

The Analysis of World Works Councils, World Union Councils and Global Trade Union Networks in a Regulatory Space Framework

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Abstract

The increasing global reach of companies, accompanied by restructuring activities, lead to a greater ability of multinational companies to shift production. Hypermobility of capital is having a progressively direct effect on employees, bodies of employee representation and trade unions. Globalisation is challenging national systems of industrial relations, weakens labour's bargaining power and encourages a 'race to the bottom' in wages, working conditions and management practices (Silver, 2003:4). Therefore, a global strategy is a necessary labour response to match the reach of global capital (Burgmann, 2016).

This paper analyses one such response – creation of global worker bodies in multinational companies. These bodies of indirect collective employee voice take the form of World Works Councils (WWCs), World Union Councils (WUCs) and Global Trade Union networks (GUNs). They are still relatively under-researched and present a gap in the academic literature. Based on three company case studies in the metalworking sector, this paper evaluates the ability of these global worker bodies to provide meaningful employee voice. In doing so, it attempts to provide an understanding of their formation, functioning and, most importantly, outcomes for employees.

This paper begins by providing a brief overview of labour strategies. Following this, it outlines the conceptual framework underpinning the study – the regulatory space. It proceeds by providing the typology of the global worker bodies with definitions suggested by the author. The methodology section, outlining the main characteristics of the three case studies, is then introduced. This is followed by a discussion of the key findings, which is divided into three sections: formation, functioning and effectiveness of the global worker bodies. When analysing effectiveness of the global worker bodies, discussion focuses on five key incidents that took place in the three case studies in Czech Republic, USA, India, Turkey and Argentina. Concluding remarks summarise the paper.

Introduction

The view that the increased capital mobility has a negative impact on labour is widely recognised and ‘such analysis is now largely taken for granted’ (Wills, 2001:485). However, more recently scholars started placing more emphasis on labour movement revitalisation. In 2003 a special issue of the *European Journal of Industrial Relations* on labour movement revitalisation outlined that changing economic conditions were transforming unions, which respond by re-shaping themselves as political actors (Baccaro et al., 2003:128). Gajewska (2009) in her book ‘*Transnational Labour Solidarity*’ demonstrates that the experience of cooperation between trade unions in different countries further reinforces international solidarity. The threat from the employer, encourages trade unions to re-think their actions and search for new solutions. Globalisation urges labour organisations in different countries to form more meaningful linkages, while making it necessary for them to do so (Burgmann, 2016).

There are two key approaches adopted by labour that can be identified. First approach refers to the intensification of political lobbying activities in order to establish a social framework at the global level. It takes the form of the Global Union Federations’ (GUF) cross-border activities, negotiation of the International Framework Agreements (IFAs), adoption and promotion of the ILO Core Labour Standards and the OECD Guidelines for Multinational Enterprises. Through the adoption of IFAs, Global Union Federations (GUFs), employee representatives and management attempt to achieve several goals: (a) ensure compliance with the ILO’s Core Labour Conventions; (b) recognise the relevant GUF; (c) provide conflict resolution mechanisms and (d) achieve international solidarity (Fichter et al., 2011). However, scepticism towards effectiveness of IFAs has increased in recent years. Scholars identify the business-friendly nature of IFAs (Christopherson and Lillie, 2005; Pries and Seeliger, 2013). Both national and global union organisations emphasise the weakness of IFAs and practical issues in implementing them (Fichter and McCallum, 2015).

Second strategy is the creation of worker bodies embracing all sites of the multinational company. It involves the creation of company-level bodies: European Works Councils (EWCs) at the European level, and Extended European Works Councils, Global Trade Union Networks (GUNs), World Union Councils (WUCs) and the World Works Councils (WWCs) at the global level. This paper mainly focuses on the bodies operating at the global level. Several scholars have argued that these global worker bodies are well-suited to reinstate global labour solidarity (Steiert, 2001; Müller et al., 2006). Bronfenbrenner (2007) argues that the amount of money required to bring workers from the different countries together on a regular basis is beyond financial resources of national unions and GUFs. Therefore, these worker bodies possess an important advantage – they are usually funded by the companies. However, this is a double-edged sword, as the stability of these bodies largely depends on the management goodwill and support. Bronfenbrenner (2007) also argues that since global bodies are multinational based, they can segment the labour force. Therefore, she advocates for the creation of bodies, in which the GUFs and/or major national unions play a key role.

The two strategies outlined above are not considered independently from each other. There is a growing body of research exploring the relationship between the establishment of global worker bodies and negotiation of IFAs (Mustchin and Martinez Lucio, 2017; Bourque et al., 2018). IFAs can be viewed as ‘stepping stones’ towards formation of a global worker body (Wilke and Schütze, 2008). IFAs are often negotiated together with creation of GUNs, that are established to monitor their implementation (Dufour-Poirier and Hennebert, 2015). Although IFAs may provide opportunities to ensure workers’ rights, the global worker bodies have the necessary financial and organisational resources to take advantage of these opportunities (Mustchin and Martinez Lucio, 2017). GUFs can act as experts and consult the employee representatives on the

key issues. Therefore, the approaches identified above are complimentary and often unintentionally strengthen the regulatory framework (Pries and Seeliger, 2013). Global worker bodies do not operate in isolation in the ‘vacuum’. This paper emphasises the importance of seeing all the elements of global regulatory space as fitting together as an articulation of levels (Waddington, 2011).

Regulatory Space

The regulatory space framework was first introduced by Hancher and Moran (1989). They view regulatory space as a metaphorical space, occupied by various actors that together act on specific issues, such as employee voice. Regulatory space facilitates the study of the dynamics through which key actors gain, retain and lose their regulatory positions within a regulatory arena (Black, 2002). Globalisation has generated a mismatch between the scope of the activities of multinational companies, which are increasingly global, and the scope of reach of bodies of employee representation and trade unions, which remain largely embedded at national level. This mismatch reflects disequilibrium of regulatory positions in terms of available tools of action and power, between multinational companies and labour organisations. Dundon et al. (2014) argue that the regulatory space for employee voice is voluntarist in its nature and tends to be dominated by capital. Therefore, the paper suggests that for employees to have any influence on management decision making in multinational companies, the national employee representation structures at the local level need to be supplemented by global bodies, which reflect the global nature and cross-border activities of the companies (Seifert, 2008).

Global Worker Bodies

This paper focuses on creation of bodies of indirect collective employee voice in multinational companies. Four types of these global bodies can be distinguished: Extended European Works Councils, Global Trade Union Networks (GUNs), World Union Councils (WUCs) and the World Works Councils (WWCs). The name ‘global worker bodies’ is adopted to describe the variety of these bodies. Table 1 presents the definitions used in this paper.

Table 1: Typology of global worker bodies (own research).

Extended European Works Council	Extension of the EWC to include non-European employees as observers. Can be based on an agreement with the central management (for internal and plenary EWC meetings) or on an independent decision of the employee representatives (solely for internal meetings).
Global Trade Union Network (GUN)	Company-based trade union network, usually organised by the GUF. Can be unilateral (GUF only) or bilateral (with the management). Comprise primarily full-time officers of unions with interests in the company, around which the network is formed.
World Works Council (WWC)	Institutionalised forum, based on a voluntary bilateral agreement between employee representatives, management and sometimes the relevant GUF. All employee representatives are granted full titular status.
World Union Council (WUC)	Institutionalised forum, based on a voluntary bilateral agreement between employee representatives, management and sometimes the relevant GUF. Consists of trade union members affiliated to the relevant GUF, who have a full-member status.

An Extended European Works Council is an extension of the EWC to include non-European employee representatives as ‘observers’ (not full members). The process of ‘extension’ of the EWC can be based on an informal agreement with central management (for internal and plenary EWC meetings) or on an independent decision of the employee representatives (solely for internal meetings).

A Global Trade Union Network (GUN) is a company-specific network of full-time officers of unions with interests in the multinational company, around which the network is structured. The GUNs resemble the World Company Councils that existed in the 1960s-1970s¹. In academic literature, there are different names used to describe GUNs. Lévesque and Murray (2010a) call them ‘trade union cross-body alliances’, Croucher and Cotton (2009) ‘global company networks’ and Helfen and Fichter (2013) ‘transnational union networks’. In practice, there is great variation with regard to the level of involvement and recognition from management, the frequency of meetings and the strength of relations between the network members. The relevant GUF is usually responsible for determining the size and composition of t such a body. Financing can be provided by the GUF or by the management and varies in practice depending on the level of the involvement of management in such bodies. In the case where management has negotiated the creation of the GUN, the company bears the costs of its operation. These GUNs are usually established by the International Framework Agreement between the company management and the relevant GUF. GUNs can also be established unilaterally by the GUF without any management involvement. In this case, the GUN is financed by the GUF. Fairbrother and Hammer (2005) argue that the declining power of national trade unions makes creation of GUNs one of the key priorities for GUFs, as international union action within a multinational can partly compensate for loss of influence at national level (Fairbrother and Hammer, 2005).

Some writers do not distinguish between the World Works Councils and World Union Councils (Steiert, 2001; Müller et al, 2006). Indeed, both are formal bodies based on a bilateral agreement between employee representatives, management and sometimes the relevant GUF. The agreement determines the composition of this institutionalised forum and the management’s obligations to cover the costs. Union officials are usually invited as experts to the meetings. The main difference between a WUC and a WWC is that the former mainly comprises of union members from the local trade unions affiliated to a relevant GUF. As an exception, some unions that are not affiliated to the relevant GUF may be allowed to send ‘observers’ to the WUC meetings. In a WWC, there is no requirement for the employee representatives to be members of a specific union.

In terms of their goals, global worker bodies focus on informational exchange between employee representatives and management, and between employee representatives from different countries. IndustriALL Global Union industry director Helmut Lense, when discussing the WWC at Bosch, summarised its essence: ‘at this body we aim to improve coordination between Bosch workers throughout the global operations. We receive from the corporate management important information on the company’s plans and how they will affect workers. And of course, it is an important opportunity for us to raise our concerns from around the world with top-level management’ (IndustriALL Global, 2016). Croucher and Cotton (2009:69) summarise the key goal of the GUNs as ‘to collect and exchange information with the aim of progressing towards organising, coordination and solidarity action’ (Croucher and Cotton, 2009:69).

¹ See Wills (2001), Telljohann et al., (2009), Stevis and Boswell (2007).

Methodology

This paper is based on data gathered for the purpose of a PhD thesis. The methodology is qualitative, with a focus on three case studies of large multinational companies in the metalworking sector. The three cases are: Swedish-Co, German-Co and French-Co (Table 2). The research draws on 29 interviews with employee representatives, managers and trade union officials, as well as documentary analysis of EWC Agreements, WWCs and WUCs agreements, International Framework Agreements and Codes of Conduct.

Table 2: Case studies.

MNC	Swedish-Co	German-Co	French-Co
Country of HQ	Sweden	Germany	France
Type of global worker body	World Union Council	Global Trade Union Network	World Works Council
Global Trade Union Federation	IndustriALL Global Union		

Swedish-Co

The Swedish-Co is a bearing and seal manufacturing company founded in Sweden. Company's expertise lies in such areas as bearings and units, mechatronics, lubrication systems and services, such as technical support. Swedish-Co is one of the largest companies in Sweden and employs 40,963 employees in 32 countries.

Swedish-Co has a long history of international meetings of trade union representatives, which have been taking place since the mid-1970s. In 1975 at the meeting in the IMF World Swedish-Co Council was set up. It was organised by the International Metalworkers' Federation (the IMF) with the aim of information exchange. The delegates from Sweden, Germany, Italy and France attended the first meeting, but soon the network grew to include non-EU representatives. However, the meetings were irregular and took place every two to three years. There were language barriers and lack of international contacts.

To overcome these issues, the company decided to establish a Swedish-Co World Union Council by signing an Agreement in 1996. Interestingly, both the WUC and the EWC Agreement were signed in 1996 at Swedish-Co. However, there were no separate meetings of the Swedish-Co EWC until 2016. The EWC was part of the Swedish-Co WUC set-up. In the 2016 the decision has been made to 'reactivate' the EWC at Swedish-Co. There is a single Steering Committee at Swedish-Co, which consists of five people ex officio: the WUC Chairman, the WUC Vice Chairman, secretary, advisor from IF Metall and advisor from the IndustriALL Global.

The key feature of the Swedish-Co WUC, is that only unions affiliated to IndustriALL Global can send delegates to the WUC meetings. If the union leaves the IndustriALL Global, they lose their right to send delegates. Some unions that are not affiliated to IndustriALL are permitted to send observers to the WUC meetings. However, this is decided by the WUC Chairman on the case-by-case basis.

In 2003 the IFA was signed by the Swedish-Co management, European Metalworkers' Federation and the International Metalworkers' Federation. It acknowledges the principles outlined in the eight ILO's Core Labour Conventions and health and safety at the workplace. However, the IFA was never updated. In 2014 Swedish-Co updated its Code of Conduct and

offered the WUC Chairman to sign the section related to employees. By definition this is not a typical IFA, which requires to be signed by a relevant GUF. This Code of Conduct is monitored by the WUC and the breaches can be discussed in the annual WUC meetings.

German-Co

German-Co is a German mechanical engineering conglomerate with its headquarters in Munich. German-Co core activities lie in the fields of electrification, automation and digitalisation. The multinational employs 293,000 people in 190 countries.

The World Company Council existed in German-Co in the 1990s and consisted of 100 delegates. The World Company Council met only once and stopped functioning after the first meeting. It was only after the German-Co IFA was signed in 2012 that global organising initiatives started again at German-Co. The German-Co IFA (2012) was signed by the German-Co Central Works Council, the IG Metall, the IndustriALL Global and company management and initiated the creation of a Global Trade Union Network.

Based on the geographical location, the German-Co IFA (2012) establishes five regional committees that form the German-Co GUN:

- the Steering Committee of the unions from the US and Canada represented at German-Co,
- the German-Co China Trade Union Chairman Community,
- the Employees' Federation of German-Co India,
- the Coordination Committee of German-Co in South America,
- the German-Co Labour Union South Korea.

The Central Works Council initiated creation of regional committees in China, South Korea and the USA and Canada, while IndustriALL Global set-up committees in India and South America.

The EWC at German-Co was set up in 1995 under Article 13. German-Co EWC Agreement (2015) is the most recent agreement at the time of writing, but the fundamental contents of the EWC agreement have never been changed since 1995.

French-Co

French-Co is a French automotive company with headquarters near Paris. Company's expertise lies in manufacturing of passenger cars, light commercial vehicles and associated components, as well as provisions of such services as sales financing, rental, maintenance and service contracts. The multinational employs 179,565 people in 37 countries worldwide.

The World Works Council at French-Co is a result of a gradual extension of the European Works Council. The EWC at French-Co was established in 1993. Major changes came in 2000, when the observer status was granted to employee representatives from Argentina, Brazil, Romania, Slovenia and Turkey. The agreement also included a clause that the Korean observer could be appointed within a period of two years. In this Extended EWC, the non-EU employees were given an observer status. In 2003 countries with observer status included Argentina, Brazil, Korea, Rumania and Turkey. In 2007 a Russian employee was invited to the meetings as an observer. In 2011 an observer from Morocco joined.

In 2015 the French-Co World Works Council was established when the Addendum to the French-Co Group Council was signed by the IndustriALL European Trade Union, IndustriALL

Global, management and union representatives from major French-Co facilities in Europe. This agreement formalised the creation of a World Works Council.

There are no separate EWC meetings at French-Co. Although the Agreement permits meetings in a 'EWC configuration', these have not taken place at French-Co. There are Group Select Committee meetings, which consist of a secretary, management representatives and ten deputy secretaries. Secretary and deputy secretaries are appointed among the EU members of the WWC.

There are two most recent IFAs negotiated at the French-Co: the French-Co IFA (2013) and the French-Co IFA (2019). Company management, the EWC and IndustriALL Global signed the French-Co IFA (2013). This agreement renews and reinforces the old French-Co IFA (2004). In 2019 management, the French-Co WWC and IndustriALL Global signed the French-Co IFA (2019). It complements the existing agreement and incorporates the principles stipulated by the ILO in the Violence and Harassment Convention, 2019 (No. 190).

Formation

Since there is no legal framework to guide their creation, there is great variety of ways in which global worker bodies may be established. GUNs can either be negotiated by management or unilaterally by the GUF. If the GUN is negotiated by management, a company usually signs an International Framework Agreement, which establishes the creation of a monitoring body – the Global Trade Union Network. The relevant GUF, together with a major national trade union and/or a Central Works Council are responsible for the determining the membership, size and composition of such network. This is demonstrated by the German-Co case, where GUN was created after the IFA was signed. The IFA addressed the creation of regional and national committees. In this case, regulatory change was carried out in a negotiated manner. However, the creation of regional committees was not a simultaneous process, as it took time to get in contact with local trade unions and organise trade union networks in different regions.

GUNs can also be established unilaterally by the GUF without any management involvement. In this case, the GUN is organised and financed by the GUF. This can be demonstrated by Nestlé, where the activities of the network are organised by the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF). The GUF's aim is for the GUN to be recognised by management as legitimate representative of employee interests at global level.

There are three main ways of WUC/WWC formation that can be distinguished. The first approach is to transform an existing informal body (e.g. GUN created unilaterally by the GUF) into a WUC/WWC by formalising the existing practices by signing a WUC/WWC agreement. This agreement guides the creation and the main provisions of such body. An example could be the Swedish-Co WUC. The IMF World Swedish-Co Council was operating from 1975, but it was not based on any formal agreement. A decision was made to create a formal body with regular meetings, which was formalised in the Swedish-Co WUC Agreement (1996). This demonstrates how an existing informal body was formalised through the 'renegotiation of regulatory space' (Clarke, 2000:25-26).

The second approach includes extension of an existing EWC, which is gradually transformed into a WUC/WWC. In this case, the EWC is opened up to introduce the non-European members into an EWC. The non-European employee representatives usually start with an observer status and have no voting power. These global worker bodies 'in transition' are called 'extended EWCs'. Gradually, the observers are given full rights, as they become titular members. This is

also reflected in the agreement that company signs to formalise the creation of the WUC/WWC. This was evident in the French-Co case, where an extended EWC was transformed into a WWC in 2015.

The third approach is the creation of a WUC/WWC from the start rather transforming an existing body. In this case a WUC/WWC could either be operating on its own, or in parallel with an existing EWC, creating a dual channel of employee voice in the company. In companies with dual bodies (the EWC and the global worker body) there is a partial overlap of membership between the WUC/WWC and the EWC, which facilitates cooperation (da Costa and Rehfeldt, 2008). There are a number of examples of the dual bodies operating in multinational companies. For example, French telecommunications group Orange in June 2010, signed an agreement on the creation of a WWC separate from the EWC. Another example is the case of the Belgian chemical group Solvay. At Solvay, the management informally set up the 'Solvay Global Forum', which consists of four members of the EWC and four trade unionists from Brazil, China, Korea and the United States. This body was formalised by an agreement signed in 2017 between the management and the Global Forum's secretary.

Functioning

In terms of operation of global worker bodies, it is possible to identify certain factors that constrain their effective functioning. These factors include language barriers, global identity, lack of trust between employee representatives, management attitudes and quality of information and focus on day-to-day activities of the body.

Language

In all three case studies management provides some form of language support. Swedish-Co provides interpreting in the annual WUC meetings and EWC meetings. There is also English training available to all WUC members. At French-Co, there is interpreting in the annual meetings of the WWC. Training in English and French is available to the Steering Committee Members, but could also be requested by the WWC members. At German-Co, interpreters are available for the GUN meetings and the EWC meetings. However, there is no language training available for the GUN members.

Although interpreting is provided in the official meetings, language barrier can hinder informal communication. Research shows that language barriers can separate people and lead to a regionalisation of identity, which is a situation when most contacts happen inside regional clusters of communication that share the same language (Andersson and Thörnquist, 2007). If delegates cannot communicate outside of the official meetings due to language barriers, it could limit information exchange, transfer of best practices and establishment of the contacts across countries. An example was shared by a Spanish EWC employee representative, who had to translate the German-Co IFA (2012) into Spanish for colleagues in South America (later they created the Coordination Committee of German-Co in South America), as they were not familiar with the IFA and its content. This example demonstrates the importance of informal interaction, which tends to happen mainly between the employee representatives who speak the same language.

Global identity

Even if language barriers are overcome, there are cultural and national differences between the delegates, which relate to the issue of multiple identities. This has been discussed in the academic literature on EWCs. Huijgen et al. (2007) argue that since EWC delegates have different interests, ideologies and diverging attitudes towards role and functioning of the body, each employee representative may wear multiple 'hats' at any one time (Timming and Veersma, 2007). This suggests that a culture-based and national identity may be prioritised over common European identity (in the case of EWCs). It has been demonstrated that only in rare cases employee representatives were able to transcend their interests and create common identity (Whittall et al., 2009; Bicknell, 2007). It is an exception rather than the rule.

These challenges to create a European labour identity are compounded when the global labour identity is discussed. The competing national interests may inhibit creation of the common global identity and development of the global worker body. To foster common identity, frequent communication is key (Whittall et al., 2009). Furthermore, informal contacts and open mind for cultural differences are important (Huijgen et al., 2007). To achieve this formal training and informal learning, which requires active interest and participation from delegates, are helpful to foster cultural awareness and better understanding of national differences (Telljohann, 2007).

With regards to ways of overcoming this, in all three cases companies provide interpretation facilities. Interviewees mentioned that they find interpreters helpful, but these are available only for the formal meetings, such as the annual meetings of the global set-up, EWC meetings (where they are taking place) and Steering Committee meetings. This makes informal contacts, which are key for making personal contacts and building relationships, difficult. Furthermore, when conducting interviews, it was clear that not all employee representatives could freely speak in English. This can be a significant challenge for effective functioning of a global worker body.

Lack of trust

Lack of trust between the employee representatives from different countries is another factor that can constrain effective functioning of global worker bodies. The lack of trust and solidarity can be explained by cultural and national differences between delegates and lack of communication due to language barriers, discussed above.

Competing agendas as well as different roles played by the local representation structures, may limit solidarity. For example, in the French-Co case there were some concerns that the human resource managers, nominated by management, were sent to the WWC meetings as delegates. At German-Co the nature of the GUN's structure prohibits a closer relationship between the regional committees. At the time of writing, there was only one global meeting of all regional committees at German-Co that took place in 2018. All other meetings are taking place regionally, in which only employee representatives from a particular region or country take part. Such an approach hinders cooperation and solidarity between delegates from different committees of the GUN, due to lack of internal communication. Lack of trust could be overcome with time through informal meetings, cooperation and building networks. Cooperative relationships and mutual trust are the result of learning and experience, which very much depends on time and quality and patterns of both formal and informal interaction (Huijgen et al., 2007).

Management attitudes and quality of information

The quality of information provided by management has a significant impact on global worker bodies. Management has favourable attitudes towards global worker bodies and supported their creation in all three cases. However, the quality and range of information provided by management could be improved in all three companies. This study demonstrates that sometimes it is not possible to cover all the topics in the time provided for the meetings. The global meetings take place during four days (Swedish-Co), three-four days (French-Co, but could be up to a week with the site study visits) and five days (German-Co global meeting) periods, which sometimes is not enough to provide, express and share the information on all the topics.

Another interesting finding is how management may use these global worker bodies to communicate company messages concerning corporate values ('this is the French-Co way'), branding and even to facilitate restructuring (restructuring programme in 2020 in the German-Co case). In the Swedish-Co case, the company annual report states that the WUC is seen as a great competitive advantage for addressing and deploying global initiatives in the company. Managers have used these global worker bodies as a potential human resource management instrument in order to foster communication with employees and promote company values. Findings show that the GUN, the WUC and the WWC are used for cascading information top-down across different locations, as well as bottom-up for bringing local issues to the attention of central management.

Focus on day-to-day operation

Global worker bodies require a lot of time, personnel and financial resources to ensure their operation. Maintaining the global contacts is already a significant task, which requires a lot of input from the delegates, chairpersons and union coordinators. It seems likely, at this stage of their development, that the focus on the current day-to-day issues militates against the further development of global worker bodies, such as extension of membership to invite workers from other countries. For example, at Swedish-Co only unions affiliated to IndustriALL Global can send delegates to the WUC. Following these procedures closely limits opportunities for all unions and all company sites to be represented at the WUC. It also requires a lot of monitoring and communication to persuade some unions to be affiliated to IndustriALL Global. In the Swedish-Co case, a Malaysian union decided to leave IndustriaALL Global. At the time of data collection, the Steering Committee was planning a visit to Malaysia to convince the union to keep its affiliation. Another example comes from the Swedish-Co plant in Russian Federation. Even though the WUC Chairman knows that the site is unionised there are no contacts. At the time when the interviews were conducted, the plant had been operating under Swedish-Co for six years, but no contact had been established.

Effectiveness

The effectiveness of global worker bodies is conceptualized using Oxenbridge and Brown's (2004) 'robustness' or 'shallowness' of employee voice. 'Shallow' forms of employee voice provide information and communication and are relatively ineffective. In contrast, 'robust' forms of employee voice take on a more consultative role, participate in negotiation with the management and decision-making at the company. 'Robustness' or 'shallowness' of employee voice is based on key four characteristics: level, form, range and degree of employee voice (Marchington et al., 1992:7).

Table 3: Level, form, range and degree of employee voice (based on Marchington et al., 1992:7; Blyton and Turnbull, 2004:255).

Level	Hierarchical level in a company, at which a body operates.
Form	Direct (individuals or small groups) or indirect (via employee representatives).
Range	A number and types of issues on which employee representatives have a say. It can vary from trivial matters at one extreme to strategic decisions such as production, investment and restructuring at the other.
Degree	The extent to which employee representatives can influence decision making. Can vary from one-way information provision by management to employee control.

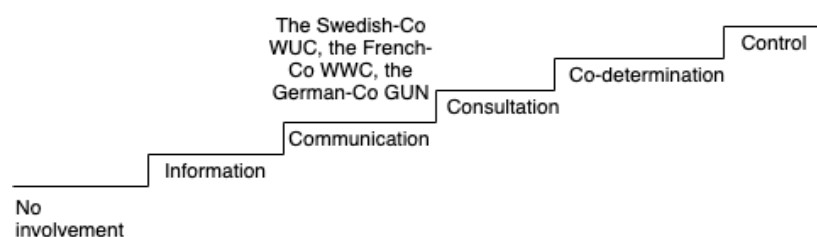
Global worker bodies operate at the high level in the companies but even high-level bodies might include more than an information exchange, as that company level involvement could lead to control over decisions about work organisation (Wilkinson et al., 2010). The GUNs, WUCs and the WWCs are indirect forms of employee representation. Due to absence of a labour regulation system at the global level, the quantity and quality of information shared depend to a large extent on management goodwill. The main topics, on which management reports, vary across cases but can be summarised as company structure, economic and financial situation, future developments, investment plans, and their potential impact on employment. Overall, the tendency is for management to focus on global topics such as company agreements (the IFAs) digitalisation, health and safety, and flexible working, while employee representatives tend to emphasise their local issues, such as wage conditions, problems with the local management, shortage of skilled workforce etc.

This demonstrates a mismatch between capital, which is global in its reach, and labour, which remains to a large extent local. Interviewees (management and union coordinators) commented on inability of employee representatives to present their local problems as global issues. Language barriers, lack of global identity, lack of trust between the delegates, reliance on management goodwill for information provision and the quality of that information, and focus on day-to-day activities of the body further constrain their effective operation.

Degree refers to the extent to which employee representatives share decision-making with the management. In conversations with the delegates, it has been mentioned that the global worker bodies are not structures to take decisions. Instead, there is an exchange of information between the employee representatives and management in all three case studies. There was some hope expressed that in the future these bodies may provide consultation rights and allow delegates to participate in the decision-making over strategic matters, such as plant closures and restructuring.

To measure the degree of employee voice provided by the global worker bodies, the escalator of participation, developed by Marchington et al. (1992:7) has been adopted. The escalator of participation has been modified to include one extra stage – ‘no involvement’ (based on Blyton and Turnbull, 2004:255). The degree can range from no involvement, information (being informed by management, i.e. one-way), communication (two-way), consultation, co-determination, to some form of joint or employee control (Figure 1).

Figure 1: Escalator of participation (based on Marchington et al., 1992:7 and Blyton and Turnbull, 2004:255).



As can be seen on Figure 1, global worker bodies in this study are at the communication stage, where they facilitate information exchange between employee representatives and management. Regarding the outcome for the employees, global worker bodies are relatively ‘shallow’ forms of employee voice. They merely provide for communication rather than more robust forms of employee voice. In many instances, the employee representatives do not use the opportunities available for them to ask questions and engage in a more in-depth discussion with the management. However, despite this rather pessimistic conclusion, the study outlined positive effects global worker bodies have at the national level. The positive outcomes for employees tend to be concentrated in non-EU countries and in countries with less developed national employee representation bodies. The five examples below demonstrate this in more detail.

Swedish-Co Czech Republic

A manufacturing plant in the Czech Republic has not been unionised and the country was not represented on the WUC. The WUC Chairman cooperated with the Czech trade union OS Kovo and representatives from management in order to have the workers at the factory unionised. In 2016 the negotiations were completed a trade union was set up at the Swedish-Co site and a collective agreement was negotiated between the management and the national trade union. As the outcome of these negotiations, there were a number of important improvements for the workers at the factory, such as 6% increase of the base hourly wages for blue collar and 3% for white collar workers and a Christmas bonus of minimum 50 %. In addition to this, several other important changes included a meal allowance from the first day of employment (before it was only after the trial period), a fifth week of vacation, bonus for afternoon shifts and work on weekends, as well as compensation for overtime work on weekends. As a result of the unionisation of the site, the employee representative from the Czech Republic joined the WUC.

German-Co the USA

The first case of an anti-union practices took place at the German-Co plant in Maryland (the USA) in 2012. Local management hired a union-busting law firm to help them stop organising activities at the plant. This breached the employees’ rights to freedom of association and collective bargaining, outlined in the German-Co IFA. The company also removed union literature, conducted investigation of union supporters, suspended wage increases, circulated an anti-union petition, and denied German-Co employees from the United Steelworkers of America (USW) union access to the plant. Following this, the Central Works Council and the IG Metall organised a meeting in Houston, which a number of employee representatives from different US German-Co sites attended. After that, in 2013 the delegation of US employee representatives visited the company headquarters in Germany.

Another anti-union incident took place in 2014 at the plant in Oregon. The International Brotherhood of Electrical Workers (IBEW) tried to organise the employees but management employed a union-busting firm to stop this. This time, however, the local IBEW officials

contacted the IG Metall and asked for support. The German union was able to persuade German-Co management to recognise the union and the IBEW won the recognition election.

The Steering Committee of the unions from the US and Canada represented at German-Co (regional committee of the GUN) was established in 2016 in a meeting held in Florida. Later in 2016 the IG Metall, the Central Works Council and the US unions have agreed with the management to reach a neutrality agreement that guarantees the implementation of the German-Co International Framework Agreement in the US. In 2016 in Washington, D.C. the neutrality agreement was signed.

German-Co India

In German-Co India a number of workers' rights violations took place. It began in 2011, when 42 workers were recruited as trainees. Their traineeship was supposed to last a year, after which they would be offered permanent contracts. However, the management refused to offer these workers permanent contracts and gave them a new title – 'trainee officers' (for precarious workers). Workers were also informed in writing that they could not form or join a trade union. Even though workers accepted the new title, 40 workers joined the German-Co Worker Union. Members of this union constitute the Employees' Federation of German-Co India, the GUN committee in India. The trade union filed a complaint to the Industrial Court of Thane requesting that these workers qualify as 'workmen' since they perform the exact same duties as other employees. In 2014 a settlement between the company and the union was reached. As a result, the workers were relocated to another site and received a range of benefits including: a 19% increase in their monthly salary; permanent contracts; five more days of paid leave; bus transportation; improved food and healthcare facilities. This, however, was not an isolated case. Similar incidents took place in the two other nearby German-Co factories. In both cases the trade union filed a complaint to the Industrial Court of Thane and the settlements were reached. These incidents demonstrate that the company breached the commitments it made in the International Framework Agreement with regards to the workers' right to freedom of association.

A more recent incident took place in three German-Co factories in Goa. A number of workers in these three factories were categorised as 'executive technicians' (similar to the 'trainee officers'). The workers contacted the German-Co Workers' Union with an intention to join the trade union. The trade union contacted the management in the Goa plants and referred to the IFA, which stipulates the workers' right to freedom of association. After the discussion with the union, the management agreed to let the workers join the union. In contrast to previous incidents, in this case the union did not have to file the complaint in the court. German-Co management recognised the union as a social partner based on the IFA signed by German-Co. In March 2021 a three-year Wage Settlement was signed, which changes the status of 239 'executive technicians' to workmen. This also included a wage rise of around 40 %.

French-Co Turkey

The conflict took place between the two trade unions in French-Co factory in Turkey. Having two competing unions in one plant, neither of which were recognised by the management, led to a conflict and workers started a strike in spring 2015. The French-Co plant management agreed to organise elections to finally have a social partner that can discuss matters and negotiate with the management. However, the conflict escalated, when the management of the plant cancelled the union elections a couple of days before they were planned to take place and fired ten workers. Despite the attempt from IndustriALL Global to intervene, plant management continued to fire workers with more than 60 people losing their jobs and an additional 100 being asked to leave with severance packages, which violates the commitments made in the French-Co

IFA (2013). The information from both unions and the local management was presented to the WWC and was discussed by the delegates. The local management was reminded of the IFA commitments and in the end the conflict was resolved locally.

French-Co Argentina

In 2015 the demand for cars decreased and the French-Co plant in Argentina was viewed as inefficient. The company management contacted the employee representative from Argentina suggesting that the plant would close in four-five years, if no actions were taken. The employee representative from Argentina in the WWC plenary session talked to his colleagues from other countries. In particular, the conversation with the Spanish representatives proved to be helpful. In Spain, French-Co had a similar situation a couple of years ago and to solve this matter the company had to implement the Competitiveness Agreement in 2010. The Competitiveness Agreement could have been the solution for the situation in Argentina, and the employee representative was invited to Madrid to talk to the workers. After the visit the Argentinian delegate was reassured that the Competitiveness Agreement with the management could work in his country. He convinced the workers in the Argentinian plant to agree to sign the Competitiveness Agreement with the management. As a result, the plant had a significant investment to produce five new car models.

These examples demonstrate how global worker bodies set minimum standards across all company sites (through the IFA monitoring and implementation), support local trade unions with unionisation campaigns and improve international cooperation between countries and trade unions, which facilitates informal communication and transfer of best practice. Previous research also suggests that global worker bodies can develop a more consultative role. For example, the WWC at DaimlerChrysler (currently a WWC operates at Daimler after the company has separated) was able to block an attempt by the group management to shift production to Germany and Brazil after a strike in the South African operations (Wick, 2005). Müller et al. (2005) in their study, demonstrate that the WWC at Volkswagen is even more developed than the one at DaimlerChrysler. Steiert (2001:125) argues that the Volkswagen WWC marks ‘a qualitative step forward’, as in addition to communication provision, the WWC at Volkswagen recognises the right to consultation.

For the global worker bodies to develop into bodies that provide meaningful employee voice, they need to develop close mutually supportive relationships with other actors of regulatory framework. Indeed, the five examples above demonstrate the importance of such national actors as Central Works Council, national unions and the role the chairman of the global worker body can play. This echoes previous research. In the case of Volkswagen WWC cooperation with German employee representatives and a German-Brazilian seminar facilitated the implementation of the Competitiveness Agreement in Brazil (Rüb, 2002). Rüb (2002) argues that this agreement was made possible due to high level of personal trust, clear communication and support provided by German colleagues. Rüb (2002) emphasises the importance of Volkswagen’s tiered system of representation, which consists of the WWC, the EWC and the EWC steering committee operating at global and European levels. When looking at the interplay of actors in each company case, it is possible to see that global regulatory framework starts to emerge. It takes the form of complementary bodies at different levels, which strengthen the regulatory frameworks (Pries and Seeliger, 2013).

However, global worker bodies may dilute EWC rights. At Swedish-Co, the EWC was ‘reactivated’ in 2016. This regulatory actor – the Swedish-Co EWC is attempting to re-enter the regulatory space monopolised by the Swedish-Co WUC. However, although the EWC Directive 94/45/EC gives more regulatory powers to the EWC than the voluntary WUC, at Swedish-Co the

EWC has not yet developed into a strong actor. In the case of French-Co, the WWC Agreement specifies that the EWC meeting could be arranged, if there is an exceptional draft decision. Instead, the Steering Committee is responsible for ‘European questions’ at French-Co. The EWCs in these two companies can be described as ‘symbolic’ using Lecher et al.’s (2001) typology, suggesting that they exist only on paper. At Swedish-Co this might be because European employee representatives are not accustomed to an in-depth discussion and social dialogue with the management, since they are more used to the WUC set-up. At French-Co, it seems like the platform for the European social dialogue does not exist anymore, as it was transformed into the global worker body. Such tendencies could be dangerous for the European workers and their rights. Therefore, this paper argues that the development of worker bodies should not replace the EWCs and instead should run in parallel with the development of the EWCs.

Conclusions

Global worker bodies tend to be relatively ‘shallow’ forms of employee voice. Despite that, three case studies discussed in this paper, demonstrate that global worker bodies can have a significant impact at the national level. Global worker bodies improve worker standards, resolve worker’s rights violations, facilitate best practices transfer and help reach neutrality agreements with the management in countries with weaker national representation structures (mainly non-EU countries). This is demonstrated with examples from such countries as the US, India, Czech Republic, Turkey and Argentina. These examples illustrate how these bodies facilitate social dialogue and create points of leverage when company is breaching the commitments made in the IFA. However, global worker bodies may dilute EWC rights. This has been evident in the two cases: Swedish-Co and French-Co. Therefore, this paper argues that the development of global worker bodies should not replace the EWCs and should run in parallel with the expansion of the EWCs (Steiert, 2001).

Capital is global in its reach, while labour remains to a large extent local. To overcome this labour needs to revise its global strategy and one of the ways to achieve this could be to create global worker bodies in multinational companies. Since the legal framework for labour regulation is unlikely at foreseeable future at the global level, labour’s most ‘viable’ method to establish a social framework for the global economy is voluntarist regulation through creation of the GUNs, WUCs and the WWCs, as well as negotiation of the IFAs. This does not mean that the GUFs should abandon their attempts to influence political decision-makers at national, European and global levels. On the contrary, it is crucial that GUFs continue their political lobbying. Indeed, Royle (2010) explains that since multinational companies are the dominant players, their voluntary self-regulation initiatives often reflect their interests rather than those of their workforce. However, as outlined by Müller et al. (2006), in the short-run the primary arena for creation of bodies and establishing norms through a process of voluntarist regulation are multinational companies.

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