quotation, and makes suggestions for their re-orientation. We discuss the current position of the trade union movement's international institutions, their internal lives and their relations with companies. The book is therefore a contribution to a widely overlooked aspect of globalisation.

Unions remain by far the largest membership organisations in the world and have extensive international coverage, dwarfing non-governmental organisations (NGOs) also engaged with the impact of globalisation. Although NGOs are often regarded more positively than unions, they rarely have membership structures and generally rely on unelected professionals (Edwards, 2001; Batliwala, 2002). In terms of democratic involvement, unions provide much greater opportunities for members to determine policy and play a part in organisational governance. Despite some historic cases internationally of corruption, trade unions have long and proud traditions of democratic processes. They provide a substantial proportion of working people with opportunities for political involvement, and for shifting power relations at work. This aspect of unionism has taken on renewed importance with the development of global trade. Nevertheless, we also argue that without change in the ways that the international institutions of the trade union movement operate, the existing power dynamics will remain intact and globalisation will continue to operate in negative ways for many workers.

Our primary focus is on the global union organisations themselves, significant but little-studied actors in the construction of the beginnings of an international system of industrial relations. The work of these organisations is important in coordinating union responses to longstanding distributive and procedural justice issues that have been exacerbated by globalisation. Real possibilities exist for international trade unionism to build its position within these discussions. The distribution of wealth and access to resources such as health and education within countries is central to current debates around development, and unions are relevant because of their redistributive capacity. As Elliott and Freeman (2003) argue, the 'missing voice' in these debates is that of workers in developing countries. Unionisation has a major contribution to make in rectifying that position. Unions have many positive outcomes for workers, facilitating collective voice mechanisms that help to increase their earnings and reduce earnings differentials, including gender earnings differentials (Freeman and Medoff, 1984; Weichselbaumer and Winter-Ebner, 2003). They help to enforce the law in workplaces (Harcourt et al., 2004). The benefits they bring to society more generally are well established. Unions internationally gave birth to many other cooperative, mutual and adult educational organisations, building civil society and promoting 'democratic development' (Stiglitz, 2000). Stiglitz linked this to the way that unions have historically played a major role in providing opportunities for democratic involvement, including by addressing workers' needs to improve their wider understandings through education.

Many interna
'fair' labour pract
elaborate and ine
example by findir
inspection proces
that there is a pe
that in fact these
of the world's wor
rhetorical (Douzi
organisation with
issues on an ongc
such organisation

Our subject is i
The fall in union
circumstances: m
well-unionised in
have of course be

Unions' diffict
across the world.
countries for some
the century up to
only because of th
low levels of inves
of labour; the eve
of human resourc
models; lean pro
free trade policies
pursuit of flexibili
of full-time empl
abnormal from a g
even in Japan anc
eroded and replac
work has created
threatens unions'
interests of labour

The veteran tra
of international u
accounts exuded
'stand in the centr
up-beat statement
the publication of

is, illustrated in our
tion. We discuss the
al institutions, their
refo re a contribution

ns in the world and
mental organisations
ugh NGOs are often
rship structures and
la, 2002). In terms of
ities for members to
Despite some historic
l proud traditions of
working people with
r relations at work.
the development of
in the ways that the
; the existing power
operate in negative

elves, significant but
international system
tant in coordinating
justice issues that
st for international
The distribution of
within countries is
re relevant because
argue, the 'missing
tries. Unionisation
Unions have many
anisms that help to
ing gender earnings
(Vinter-Ebner, 2003).
2004). The benefits
ions internationally
ional organisations,
nt' (Stiglitz, 2000).
played a major role
ding by addressing
education.

Many international companies are involved in a quest to show that they have 'fair' labour practices without recognising unions. These quests involve increasingly elaborate and ineffective methods of monitoring themselves and their suppliers, for example by finding NGOs that will attest to the humanity of their practices through inspection processes and so on. It then appears to be a matter of surprise to them that there is a persistent pattern of rediscovery by investigative journalists showing that in fact these problems have not been resolved. The harsh reality is that for many of the world's workers, talk of human rights in the workplace is just that: it is strictly rhetorical (Douzinas, 2000; Beirnaert, 2008). It is evident that only stable union organisation within workplaces can begin to deal with both rights and distributive issues on an ongoing basis; no monitoring or inspection system can hope to match such organisation.

Our subject is important precisely because of trade unionism's widespread decline. The fall in union membership in most countries is caused primarily by objective circumstances: massive restructuring in global capitalism that has hugely disrupted well-unionised industries and created weak negotiating positions for workers. Both have of course been facilitated by the rise and dominance of neoliberal ideas.

Unions' difficulties are inextricably linked with the problems faced by workers across the world. Labour's share of total income has been falling in the developed countries for some years. In the UK, labour took a rising share of national income for the century up to 1970, but this trend has now been reversed (Glyn, 2006). This is not only because of the expanded world labour supply; it is also partly because of relatively low levels of investment. Further reasons are found in: the new international division of labour; the ever present threat of relocation; the development of different forms of human resource management; the widespread adoption of Japanese production models; lean production; 'High Performance Work Systems'; and the pursuit of free trade policies by the international financial institutions (Upchurch, 2008). The pursuit of flexibility has become a catechism for employers, with a 'normal' model of full-time employed workers employed by one company probably now looking abnormal from a global perspective. Employees' grip on their jobs has been loosened: even in Japan and South Korea, for many workers, lifetime employment has been eroded and replaced by precarious work forms. The widespread creation of 'informal' work has created a large pool of almost exclusively non-union workers. This in turn threatens unions' legitimacy in their wider function as representatives of the wide interests of labour rather than of particular groups of employees.

The veteran trade unionist Hans Gottfurcht, a leader with enormous experience of international union affairs wrote on our subject in the mid-1960s, and his accounts exuded optimism (Gottfurcht, 1962; 1966). Trade unions, he proclaimed, 'stand in the centre of world events' (1966: 12). There were objective grounds for his up-beat statement: trade unionism stood at an historically high level, and between the publication of his books in 1962 and 1966 an internationally coordinated strike

involving the chemical workers' international occurred. It is hard to see similar grounds for optimism today. Multinational companies' growing power and the reduction in labour's share of global product both point in a more pessimistic direction. Despite much discussion of 'union renewal', the historic institutions of the labour market – trade unions and employers' associations – have been in retreat in most countries for several decades. These developments affect unions' capacity to act in workers' interests at all levels, including the international. J.K. Galbraith (1983) noted that historically, great concentrations of power such as that collectively wielded by large corporations today tend to produce countervailing forces. Whether the union internationals can constitute such a force, or even be one element in a wider coalition, is an open question that is explored below.

The broad family of international trade union institutions consists of the Global Union Federations (GUFs) and the International Trade Union Confederation (ITUC).

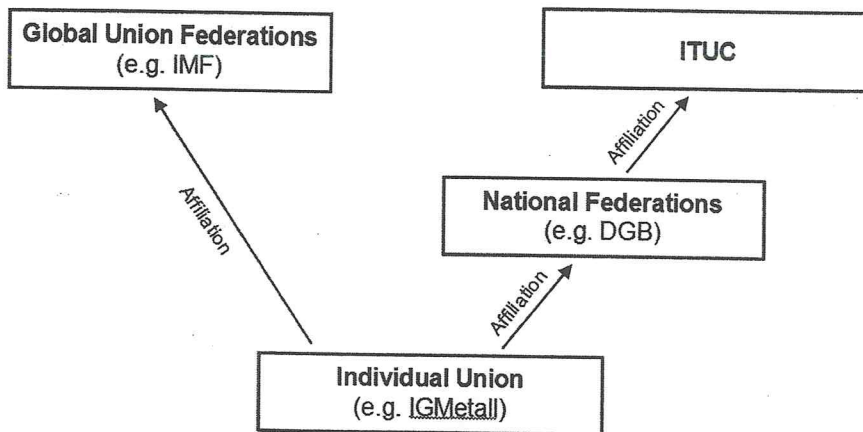


Diagram 1: National and International Levels of Trade Unionism

GUFs are distinguished by industrial sector, with national unions from over one hundred and twenty countries affiliating to them. Harold Lewis, ex-general secretary of the international transport workers has argued that GUFs account for 80 per cent of the international movement's activity, and at least 90 per cent of its work directly affecting workplaces (Lewis, 2003). The sectors covered range from education where Education International represents teachers, to transport, where the International Transport Workers' Federation is active. The GUFs are diverse organisations which share many characteristics. They can be grouped into three categories. The first is those with a private sector membership and an industrial and bargaining focus (BWI, ICEM, IMF, IUF and UNI). The second category (IFJ and ITGLWF) also have private sector members, but have less bargaining focus because they have a

weak and unstable member sector unions, which are national governments at the first two categories

Table 1: List of Global Unions,

Global Union	Main Sectors Covered
ITUC	Umbrella body
EI	Education
IMF	Metalworking
ICEM	Chemicals, energy, mining, paper
PSI	Public services
UNI	Telecoms, graphics, media, retail, services
BWI	Construction and materials
ITGLWF	Textiles, garments, leather goods
ITF	Transport
IUF	Food, agriculture, catering, tourism
IFJ	Journalism

Source: Union websites

The book also touch which works with the well resourced and is t the established global collectively referred to ; mean to exclude the ITU

weak and unstable membership base. The third (EI and PSI) encompasses public sector unions, which relate mainly to international governmental organisations and national governments and have solid membership bases. In this book, the focus is on the first two categories because they operate primarily in the private sector.

Table 1: List of Global Unions, 2008

Global Union	Main Sectors Covered	Estimated Total Membership (Millions)	Total Number of Affiliates	Number of Countries Covered	Estimated Number of Developing Country Affiliates	Estimated Percentage of Developing Country Affiliates
ITUC	Umbrella body	168	311	155	190	61
EI	Education	30	394	171	189	48
IMF	Metalworking	25	200	100	Unknown	Unknown
ICEM	Chemicals, energy, mining, paper	20	379	117	182	48
PSI	Public services	20	650	160	323	50
UNI	Telecoms, graphics, media, retail, services	15.5	900	140	Unknown	Unknown
BWI	Construction and materials	12	318	130	Unknown	Unknown
ITGLWF	Textiles, garments, leather goods	9	238	122	163	68
ITF	Transport	4.5	654	148	63	10
IUF	Food, agriculture, catering, tourism	2.6	375	127	206	55
IFJ	Journalism	0.6	117	100	43	37

Source: Union websites

The book also touches on the work of the ITUC, created by merger in 2006, which works with the GUFs. The ITUC affiliates national centres, is relatively well resourced and is the largest umbrella organisation in the world. These are the established global organisations representing labour's interests, which are collectively referred to as 'the internationals'. When we refer to GUFs alone, we mean to exclude the ITUC.

is hard to see similar
rowing power and the
in a more pessimistic
historic institutions of
s - have been in retreat
affect unions' capacity
national. J.K. Galbraith
such as that collectively
vailing forces. Whether
en be one element in a

s consists of the Global
Union Confederation

ITUC

ations

unions from over one
s, ex-general secretary
account for 80 per cent
pt of its work directly
from education where
ere the International
: organisations which
categories. The first
and bargaining focus
I and ITGLWF) also
because they have a

GUF functions can be split into three types. First, they defend the existing space in which unions operate, for example by defending trade unionists' basic rights in extremely hostile environments. Second, they work to create further space, for example by collective bargaining (Wills, 2002). This set of tasks currently looms large in their own perceptions of their role even though GUFs have influence rather than power in relation to companies. Third, they help unions to exploit these spaces, primarily by building their capacities through educational and information activities. These functions are shown in Diagram 2.

Functions	Methods
Create space for local unions	IFAs
Defend space for local unions	Solidarity work
Demonstrate to unions how to move into space	Education

Diagram 2: GUF Functions

The internationals are coordinating bodies that link, or articulate, unions at other levels to each other and to international institutions and employers (Eder, 2002). Although the GUFs are formally described as 'global', this represents an aspiration rather than a reality since they are more accurately described as international bodies with wide coverage that are 'globalising'. They have historically built outwards from their European bases to include unions in other regions and are still engaged in extending their coverage to every country where unions exist. The GUFs both co-exist with and transcend the bilateral links that often spring up between individual unions across the world. Central to our argument is the view that only the multilateral frameworks provided by these international union institutions can shift the balances of power that exist both between unions and between unions and employers. For some, less institutionalised international links between unions are often felt to be sufficient and even preferable. We argue against this view.

Despite over a century of activity many misunderstandings of the internationals' roles are evident. Most people engaged in workplace industrial relations have little knowledge or understanding of these organisations and many trade union members are not aware that their unions are affiliated to them. The internationals have partly themselves to blame: they are poor promoters of their own successes, operating quietly even when real gains are secured for affiliates. However, it is important to

understand that, like other environments, invariably e divulge information to the accountability rather than Initiative, the IPUC was surveyed, with a 13 per therefore very difficult to c bodies, and this is an impo

Existing writing, with a two camps: advocates/adv grasp of the realities of h of working in them (see : knowledge of an organisati concerned uncritically to d Chip Levinson (1972), ex-g General Workers' Federatic successes in the 1960s. It marked by questionable ar; to 'parasitic elite junketing [or, for that matter, your p view that such junketing is

There is no shortage o much of it at the internati empirical bases. In sharp only infrequently enjoyed trade union movement. Tl about the work of the inte they practice. In writing th data as comparable mater for the GUFs - although similar.

We agree that what Lev trade unionism should b focussing on education an main purpose here. Rathe picture of the internatio future. We present new d; and external work in the g First, they derive from ov the internationals and un they have been drawn fro

nd the existing space
 ionists' basic rights
 te farther space, for
 lks currently looms
 UFs have influence
 ions to exploit these
 nal and information

thods
rity work
cation

ate, unions at other
 oyers (Eder, 2002).
 sents an aspiration
 ernational bodies
 lly built outwards
 d are still engaged
 t. The GUFs both
 oring up between
 he view that only
 n institutions can
 tween unions and
 tween unions are
 is view.

he internationals'
 lations have little
 e union members
 ionals have partly
 ccesses, operating
 t is important to

understand that, like other trade union bodies, they operate within harsh political environments, invariably experience a hostile press and are therefore reluctant to divulge information to the outside world. They emphasise internal democracy and accountability rather than external transparency. In the 2006 Global Transparency Initiative, the ITUC was ranked last of all the non-governmental organisations surveyed, with a 13 per cent transparency capacity. Data on their activities is therefore very difficult to come by. There is a need for greater information on these bodies, and this is an important aspect of what we set out to achieve in this book.

Existing writing, with a few honourable exceptions, can be broadly divided into two camps: advocates/advisers and critics. Those falling into the first have a firm grasp of the realities of life in the internationals, often derived from experience of working in them (see for example White, 2006). Their strength, an in-depth knowledge of an organisation, can also be a weakness, however, since they are often concerned uncritically to defend their institutions past or present. Thus, for example, Chip Levinson (1972), ex-general secretary of the then International Chemical and General Workers' Federation (ICEF), tended to overstate its international bargaining successes in the 1960s. In the second camp, some criticism is vehement, and is marked by questionable argumentation. For example John Logue (1980: 24) referred to 'parasitic elite junketing', which apparently involved 'taking your pretty secretary [or, for that matter, your plain wife] on expenses-paid trips'. This is integral to his view that such junketing is a key reason for the longevity of this level of unionism.

There is no shortage of writers with criticism and advice for trade unions but much of it at the international level is of little value because it is founded on weak empirical bases. In sharp contrast to unions at the national level, academics have only infrequently enjoyed long-term or close relationships with the international trade union movement. This is compounded by the lack of publicly available data about the work of the internationals due in part to the levels of secretiveness which they practice. In writing this book, for example, the authors often have to use ITUC data as comparable material is not available (or where available is too imprecise) for the GUFs – although we do so only when convinced that the two pictures are similar.

We agree that what Lewis (2003) calls 'the theoretical wasteland' of international trade unionism should be addressed. We make some contribution in this area, focussing on education and its role, but the wider development of theory is not our main purpose here. Rather, we try to present a realistic and empirically grounded picture of the internationals in order to raise the quality of debate about their future. We present new data on several aspects of the internationals' internal lives and external work in the global economy. These data come from numerous sources. First, they derive from over fifty formal and informal interviews with officials of the internationals and union activists from many countries of the world. Second, they have been drawn from a trawl of the internationals' official and semi-official