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**Building Transnational Coordinative  
Unionism**

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## Executive Summary

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In the past, labour has faced a choice between internationalism and nationalism. Today, when global neoliberalism is attacking labour rights and weakening the welfare state, the choice is between internationalism and a new feudalism built around workers' microcorporatist loyalty to 'their' firms. In the context of lean production, total quality management, agile manufacturing and similar organizational innovations, employers are increasingly pressuring workers to engage in an ever-deepening competitiveness alliance with managers. The main rationale is that only an active 'partnership' between workers and managers can generate sustained improvements in productivity efficiency. Many workers and union leaders regard such competitiveness alliances as soft tyrannies backed up by market forces over which they have little or no control. Yet often their greater fear is the harder tyranny of job loss. The threat of capital flight to low wage, high repression regimes, such as Mexico, shackles unions. Breaking these chains requires a new transnational coordinative unionism that combines participatory mobilization at the local union and community levels with strategic coordination at national and international levels. This kind of unionism could include hybrids of unions and works councils that bring together workers from the same firms who work in different countries. Such unionism is already emerging through growing transnational labour solidarity. In North America unions are building this solidarity, particularly in the auto, steel, trucking, clothing, and telecommunications sectors and in parts of the public sector. In some cases international trade secretariats (global federations of unions in the same industrial sectors) play an important role. In other cases international labour campaigns bring unions into coalitions of community, religious, and social movement activists, thereby linking organized labour to broader, often more effective forms of politics. These indications suggest that transnational coordinative unionism is becoming an increasingly practical vision for global labour in the 21st century.

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*People in our plant are very upset about our jobs leaving. However, we know that it is the employer, not Mexican workers, who are creating the problem. We have an international problem and we need an international solution based on workers' solidarity. Sooner or later we will have to get to the point of joint collective bargaining that includes both the company's Canadian and Mexican workforce. That's the goal.*

Ravinder Singh Grewal, President,  
United Steelworkers of America Local 1090,  
Custom Trim Ltd., auto parts plant in Waterloo,  
Ontario, Canada.<sup>1</sup>

*Money has no heart, no soul, no conscience, no homeland.*

Frank Stronach, owner, Magna International,  
international auto parts manufacturer.<sup>2</sup>

## **Introduction**

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Under pressure from neo-liberalism and global competitiveness, workers and local unions in Canada and the U.S. are increasingly entering into ever-deepening productivity alliances with management (Wells 1997a). Spurred by continental economic integration since the 1980s, such productivity alliances have also increased in Mexico, most notably in the auto sector (de la Garza 1994; Arteaga Garcia 1994). These productivity alliances centre on hybrids of lean production. They include total quality management, agile production, teams, multitasking, flexible working hours, and a host of other efficiency/speedup innovations. Not coincidentally, these productivity 'partnerships' are being imposed in a context of high unemployment and underemployment, deregulation and privatization, and massive attacks on labour rights and the welfare state. Increasingly, managers are linking these alliances, as well as wage and benefit concessions, to (usually vague) promises of improved job security. It is under these circumstances of labour market coercion that deepening labour-management productivity alliances are emerging as the heart of a new industrial relations of fragmented, decentralized corporate fiefdoms. Workers' dependency on 'their' firms threatens to become the atomised basis of a twenty-first century industrial relations feudalism that has broad and disturbing implications for the future of democracy.

The significance of these labour-management alliances is perhaps most apparent when we look back to the late 1960s and early 1970s. Those were years of low unemployment combined with what the mass media dubbed 'blue collar blues' and 'white collar woes.' Many workers, autoworkers especially, rejected much milder productivity alliances by carrying out wildcats, sabotage, concerted absenteeism and other direct action, frequently against their union leaders as well as managers. By contrast, today is an era of job fear—fear of being fired, downsized, laid off, of not making it to pension time, of poverty and marginalization in a 'new economy' of part-time, insecure, low-paid jobs, in neo-liberal societies that systematically denigrate the 'losers' in the global 'competitiveness' game (Mishel 1997; Wells 1997b).

1 *Working Together: Labor Report on the Americas*, September-October, 1997, p. 2.

2 Quoted in *The Jobs Crisis*, Canadian Labour Congress Policy Statement, May 1994.

Little wonder that managers find it relatively easy to intensify work and maintain an iron discipline among those fortunate enough to have 'real' (full-time, permanent, more-than-minimum-wage) jobs. Beyond big pools of excess labour at home lies an ocean of over a billion adults around the globe who are unemployed or seriously underemployed.<sup>3</sup> Managers' power is also enhanced by growing wage inequality, increasing opportunities to move to places where labour is weak and cheap, and by a popular perception that firms can move at the hint of a union drive (Bronfenbrenner 1996). Management's power is also bolstered in Canada and the U.S. by the extraordinarily decentralized nature of the industrial relations systems. This fragmentation grows as bargaining units become smaller due to flexible technologies, downsizing and contracting out, and the rise of small-scale service sector organizations. Critical too is the increasing productive overcapacity in sector after sector. Before the new millennium arrives, the global auto industry, for example, is expected to be able to produce nearly 80 million vehicles for fewer than 60 million buyers.<sup>4</sup> It is under these circumstances that corporate power in Canada and the U.S., and around the globe, is more one-sided than at any time since the 1930s.

Thus it is that many union locals and workers enter into these productivity alliances. Many fear that if they do not they risk losing their jobs to competitors that are increasingly non-union and located in low-wage, high-repression labour regimes. Yet most locals that have entered into such partnerships find themselves on an endless conveyor belt to more speedup, worse health and safety, lower wages, multitier workforces, contracting out and a host of other wage and work concessions. They enter a bizarre world. Multinational firms in northern countries are much less willing to share the benefits of increased labour productivity than they were in the aftermath of the Second World War when labour was strong. Now employers are imposing the authoritarian and hyper-exploitative industrial relations on labour in northern, developed economies that they have been forcing on labour in the southern parts of the world. And yet protectionist, even xenophobic workers are expected to remain loyal to their rootless, denationalized, authoritarian management 'partners.' This is an ideology of one-sided cooperation that cannot hold.

**S**ome unions are already building part of a new foundation for a stronger, more democratic and transnationalist labour movement.

Responding to these new, contradictory realities, some unions are already building part of a new foundation for a stronger, more democratic and transnationalist labour movement. This is visible in the new networks of unions and labour and community activists whose primary goal is to reduce the global labour inequalities which give transnational firms the leverage to whipsaw concessions and maintain discipline. These networks are taking advantage of new opportunities that management strategies are creating for labour. In particular, production that is increasingly fragile, due to 'just in time' production and lean inventories, is vulnerable to local work stoppages that effect production on a transnational scale.<sup>5</sup> In order to take full advantage of these strategic openings, however, labour will need to rebuild itself by creating a new kind of unionism.

<sup>3</sup> *Foreign Policy in Focus: Trade and Labor*, January 1997, p. 1.

<sup>4</sup> 'The Coming Car Crash' *The Economist* 10 May 1997.

<sup>5</sup> A recent example is the 1996 General Motors strike in Ohio which quickly shut down GM production in both the US and Canada.

## Transnational Coordinative Unionism

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Labour's best hope is a coordinative unionism which combines the mobilization capacity of the workplace and community with the scope of national and transnational strategies (Wells 1996). This model extends unionism horizontally while deepening its democratic roots through renewed mechanisms of class mobilization, communication, representation, and participation (Lynd 1997; Lynd and Lynd 1988; Glaberman 1980; Wells 1995a, 1995b). It includes what Staughton Lynd (1992) calls 'solidarity unionism.' It means 'rank and file' unionists continuously bargaining with managers over reorganization of the labour process, and using direct action tactics (e.g. work stoppages, collective absenteeism, etc.) as well as official strikes to build solidarity, participation and bargaining leverage. It means unionized workers helping unorganized workers to organize themselves. It means local labour bodies working with their communities to build local economies that are more democratically accountable.

To weaken corporate pressures for local unions to react to the immediate survival needs of 'their' individual workplaces, high priority must also be given to the horizontal coordination of strategy among locals in the same sector, and among communities with the same employers. This coordination among unions, community groups and social movements is critical to building mass democratic power against global corporate rule.

Governments throughout the world are becoming increasingly neo-liberal. So, too, are the key corporate-dominated international organizations, including the World Trade Organization, the World Bank and the International Monetary Fund. These institutions, together with international trade and investment agreements such as the Canada-U.S. Free Trade Agreement, the North American Free Trade Agreement, and the Multilateral Agreement on Investment now being negotiated, all have at their core the reduction of state capacity to regulate global capital. Since all these institutions lack public accountability, they cannot be an immediate strategic focus of labour internationalism. Borderless capital cannot be countervailed without borderless unionism.<sup>6</sup>

Following is a discussion of growing links between *Canadian* unions and labour in the U.S., Mexico and elsewhere in the Americas.<sup>7</sup> These international labour links have the potential to help build a more democratic base from which to launch more state-centred (not state-dominated) strategies later on. In order for this to happen, transnational union links need to develop far beyond the fraternal tourism of labour elites that still characterizes much international labour solidarity. Transnational solidarity needs to be based at the local level, and rank and file members need to be the

**B**orderless capital cannot be countervailed without borderless unionism.

<sup>6</sup> For a very helpful discussion of organizing steps toward a North American Auto Workers Network, see Moody and McGinn (1992, 51–58).

<sup>7</sup> Because of its Canadian focus, this paper neglects key U.S.-Mexico-centred developments such as the United Electrical Workers' Strategic Organizing Alliance with the independent Authentic Labour Front (FAT) in Mexico; the partnership between the Farm Labour Organizing Committee in Ohio and the Union of Agricultural Workers and Peasants in Mexico; and solidarity work of the Union of Needletrades, Industrial and Textile Employees (UNITE!) in Mexico, the Caribbean and Central America.

core activists. Otherwise, local union leaders run the risk of attack by their own members as absentee leaders who put international solidarity junkets ahead of their members' concerns on the job. The longer term vision is that transnational labour links need to be the foundation of new labour and popular transnational institutional alternatives to global corporate control. Transnational coordinative unionism needs to be a practical alternative to the fantasy that a core of highly skilled, highly paid workers in countries such as Canada and the U.S. can protect their jobs at the expense of super-exploited, sweated labour around the world (Wells 1997c).

## Trinational and Hemispheric Works Councils

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Given the growing capacity of transnational firms in such sectors as auto, electrical and clothing, to whipsaw concessions from workers, an initial goal of coordinative unionism might be a *more democratic, collective-bargaining version* of the European Works Council. The European Union requires multinational firms to create European Works Councils where employers consult with employee representatives. Because this model is hierarchical and focused on consultation instead of collective bargaining, its use for the kind of coordinative unionism proposed here can only be transitional. More useful examples are the German model where unions control most employee representatives on the works councils, and the Swedish model which is also based on strong unions (see Muller-Jentsch 1995, and Brulin 1995 respectively). While these have not been transformed into formal transnational models, they have influenced the formation of 'voluntary' European Works Councils (Streeck and Vitols 1995).

Even these union-based councils will require reform. A recent study of twenty union-based councils concluded that all were limited in their ability to deal with managerial prerogatives, and that workers' representatives had more 'voice' than 'ear.' The councils 'more resemble international union committees for multinational companies than works councils proper' (Streeck and Vitols 1995, 261). The powerful German metalworkers' union and Volkswagen have built the most progressive model. In 1992, Volkswagen agreed to a Pan-European Works Council representing workers in Germany, Spain and Belgium, soon to be joined by representatives of Volkswagen's Skoda works in the Czech Republic (MacShane 1996, 57).

Although works councils have often been a paternalistic substitute for genuine unionism, Denis MacShane, former adviser to the International Metal Workers Federation, contends that works councils and genuine, independent unions are not mutually exclusive.

Much depends on whether they follow the German *Betriebsrat* model, which is a worker-only Works Council with rights to have representatives on the board of big companies, or the French *comité d'entreprise* format, which is a joint worker-management council open to employer manipulation. Also, the role of the unions is vital. Where they are sectarian and politically divided, and have low membership, as in France, the works council can drift off into independent existence. Where they are organized on a one-workplace, one-union system and under social democratic . . . hegemony as in Germany or Austria, they reinforce the class consciousness of works council delegates by constant education and mobilization. (MacShane 1996, 61)

**A** recent study of twenty union-based councils concluded that workers' representatives had more 'voice' than 'ear.'

Works councils can also be pre-union formations, according to prominent social scientists, Rogers and Streeck:

While originally intended to be no more than consultative bodies, councils may be captured by workers seeking not just consultation on production matters, but a chance for articulating distributional interests different from the employer's. Councils may also be used by external forces, such as unions, as an entryway into the workplace, where they may insert themselves between employer and the workforce. (Rogers and Streeck 1995, 16)

At a minimum, a progressive variant would require collective bargaining functions and would need to be based on elected worker representatives who were democratically accountable to their constituents. However, in the absence of other institutions that bring workers together from different subsidiaries of the same firm, the European models are a useful starting point.

In North America, where works councils have been central to corporate 'union avoidance' strategies, transnational coordinative unionism could be built partly out of union structures that are already in place. A partial Canadian precedent is the Canadian Auto Workers Council where local union delegates meet from across the union. The CAW has separate councils for local delegates from each major automaker. Both the union-wide and company-wide councils provide a forum for communication among local and national leaders. However, they need to be based more on the mass participation of members at the local and workplace level. This will require major changes in the nature of unionism in Canada and the U.S.<sup>8</sup> In Mexico, local unions created a now-defunct Solidarity Pact among three Ford plants, a General Motors plant, Nissan plant, Volkswagen plant and a Mexico-owned National Diesel (DINA) truck plant, to coordinate their responses to concession demands. This pact lost momentum when the Mexican government's Confederation of Mexican Workers (CTM) blocked support for Ford workers in the late 1980s (Middlebrook 1991, 284). Yet it provides a potentially valuable precedent, particularly now that Mexican workers are building more autonomous unions.

A hybrid of such union councils and the better European works councils could be the basis for a North American Automotive Federation (NAAF). Since the biggest competitive threat to low wage countries usually comes from other low wage countries, the NAAF should later be expanded to include auto union representatives from the rest of Latin America and Asia, as well as Europe. Such a transnational autoworkers' federation would be made up of locally elected delegates from unions in each country. Delegates representing workers from the same firms would be organized into international councils for each firm. Where feasible, these union councils could coordinate union relations with labour-management works councils for the same firms. This dual council model, a mix of union councils and works councils, would give unions more control over labour's agenda in works councils.

<sup>8</sup> Reflecting the centralization of power in most unions after World War II (Wells 1995a, 1995b), most delegates to the councils are elected at local 'general membership' meetings that are almost invariably poorly attended. This weakens the councils' capacity to mobilize and it reflects deeper relations of power within unions and between unions, employers and the state.

**I**n North America, transnational coordinative unionism could be built partly out of union structures that are already in place.

**A North American Automotive Federation would necessarily be a highly politicized continental federation of social unionism.**

Reflecting national and union political realities, each union in the NAAF and in the works councils would be autonomous. Coordination would focus initially on minimalist common goals. As confidence builds, common agendas could broaden. Initial NAAF agendas would centre primarily on less directly monetary issues such as union rights to organize and bargain collectively, workplace health and safety, hours of work, technological change, outsourcing, employment equity, work reorganization, training, workplace representation structures, grievance processes, etc. More progress can probably be made, at first, in reducing the unevenness of continental industrial relations in these areas rather than substantially reducing the wage and benefit chasm between Mexican autoworkers and autoworkers in the north. Beyond a certain point, wage and benefit improvements for Mexican workers expose the zero-sum job competition based on labour cost differentials that bedevils labour solidarity across the Rio Grande. A NAAF would need to accept the fact that lower wages in Mexico will mean that in a continentally managed system of trade some jobs in Canada and the U.S. will be lost. However, differentials in labour costs should not be exaggerated by a state policy to keep wages artificially low or by an authoritarian politics which denies workers' rights to independent unions, free collective bargaining, legal due process, free elections and government accountability to the electorate. Moreover, northern job losses should be offset by active, state-initiated employment policies (Wells 1997b). Given such broader goals, a NAAF would necessarily be a highly politicized continental federation of social unionism.

### **An Emerging Transnational Coordinative Unionism**

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At present, the principal Canadian mechanisms for transnational union solidarity are 'international solidarity funds.' Since 1985, five major unions in Canada have established such funds. With the exception of the Canadian Autoworkers' fund which is paid for by company contributions, the other funds are based on payroll deductions of a cent an hour from each member. In each case, the funds are sponsored at the level of supportive local unions. If the funds meet certain criteria, these monies are matched with funds from Canada's foreign aid arm, the Canadian International Development Agency, thereby doubling the funds. Canada's main central labour body, the Canadian Labour Congress, and four unions with international solidarity funds, have set up a Labour International Development Committee. Over the next three years, the Committee will channel over five million dollars (Canadian) into strengthening North-South labour ties.

The Committee also creates a forum for union coordination at a time when relations among many unions are competitive. In the wake of President Bush's NAFTA proposal in 1990, auto unions in Canada, the U.S. and Mexico have held several meetings to discuss common interests. At a meeting in 1991, autoworkers from General Motors, Ford and Chrysler agreed to set up a North American committee to cooperate on a continental scale (Moody and McGinn 1992). Among other actions, the CAW and UAW locals have conducted corporate campaigns against GM, Ford and Honeywell for violating labour rights in Mexico (Alexander and Gilmore 1995). Through the North American Ford Workers' Solidarity Network (Carr 1996, 217), UAW locals and the CAW have supported Ford workers in Cuautitlan, Mexico, where in 1990 'thugs hired by the [state-dominated Confederation of Mexican Workers] hierarchy fired on workers, wounding nine and killing one' (Barry, Browne and Sims

1994, 328–29). This support led Ford to demand that severance pay for fired Mexican unionists be contingent on ending the solidarity campaign (Barry, Browne and Sims 1994, 340). A Trinational Observer Committee of unionists, lawyers and activists was unable to ensure democratic elections at Ford-Cuautitlan, but management rescinded the firing of union militants.<sup>9</sup>

Along with UNITE!, the United Electrical Workers, Teamsters, UAW, Steelworkers, and other unions, the CAW is actively supporting maquiladora workers in Mexico, Central America and the Caribbean.<sup>10</sup> In particular, the CAW has been linking workers from the same firms in Canada and Mexico (Canadian Labour Congress 1996, 80). In addition, the CAW is teaching a 'women's activist program' to Mexican workers, and has delivered a health and training course to fourteen independent Mexican unions. This course, taught jointly by Canadian and Mexican instructors, was the first of its kind provided to Mexican unions by a Canadian union.<sup>11</sup> These activities, together with exchange of information concerning wages, benefits, working conditions and bargaining strategies,<sup>12</sup> are preconditions for continental collective bargaining in the auto industry.

Continental solidarity is also building in telecommunications. Canada's Communications, Energy and Paper Workers Union (CEP), together with its U.S. counterpart, the Communications Workers of America (CWA), and the CAW, coordinated transnational collective bargaining with Northern Telecom in 1989 (Pomeroy 1991, 93-94; Cohen 1991, 90-91). The CEP and CWA are coordinating transnational organizing activities. The CEP has also entered a mutual defence alliance with the CWA and the Mexican Telephone Workers' Union (Barry, Browne and Sims 1994, 340). This alliance centres on top union leaders but there have also been meetings among local leaders from the three unions (Groff 1994, 10–11). Local links are facilitated by international telephone operators who speak English and Spanish as part of their jobs.<sup>13</sup> This alliance is limited, however, in particular by the business unionist character of the Mexican union and its support for the NAFTA (Cook 1994, 150–51). Nevertheless, the links among telephone unions are broadening. In 1996 nine unions in North America met at the Second International Telecommunications Workers Conference in Tijuana, Mexico. These alliances parallel the Inter American Council of the Postal, Telegraph and Telephone (PTTI) International, a federation coordinating telecommunications unions in 115 countries. Among other things the PTTI is setting up a Northern Telecom Council of Unions.<sup>14</sup>

Continental labour solidarity is also being built in the transportation sector. In 1996 the Teamsters hosted a Trinational Truckers Summit to discuss common concerns about NAFTA provisions deregulating continental trucking.<sup>15</sup> In 1997 the Teamsters

9 Interview, Jose Santos Martinez, Ford Workers Democratic Movement, 18 April 1997.

10 Interview, Mary Tong, Support Committee for Maquiladora Workers, 20 April 1997.

11 Interview, Annie Labaj, CAW National Office, 24 April 1997.

12 Interview, Barbara Eastman, UAW Local 1292, 18 April 1997. The Transnationals Information Exchange, a European-based organization, has also played a key role in building union networks in the continental auto industry (Moody and McGinn 1992, 50–51).

13 Interview, Gary Cwitco, Communications, Energy and Paperworkers Union, 24 April 1997.

14 In this case, international labour solidarity was not initiated as an alternative to enterprise unionism. Union leaders at Northern Telecom in Mexico asked their Canadian counterparts to team up with management to make Nortel more competitive (Marshall 1997, 59).

15 Interview, John Riojas, Teamsters Union, 18 April 1997.

met with unions from eleven countries in Europe and North and South America representing workers at United Parcel Service. They agreed to create a UPS World Trade Union Council, which would, among other things:

- devise a Global Code of Corporate Conduct and Social Responsibility;
- establish an international network of union officials and stewards within UPS to exchange bargaining strategies on a continuous basis using the Internet, electronic mail, etc.;
- establish international labour standards in areas such as health and safety and human rights;
- pressure the company to set up works councils along the lines of the European Works Councils.<sup>16</sup>

In Canada, the Steelworkers have been most active in international projects involving 'linkage visits' between local union activists from Canada and the south (Marshall 1997, 62). In Mexico they have been working closely with the independent Authentic Labour Front (FAT). Projects include a growing solidarity campaign with Mexican workers concerning health and safety and other issues at branch plants of Custom Trim, a Canadian auto parts manufacturer whose plants in Canada are organized by the Steelworkers.<sup>17</sup>

Canadian Steelworkers have initiated solidarity links with workers elsewhere in Latin America as well, including a growing link between Canadian and Chilean miners who work for the Canadian multinational, COMINCO. According to union sources, COMINCO managers have begun to take notice of the ongoing exchange visits and conference calls between the two unions. The Canadian local has been working with the Chilean local to build the latter's organizational capacity in areas such as collective bargaining, representation systems, grievance procedures, etc.<sup>18</sup> By pressuring COMINCO from Canada, the Steelworkers also helped fired Chilean workers get their jobs back. Similar ties are being built between miners at Placer Dome in Canada and Chile.

**T**he Steelworkers teach two-way international solidarity in week-long courses for union activists.

Another interesting example concerns the Gerdau Group, a Brazilian multinational corporation. Recently Gerdau bought two steel plants in Canada where the workers are represented by the Steelworkers. Partly because of strong ties with Europe, Brazilian unions have a works council at Gerdau. The Brazilian unionists have invited the Steelworkers to join their council, and even posed the possibility of helping the Steelworkers bargain with Gerdau.<sup>19</sup> This case is especially significant because it exemplifies *mutual* support among unions on a North-South basis, rather than one-way assistance to solve southern 'problems.'<sup>20</sup> The Steelworkers teach this two-way international solidarity in week-long courses for union activists (Marshall 1997, 61).

<sup>16</sup> *Convoy Dispatch*, March 1997, p. 5.

<sup>17</sup> Interview, Marta Ojeda, Coalition for Justice in the Maquiladoras, 18 April 1997.

<sup>18</sup> Interviews with Judith Marshall, Fern Valin, and Gerry Barr, Canadian Steelworkers, 22 April 1997.

<sup>19</sup> Interview, Sheila Katz, Canadian Labour Congress, 25 April 1997.

<sup>20</sup> Interview, Gerry Barr, Canadian Steelworkers, 22 April 1997. In 1990 Brazilian unionists also helped the Service Employees International Union obtain a contract for janitors working for the International Service System, the largest cleaning contractor in the world (Frundt 1996, 397).

Recently, teachers unions in English-speaking Canada, Quebec, the U.S. and Mexico formed a coalition to, among other things, monitor the impact of NAFTA on public education (Canadian Labour Congress 1996, 81). The Ontario Secondary School Teachers Federation has also set up an international labour solidarity fund. All the major Canadian public sector unions and the postal workers have also built links with their U.S. and Mexican counterparts in opposition to the privatization of public services. Canada's largest public sector union, the Canadian Union of Public Employees, has an international solidarity fund and, among other links, has a partnership with municipal workers in Mexico City (Verzuh 1997, 24, 28).

Finally, in Quebec, the Confederation of National Unions (CSN) has a partnership with Mexico's progressive, independent union, the Authentic Labour Front (FAT), focused mainly on organizing and education.<sup>21</sup>

## **International Trade Secretariats**

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International Trade Secretariats (ITSS) are global federations of unions (affiliated to the International Confederation of Free Trade Unions) in the same sectors in different countries. They are an increasingly important component of transnational unionism. Most of the fourteen ITSS have few resources and are highly bureaucratic, but a few provide important help in setting up company councils and in union organizing. For example, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations have created company councils. Similarly, the International Metalworkers Federation has set up World Auto Councils to exchange information on working conditions and contracts at each of the major auto firms in order to present a more united front against corporate whipsawing. The Councils are campaigning to harmonize transnational contracts in areas such as union rights, work time, rest periods, wages, etc. Moreover, several ITSS have created data bases to track various operations and bargaining practices of multinational firms. These data bases have been used to help coordinate corporate campaigns (Herod 1997).

ORIT (the Inter-American Regional Workers Organization), an organization of unions affiliated to the International Confederation of Free Trade Unions, has underlined the importance of establishing cross-border agreements among unions negotiating with the same transnational firms in different countries (ICFTU/ORIT 1994, 11). ORIT, non-government organizations, and social movement activists have called for a 'hemispheric social alliance to confront free trade' (International Centre for Human Rights and Democratic Development 1997, 4). ORIT and ITSS could become a major impetus for transnational bargaining against global whipsawing.

## **Codes of Corporate Conduct and Conventions of the ILO**

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In the absence of unions, campaigns to improve, extend and enforce corporate codes of conduct can lead to coordinative pre-bargaining. Or, as in Germany, where Daimler-Benz and Volkswagen granted the same union rights to South African workers as to German workers (MacShane 1996, 62-3), codes of conduct can reinforce

**I**nternational Trade Secretariats are an increasingly important component of transnational unionism.

21 Interview, Peter Bakvis, Confederation of National Unions (CSN), 23 April 1997.

**Usually the corporate codes of conduct are intended to improve public relations rather than industrial relations.**

collective bargaining. Campaigns to strengthen and enforce corporate codes of conduct tend to be more effective among apparel manufacturers who charge a premium to consumers who buy apparel as an identity symbol. These firms know their 'labels' can be seriously tainted by negative images. As a Levi Strauss executive responsible for international sourcing explained, the firm is willing to pay more for better labour practices abroad that 'maintain the brand image' (Compa and Darricarrere 1996, 187–88).

Thanks to international labour campaigns, Levi Strauss,<sup>22</sup> Reebok, Wal-Mart, Sears Roebuck, Home Depot, Timberland, J.C. Penney, Nike and Starbucks have all agreed to improve the enforcement of their codes of conduct. Policing of the codes has often been a travesty. For example, Levi Strauss, accused of using child labour, unsafe working conditions, and failing to pay workers, argued that it did not enforce its code to 'avoid offending' its suppliers (Forcese 1997, 26). Even when enforced, many of these codes do not include the right to unionize and merely mandate suppliers to pay minimum local wages instead of a living wage. Usually the codes are intended to improve public relations rather than industrial relations.

Perhaps the biggest victory thus far has been the international GAP campaign. 'Gapatistas' from unions and religious and community groups pressured the GAP to agree to independent monitoring of labour standards. Although the GAP Code is still not enforced adequately,<sup>23</sup> it can be used as a benchmark for labour standards elsewhere in the industry. Recently, Students Stop Sweatshops, a coalition of over 50 student organizations, supported by the rock band Rage Against the Machine, launched a boycott of Guess clothing, a firm which the U.S. Department of Labor has repeatedly cited for underpaying workers, illegal firings, and other unfair labour practices. The boycott is being conducted in conjunction with an organizing drive by the Union of Needletrades, Industrial and Textile Employees (UNITE!). In Canada, the Labour Behind the Label Coalition and UNITE! are heading up a campaign against retailers selling clothes made in domestic and international sweatshops (Yanz and Jeffcott 1997, 27).

The GAP campaign, which is also leading to union organizing, may be more effective than the highly publicized 'no sweatshop' Workplace Code of Conduct signed by President Clinton in 1997. Firms subscribing to the code have the right to 'no sweat' labels on their clothes to mislead customers into believing they are buying goods not made in sweatshops. However, the code omits the right to a living wage and fundamental labour rights. It allows firms to employ 14 and 15 year-olds for more than 60 hours a week at below-poverty wages. It allows 'external' monitors of the code to be accountable to firms hired by the very firms being monitored (Weiss 1997, 2). In effect, the sweatshops remain. The code sets no new standards and no new levels of enforcement. Elaine Bernard, Director of the Harvard Trade Union Program quipped that the code gives a 'Good Housekeeping Seal of Approval to a kinder, gentler sweatshop.'

22 Levi Strauss agreed to enforce a comprehensive code (Forcese 1997, 22) and invited the Amalgamated Clothing and Textile Workers Union (now the Union of Needletrades, Industrial and Textile Employees, i.e., UNITE!) to organize its plants in Mexico (Frundt 1996, 39).

23 For example, the GAP denied well-documented code violations at its Mandarin supplier plant in El Salvador, and then pulled out, thus punishing the workers there (*NACLA Report on the Americas*, Jan.-Feb. 1996, p. 37).

More comprehensive than these corporate codes of conduct campaigns is the campaign by the International Confederation of Free Trade Unions, the largest global federation of unions, to have a social clause inserted in the World Trade Organisation (WTO) and all international trade agreements. The Canadian Labour Congress, Canada's largest central labour body, supports this campaign. The clause would include International Labour Organisation (ILO) conventions to abolish forced labour, protect freedom of association, maintain free collective bargaining, outlaw child labour, and prevent employment discrimination. The advantage of having these ILO conventions integrated into the WTO is that they could be backed up with trade sanctions. The ILO lacks enforcement mechanisms for its conventions, while the WTO is dominated by developed northern states which tend to reflect the interests of the northern political elites and dominant multinational firms. The effectiveness of this campaign to create an enforceable social clause thus appears to hinge on the democratization of the WTO.

## Conclusion

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While little progress has been made through state and corporate institutions, gains through an incipient transnational coordinative unionism are appearing. After many efforts to unionize maquilas in Central America and Mexico failed due to intimidation (e.g. mass dismissals of union supporters and death threats) and to state failure to enforce basic labour rights, a Van Heusen plant recently became the first maquiladora in Guatemala to have a union contract. The contract addressed all major union demands including significant wage increases, a grievance procedure, and protection against outsourcing and discrimination by supervisors.<sup>24</sup> This victory is credited in important part to the International Textile, Garment and Leather Workers Federation (an ITS), UNITE!, and a non-governmental organization, the U.S. Guatemala Labor Education Project.<sup>25</sup> With strong international support, workers at a Fortex plant in Nicaragua also recently won the first agreement ever negotiated in Managua's free trade zone.

It is too early to predict how far these transnational coordinative union tendencies will develop. It is clear, however, that these trends are growing not just at the level of labour leaders but among union members, albeit unevenly. Transnational coordinative unionism is consistent with new labour mobilization in countries such as Korea, Poland, South Africa, and Brazil, that are most threatened by neo-liberal globalization. Transnational coordinative unionism is also linked to the globalization of feminist, human rights, religious, community, environmental, and other social movements and popular coalitions. Although labour's links to this 'new politics' are strained by a clash of organizational cultures and by differing perceptions of the importance of party politics, labour's openness to social movement politics appears to be growing (Carroll and Ratner 1995). Furthermore, the end of the Cold War has freed many from the old ideology of 'national interests' that made many unions pawns of political and corporate elites, particularly in the Third World (Sims 1992). Not least significant is the creation of an independent labour federation in Mexico, the 1.5 million strong and growing National Union of Workers—the first major opening toward autonomous unionism in Mexico in seventy years (La Botz 1997).

24 Campaign for Labor Rights, *Labour Alerts*, *Labour News*, 19 August 1997.

25 Interview, Monica Felipe Alvarez, Secretary General, Union of Modern Shirts Workers (STE-CAMOSA), 7 September 1997.

**I**t is too early to predict how far these transnational coordinative union tendencies will develop.

All this suggests that in the face of the global corporate and state offensive against labour, transnational coordinative unionism is becoming a realistic basis for a stronger, more democratic labour movement in the 21st century.

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A recent article by Don Wells identifies these contradictions, the shift toward a more transnational approach to unionism, and the essential changes to intra-national unionism if labour is to respond effectively to 'borderless capital.' Wells looks at the required changes to North American labour unionism and the European works councils, and considers the effectiveness of various components of coordinative unionism (international trade secretariats, international codes of conduct). Keywords: TRADE UNIONS Industrial Relations Centre. Kingston; Ontario Canada K7P 3N6. Building transnational coordinative unionism. Item Preview. remove-circle. Share or Embed This Item. EMBED.Â texts. Building transnational coordinative unionism. by. Wells, Don, 1946-. Publication date. 1998. Topics. International labor activities, Trade-unions.