

INTRODUCTION

A European project to make companies more transparent, inclusive and accessible to workers' involvement.

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Multinational groups are 320.000 for a total of 1.116.000 subsidiaries around the world, and employ 300 million people in total, amounting to 15% of global employment, and control the 80% of the global trade of goods and services. Their total turnover is 132 trillion dollars (124 trillion euros); the 14% is achieved by the first 200 companies.

Comparing the turnover of companies and the balance of States, we can see that among the first 100 economic entities of the world, 67 are multinational companies and 33 are sovereign nations. The 62 wealthiest people on the planet – owners or CEOs of big companies – are that 1% that possesses a wealth equivalent to 3.5 billion poor people, or 50% of the global population. Such an economic wealth translates into power: economic power, and as a consequence, political power, that is used to influence the choices of governments and parliaments to their advantage (agreements such as CETA, TTIP, TISA are the clear expression of pressures from big groups on political power).

If we add to this the fact that multinational companies are more and more interlocked and the same people sit in the boards, one can understand how power is concentrated in a few hands.

The actions of multinational companies have direct and indirect consequences on workers and citizens, that are therefore the primary stakeholders in practical and material terms.

The question comes natural: who governs these huge economic powers? Where does their wealth come from and in what measure is this wealth sustainable?

When we mention sustainability, we traditionally divide it in three pillars: 1. Social, of which unions and collective bargaining are part; 2. Environmental; 3. Economic

From a **social point of view**, we refer to strategies aimed at guaranteeing the well-being of people: health and safety on the workplace, training and empowering of skills, equal opportunities, safeguard of human rights and of vulnerable subjects. This commitment is not limited to the inner boundaries of a company, but encompasses the whole supply chain, sparking a virtuous cycle that becomes a precious investment for the well-being of local communities.

From an **environmental point of view**, we refer to actions aimed at reducing the impact of economic activities on natural resources available for present and future generations, and useful to satisfy the needs of the present and at the same time preserve the vital system which is Earth. In other words, safeguard of the environment, decrease of emissions, fight against wastefulness, use

of renewable energy sources, investment in clean technologies. In this case as well, the commitment of the company is not limited to its factories, but extends to the supply chain and distribution.

From an **economic point of view**, we refer to the capacity of the company to generate wealth, meaning income for the sustainment of the workers and the company, economic resources that may be reinvested in production factors to avoid inhibiting the capacity of the company to generate wealth in the long term.

A further meaning of the term “sustainability” emerges from international debate: it is described in terms of **institutional or global governance sustainability**, alluding to the commitment on behalf of institutions to coordinate and cooperate to guarantee the basic conditions to achieve social, environmental and economic sustainability: stability, democracy, safeguard of human rights, participation, information, training, justice, fight against tax evasion, support for scientific research.

We may presume that sustainability is not something that regards only companies, but everyone else as well, political institutions first of all and the collectivity, because it concerns quality of existence – current and future – inside and outside of the working place, and is therefore a **common good** that must be defended, guided and supported.

Let’s go back to the above mentioned question: who governs these economic powers? And in what measure is governance “shared”, what is the internal and external level of participation?

Banks, insurances, pension funds, investment funds and other types of financial activities detain the majority of shares of the most influent multinational companies/groups at a global level.

The prevalent company management system is the Anglo-Saxon one, that doesn’t include cooperation mechanisms with workers regarding company choices. These are taken by a board that, as the only managing body, complies with the interests of the main shareholders.

Dualistic systems, that include more or less advanced forms of participation and decision sharing with workers on the boards of public and private companies have been introduced in 12 countries out of 27 in the European Union, mainly in the Rhine region (Germany, Austria, Netherlands, Luxembourg) and Scandinavia (Sweden, Norway, Denmark and Finland).

Apart from the organizational system, whether it includes participation or not, facing an increasingly pervasive and penetrating power of multinational companies in the economic and political areas, and witnessing a limited institutional capability to drive the activity on multinational companies within the pillars of sustainability, it is necessary to **raise collective awareness, or in other terms, a social consciousness, that would drive companies – from below – towards an increased responsibility and accountability of their actions in relation to the stakeholders.**

This is where our project originates: it is crystal clear that **there can be no participation nor collective bargaining or other action without information and awareness; and also, there can be no information without transparency and accessibility.**

Multinational companies know well about their potential and current clients, they know everything about us, and are willing to invest considerable resources to acquire big data that tells them what our interests are, and how we can be attracted to their products. But their “voracity” of information sometimes does not correspond to an equal openness and availability to give information regarding their activities.

We want to promote an **OPEN approach**, based on the assumption that the action of a company is of public interest since it has direct and indirect effects on the collectivity. An OPEN approach that implies availability – to the benefit of all those that wish to exercise a knowledgeable control of the data regarding production: work, in terms of individual and collective rights, quality of work and empowering equal opportunities for all; land, in terms of safeguard of the environment within which the company operates; capital, in terms of investments and fiscal contributions.

We want to promote the idea of an **enlarged governance**, where the responsibility of task is enlarged **to those stakeholders that rotate inside and outside the workplaces: workers, unions, consumers, investors, suppliers, communities, partners, public institutions, future generations.**

We want to promote a **point of view**: the workers’ and trade unions point of view, and rank companies based on this point of view and on **objectively verifiable indicators**, extracted from official sources and available to anyone that asks for them, meaning they are freely downloadable.

We want to examine and compare multinational companies from the same sector, and create a trade union ranking, unique in his kind, dynamic, able to reward the most virtuous behaviors and give birth to emulation processes that may promote a competition in terms of quality, empowering labor, and respecting rights, expanding and strengthening them, protecting the environment and the local communities, reducing any negative impact on territories and distributing wealth equally.

We want to contribute to the activation of a **new production cycle, fairer and more innovative, green and sustainable, with more participation**, a development cycle where workers and citizens are able to express their voices and take part to economic decision processes, to be able to overcome this crisis without dumping its consequences on the weakest and more vulnerable subjects.

We want to promote a **constant, informed and responsible dialogue, to establish a “dress code” for future multinational companies of the future**, a set of rules and bonds that define the proper “apparel” that must be worn to be transparent, sustainable and responsible. **A “dress code” that can be jointly verified and evaluated to develop processes to improve quality.**

When we talk about a “set of rules and bonds” we refer not only to legal norms (international charters, European directives, laws etc.) the respect of which we give for granted, but also to the bonds that derive from agreements, therefore originating from collective bargaining, and voluntary ones, meaning unilateral obligations, with or without the involvement of stakeholders, and aimed at a responsible conduct.

When we talk about the project, **responsibility must not rest only on respecting laws or collective agreements, but also on the effective commitment towards agreeing, planning and building together, and then verify strategies and sustainability policies. Participation empowers and is the key element to a truly responsible company.**

The European Trade Union Confederation (CES) has developed a toolkit named “[Corporate Social Responsibility](#)” to inform trade unionist on tools, principles and European and international rules regarding CSR. This project wishes **to be the “*longa manus*” of the CES toolkit**, the tool through which it will be possible to verify and measure the adhesion of companies to social responsibility practices and promote emulation processes aimed at improving performance.

The OPEN CORPORATION ranking, for the first time and in an innovative way, offer trade unionists the lens to decipher company behaviors in terms of **employment and working conditions; social dialogue and industrial relations; financial transparency; proactive actions against all forms of discrimination; actions to safeguard workers with temporary and/or permanent disabilities; measures to reduce environmental impacts**. Qualitative variables regarding trade union aspects and corporate social responsibility will be translated in numbers, so that we can measure them and compare them using a transparent methodology based on open data.

The project aims not only at making multinational companies more transparent and inclusive, but also their European Works Councils, monitoring committees of Societas Europaea, or other bodies for Information and Consultation. . It’s a project that is promoted by trade union organizations that firmly believe **you can’t ask a company to be transparent if you are not the first to be transparent towards the workers you represent**. The European Works Council, an

information and consultation body, must be able to gather information on the company and act in accordance to its right to consultation, and also report on their activity towards workers of the trade unions he represents. The project will measure the capacity to suggest improvement paths.

Two sheets have been developed and implemented to gather the relevant data: the first concerns multinational companies, the second one is for European Works Councils. The first is functional to the establishment of a trade union Ranking for Multinational Companies.

This toolkit wishes to be a guide for Global and European Trade Union Federations and national trade union organizations, and for multinational companies (especially for HR, CSR and Financial managers) and EWCs that want to be “open and accountable”, meaning transparent and committed to accountability, offering evaluation tools and incentives, and a support for the compiling of the data sheets.

In the first chapter we establish the principles and values based on a true social responsibility and we describe the legal framework for a multinational company in an international and European dimension; the second chapter further explains the methodology and functioning of the OPEN CORPORATION union ranking; the third chapter includes guidelines to fill in the data sheet related to the MULTINATIONAL COMPANY and the data gathering sheet related to the EUROPEAN WORKS COUNCIL; the fourth chapter offers proposals for improving ones actions, among which a checklist for the preparation of events and accessible and low impact products, and proposals for transnational negotiations;

Information on the project consortium:

The project is financed by the European Commission and is headed by the Italian Filcams-CGIL, in cooperation with the European trade union Federations UNI-Europa and EFFAT, and the French (FGTA-FO) and Bulgarian (FITU-FOOD) affiliates. It makes use of the technical and scientific contributions of IRES-CGIL Emilia Romagna, SZGTI and ISTUR-CITUB, and of experts in transparency (OPENPOLIS); economy, finance and fiscal matters (Anna Maria Romano); diversity and equal opportunities (Ornella La Tegola); accessibility for people with special needs (Anna Quartucci); safeguard and requalification of the environment (Ennio Merlini); social reporting (Ornella Ciloni and Cristiana Rogate); labor laws (Giorgio Varrecchia), participation of EWC from Club Med, Unicredit, Kering, Adecco, Autogrill. In addition, supported by the European union Confederation.