

# Regulating Labor Relations in Global Production Networks: Insights on International Framework Agreements

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In 1980, years before globalization became a household word, John Logue, a Swedish social scientist, published a short treatise entitled »Toward a Theory of Trade Union Internationalism.« Logue's main argument was that trade unions are nationally embedded organizations for which »international action is an uncertain means of achieving members' interests.« Thus: »*the greater the degree of trade union control over its national environment, the less likely it is to undertake international activity to achieve its members' goals.* The stronger the national trade union movement, the less likely it is to be internationalistic« (Logue 1980: 10–11).

Since 1980 we have witnessed a massive expansion of global economic activity through the »liberalization of trade« (deregulation) and the growth of investment and production driven by transnational corporations (TNCs). In many countries, a decline in trade union »control« over the national environment – a measure of which has been the increase in outsourcing, offshoring, flexibilization, and casualization of work – has been one of the marks of economic globalization. The academic literature is full of analyses indicating that, locally and nationally, trade unions are increasingly unable to deal adequately with the demands of TNC managements, especially regarding labor costs, and that they are increasingly affected by developments in other countries. Nevertheless, trade unions as »reactive organizations« (Lindberg 2011) need time to develop adequate answers to new problems and new situations, and to reorient the organization towards new tasks. In the main, trade unions have continued to fight to hold on to and protect their hard-won regulatory instruments within their national domain. But they have also begun to look for cross-border approaches to combating unfettered international competition fed by a race to the bottom over labor costs. Some of their efforts, such as the cooperation of unions and non-governmental organizations (NGOs) in North and South America to win recognition rights (Armbruster-Sandoval 2003), or at European ports

to prevent deregulation (Turnbull 2006), or in transnational activities to reassert control over labor markets and competition (Anner et al. 2006) have been well documented. But beyond such individual instances, unions are also in the process of developing a potentially long-term strategy as a structural answer to the dilemma they face, namely, how to bring the power of unions as locally or nationally organized entities to bear on the transnational regulation gap with regard to labor relations. One important tool they have devised for this task is the International Framework Agreement (IFA).<sup>1</sup>

IFAs represent a contractual relationship between TNCs and Global Union Federations (GUFs) which afford mutual recognition of the parties<sup>2</sup> to the agreement, set binding standards regarding the ILO Core Labor Standards and other ILO Conventions, provide mechanisms of monitoring and conflict resolution, and define the scope of validity. Examples of their usage as a means of interlinking local demands and injecting transnational forms of unionism as the collective voice of employees into corporate »webs of power« (Amoore 2002: 128) include the following:

- ▶ In the US, local management of the French cement corporation Lafarge cut health care benefits for employees and retirees. After failing to get management to rescind the measure, the local union joined with other unions representing Lafarge employees to form the North American Cement and Building Materials Union Network. The network was supported by the two GUFs, which had signed an IFA with Lafarge in 2005, the International Federation of Chemical, Energy, Mine, and General Workers' Unions (ICEM) and the Building and Woodworkers International (BWI). After the two GUFs invoked the IFA to present the union position on the dispute to Lafarge management in Paris, negotiations in the US were resumed and resulted in full health care benefits for retirees being restored and a delay in cutbacks for new employees until 2012.

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1. International Framework Agreement is the generic term; however, some GUFs prefer to call them Global Framework Agreements (ICEM) or simply Global Agreements (UNI).
  2. Central management (human resources, sustainability) represents the TNC. For labor, the IFA may be negotiated in concertation or singly by the responsible GUF, by the home country union(s), or by employee representatives, in other words, a works council. The IFA will always bear the signature of the GUF.

- ▶ The union at the Mercedes truck and bus plant of Daimler AG in San Bernardo, Brazil, protested against the dismissal of union members at two local plants of suppliers. In both cases it invoked the IFA signed by Daimler's corporate headquarters with the International Metalworkers' Federation (IMF) and was successful in facilitating the reinstatement of the unionists (Fichter and Helfen 2011). For these cases, it was especially important that the IFA contained strong language on the application of the agreement to suppliers (DaimlerChrysler AG, DC World Employee Committee and International Metalworkers' Federation (IMF) 2002)
- ▶ In 2003, G4S, one of the world's largest providers of international security services, was targeted by unions in the US, Sweden, Denmark and other countries because of low pay and poor working conditions. Following a massive international campaign against the company, it signed a Global Agreement (that is, an IFA) with UNI in 2008. Since then, the UNI affiliate in Ghana has used the agreement to conclude its first collective agreement and obtain a substantial pay increase. At the same time, UNI has been able systematically to develop a union organizing campaign among G4S employees in India, and the G4S subsidiary in the US has recognized the UNI affiliate SEIU as the legitimate bargaining agent (Fichter and Helfen 2011).
- ▶ In 2001, Chiquita Brands signed an IFA with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco, and Allied Workers' Associations (IUF) for its Latin America operations. In Honduras and Columbia, the IUF representative union organization is the Latin American Coordination of Banana Workers' Unions, which collaborated with several local non-governmental organizations in transnational consumer campaigns to ensure the implementation of the IFA. Case study research on the agreement has shown that the IFA created space for union recognition and facilitated the completion of various collective bargaining agreements. Moreover, it contributed to an overall improvement in labor-management relations (Riisgaard 2005).
- ▶ Telefonica, a Spanish TNC in the field of telecommunications, signed an IFA with UNI Global Union in 2001. Unions from Argentina, Brazil, Chile, Mexico, and Peru had joined UNI and initiated a network of regular meetings on issues of working conditions, health and safety. In collaboration with the Spanish unions CC.OO and UGT they formulated standards to be incorporated into the agreement

with Telefonica. A recent study of the agreement's implementation showed that dissemination of the agreement was incomplete and that, in a number of countries, including Peru, Mexico, Puerto Rico, and Ireland, conflicts between the standards established by the agreement and national legislation regarding freedom of association and the right to collective bargaining abounded. Furthermore, according to the author, »the lack of local management participation in the IFA processes of formulation and monitoring, the fact that only a limited number of local unions were involved in the formulation process combined with inter-union rivalries account for local actor inertia and further confirm the role of needs and interests« (Niforou 2010: 18).

- ▶ The US service union SEIU is currently waging a nationwide campaign to secure trade union recognition and collective bargaining rights for employees of Securitas, which signed a Global Agreement with UNI in 2006. The goal of the campaign is to obtain recognition as the legitimate bargaining agent for security guards in several US cities (Service Employees International Union (SEIU) 2010). Although the Global Agreement explicitly confirms »the rights of all employees to form and join trade unions of their choice and to bargain collectively,« Securitas in the US currently has agreed to bargain with SEIU only in those locations where a contract with the union already exists and has refused to acknowledge the validity of recognition petitions signed by hundreds of employees in several different cities.

These and other cases (Wills 2002; Stevis 2010; Fichter and Helfen 2011) document how trade unions are turning to transnational activity based on IFAs in order to deal with local problems. Without being a guarantee of success, IFAs nevertheless have opened up new possibilities for union collaboration across borders. For a better understanding of what IFAs represent today, the next section contains a short overview of their development. After that, we will discuss their meaning for the GUFs and for management, before taking a closer look at factors which inhibit the implementation of IFAs. In the final section, we will draw on insights from an ongoing interdisciplinary research program to discuss the key issues and challenges related to IFAs.

## The Top-Down Approach: Emergence of IFAs

Although IFAs are joint policy instruments agreed upon by management and labor, their emergence is clearly union-initiated. IFAs are certainly not the first attempt by international unions to influence corporate labor policies. Such efforts span several decades (Gallin 2008), including, for example, the corporation committees established by some of the International Trade Secretariats, the predecessors of the GUFs, in the 1970s (Levinson 1972). The first IFA (entitled »Common Viewpoint«) was signed in 1988 by the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) and BSN (Danone) (Gallin 2008: 26). Over the next decade, very few further agreements were reached. IFAs were not yet a designated instrument for achieving labor standards, although global corporations, especially those with well-known brand names, were increasingly trying to protect themselves from public accusations of involvement in labor rights violations by announcing their own unilateral and voluntary corporate »codes of conduct« (Fichter and Sydow 2002). International unions were more focused on digesting their massive membership increases and, at least publicly, on a political strategy aimed at incorporating ILO labor standards into the WTO sanction mechanisms (Anner 2001; Gumbrell-McCormick 2004: 44 ff.). But when this failed, attention turned again to influencing labor policies in global corporations. Two overt signs of this renewed effort were the model agreement drafted by the International Confederation of Free Trade Unions (ICFTU) in 1997 (International Confederation of Free Trade Unions (ICFTU) 1997), which challenged the credibility of voluntary corporate codes of conduct, and the transformation of the sectoral International Trade Secretariats into Global Union Federations in 2002. Significantly, the number of IFA signings increased rapidly throughout the first decade of the twenty-first century. At the end of 2010, over twenty years after the signature of the archetype of IFAs by the IUF and BSN in 1988, there were 76 functional IFAs. This tabulation is based on a strict definition including global (not only regional) reach, involvement of GUFs as a signatory and containing ILO core labor standards at a minimum. Nine GUFs have signed one or more IFAs. However, five of them (IUF, IMF, ICEM, BWI and UNI) have signed over 90 percent of all IFAs (Papadakis 2011).

## Development of IFAs as a Trade Union Policy Tool

When the agreement between the IUF and BSN was signed in 1988, it was regarded more as an expression of a particularly strong cooperative interest on the part of a corporate leader (Gallin 2008: 29) than as an example of a comprehensive and viable international trade union strategy. However, after the implosion of the Soviet bloc in 1990 and the new upsurge in global capitalism which this transformation facilitated, unions saw a heightened need for getting workers' rights on the agenda of the global regulation debates. In particular, the aim was to reframe this debate to counteract corporate strategies and challenge the legitimacy of voluntary and unilateral codes of conduct. TNCs were targeted because of their extensive »global production networks« (Coe, Dicken and Hess 2008) which bridge diverse and heterogeneous national systems of labor relations. Directly and indirectly these corporations wield power over a relatively small but strategically significant portion of the global workforce.<sup>3</sup> Extending union influence throughout the organizational domain of the corporation and beyond to match the global reach of production is a crucially important goal for the unions. It is in the scope of global production networks that IFAs achieve their strategic importance.

By 2000, as the union push for IFAs had begun to produce results, the question arose of how to use this policy tool more effectively and strategically. The original ICFTU Basic Code emphasized two basic tenets of an IFA: a commitment to an ongoing dialogue between management and labor; and the recognition of ILO labor standards, in particular the Core Labor Standards: freedom of association and collective bargaining, non-discrimination, and the prevention of child labor and forced labor. And indeed, as agreements were negotiated and signed, there was widespread satisfaction in the GUFs that they were being recognized by corporate management (and by other labor representatives), if not always as a direct negotiating partner, at least as a signatory organization for labor. Moreover, the positive results achieved by approaching EU-based corporations with stable and generally constructive labor relations at the national level, supplemented by European works councils, seemed to offer a distinctive means of increasing union standing at the global level

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3. According to the UNI website, the ILO calculates that TNCs employ over 90 million people, or approximately 5 percent of the global workforce; [http://www.uniglob-alunion.org/Apps/iportal.nsf/pages/20090226\\_ml9xEn](http://www.uniglob-alunion.org/Apps/iportal.nsf/pages/20090226_ml9xEn)

and spreading the recognition of IFAs as an instrument for establishing global labor standards. Furthermore, the pursuit of social dialogue, as promoted both within the EU and by the ILO, fitted in well with management corporate social responsibility proclamations and promised to bolster the unions' position without overly taxing their resources.

However, as the numbers of IFAs increased so did uncertainty about the real effectiveness of IFAs and their consequences for both international and local union policies. Good relationships between TNC managements and labor representatives, whether GUF officials, home country unionists, or European works councilors, have certainly facilitated the conclusion of a substantial number of IFAs. But they have not always translated into models of management-driven implementation. Nor have they necessarily led to more intensive cross-border cooperation among unions and internal corporate employee representatives. As a »top down« instrument of regulation, emanating from the headquarters level of TNCs and couched in the language of social dialogue, questions of dissemination, applicability, and implementation beyond the realm of its signatories were increasingly raised. Within the GUFs and among national affiliates the need for more explicit language and for the inclusion of a broader range of issues was debated. Merely having an agreement on paper drew criticism, especially when this led neither to implementation nor to an increase in union organization and membership.

By the end of the past decade, a general consensus among the GUFs had begun to take shape. IFAs were increasingly perceived as a policy instrument to be used primarily in the interest of strengthening the organizational foundations of the GUF affiliates (gaining new members) and promoting cross-border union cooperation. In this sense, IFAs have developed beyond their initial conception as a means of furthering social dialogue and ensuring the recognition of the ILO core labor standards. Equally important for understanding their development is the fact that they have certainly become more differentiated between sectors and from one TNC to another, even within the jurisdiction of the same GUF. As such, each of the GUFs has been involved in its own, more or less intensive, internal review of the IFA process. Considering the divergence of structural conditions (TNCs and their global production networks) across the different sectors and institutional settings, as well as the marked differences in the associational power (Wright 2000) of the GUF affiliates, it is not surprising that the results of these reviews are varied. For example, while the IMF builds its approach on a core of the

representational and associational strength of certain national unions in the automotive industry (see IMF 2010), other GUFs – such as the IUF, the ITGLWF or UNI – have to cope with a much more fractured environment and much weaker affiliates, regarding both members and resources. For UNI, the lesson has been to restructure its head office and target more of its resources towards the goal of signing a large number of IFAs. An essential part of this commitment is mobilizing its affiliates and networking them around a TNC and its global production network (Fichter, Helfen and Schiederig forthcoming).

IFAs as a tool for enforcing the recognition and implementation of minimum labor standards and as a contract between unions and TNC management are still »work in progress.« In their development as a corporate-oriented strategy, they have enabled labor to set parameters for focusing policy for its transnational goals. The most important of these are:

- ▶ ensuring compliance with the ILO's core labor standards within a TNC and throughout its global production network;
- ▶ recognition of the GUF as a negotiation partner;
- ▶ the global institutionalization of viable collective conflict resolution mechanisms;
- ▶ the organization of transnational solidarity and the creation of organizing »space« (Wills 2002: 685).

## **Management's Interests and Motivation**

For its part, TNC central management may have a variety of motives for negotiating an IFA. In general, it may be seen as a signal to investors, employees, customers, governmental agencies, or NGOs that the company is committed to an agenda of corporate social responsibility regarding employees (Coleman 2010). But only in a few cases has this interest actually triggered the beginning of the process. As already stated, negotiations have almost always resulted from the initiative of labor representatives. While all TNCs with IFAs have some kind of policy on corporate social responsibility and regard their IFA as an additional element of that, the efforts expended by management to ensure the implementation of the IFA depend significantly on the extent to which management has endorsed corporate social responsibility as an integral element of all its business operations. In light of the fact that the vast majority of IFAs have

been negotiated with TNCs with headquarters in the EU, the legal and institutional environment also seems to have had a significant impact. There is also the interest in a growing number of TNCs in promoting processes of standardization in their human resource policies. Finally, although we have found only general references to this, management may regard IFAs as binding the union to a kind of risk management contract.

Here again, on the management side, labor policies may differ markedly according to a variety of structural and organizational determinants. For example, the extended nature of global production networks will probably preclude any centralistic or hierarchical position of control. However, before finalizing such an argument into a conclusion, it would be imperative to consider the distinctiveness of individual actor input as well.

## **The Proof of the Pudding: Implementation**

Over the past two years, our international and interdisciplinary team of researchers<sup>4</sup> has sought to evaluate the development and relevance of IFAs as an instrument of private governance for regulating labor standards and employment relations within TNCs and throughout their global production networks. In our work, we have focused not only on understanding why IFAs are negotiated and signed (motivation), but also on whether and how they are being implemented. Having nearly completed the research, we have a good understanding of those issues of implementation which result from or are at least integrally linked to the negotiation phase of the IFA process. Many of these clearly belong to the most pertinent challenges facing the achievement of »good practice« through IFAs. Nevertheless, a more comprehensive and detailed presentation of our findings on local implementation will be possible only at a later date, since at present, the analysis of the case studies of IFA implementation in Brazil, India, Turkey, and the US is still undergoing a final review. The following discussion will therefore focus on those challenges to implementation inherent in and emanating from the negotiation phase.

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4. See [http://www.polsoz.fu-berlin.de/polwiss/ifa\\_projekt](http://www.polsoz.fu-berlin.de/polwiss/ifa_projekt). The research has been generously supported by a grant from the Hans Böckler Foundation, Düsseldorf.

Despite an impressive increase in the number of IFAs since 2000, our research indicates that in a large majority of cases, the actual implementation of the IFA within the TNC has progressed slowly or not at all. While not discounting latent or diffuse organizational constraints which may slow the process (Fichter, Helfen and Sydow 2011), we would rather focus on a number of political aspects of the process which appear to have a particularly strong bearing on implementation in a substantial number of cases.

The manner of IFA negotiations, including the topics of discussion (substantive issues, procedures, coverage), sets the stage for the ultimate strength of an agreement. In the terms of the bargaining concepts developed by Walton, Cutcher-Gershenfeld, and McKersie (2000), our research indicates that as a result of »institutional work« on the part of labor to overcome the pervasive reluctance of management, »integrative bargaining« dominates the negotiation phase of the IFA process. Integrative bargaining »has the function of finding common or complementary interests and solving problems confronting both partners. It serves to optimize the potential for joint gains« (Walton, Cutcher-Gershenfeld and McKersie 2000: 45). In the bulk of current agreements, negotiations have taken place as an extension of the continental European style of labor relations at TNC headquarters, which might be characterized as conflict partnership. In a small number of instances, negotiations have begun only after labor had successfully brought to bear enough pressure to bring management to the bargaining table. But even in these cases, both sides quickly adjusted to the task of developing an atmosphere of social dialogue and pursuing constructive and mutually acceptable solutions. For this reason, we would generally characterize the successful negotiation of an IFA as an exercise in integrative bargaining in its European variety – and potentially as a decisive step towards company and – possibly – network-wide implementation.

In many cases the result of this phase of the IFA process has been an agreement, the content of which is couched in very general terms, especially if the negotiation phase was not preceded by conflict. This can be an expression of an ongoing strong relationship of intense interaction between management and labor representatives at headquarters (home country union, works council), but it may also be indicative of labor's weakness. More robust content in an agreement is more likely either to reflect a mutually reinforcing interest in producing an effective agreement or to be the result of the recognition of ongoing differences

requiring the detailed codification of issues and procedures. Problems in conjunction with IFA implementation arise in this connection primarily with regard to three issues: the recognition of trade unions, the conflict management procedure, and the applicability of the IFA to suppliers and sub-contractors.

In signing an agreement, central management makes a commitment and exercises its prerogative of responsibility for the implementation of the IFA. But in most cases, beyond general references to measures for informing company employees of the agreement, no explicit processes and procedures, or resource commitments, have been incorporated into the agreements. Furthermore, implementation at suppliers in the global production network is not even mentioned in half of the IFAs. The real issues, problems, and challenges of implementation have usually been relegated to the post-negotiation phase of the process instead of being integrated in the agreement along with the substantive provisions and procedures for monitoring and conflict management. Without a jointly negotiated process-oriented plan of implementation anchored in the agreement as signed, labor's role is curtailed. Whether explicitly or only implicitly, central management claims sole responsibility for implementation within the corporate organization. In this schema, unions are relegated to the role of watchdog. Within this framework, the deficiencies and inadequacies we have found with regard to implementation must be attributed primarily to management's unilateral approach and its unwillingness to engage in the experiment of jointly negotiated implementation.

In some cases, management has been ambivalent about the need for an IFA in the first place, or regards corporate programs of social responsibility as adequately fulfilling the requirements of implementation, for which it is responsible. Another, even more complex problem involves the question of deficits in managerial power, capacity and resources. We have argued that there are instances in which central management in global corporations does not – or cannot – wield the kind of hierarchically-based organizational power necessary to command a simple »top down« transfer of practice (Fichter, Helfen and Sydow 2011). At the very least, active personal engagement and leadership from top management is required along with designated resources to ensure a process-oriented plan of implementation. As a selection of our case studies in Brazil and the US shows (Fichter and Helfen 2011), resistance on the part of certain departments or subsidiaries is frequent. Often local management seeks to avoid

implementing the IFA by invoking the argument that its responsibility as a corporate citizen is to adhere to local laws and recognized procedures, even if this solidifies a regulation gap between the IFA and the standards of the local environment. If central management does not forcefully back the IFA as explicit corporate policy, its implementation, especially with regard to the most controversial issues, will be unsatisfactory; obviously, this applies even more to suppliers and sub-contractors. While central management can apply economic pressure in some cases, it has no means of exercising hierarchical fiat over legally autonomous entities.

The importance of active support for implementation of IFAs by all of the signatories – both management and union representatives – may also be seen from another perspective. In contrast to the »integrative bargaining« atmosphere of IFA negotiations at the headquarters level, where the basic parameters of implementation are set, actual implementation at the workplace, at least at the outset, is more likely to be characterized predominantly by »distributive bargaining,« that is, »having the function of resolving pure conflicts of interest« (Walton et al. 2000: 44). As one of the ILO core labor standards, freedom of association and the right to collective bargaining are a basic element of virtually all IFAs. At the same time, our research has found widespread evidence that the recognition of a union and the commencement of collective bargaining over substantive issues is probably the most widely contested aspect of local implementation. The upshot is that the implementation process moves forward only when the labor side constantly pushes management at all levels and in each workplace. All too often, however, labor lacks the – material, personal, and organizational – resources to do so, leading to a signed, but unused document.

The apparent dichotomy between the achievement of agreed upon practices and the lack of defined means for their transfer from the level of central management to all other units in the TNC (and ultimately throughout the GPN) creates what might be called a »hollow document.« This cannot be resolved by simply delegating implementation to actors outside headquarters who were not involved in the negotiation phase. Within the TNC, an approach is required which addresses this issue in a more comprehensive and integrative manner, and includes process-oriented mechanisms which involve subsidiary management – and eventually supplier management – throughout the IFA process. Labor, too, has been confronted with problems of organizing its collective voice in both the negotiation and the implementation phases. In negotiations,

labor has not always been represented solely by the responsible GUF at the bargaining table with management. Often there has been a constellation of collective actors, consisting of the GUF, the home country union(s), and the (European) works council. While the importance of the home country representatives in getting management to negotiate and sign an IFA is significant, we have found that the direct involvement of multiple actors on the labor side is not necessarily conducive to achieving a strongly worded IFA. Furthermore, a dysfunctional alliance among the various players on the labor side considerably weakens implementation.

IFA implementation as a »top down« process also poses a particular challenge for labor. While it has been essential for the GUFs to assert their role in leading the development of IFAs as a corporate-oriented policy, their affiliates are membership-based autonomous entities with a variety of other priorities. Recognition and use of IFAs requires what has been widely designated in labor circles as »ownership«: that is, an understanding of the IFA and its uses. However, IFAs have been negotiated and signed without the involvement – and sometimes without the knowledge – of the less powerful member unions or those directly affected at the local level. Many unions outside Europe find it difficult to recognize the proclaimed advantages of an agreement with a social dialogue character, especially if such an understanding of labor relations is not prevalent in their country, or wherever trade union membership is not regarded as a basic human right (see Gross 2010).

## Discussion and Conclusion

In the context of this discussion of IFAs it is not possible to provide a more detailed and case-based differentiated analysis of how each of these factors individually impact the process and how they interact with each other. But there are several lessons to be drawn from this brief overview:

- In order to be implemented globally, IFAs require explicit language which is not subject to widely differing interpretations. As they have gathered experience with the implementation of IFAs, unions have begun to work for stricter definitions, especially with regard to aspects of the process which have generated the most conflict, for example the extension of the agreement to suppliers and sub-contractors or the recognition of trade unions and the right to collective bargaining. Several newer (G4S, GDF Suez) or renegotiated (ISS, Rhodia)

agreements<sup>5</sup> are groundbreaking with regard to the latter. To be sure, such an improvement in the potential impact of an IFA is primarily in the interest of the unions and thus, in the end, a matter of power relationships. Management, too, could develop an interest in the implementation of IFAs, particularly at the fringes of global production networks, since labor conditions and labor relations there are most likely to undermine corporate positions on social responsibilities and, in particular, jeopardize the corporate image.

- ▶ As a »top down« instrument for the transfer of practice, TNC central managements are certainly responsible for ensuring that its provisions are recognized throughout the TNC, including their priority over local legal settings and customs. However, central management could more actively involve unions and union representatives in the implementation of IFAs. A step forward in this regard could be achieved through local implementation agreements in which measures, procedures, and goals are formalized and made controllable.
- ▶ Supplementary to such a clarification of the policy status of the IFA is its continuing development as an instrument based on joint GUF–management procedures of implementation and conflict management. Several of our case studies document different approaches (with differing impacts) to realizing the institutionalized handling of basic and recurrent aspects of promoting and ensuring the use of the IFA.
- ▶ Union input and active monitoring of implementation is crucial for its effectiveness. In the pursuit of new and better IFAs, the GUFs and their affiliated members have begun to develop a wider range of corporate-oriented strategies complementing IFAs, including campaigning and networking. Where GUFs have begun to concentrate more resources on corporate-oriented policy, union IFA strategy has become less »top down« and more broadly-based. With this development we would argue that the GUFs are both focusing their policy mandate and moving beyond the formal organizational boundaries of the individual TNCs to embrace global production networks.

Neither employers nor unions, albeit for different reasons, have on their agendas the issue of providing IFAs as an instrument of private regulation with institutional safeguards. Nor have we found any particular initiative on behalf of public/private interventions (Weil and Mallo 2007). Discussions along the lines of offering mediation services or consultation for

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5. See <http://www.global-unions.org/framework-agreements.html>

IFA-related conflicts have taken place within the EU and at the ILO, but have not resulted in policy initiatives. Such a supportive procedure could convince to conclude an IFA TNCs which are willing in principle, but fear a loss of competitiveness.

The significant increase in the number of IFAs over the past decade attests to a growing recognition of their importance for trade unions and, perhaps, for TNC management as well. In terms of Logan's arguments on trade union power, globalization has apparently undermined the capacity of many of them to control their national environment. Or, in Tilly's more positive phrasing: »If workers are to enjoy collective rights in the new world order, they will have to invent new strategies at the scale of international capital« (Tilly 1995: 5).

As we have argued, IFAs are an important trade union strategy for securing basic rights globally. However, they are certainly not the only policy option for GUFs, which are expected to perform a variety of tasks, despite being strapped for resources. In addition to the field of corporate-oriented policy in which the IFA strategy is embedded, GUFs have traditionally been active in promoting organizing drives, as well as conducting training and educational support for their affiliates (policy field »membership«); and in the policy field of sectoral interests, their representation work has been of a political nature, involving primarily lobbying activities (Platzer and Müller 2009).

Conceivably, the IFA strategy could serve as a means of linking these different fields of activity into a mutually reinforcing approach to ensuring the recognition of global labor standards. For this, its coverage would need to be more explicitly directed beyond the organizational boundaries of individual TNCs to encompass global production networks. In the policy field of membership activities efforts at strengthening local organizing activities and at intensifying cross-border interaction among affiliates are in various stages of development in several GUFs. Prioritizing those membership activities which have obvious ramifications for both the pursuit of new IFAs and the improved implementation of existing ones would consolidate and strengthen GUF policy in both fields. Likewise, there is an obvious link between IFA policy and the sectoral work of the GUFs: namely, extending the reach of IFA regulation to a sectoral level of standardization and, possibly, legal institutionalization. Generally, this would be in the interest of creating a more comprehensive »level playing field« of labor standards, something for which support from TNC management could be forthcoming. For the GUFs, it would also

represent an essential step away from what critics have seen as the limits of a corporate-based »second best« strategy (Mund and Priegnitz 2007), without sacrificing the policy focus gained through the IFA strategy. This focus provides a greater opportunity to mobilize resources and concentrate them more effectively, in the process, connecting diverse interests and issues. In a broader sense, it would bring the political dimension to the fore by linking »labor rights« and »citizen's rights« (Gentile and Tarrow 2009). But it will be a long-term process, inasmuch as it cannot rely on »bargaining in the shadow of the law« (Bercusson 1992: 177). But it could make the »small armies« better able to wage »big battles« (Müller, Platzer and Rüb 2010) and provide a framework for a new trade union internationalism.

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