

Do transnational norm-building networks can contribute
to legitimate and effective global social standards?
Perspectives for future research

ISO 26000 - a tool of a global voice-
entitlement-nexus?

Prof. Dr. Ulrich Mückenberger

ulrich.mueckenberger@uni-bremen.de

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Entreprises multinationales, chaînes de valeur mondiales et régulation sociale

Which type of transnational networks?

Networks of technical
„normalisation“ /standardisation

Economic production networks



**Social networks with a
normative and universalist
approach**

Networks as defined by natural
science

Particularist interest, „dark
networks“ /Mafia

Which type of transnational networks?

Three types of networks the third of which is our focus:

- a. Inter- and transgovernmental networks: e. g. G 8, police, security, constitutional courts networks etc.***
- b. Transnational action networks: e. g. Greenpeace, WWF, CITES, advocacy networks;***
- c. Transnational Norm-Building Networks: e. g. lex mercatoria, ICANN; FIFA/IOC ...**

Which type of transnational networks?

Global Governance

- a. Governance by governments (e. g. UN, WTO, IMF ...)
- b. Governance with governments (e. g. UN, ILO, WHO ...)
- c. Governance without governments (e. g. Greenpeace, WWF, CITES; lex mercatoria, ICANN; FIFA/IOC ...)

Two historical tendencies (paradox):

- a. From a. to b. to c.
- b. Towards
 - 1. involvement of stakeholders (due to complexity – legitimacy – effectiveness)
 - 2. juridification (constitutionalisation?)

Legal and political foundations of the approach

1. The three prerequisites of “norms” under democratic guidance:

- a. the role of voice/representation of stakeholders in the process of norm-building (“voice”);**
- b. the effectiveness of norms (rights/duties) vis-à-vis the stakeholders (“entitlement”)**
- c. hence an institutionally secured and subjectively experienced nexus between voice and entitlement (“voice-entitlement-nexus”).**

Legal and political foundations of the approach

2. The democratic nation-state as a “centering” tool to secure the three prerequisites:

- a. The state is the “centre” which can be addressed via “voice”;**
- b. This centre is willing and capable of granting, implementing and making effective “entitlement”;**
- c. This centre provides for the democratically institutionalised and experienced nexus between “voice” et “entitlement”.**

3. What, however, happens in the period of globalisation where increasingly important parts of norm-building takes place beyond the nation-state?

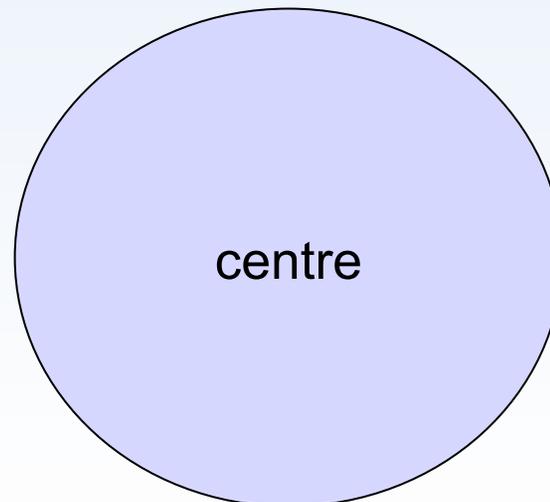
- We call this shift to supra- and intra-state level “decentration” =**
- the “centre” hitherto guaranteeing the three prerequisites is being questioned.**

“Decentration” – nexus between “voice” and “entitlement”

Centered model – voice-entitlement-nexus

voice/representation

- entitlement



decentration

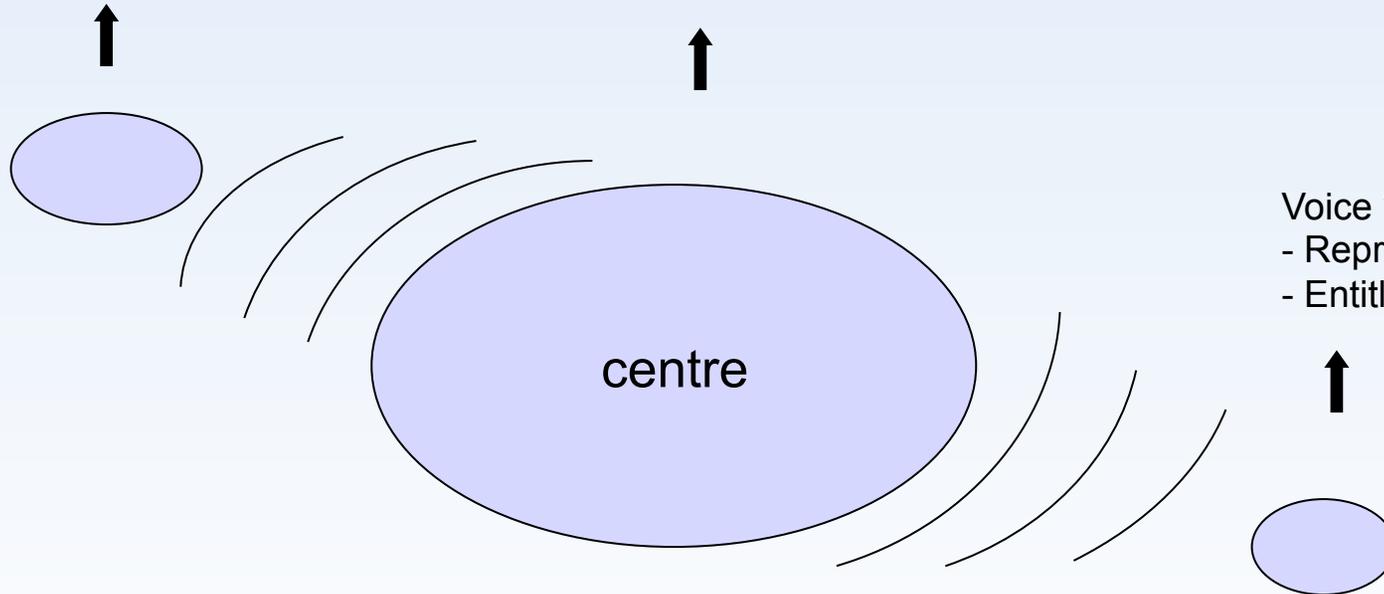
supra (centralisation)

infra
(decentralisation)

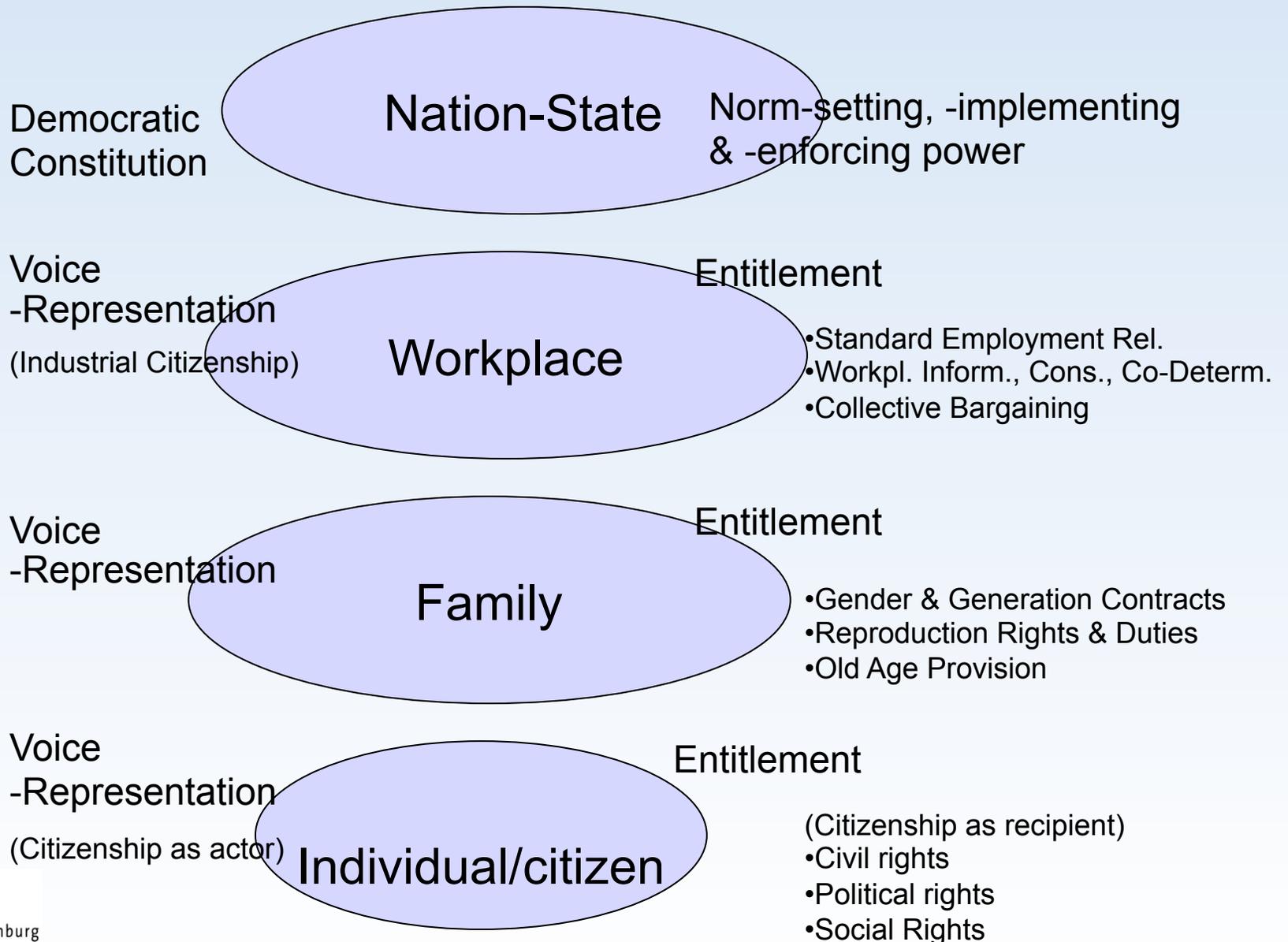
Voice ?
- Representation
- Entitlement

Voice
- Representation
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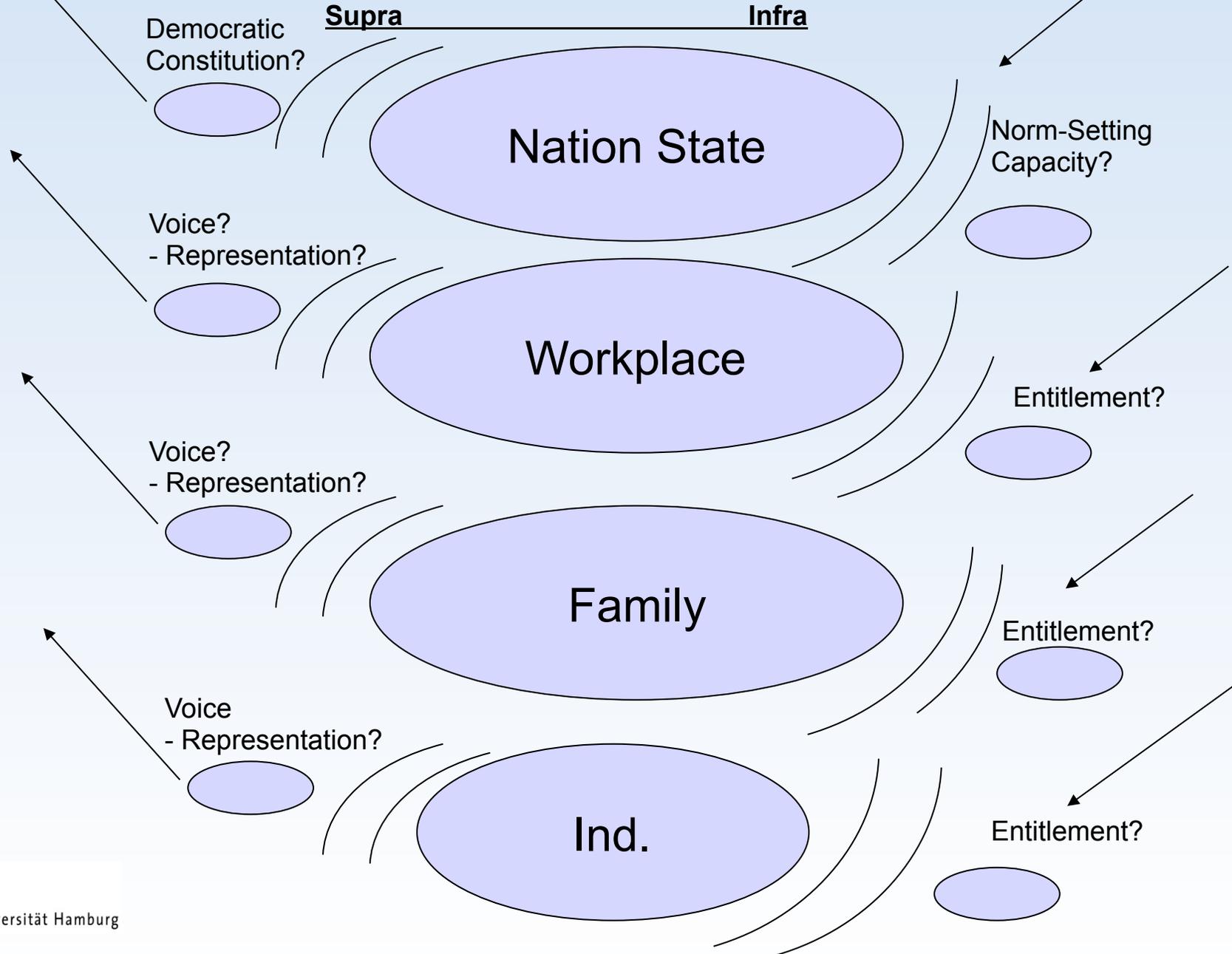
Voice ?
- Representation
- Entitlement



The old social model



The De-Centered Social Model



Working Notion of TNN

Transnational norm-building networks are (1) purposeful connections (2) of current or formerly novel actor constellations (3) between and within politics, economy and civil society that are (4) to be regarded as linked to decentration, are (5) not primarily governmental, (6) reach beyond nation state level towards the supra- or infranational, (7) show a certain longevity and attempt (8) to set up and (9) standardize (10) behavioral imperatives, norms and/or conventions (11) on their particular field that (12) either reduce the transaction costs among the parties involved and/or are (13) supposed to (14) bind (15) outsiders that are not involved and with the help of which (16) transnational nexus comparable to the (17) nation state voice-entitlement nexus challenged by decentration (18) may be reconstructed.

Transnational Norm-Building Networks

- 18 elements in context -

TNN-Properties

- (1) purposeful connections**
- (2) current or formerly novel actor constellations**
- (3) between and within politics, economy and civil society**
- (5) not primarily governmental**
- (6) beyond the nation state level**
- (7) certain longevity**

TNN-Activities

- (8, 9, 10) set up/standardise imperatives, norms and/or conventions**
- (11) on their particular field**

TNN-Objectives

- (12) reduce the transaction costs among the parties involved**
- (13, 14, 15) bind outsiders**

Premise - **(4) Erosion of centred voice entitlement nexus (Decentration)**

Perspective - **(16, 17, 18) New nexus of voice and entitlement?**

Two Examples

- **ISO 26000**
- **UN Global compact**

(s. Mückenberger/Jastram 2010; Jastram 2011)

1. ISO 26000



- The International Organization for Standardization (ISO) = globally operating developer of standards since its launch in 1947
- **Hybrid network structure:** global network of standardising bodies composed by member institutions (national standardisation bodies) - either private, governmental, or non-governmental organisations. Non-governmental organisations forming bridges between the public and private sectors.
- ISO standards based on consensus and applied on voluntary basis
- “An ISO standard is a documented agreement containing technical specifications or other precise criteria to be used consistently as rules, guidelines, or definitions of characteristics to ensure that materials, products, processes and services are fit for their purpose”
- **Hybrid norm character:** Norm form but no (legal) norm power

ISO 26000

- ISO 26000 = future global standard on Social (***not: Corporate***) Responsibility (SR), initiated by ISO. To be applied, on a voluntary basis, by all types of organisations including non-profit organisations and to be published in 2010.
- Three objectives:
 1. „to assist an organization in addressing its social responsibilities“;
 2. to develop an international consensus on the definition of social responsibility and the issues that organizations need to address, based on existing international norms of SR;
 3. to assist organisations and provide guidance on effectively operating and implementing social responsibility.

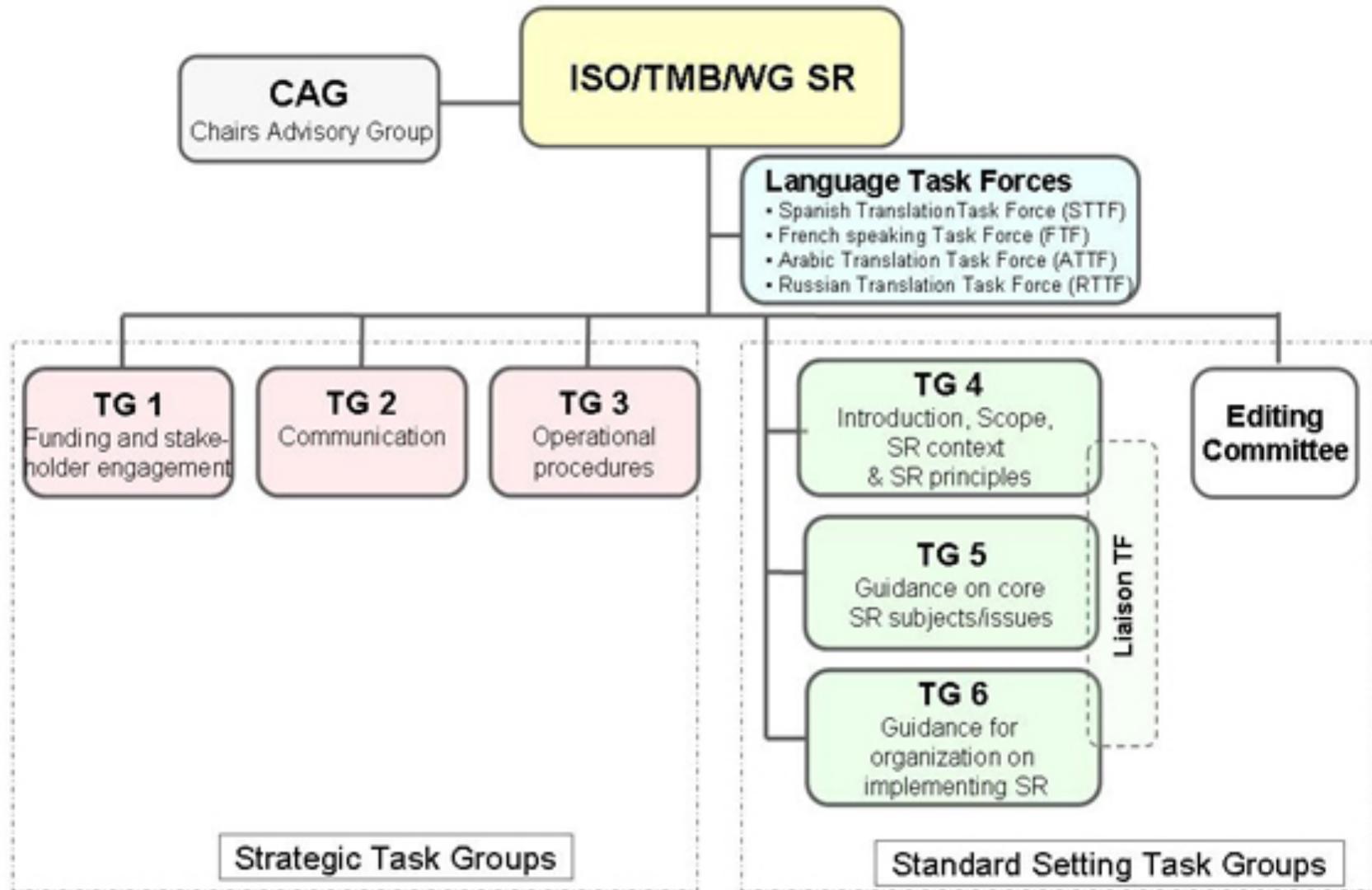
Norm-building process I

- **World-wide networking around ISO 26000:**
- Not industry (as usual in ISO) but the ISO council itself sees a need to consolidate the number of existing principles on CSR and to achieve an international consensus on definition and core issues
- In 2001 ISO therefore starts **extensive consultation** with internal and external experts representing different groups of **stakeholders** (incl. business, governments, transgovernmental staffs, labour, consumers and non-governmental organizations)
- 2001 **online forum** to gather the opinions of different stakeholders on a potential new standard,
- 2002 ISO launches a workshop and sets up a **multi-stakeholder strategic advisory group** as to whether ISO should engage in the generation of a new standard;
- 2004 **international conference**
- 2005 **decision** in favour of the development of a **new standard**

Norm-building process II

- Set-up of **working group on social responsibility (WGSR)** (experts representing six groups of stakeholder: industry, governments, labour, consumers, non-governmental organizations, a 6th group called SSRO <service, support, research and others> including academia, ISO staff, and consultants).
- Each ISO member state may send one expert and one observer out of each of the six stakeholder groups.
- Each liaison organisation may also send two representatives
- 426 participating experts and 175 observers from 89 member countries and 41 Liaison organisations at last WGSR meeting in September 2008

Organization of the Working Group



Norm-building process III

- Each ISO member state sets up a so called “national mirror committee” which is composed like the WGSR but smaller in size.
- The ISO process encompasses around 1700 stakeholder representatives and is one of the most inclusive international ones in the CSR field.

Weitere nationale Experten, die nur im Spiegelkomitee sitzen



The Outcome: The SR Norm

- **Structure of ISO 26000**
- **Introduction into the SR concept (incl. definitions of main notions and issues)**
- **Basic principles (respect for the rule of law, for international norms, for stakeholder interests, accountability, transparency, precautionary approach, human rights)**
- **Core issues (Organisational Governance, Human Rights, Labour Practices, Environment, Fair operating practices, consumer issues, development of the community and society)**
- **Support for implementation: e. g. for stakeholder management**

Voice & Entitlement

- **Voice** CRITERIA OF ANALYSIS OF LEGITIMACY

Inclusion: All stakeholders concerned in principal have the equal right to partake in the norm-building procedure:

- Equal rights of access
- Fair selection according to transparent criteria
- Representativeness: elected representatives, call-back mechanism.

Transparency: All documents concerning the norm-building process are freely accessible.

Deliberation: Decision-making is founded on a discursive structure of argument with equal opportunity for all participants to argue and reach consensus.

- Equal opportunity for all to make agenda setting proposals
- Equal chance to foster arguments, questions and other proposals
- Equal voting rights in relevant areas
- The objective is to reach consensus, unanimous vote
- The rules of the procedure can be made object of deliberation.

Voice & Entitlement

- **Voice**
- **ISO involved external actors from a very early stage in the norm-building process.**
- **Even the original decision of whether or not to engage in norm-building activity was actually prepared by a multi-stakeholder group and confirmed at an international conference.**
- **Compared to the Global Compact voice was able to influence decisions much more directly and from a much earlier point of time in the decision-making process. ISO took much stronger provisions to become aware and actually made use of the information and interests articulated by voice.**

Voice & Entitlement

- **The ISO 26000 norm-setting process is much more inclusive and provides more mechanisms for the articulation of voice.**
- **Consensus-building is the declared goal of the process and the participating stakeholders are selected and organised in a relatively representative manner and have access to all relevant information.**
- **Entitlement**
- **Any findings about entitlement and the nexus between the two (legitimacy, effectiveness of the norms so created) at present do not exist but hypothetical assumptions can be made and tested in the future (s. Mückenberger 2010).**

2. The United Nations Global Compact (GC)

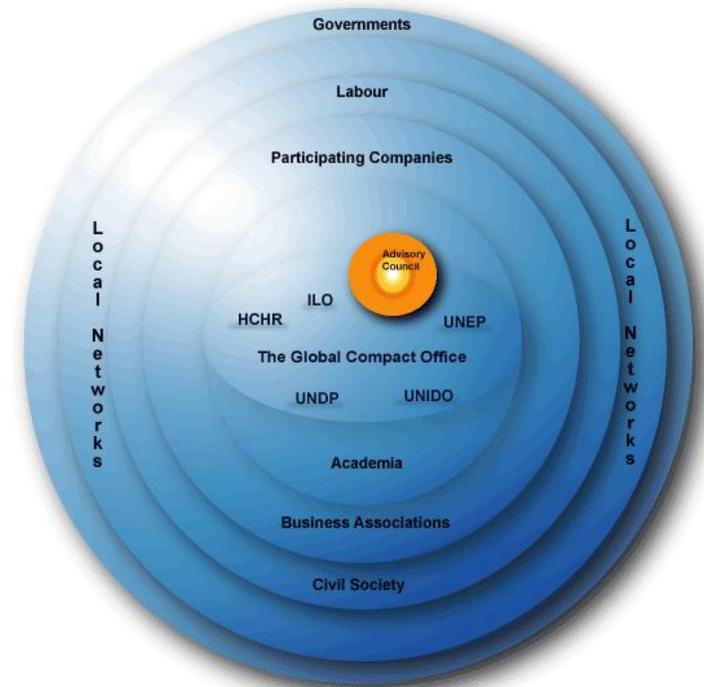


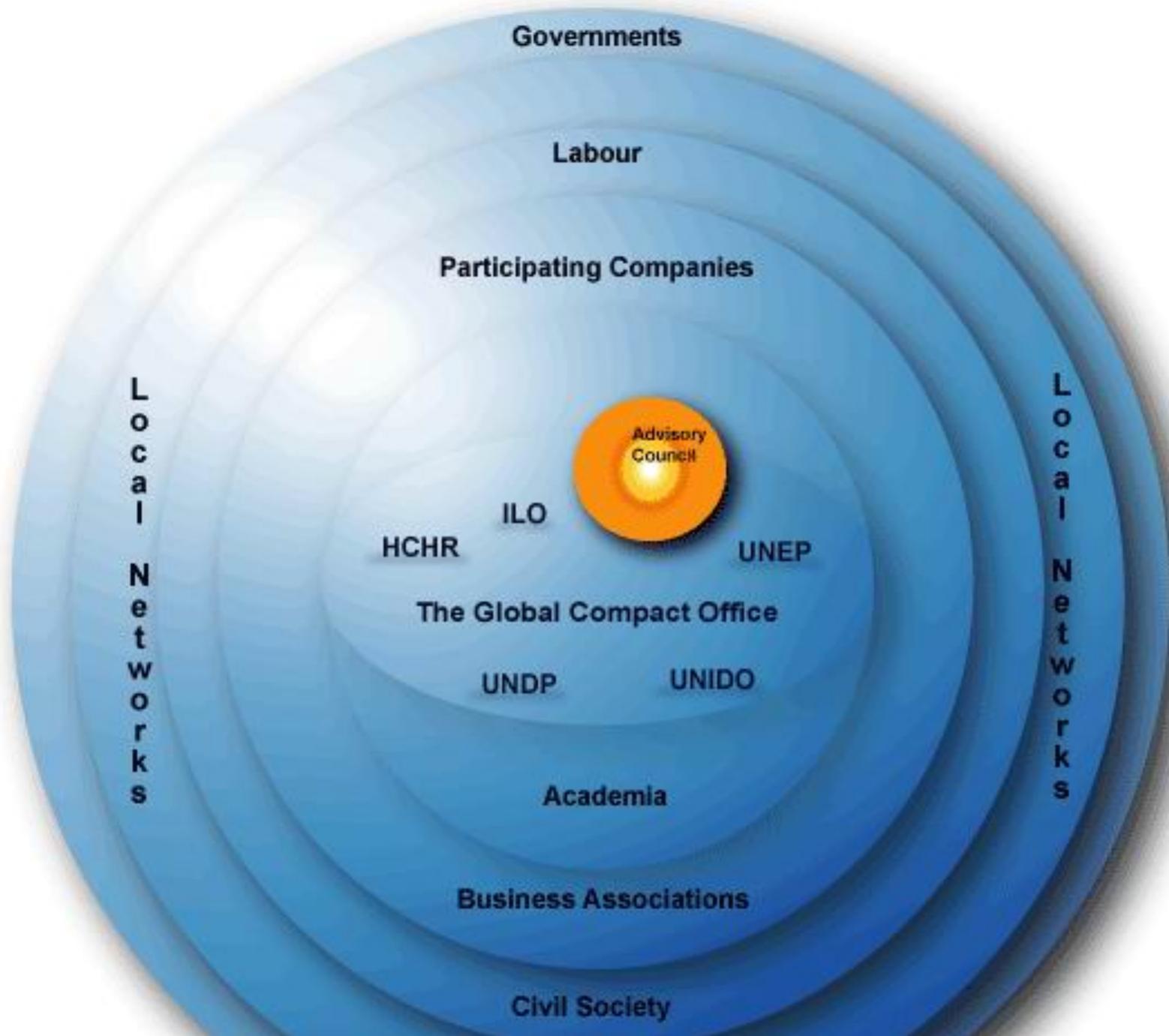
- “Strategic policy initiative” by Kofi Annan started in 2000
- Background: increasingly articulated public concern and protest about the negative effects of globalisation
- Objective: to mainstream ten ethical principles in business activities around the world
- **Building and implementing hybrid norms:** 4 fields: human rights, labour, the environment, and anti-corruption
- **Hybrid global networking:** Today the largest and one of the most prominent initiatives in the field of Corporate Social Responsibility with nearly 5,000 corporate and about 1,500 non-business participants from over 130 countries.
- Firms willing to comply with GC principles may join the initiative on a voluntary basis, become active within the GC network, and implement the principles within their corporate activities.
- **A voluntary not mandatory initiative with no active monitoring of norm-implementation und enforcement.**

A Hybrid Network of Networks

- New York office as its coordinating hub, surrounded by a number of country and regional networks, whose aim is to implement the ten principles at both national and local level
- multi-centric governance framework, within which governance functions are shared by six entities each with its own specific remit: a triennial Leaders Summit, a Board, Local Networks, an annual Local Networks Forum, the Global Compact Office and an

Inter-Agency Team.





Norm-building /- implementation

- **GC a personal initiative of Kofi Annan (Davos 1999).**
- **Initial nine principles of GC referred to basic norms (Universal Declaration on Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the Rio Declaration on Environment and Development) which themselves have been legitimised either by governments alone – as in the case of the Declaration on Human Rights – or involving the consultation and involvement of CSOs, labour, management and/or other stakeholders.**
- **Soft Implementation mechanisms:**
 - **Communications on progress by member companies**
 - **Learning & Dialogue**

The United Nations Global Compact



- **<UN> Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and**
- **<UN> Principle 2: make sure that they are not complicit in human rights abuses.**
- **<ILO> Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;**
- **<ILO> Principle 4: the elimination of all forms of forced and compulsory labour;**
- **<ILO> Principle 5: the effective abolition of child labour; and**
- **<ILO> Principle 6: the elimination of discrimination in respect of employment and occupation.**
- **<RIO> Principle 7: Businesses should support a precautionary approach to environmental challenges;**
- **<RIO> Principle 8: undertake initiatives to promote greater environmental responsibility; and**
- **<RIO> Principle 9: encourage the development and diffusion of environmentally friendly technologies.**
- **<TI> Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**

Communication on Progress

- GC webpages include publicly accessible database of all submitted communications on progress and invites civil society organizations (CSOs) to vet these reports. The idea is that through this CSOs “can help to provide checks and balances and lend credibility and social legitimacy to the initiative“. Large number of participating companies.
- Uncertain whether civil society-monitoring can work on a wide basis. Nevertheless, there have been incidents where CSOs identified member companies that were for instance involved in child labour like in the Nike case.



Learning & Dialogue

- **Since launch in 2000 GC and local networks have hosted a number of fora, summits, conferences, meetings, and workshops on the international, national and local level, involving thousands of stakeholders over the years**
- **Most events related to the ten principles and their implementation.**
- **CSO representatives and other stakeholders are amongst the participants and the keynote speakers**
- **Learning is based on the discussion of case studies and best practice examples and the Global Compact continuously produces publications on the consolidated finding.**

Voice & Entitlement

- **Voice**
- Recognition and anticipation of public voice has had a significant impact on the decision to start the Global Compact initiative.
- the Global Compact actually provides for several non-legal instruments such as dialogues and learning fora where stakeholders can articulate their opinions and views concerning best practices of norm-implementation.
- **Entitlement**
- With regard to the implementation of the principles on the company level we can observe involvement of civil society organisations.
- **GC provides opportunities for raising voice, which in some cases seem to be connected to corresponding entitlements, i.e. changes in the rights and obligations of stakeholders. Yet, entitlement seem to only partly reflect claims raised by voice and provisions for their effectiveness are rather weak. Therefore the nexus mainly seems to be missing.**

Contributions of the authors

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