

The role of business in society

July, 2004



Questions and answers on
the role of business in society

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Foreword

Business is the cornerstone of prosperity in society: companies create the resources that permit social development and welfare. This report describes the role of business in society, both in Sweden and elsewhere. It shows how companies, through their commercial operations, actively contribute to progress in society.

We have opted to make a clear distinction between what we call the ‘civic involvement’ of companies and what is known as corporate social responsibility, or CSR. Civic involvement relates largely to the extent to which companies need to cultivate and safeguard their relationships with various stakeholders. We describe the ways in which stakeholders influence business operations and the extents to which they achieve this.

Corporate Social Responsibility is a less broad concept than civic involvement. Even though there is no set, internationally accepted definition, this is often described as a voluntary responsibility that transcends the demands of national legislation and encompasses human rights and environmental and social issues. An other definition of CSR uses sustainable development as a starting point. In practice, CSR means that businesses meet the demands of national legislation and, where this is inadequate, look in addition to a collection of established, fundamental freedoms and rights that are globally recognised.

This report aims to stimulate an attitude among businesses that is thoughtful, ambitious and farsighted as far as norms and values are concerned. We also want to increase awareness of the role of businesses in society and the importance of acting in harmony with social norms. This report does not, however, include any recommendations to member companies that they should handle these issues in any particular way. Each company must develop its own way of working.

There is no one-size-fits-all method. However, the Confederation of Swedish Enterprise is aiming to stimulate the exchange of experiences and discussion on these issues between member companies.

This report was compiled by a working group consisting of Göran Norén, Ingela Bendrot, Birgitta Laurent, Charlotte Nyberg, Inger Strömdahl and Marie-Louise Thorsén-Lind, and discussed and amended by a working group meeting at which representatives of companies and trade organisations specially invited to take part put forward their views.

Stockholm, July, 2004

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The role of business in society

NEW GROUND RULES OF GLOBALISATION

Communication is becoming more widespread and reaching even further. Telephony, the Internet and e-mail, and satellites that transmit TV broadcasts all over the world are all helping to facilitate contact between people and provide instantaneous information from absolutely anywhere in the world. Inventions and medical breakthroughs which enhance the quality of life and lengthen the lives of many people are also becoming more widespread, more quickly than ever before.

Countries and people have become entwined, mutually dependent. And together we face a number of challenges. Together, we have to tackle environmental problems, poverty and terrorism. Paradoxically, this also creates endless synergies. Democracy, human rights and the market economy have increasingly become values that unite countries; values that in different ways help to bring about improvements for the people of the world. This is globalisation.

Swedish companies are all part of the process. By as early as the turn of the previous century, many of Sweden's major companies had begun to look overseas for new markets. This process has continued with undiminished vigour and was slowed only by the two World Wars. Swedish business is now some of the most globalised in the world. Some 4,000 of the 60,000 or so multinationals in the world are of Swedish origin. Swedish companies buy and sell products and services and have set up manufacturing and subsidiaries in numerous countries.

Globalisation has been hotly debated in the last 10-15 years. Critics point to what they see as the negative effects of free trade, increased foreign investment and the movement of capital. Debate has begun to focus ever more on development objectives, sustainable development and the fight against poverty. More and more people, United Nations bodies included, have come to recognise and understand the part business has to play in reaching these goals. At the same time, many people are questioning the roles of individual companies. What should their involvement be? What are their responsibilities?

BUSINESS BENEFITS SOCIETY

The basic objective of business is to develop, produce and supply goods and services to customers. This has to be done in such a way as to allow companies to make a profit, which in turn demands far more than just skills in companies' own fields and processes.

Astute entrepreneurs often demonstrate an almost intuitive understanding of the synergies that create success. The social skills of company owners, together with relationships maintained with customers, suppliers and other business people, are always vital if companies are to be run well and developed with a view to the future.

Companies improve their resources by developing materials and ideas. The goods and services produced must meet demands made by customers, other companies or public institutions if companies are to survive. Profitability results when customers are prepared to pay more for goods and services than it costs to produce them.

The ability to produce this kind of added value – profit – is the basic prerequisite for business, but it is also a foundation for prosperity in society. Only profitable companies are sustainable in the long term and capable of creating goods, services, processes, return on capital, work opportunities and a tax base. This is what business does better than any other sector. Hence, companies' basic commercial operations are the primary benefit they bring to society.

Companies benefit society by:

- § Supplying goods and services that customer cannot, or do not want to, produce themselves
- § Creating jobs for customers, suppliers, distributors and co-workers. These people make money to support themselves and their families, pay taxes and use their wages to buy goods and services
- § Continually developing new goods, services and processes
- § Investing in new technologies and in the skills of employees
- § Building up and spreading international standards, e.g. for environmental practices
- § Spreading “good practice” in different areas, such as the environment and workplace safety

Figure 1 Companies benefit society by

The role of business in the development of society can be described in many ways. For a company to progress and develop, it must nurture relations with its stakeholders, of which there may be many. Some have a strong influence and are of fundamental importance to the survival of the company: these include employees, customers and suppliers. The media, authorities, trade unions and local residents are other stakeholders with a wideranging influence.

GOOD RELATIONS LEAD TO PROFITABILITY

The long-term survival of companies is partly dependent on maintaining relationships of trust. Deterioration of such relationships will jeopardise the ongoing development of the company. Experience shows that companies with an international outlook, which are open and adopt the long-term approach, are often best at maintaining relationships and hence at developing their operations.

The ability to constantly go on improving products and processes is a basic prerequisite. Companies that want to keep developing have to be receptive to signals from and opinions expressed by the market, staff and the general public. Now that more and more customers – and stakeholders as well – are making demands of companies’ ethical, social and environmental awareness, it is also natural for companies to be receptive to these issues and actively use them in their operations.

Society’s values and current levels of knowledge are reflected in companies’ activities, and companies are judged according to current standards. Companies have always had to interpret society’s moods or else go out of business. Companies have always had to adapt to fit in with values and norms. Then on top of these are the formal regulations that all companies, be they private and public, have to observe.

It is very much in the interests of any company to be ‘a good corporate citizen’. Companies that have a clear identity and clear business concepts often find it easier to handle and integrate ethical and social values and to take the environment into account. Having clear business objectives makes it easier to formulate and implement goals based on values and norms both within the company and among the general public.

There are a number of reasons as to why companies should take ethical, social and environmental responsibility:

What drives corporate commitment to the community?

- § Customer appreciation
- § Brand reinforcement
- § Support for new business
- § Improvement in productivity
- § Avoidance of business risk
- § Creation of good-will towards politicians and other decision-makers
- § Creation of competitive advantage
- § Support of recruiting
- § Increase in company spirit and understanding of the business idea
- § Pre-emption of legislation

Figure 2 What drives corporate commitment to the community?

Despite this, many companies – not least major companies with international operations – are often the targets of strong criticism. Normally these critics ignore such companies' contributions to welfare and the fact that, almost without exception, they are constantly improving the protection they offer both the environment and their own workforce. Business is used as a target by those opposed to globalisation and the market economy.

Forces that want to limit the operations of multinationals often view increases in regulation as a step in the right direction. Business, consisting of a myriad of mainly small companies, has kept a low profile in this debate, which has been dominated by activists and politicians. Many politicians are subjected to a great deal of pressure from various lobby groups with a very negative view of commerce.

Companies can demonstrate their inherent, welfare-creating strength by means of words and action. By actively tackling these issues, individual companies can show that voluntary efforts are more effective than regulation. If companies can independently build trust in the desire and ability of businesses to tackle issues without coercive rules, there is a better chance of avoiding cumbersome political regulation. This is important since experience shows that negatively founded regulations affect the companies' desire to take business risks and develop new goods and services.

As a central precept, discussion about the social responsibilities of businesses must be based on the contributions of enterprise to society, rather than on the few companies or individuals who have broken laws or gone against ethical principles.

THE NEED FOR CLEAR VALUES

All societies have their own ethics and morals. The principles of right and wrong may vary from society to society and among groups within societies. There are differences between countries with regard to knowledge levels, traditions and political beliefs. In spite of this, we accept that all societies develop common principles that allow their people to live with one another while maintaining a level of trust.

Major multinationals have had to deal with different norms and values for a long time. The multicultural societies of today present domestic companies with a similar challenge. Staff, customers and suppliers may have very different ethnic, religious and cultural backgrounds. To do the right thing and avoid misunderstandings or conflicts, companies have to be sensitive to the different norms and values they encounter. In such situations, more than a just clear business concept may be required to bond together the various stakeholders of a company. One solution may involve clarifying the company's basic values in order to strengthen the unity both within the company and in its external relations.

STAKEHOLDERS

The growth of knowledge and information-based society has made it all the more important for companies to gather knowledge about the needs and expectations of their stakeholders, and so the charting of stakeholders and their views has become commonplace. This charting is future-oriented and based on the company's business concept and its current internal and external situation.

Successful companies stay up to date with developments and are good at minimising business risks and developing new business.

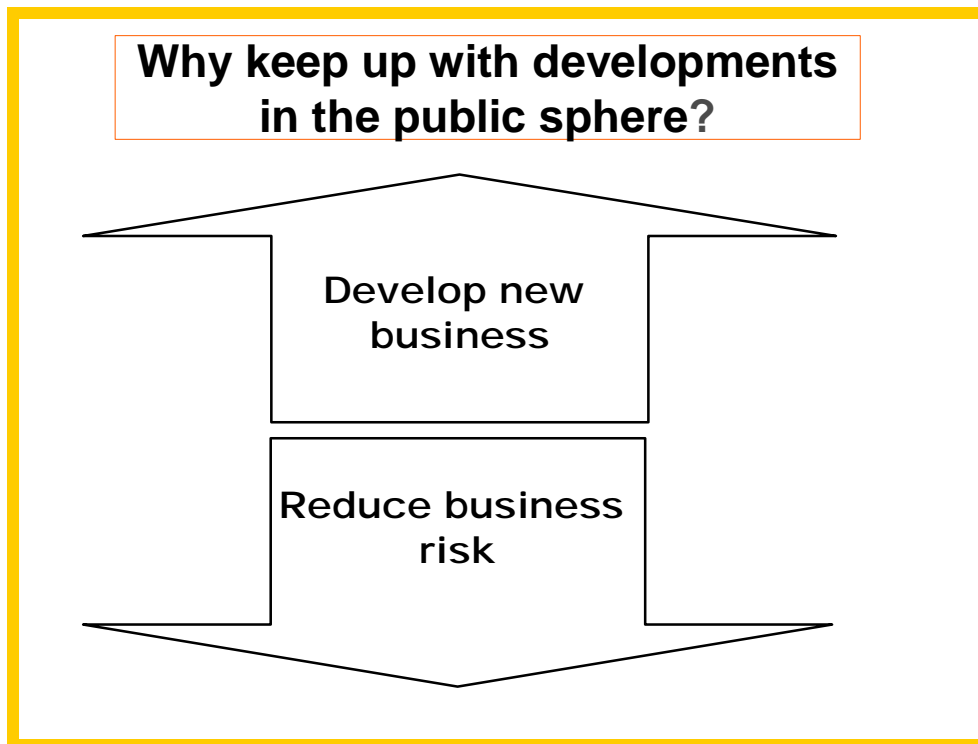


Figure 3 Why keep up with developments in the public sphere?

Companies interact with society and have different relationships with different players. Stakeholders in a company are generally individuals or groups that want to exert an influence or are able to influence the company's operations.

Companies analyse society from a stakeholder perspective in order to strengthen their market position. Stakeholder analysis must be based on the business concept and on whom the company itself views as its stakeholders. How to interact with stakeholders is a vital issue. Analysis of society from a stakeholder perspective helps companies to determine risk and future opportunities.

The figure below provides examples of stakeholders that companies need to consider. A more detailed description of stakeholders' expectations can be found in the section on practical advice on page 20.

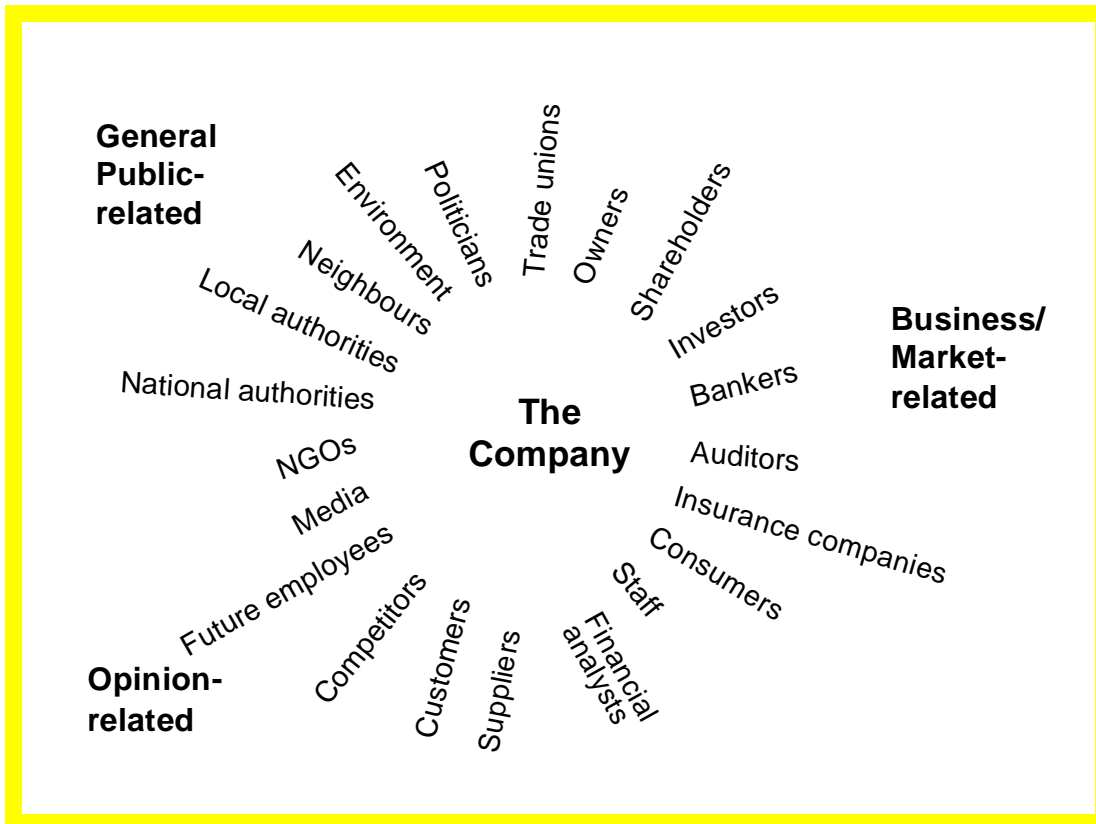


Figure 4 Stakeholders

The social responsibilities of business

DEFINING CORPORATE SOCIAL RESPONSIBILITY

There is no set, internationally determined definition of CSR. CSR is often described as a voluntary responsibility above and beyond the demands of national legislation and which encompasses issues such as human rights, environmental responsibility and civic freedoms. One way of defining CSR – which is close to the everyday existence of companies – takes sustainable development as its starting point; that is to say, efforts to unify economic, social and environmental development. These efforts involve every section of society: CSR is the way in which businesses work towards sustainable development.

CSR=the corporate contribution to sustainable development

§ Economic growth

§ Social development

§ Environmental consideration

Figure 5 CSR = the corporate contribution to sustainable development

Good profitability, environmental accountability and social responsibility are all connected:

- If profitability is ignored, it will be difficult in the long term to finance environmental improvements and responsibilities towards the community.
- If the environment is ignored, companies risk their reputation, customers and business options, all affecting profitability.
- If companies ignore their social responsibilities – regarding human resources issues, for example – they may lose skills, which would also affect profitability.

A cornerstone of CSR is that it is voluntary. However ‘voluntary’ is a relative term. The market exerts strong and constant pressure on businesses to operate responsibly. There are obvious commercial reasons as to why companies should act ethically and in accordance with established values and recognised rights. The very existence of companies is entirely dependent on relationships which work well and trust in relation to a broad range of stakeholders. At the same time, there are a number of stakeholders (the media, advocacy groups, consumer organisations, etc.) which are ready to spotlight companies that do not act in accordance with the moral views of the group in question.

Voluntary action implies, however, that companies themselves have the scope to choose how they shape and express their responsibilities. From the corporate point of view, this is advantageous because it allows companies to base their CSR work on corporate and industry conditions and to take into account changing values. This provides flexibility and dynamics that are hard to achieve by regulation, as this tends to be static.

CSR DEFINITIONS VARY

International discussion provides varying interpretations of CSR. The European Union tends to have a broader perspective than other international bodies, such as the UN's view as expressed through Global Compact. This variation is illustrated in the following graph.

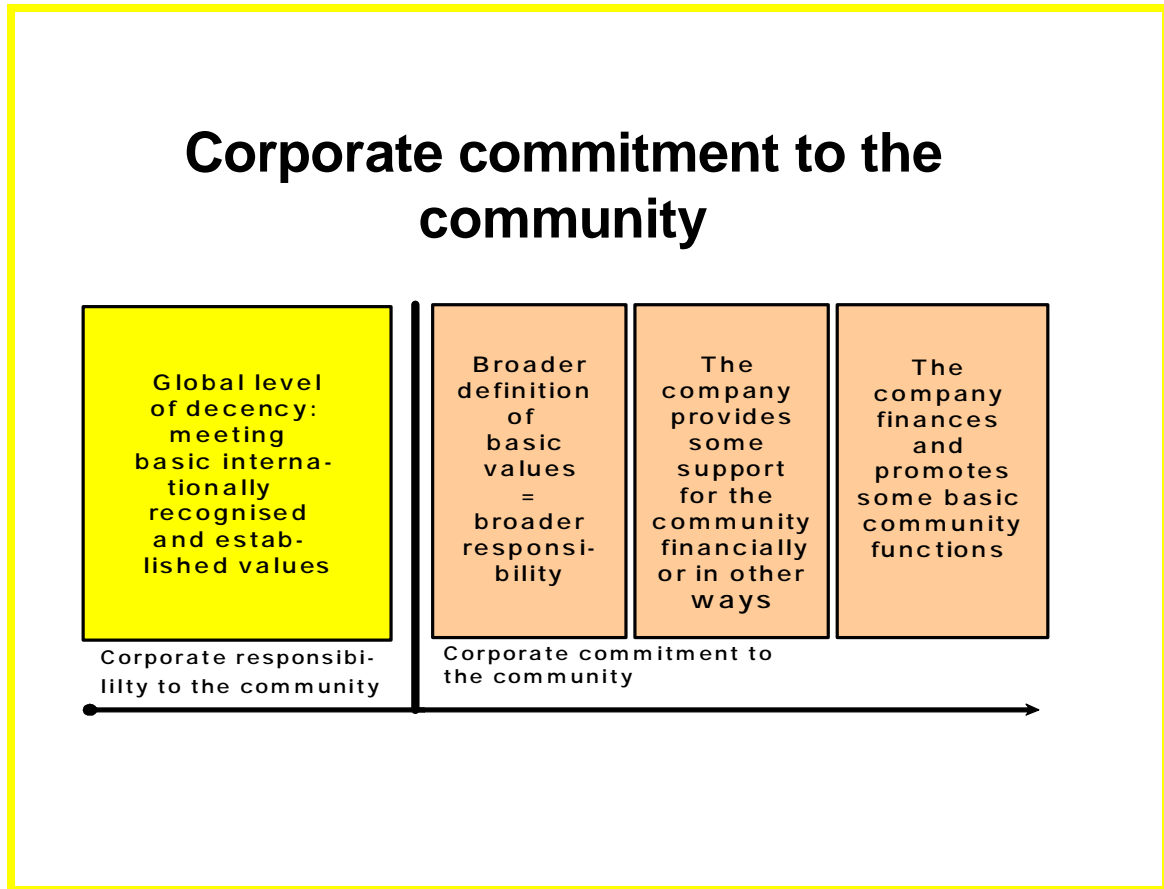


Figure 6 Corporate commitment to the community

Our position is based on the fact that companies must always follow the legal demands of the countries in which they operate. In many countries, the national judicial system provides satisfactory guarantees to allow businesses and other institutions to shoulder their share of basic social responsibilities.

The Confederation of Swedish Enterprise believes that CSR is a process whereby a decent, global level of basic, internationally accepted values that apply to business is created. Taking this view, CSR is primarily relevant in countries in which the national judicial system is unable to guarantee these values. In practice, this refers to the developing world and some recently industrialised countries.

We perceive no special need for separate Swedish or EU policies on CSR. It is a global issue. Besides living up to global values, companies can voluntarily opt for social participation. Individual companies' own levels of ambition will dictate the extent of that participation.

WHICH RULES ARE IMPORTANT?

CSR covers a large number of guidelines, codes and international conventions. Most of these are detailed in their entirety in *Ethical Guidelines – Corporate Governance in a Global Economy*, published in 2002 by the Confederation of Swedish Enterprise and the International Council of Swedish Industry.

The origins and international recognition of these standards vary, from purely private initiatives to globally accepted conventions.

Three sets of rules and regulations adopt a special position and constitute the core of CSR. Summaries of all three appear at the end of this report.

Rules and regulations relevant to CSR

- § UN's Global Compact
- § OECD guidelines for multinational companies
- § ILO's eight core conventions

Figure 7 Rules and regulations relevant to CSR

The UN's Global Compact has nine principles relating to human rights and freedoms and environmental protection. (A tenth principle, on corruption, is expected to be added.)

The OECD guidelines for multinational companies also include, in addition to this, principles relating to corporate information, corruption, consumer interests, science and technology, competition and taxation issues.

The ILO's eight core conventions are included as central parts of both the above.

One thing that these rules and regulations have in common is that they enjoy broad international recognition. They have been produced by representatives of states, international organisations, employers and employees working in cooperation.

Difficult issues

INTRODUCTION

This section deals with the complexity of corporate responsibility.

- Conflicts between laws, corporate standards and/or local customs.
- What responsibility is held by companies, and what is held by states?
- What opportunities do companies have to influence other players?
- Mandatory rules or voluntary action?

NATIONAL LAWS FORM A BASIS

Companies have to follow the law in the countries in which they operate. This is self-evident, at least on the surface of things. Bearing in mind the previous section, CSR becomes appropriate in countries in which national laws fall short of providing basic values and freedoms.



Figure 8 Dilemmas facing international companies

Companies can find themselves facing complicated situations:

- THERE ARE NO LAWS, OR LAWS ARE NOT ENFORCED

This is not entirely uncommon in developing countries and makes great demands of businesses, as these are expected to fill the legal vacuum. In such situations, companies essentially have to regulate themselves in a way that is in harmony with the values of the rest of the world.

- LOCAL CUSTOMS/MORALS CONTRADICT BASIC VALUES AND FREEDOMS

The views held in many countries regarding women in the workplace, in contrast with the UN's universal declaration of human rights (which forbids discrimination based on gender), could be one example. Businesses may sometimes strive within their own operations to comply with principles that differ from local customs.

- LOCAL LAWS CONTRADICT BASIC VALUES AND FREEDOMS

Here, companies can find themselves in a legal conflict. They can either break the law or go against an accepted right or freedom. One example is when the law in a country does not allow trade unions to operate fully according to UN and ILO standards. Another example is when the law indicates the religion or ethnic origin of company executives or managers.

The Confederation of Swedish Enterprise has no obvious solutions to these situations. How common this type of problem is depends partly on how you define the corporate role. The broader the definition of corporate responsibility, the greater the risk of not being able to meet its demands. It also depends how you define the word 'responsibility' in Corporate Social Responsibility. Is commitment absolute, or is there a certain amount of room for manoeuvre in specific applications?

In our experience, a lot of the people who form public opinion – not least journalists – are quick to condemn before seeing the whole picture.

THE ROLES OF COMPANIES AND STATES IN CSR

The values and rights which CSR represents have been formulated, negotiated and accepted by states, and only states have the power and the judicial instruments to ensure that they are upheld. The problem is that many states have signed but not formally ratified the regulations nor transferred them into their national legislation.

Historically, states are the chief offenders against the values that CSR seeks to protect. One major starting point for CSR is that companies neither can nor should take on what is the responsibility of states in order to safeguard basic freedoms and rights.

How far should corporate responsibility stretch? Do companies have broad responsibility for conditions in the community, or should this responsibility be limited to issues relating directly to their own operations?

This is where views differ. Some people claim that companies are responsible for creating value for shareholders within the law. Others claim that companies, particularly major, profitable ones, have very broad responsibility. A common view held is that corporate responsibility must relate to situations; the less developed a community, the greater the responsibility companies must take, even for functions that are often public services in the more developed world.

The Confederation of Swedish Enterprise believes that companies have both a direct and an indirect role to play with regard to the freedoms and rights to which CSR relates. In many respects, companies can assume direct responsibility when it comes to respecting employees' rights, protecting the environment, etc.

Corporate responsibilities can not however, include solving all of society's problems. It is important to bear in mind that companies come and go, while many of society's fundamental institutions – the police force, the judiciary and armed forces, for example – are permanent functions that many citizens do not want to be dependent on commercial considerations.

On the other hand, by creating value, companies play an indirect but vital part in allowing society to uphold civil rights. There is a clear link between levels of economic development and levels of democratic development, environmental protection and social conditions. Companies' operations indirectly support public structures and infrastructures that provide guarantees for the civil rights of individuals in states with functioning judicial systems.

The Confederation of Swedish Enterprise is of the opinion that the principal starting point for a discussion on the role of business must be that individual companies are responsible for their own operations and employees; that is to say, conditions that companies can control. The link between the ability to control and the ability to assume responsibility is fundamental from both a general moral perspective and a legal one. At the same time, we know that companies will often take on more responsibility than is linked with their actual operations. This is most often a positive factor, but it cannot be expected of all companies. Furthermore, it is up to individual companies whether and when to take on this kind of role.

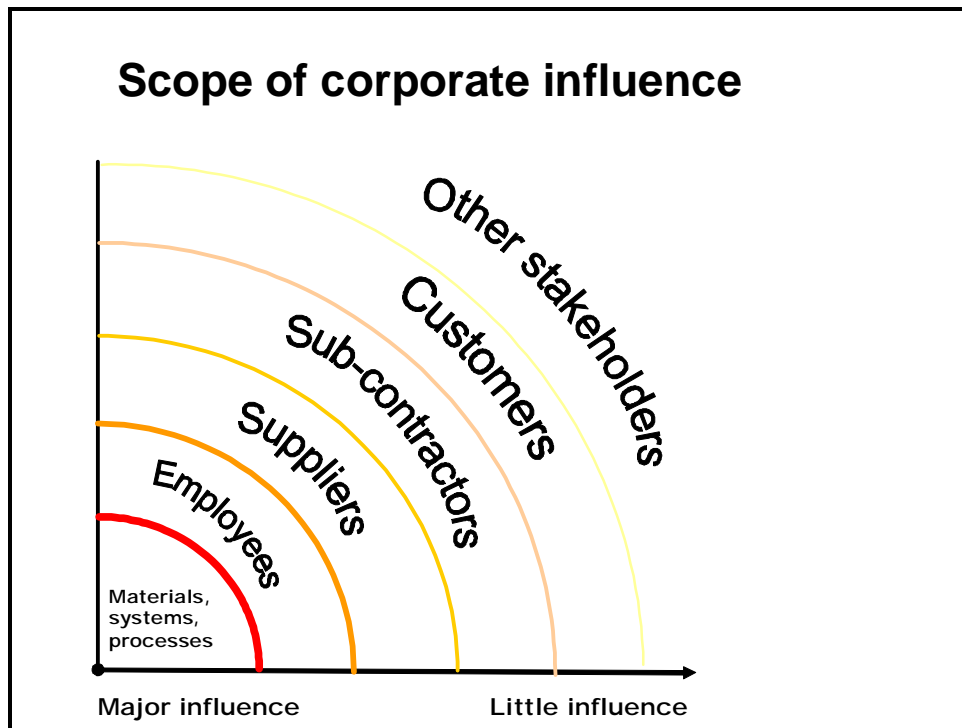


Figure 9 Scope of corporate influence

ARE ALL REGULATIONS EQUALLY IMPORTANT?

Can any company live up to all the demands arising from the CSR debate? Can companies literally take responsibility for everything included in the Global Compact, for example? It all depends on what you read into the concept of CSR. Given the discussion above, our answer is a rather hesitant ‘it all depends’.

This might seem a strange standpoint as we ourselves have defined CSR as an issue using rather basic components. But the question must be asked: from a practical, legal and business basis, what can companies assume responsibility for?

Many of the rules and regulations are phrased in such a way that only states can take responsibility in any practical or legal way. This is chiefly true of the most fundamental of all the rules: the UN’s Universal Declaration of Human Rights, the bedrock of CSR. Reading through the declaration’s 30 articles, you will find that most of these can refer only to the responsibility of states. This is natural, as the articles were written with the intent of formulating rules for the behaviour of states regarding their own citizens. Therefore, states possess, too, the means to secure compliance with these rules.

The clearest of the articles are those formulated negatively, such as Article 4, which decrees that “No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in

all their forms.” Obviously, not only states but also companies must be able to take responsibility for this.

“Everyone is entitled to work” (Article 23) and “Everyone is entitled to education” (Article 26) are, on the other hand, difficult to see as the responsibilities of individual companies. By the same token, companies cannot guarantee the right to a nationality (Article 15) or the right to a public hearing by an independent and impartial tribunal (Article 10). Similarly, it can be stated that many of the rights described in the 30 articles are unfortunately not applied throughout the world. Since they are put into practice so differently, these rights are relative, even though this should not be the case.

The apparently self-evident statement that companies should accept responsibility is, in reality, not so simple.

Nowadays, there is enormous pressure on companies with regard to ethical issues. Many companies claim that, in practice, genuine voluntary action does not exist. A number of stakeholders believe they have the right to both interpretation and the manner of implementation. Intense discussions on “binding” rules for CSR are in progress at both national and international level. The results of this debate cannot be predicted. There is, however, very little that would indicate there will be a lowering of expectations with regard to corporate responsibilities in society. The lack of precision in defining the extent of corporate responsibility is troubling, therefore.

RESPONSIBILITY – SUPPLIERS

When discussing CSR, cases often arise where companies are expected to take responsibility for activities related to suppliers. This is bound to occur more frequently as outsourcing and network organisations continue to develop. Advocacy groups will also seek to publicise ethical issues in the stratum closest to the market, which is where the well-known brand names are. This is also where the most money and the greatest potential for media attention are.

The responsibility of companies when it comes to attempting to influence conditions outside of their own sphere of operations must be judged in each individual case. How great are the interdependencies, and how great is the potential for influence? Major clients often make different demands of their suppliers. An important customer may therefore insist that a supplier should hold quality accreditation or follow certain rules, technical standards or CSR policies.

This can be agreed through negotiations and fall within normal commercial practice. There is much less likelihood of a small company being in a position to make demands of a considerably larger supplier. And all companies, regardless of size, generally have less chance of influencing the suppliers further away from them in the supplier chain.

Responsibility for companies at the top of the supplier chain comes into play once a practical opportunity to influence a supplier is available. Companies can assume this responsibility in certain situations, but whether or not a company can take responsibility for a supplier’s actions at a later stage is another matter. This is an entirely separate situation where, reasonably, there is no responsibility. Just as for individuals, companies must follow the ethical principle whereby each party takes responsibility for its own actions.

RESPONSIBILITY – CUSTOMERS

Another element in the CSR debate deals with potential responsibility on the part of businesses to influence customer behaviour.

For example, any company selling firearms and suchlike and what are known as ‘dual use’ products may have a responsibility to specify demands regarding their use and oversee the

actions of its customers. On many markets, products such as alcohol, tobacco and fireworks may not be sold freely to everyone. Such restrictions are, however, unusual and do not answer the question of whether there is a more general responsibility for customer behaviour.

Anyone attempting to influence customers runs the risk of being seen as censorious, judgemental or moralising. This flies in the face of business practice, where the customer is the one who makes the demands, not the supplier.

In stable, long-term business relationships, both supplier and customer establish ways of discussing their mutual relationship and expectations. There is leeway for mutual influence here. Many business transactions are, however, swift and short. In these cases, there is limited scope for the supplier to influence the customer's actions. The Confederation of Swedish Enterprise believes common sense dictates that ethically dubious transactions are to be avoided. Genuine companies protect their brand and reputation carefully. But to transpose this attitude into a general guideline stating that all companies have a responsibility to influence customers' actions is, we believe, not possible. Influence exerted on customer behaviour is, by its very nature, situation-driven.

Within company responsibility:

- § Companies must be responsible for not opposing the implementation of rights and freedoms
- § Companies must be responsible for respecting rights and freedoms directly related to the company's normal operations
- § Companies must to a certain extent be responsible for influencing other actors close to the company to act according to the previous point.

Figure 10 Within company responsibility

Outside company responsibility:

- § Many believe that companies should be responsible for influencing all actors in society to respect all international rights and freedoms. We hold that it is often doubtful whether companies can or should get involved in the political process in this way.
- § Many also believe that companies should take a general responsibility to see to it that all rights and freedoms reach home. We believe this is outside the competence of businesses. Companies cannot bear responsibility for what most of the world's states cannot live up to.

Figure 11 Outside company responsibility

BINDING REGULATIONS OR VOLUNTARY ACTION?

Previous discussion of CSR presumed that businesses would address these issues using their own capacity, basing their work on voluntary action. Now, in both national and international

forums, binding standards – principally for multinational companies – are the main focus. Discussions are taking place in the Swedish *Riksdag* (parliament), in the European parliament and within various UN bodies. A lot of NGOs, both established human rights organisations such as Amnesty International and a number of more activist organisations, are acting as strong driving forces for these discussions. These parties often take it upon themselves to monitor business and campaign, often successfully, against individual companies.

A lack of precision in their discussions and the fact that these organisations are seldom seen to be involved in the issues in which enterprise is most interested means that there is good reason to keep a critical eye on the direction the CSR debate is taking.

Swedish companies have to live with a raft of different regulations. When discussing voluntary action, it must be borne in mind that companies are bound by both national and international rules and regulations. Companies obviously have to observe the law in the countries in which they operate. This limits the scope for less scrupulous businesses to do what they like. And many companies, not least the multinationals, are extremely serious about CSR. On top of this, the transparency of our information society feeds strong market pressure, reducing the risk of unethical action. The essential problem is that not all states are able or willing to approach these issues in earnest. There is a disparity between the grand pronouncements of international conventions and legal reality in certain countries. The demand for binding regulations is, as we see it, intended to plug that loophole.

BINDING IN WHAT SENSE?

The demand for mandatory rules raises a number of questions that call for reasonable answers if rules are to be realistic and effective. The demand for mandatory rules is often made without making clear precisely how they will be made mandatory. It must be assumed that binding means in a legal sense and that breaches or omissions will be met with legal coercion (fines, penalties, jail terms or similar).

MULTINATIONAL COMPANIES GENERALLY BEHAVE PROPERLY

In many countries, multinational companies behave better than smaller local players. The multinationals are often well known and closely monitored and have good reason to protect their brands against negative media coverage and rumour. More worrying are the ‘no logo’ operators: they have less to protect and less to lose by not following standards.

This is confirmed by a number of international studies of the behaviour of multinationals. According to the OECD, multinational companies generally pay far higher wages and are more progressive in view of freedoms and the environment. Another example, from the less common issue of child labour, indicates that most problems can be found among small, non-exporting local businesses as well as in the agricultural industry in developing countries.

Focus on multinationals is curious, therefore, for a number of reasons. In 2000, Swedish multinationals invested more than EUR 5 billion in poorer parts of the world. That same year, Swedish international aid amounted to EUR 1.6 billion. Swedish-owned multinational companies employ around 170,000 people in poor countries and thus directly support many families and an even greater number of people indirectly.

As we can see, the major problem is the lack of respect demonstrated by many states as regards human rights issues. We believe that multinationals are less to blame than many local companies. The question is whether solutions aimed at multinational companies and ignoring states and local companies are not in some way missing the target.

BINDING RULES ON WHAT?

There is no one accepted definition or even common view of CSR. Most people can, however, eventually identify a few freedoms that seem self-evident and should be universally respected. There is considerable variation as regards views on which rights and freedoms are covered by CSR. One of the most important sets of rules, the UN Universal Declaration of Human Rights, covers issues divorced from the ability of companies to tackle and influence, falling clearly within the jurisdiction and responsibility of states.

One basic legal demand is that companies must have the opportunity to influence situations and that the rules must be clear and precise, otherwise companies cannot be held responsible. If the current text of the UN human rights declaration is to form the foundation of binding regulations for multinational companies, it is evident that it does not meet that criterion.

If the rules are phrased in negative terms – that is, stipulate what companies should refrain from doing (murder, torture, discrimination, employment of child labour, etc.) – the picture would become clearer, but not even then would it be free of problems. The rule against discrimination on gender grounds is an obvious example. Whatever values one has, it can be noted that in global terms, this rule is unevenly implemented. In some countries, women are discriminated against for cultural, religious or other reasons. We can bring our standards into play by condemning this, but the point is that there is no international consensus on what should be included in binding rules for states, nor on how such rules could be phrased.

HOW COULD BINDING RULES WORK IN PRACTICE?

No supranational court exists that could rule on issues of responsibility and coercive measures regarding the actions of multinational corporations.

We assume that the parties pushing for binding rules envisage, at least for the foreseeable future, that these will be enforced by national laws. We therefore assume that the text of an international convention covering binding rules for multinational companies would be transferred to national legislation in signatory countries. Back to square one, in other words. What is there to indicate that countries that ignore human rights at present would ratify such a convention? Or that they would implement it?

A likely scenario is that countries that already have comprehensive human rights protection would be the signatories. Any meaningful application of the convention would then include extraterritorial application, which means that states would take it upon themselves to address issues outside of their geographical jurisdiction. This is complicated. In all certainty, there would be several cases of companies hit with contradictory demands from different judicial systems.

In non-signatory countries, neither the state nor local companies would be affected. The question is, which multinationals corporations would be? Even assuming extraterritorial implementation, to bring a company to justice would assume that it had a presence in the country in question such as a subsidiary, stock market registration, bank assets or similar. Our hypothesis is that the companies affected would principally be from the industrialised world, since they have the greatest international presence. Paradoxically, these same corporations are the most active in CSR issues. So it is not reasonable, in general terms, that these should be the primary target.

To our way of thinking, the demand for binding rules for multinational corporations resolves very few of the actual problems regarding respect for human rights and other basic freedoms. It skirts the issue of the behaviour of states, it skirts the issue of local companies in the Third World and it also skirts the issue of the multinationals that generally have the greatest risk profile: those based in countries outside the OECD sphere. If the objective is to resolve real

problems, tighter regulations on multinational corporations are not an especially effective measure.

From a humanistic point of view and adopting a Western perspective, the widespread lack of respect for basic human rights and freedoms is frustrating. However, the risk of focusing on multinational corporations is that a situation may be created in which pressure is taken off the players that should take major responsibility: the states that do not uphold basic rights. This responsibility cannot be shifted onto others.

Practical advice

ANALYSIS OF STAKEHOLDERS

As pointed out in the section on Stakeholders, it is important for companies to form opinions on their stakeholders and the expectations they may have. But before canvassing the stakeholders' opinions, it is obviously important for companies to clarify their own conditions and motivations for engaging in business. Companies have to explain why they exist, where they stand and where they are heading.

Analysis of stakeholders starts with analysing the business concept itself and the strengths and weaknesses of the operation. Another central issue involves looking at how to interface with different stakeholder groups. Companies often rank stakeholders according to their importance to various market segments. Some companies divide stakeholders into "primary" and "secondary". The importance of stakeholders can vary over time, so reassessments are often implemented at regular intervals.

Important issues when analysing stakeholders

- § What does your company stand for, which is your basic business idea?
- § Who are your stakeholders?
- § Which are their interests and needs, today and in the future?
- § Which of these stakeholders, both in the short and longer perspective, are the most important?
- § How do these stakeholders view your company?
- § Against this background, is there a need to pursue an active dialogue with one or several of these stakeholders?

Figure 12 Important issues when analysing stakeholders

Below are some examples of stakeholders and the expectations they might have.

- **Shareholders** – companies must generate profit so that shareholders see returns on invested capital.
- **Neighbours and the immediate community** – do not want disruptive activities close by.
- **Suppliers** – want to be paid on time and do not want to be associated with shady clients. Suppliers in direct contact with their customers obviously have closer relationships than subcontractors.
- **National authorities** – expect companies to obey laws and regulations and pay their taxes on time.
- **Local authorities** (municipalities and county councils) – expect companies to respect the environment and operate according to applicable rules and permits. Expect companies to obey valid legislation regarding employment and the workplace.
- **Customers** – expect deliveries of the right quality at the right time and price. Expect goods and services to live up to agreed and legal standards as regards the environment, health and safety.
- **The surrounding environment** – companies are expected to respect the need to protect the environment, public health and safety. Companies are expected to contribute to sustainable development.
- **Banks** – make credit assessments. Companies are expected to pay their interest and reduce loans regularly.
- **Insurance companies** – carry out risk assessments to determine the size of premiums.

- **Financial analysts** – demand reliable and relevant information concerning company operations, structure, financial situation and bottom line.
- **Media** – expect companies to transparently divulge information on products, services and developments.
- **Investors** – expect company operations to generate profit in order to give investors returns on invested capital.
- **NGOs** (or ‘volunteer organisations’ is the generic term for a number of organisations with widely varying interests) – these organisations expect openness from companies. These are often ‘single-issue’ organisations monitoring issues such as human rights, the environment and employee rights. Many volunteer groups have associations with similar groups in other countries and share information via the Internet.
- **Owners** – companies have to keep their owners well informed about operations, profitability and strategy.
- **Employees** – it is important for companies to keep their good name, comply with labour legislation, maintain good human relations policies (on gender equality, non-discrimination and so on) and good working environments and work to improve conditions for employees.
- **Future employees** – often check out companies’ human resources policy, working environment and employment conditions.
- **Competitors** – expect to compete on equal terms (no bribery, no cartels, etc.).
- **Consumers** – expect companies to act in accordance with good commercial, marketing and advertising principles and make every reasonable effort to ensure quality and safety as regards the goods and services supplied. Consumers are increasingly insisting that companies or their suppliers respect human rights, refuse to use child labour, and so on.
- **Auditors** – check that companies are obeying legislation on accounting and other important financial standards.
- **Politicians** – expect companies to contribute to social progress.
- **Trade unions** – expect companies to comply with labour legislation, maintain good human resources policies and good working environments and work to improve conditions for their employees.

DIFFERENT APPROACHES TO CSR

Many companies are working actively and systematically with CSR issues by integrating relevant aspects into their management systems and corporate structures, for example.

But there has to be plenty of flexibility. All companies have to be able to choose which aspects and methods are relevant to their own specific operations. How CSR works in practice will vary depending on what customers and owners expect, the industry to which the company belongs, the size of the company and where it is located.

Worth considering

- § There is no one-size-fits-all model for all companies
- § Each company has to shape its own way of dealing with the issues
- § Work on CSR issues has to be relevant to the company’s business idea and stakeholders
- § See CSR work always as a work in progress

Figure 13 Worth considering

In purely practical terms, how should companies act on the CSR issues that are relevant to them? Many companies work by intuition and with no specific policy or model but still achieve good results. Others chisel out a policy and goals and do comprehensive internal work.

Companies that adopt a high profile as regards CSR issues claim it is important to communicate these to their staff and lobby their support. If support is lacking, management will be out of step with staff in terms of ambition levels. In-house training, stakeholder-based analysis, communication with stakeholders and other external communication are vital components of CSR to these companies.

It is important to distinguish between internal efforts to keep businesses properly organised and work on external communications and marketing the company's CSR progress. Companies may also need to assess whether external inspections and/or audits are wanted or required. Management always retains overall responsibility for CSR. It is wise to maintain a cautious strategy when using CSR in market communications and to communicate only what is achieved as regards progress made internally. Companies that promise more than they can deliver or claim to be something they are not risk severe criticism.

Decisions needed:

Internal work

- § **Is there a need for policy and goals for relevant CSR issues?**
- § **What assurances are there that the organization and products will reach this goals, including relevant laws and regulations?**

External communications with external stakeholder

- § **Does the company want to communicate its CSR work externally?**
- § **If yes, how should this communication be achieved?**

External inspection and auditing

- § **Should the company call in independent actors to assess and verify the organisation, products and/or external communication?**

Figure 14 Decisions needed

INTERNAL WORK

How companies tackle these issues varies considerably. We have chosen to look at companies that are somewhat larger and active in this field. One starting point is for companies to define which particular CSR issues are important to them. These could be environmental issues, health aspects, security issues, workplace issues or ethical issues important to company development.

The issues selected should then be studied and integrated into management operations. Most of the internal work is linked with the development of company services and products and with environmental, health and safety demands laid down in laws and regulations at national, EU or international levels. There is often a requirement for some kind of risk assessment and verification to indicate that products or services meet these demands, although either self-certification or independent assessment can be applied. Companies without the expertise to carry out self-certification can opt for external assessment. This can be significant in cases of liability or dispute.

Many companies already have quality and environmental guidance systems in place and can draw on their experiences with those.

The figure below shows the components that can be included in corporate CSR work.

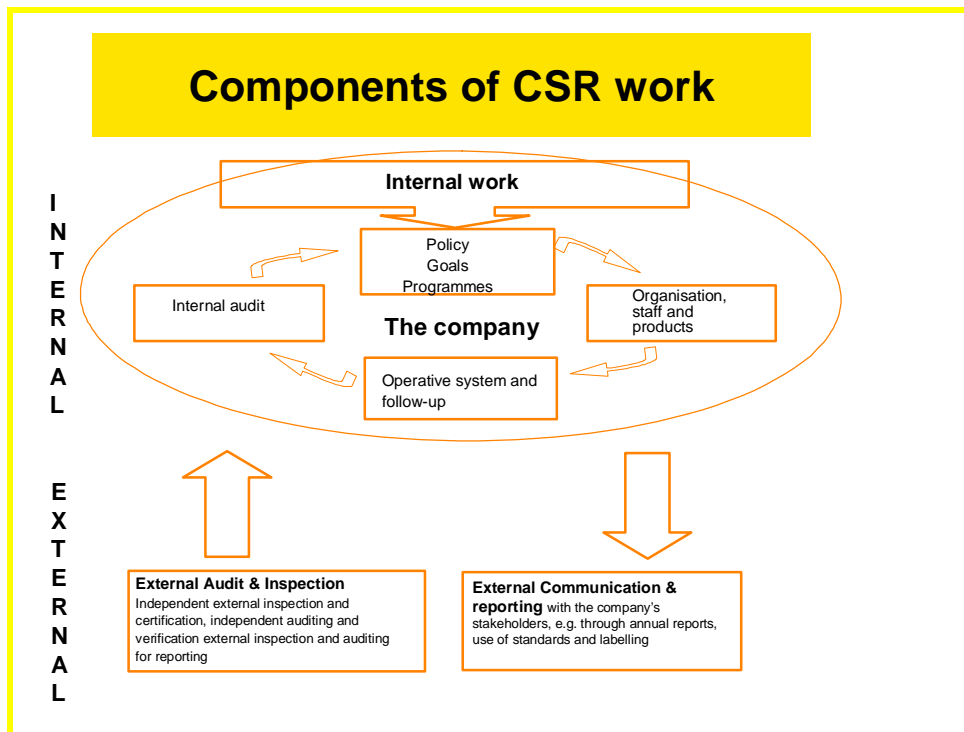


Figure 15 Components of CSR work

How companies choose to approach CSR is, as we have emphasised, a matter for each individual company to determine. The figure shows diagrammatically the most common components for this work in medium-sized and major companies. Companies in this range often need to transparently channel operations through management systems or systematise work in some other way. This approach may prove awkward and bureaucratic in smaller companies. But even in the latter case, each company must look for a smooth and effective method of its own.

INTERNAL POLICY WORK

Many companies devise their own guidelines for various tasks, such as environmental work or gender equality. Others turn to their trade organisations for industry guidelines. A number of major companies have recently produced their own codes of conduct. These deal with a range of issues, often in general terms. Both methods – working out individual guidelines or using industry-wide ones – are good. Whichever method is chosen, it is still important not to promise more than can be delivered. It is better to start small and attain the promised targets.

If companies decide to join the UN-backed Global Compact, this should be noted in a letter addressed to UN Secretary-General Kofi Annan. The company in question is expected to expressly support the Nine Principles (a tenth, on corruption, is expected to be added in 2004), and to intend to promote these principles within its own sphere of influence.

If any company wants a CSR policy that reflects this commitment to the UN, the wording of this letter is important. It should indicate that the company supports or agrees to promote the nine Principles rather than committing to comply with them. It is also important to stress that the company will work towards CSR within its own operations.

It is important to remember that commitment can imply different things in different countries. This means that the judicial system in any one country must be checked before any company takes on far-reaching commitments. The reason for our concern is the increasing frequency of

litigation in countries using the Anglo-Saxon system of law. Companies have been sued for not complying with their codes of conduct. It is quite possible that this tendency will spread.

EXTERNAL COMMUNICATION, REPORTING, INDEPENDENT INSPECTION

In the final analysis, the market and customers are the parties which influence companies to take that extra step, beyond what is demanded by law and regulation, and carry out external, independent assessments of their operations. The market and customers also affect whether and how companies profile their CSR work in external communications, such as independent assessment of the CSR section of the annual report, certification of the management system or membership in Global Compact.

The market is teeming with assessment, management and consultancy companies, and a rich variety of codes, guidelines and standards exist. It is up to individual companies to choose what seems appropriate and effective for both internal work and external communications. Many companies like to report to their stakeholders, and there are many ways of doing this. Some companies release special CSR reports or sustainability reports. Others publish purely environmental reports. It is also increasingly common for companies to integrate environmental and social information in their standard annual reports. Some, too, include generous amounts of information on their websites.

Reporting – items to remember:

- § Which is the target group? Different target groups/stakeholders need different types of reporting?
- § Trustworthiness in reporting. To establish trustworthiness, it can be important to show not only successes but also problems and failures.
- § Trustworthiness and outside inspection. Should reporting be autonomous or subject to outside inspection?
- § Follow-up and improvement work. To carry out follow-up and improvement work over time demands carefully prepared measurement instruments, statistics, standards etc.

Figure 16 Reporting – items to remember

Professional users, NGOs and others want to see target-oriented reporting based on codes and standards. The general public and the media prefer a requirement-based, journalistic approach using examples and field studies. Internal organisations and suppliers need process-oriented reporting that provides feedback and benchmarking information.

Summaries of significant regulations

GLOBAL COMPACT

In January 1999, United Nations Secretary-General Kofi Annan gave a speech in Davos, Switzerland. His message was that companies must help to “build the social and environmentally acceptable pillars needed to support the new global economy, and to do this in such a way as to make globalisation work for everybody in the world.” Global Compact was launched six months later.

Global Compact is based on the following UN declarations:

- the UN Universal Declaration of Human Rights
- the ILO Declaration on Fundamental Principles and Rights at Work
- the Rio Declaration on Environment and Development.

Global Compact is based on voluntary action and has two components:

- 1) making Global Compact and its principles part of corporate business strategy
- 2) promoting partnership with the aim of supporting UN objectives.

Companies that join Global Compact are expressing a desire to become better citizens. The most important aspect is not where companies are positioned in relation to the nine (or probably ten in 2004) principles, nor the speed of progress, but rather the direction, the action taken and the determination to implement the principles.

The values expressed in Global Compact must be realised by means of communication and openness, or transparency. The main idea is for companies to report specific instances of ‘good practice’. This may inspire other companies and demonstrate how things can be done. There is no special inspection process for member companies to find out whether they are complying with the standards. The process is autonomous and self-regulating.

This relativistic approach means that companies are not bound by a list of demands and there is no minutely detailed audit of what they do. The structure of Global Compact provides scope for flexibility: Chinese companies can join Global Compact just as easily as American companies, despite differences in corporate culture and business traditions. A summary of the nine Global Compact principles can be found on the next page.

Global Compact's Nine Principles

HUMAN RIGHTS

Principle 1: Business should support and respect the protection of internationally proclaimed human rights within their sphere of influence; and

Principle 2: make sure that they are not complicit in human rights abuses

LABOUR STANDARDS

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: the elimination of all forms of forced and compulsory labour; and

Principle 5: the effective abolition of the child labour; and

Principle 6: eliminate discrimination in respect of employment and occupation

ENVIRONMENT

Principle 7: Business should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Figure 17 Global Compact's Nine Principles

OECD GUIDELINES

OECD guidelines for multinational companies are recommendations from a partnership of 37 governments. These consist of principles and standards for operating businesses responsibly and in accordance with applicable laws. Insofar as parent companies actually control the operations of their subsidiaries, they bear responsibility for ensuring that these subsidiaries observe the guidelines. Compliance is voluntary and not enforceable.

The guidelines were negotiated in 1976 and have been renegotiated four times, most recently in 2000. The last revision broadened the guidelines to encompass company performance in all countries and to include environmental efforts and activities aimed to counter corruption. The guidelines were established in talks with employer and employee associations and a number of voluntary organisations. OECD governments have agreed to promote the guidelines through what are known as national contact points. The guidelines include:

- **Overall policy:** Companies should: contribute to economic, social and environmental development with the aim of achieving sustainable development; respect the human rights of individuals affected by company activities, in line with the host government's international responsibilities and commitments; stimulate the expansion of local capacity through close cooperation with local communities, including business interests; and develop company operations on overseas and domestic markets in accordance with sound commercial practices.

- **Information:** Companies should: ensure the publication of timely, regular, trustworthy and relevant information about their operations, structure, financial situation and bottom line.
- **Employees:** Companies should: respect the right of their employees to be represented by trade unions; contribute to the effective abolition of child labour; and promote the abolition of all forms of forced labour. Companies must not discriminate with regard to employment or job allocation on the basis of race, skin colour, gender, religion, political views, or national or social origin.
- **Environment:** Companies should: take into account the need to protect the environment, health and safety and generally conduct their business in such a way as to contribute to sustainable development. In particular, companies should establish and maintain environmental management systems that can properly gather and evaluate information about the environmental, health and safety-related consequences of company operations.
- **Corruption:** Companies should not: directly or indirectly offer, promise or demand bribes or other inappropriate advantages designed to gain or retain operations or other inappropriate advantages. Neither should other companies be asked for or expected to hand over bribes or other inappropriate advantages.
- **Consumer interests:** Companies should: act in harmony with good business, marketing and advertising ethics in relations with consumers and take all reasonable precautions to ensure the quality and safety of the goods and services provided.
- **Science and technology:** Companies should: when possible in operations, introduce methods that allow the transfer and rapid dissemination of technology and expertise, and, where appropriate, carry out scientific and technical development work in host countries to meet the needs of local markets.
- **Competition:** Companies should: conduct business in a competitive spirit within the framework of applicable laws and regulations. In particular, companies should refrain from joining or applying competition-limiting agreements among competitors.
- **Taxation:** Companies should: contribute to the public finances of host countries by punctually meeting their tax obligations. This includes adjusting internal price mechanisms to purely commercial standards.

ILO'S EIGHT CORE CONVENTIONS

The International Labour Organization (ILO) is the United Nations agency for employment and working life issues. Governments and employer and employee organisations participate in the ILO's annual conference activities and in the executive governing body.

The ILO's basic goal is to promote social justice and internationally recognised human and labour rights. Its tasks include promoting employment and improved working conditions all over the world, as well as protecting rights to collective bargaining and free association.

The work of the ILO has partly consisted of producing conventions and recommendations. Once a country ratifies a convention, it has formally committed to its application. A recommendation is similar to a convention but is not ratified and its instructions are often more detailed.

Of the 185 ILO conventions, several stand out. These touch upon what are known as basic labour rights. The following eight conventions are known as the ILO's Core Labour Standards or Core Conventions:

CONVENTION NO. 29 FORCED LABOUR (1930)

This demands active opposition to forced or compulsory labour in all its forms. Certain exceptions are accepted, such as compulsory military service, prison work if monitored by public authorities, and in cases of *force majeure*; that is, in time of war, national disaster or emergencies such as fire, flood, famine, earthquake, epidemic or plague and similar situations that may threaten the lives of the population or normal conditions of life.

CONVENTION NO. 87 FREEDOM OF ASSOCIATION AND PROTECTION OF THE RIGHT TO ORGANISE (1948)

Employers and employees are, without distinctions between them, free to form and join any organisations they wish. This convention also includes a number of guarantees concerning the freedom for employers and employees to themselves appoint members, write statutes and organise the administration of their own organisations.

CONVENTION NO. 98 RIGHT TO ORGANISE AND COLLECTIVE BARGAINING (1949)

Employer and employee organisations are to be given acceptable protection against interference from other parties or their representatives or members in issues relating to the formation, operation or administration of such organisations. Measures adapted to each country's specific conditions are to be implemented with a view to encouraging negotiations leading to the regulation of employment through collective bargaining.

CONVENTION NO. 100 EQUAL REMUNERATION (1951)

Member countries are to promote and, where possible, secure the application of the principle of equal remuneration for men and women for work of equal value.

CONVENTION NO. 105 ABOLITION OF FORCED LABOUR (1957)

Each member country that ratifies the convention commits itself to abolishing and refraining from using, in any form, forced labour as a means of political oppression or instruction or as punishment for the holding or expression of political views or ideas in ideological opposition to a prevailing political, social or economic system. Neither is it permitted to use forced labour to mobilise a workforce to promote economic development, as a disciplinary measure or punishment for participation in strikes or for discriminatory purposes.

CONVENTION NO. 111 DISCRIMINATION (EMPLOYMENT AND OCCUPATION) (1958)

Each member country commits itself to creating and applying a national policy for promoting equality as regards opportunities and treatment in respect of employment and exercising of a trade, with the object of abolishing all discrimination in these areas. Discrimination is taken to include every distinction, exclusion or priority due to race, skin colour, gender, religion, political views or national or social origin.

CONVENTION NO. 138 MINIMUM AGE (1973)

Each member country has to nominate a minimum age for access to employment within its territories. This minimum age must not be lower than the age for completion of compulsory education, and in no case lower than 15 years. After consultation with employer and employee organisations affected, countries with underdeveloped educational systems may initially nominate a minimum age of 14 years. Light work may be allowed from the age of 13. The minimum age for hazardous work is 18 years (see below under Convention No. 182).

CONVENTION NO. 182 WORST FORMS OF CHILD LABOUR (1999)

Each member must implement immediate and effective measures to ensure that the prohibition and eradication of the worst forms of child labour are discussed with urgency. The term 'the

worst forms' includes all forms of slavery and customs and traditions equivalent to slavery, such as child trading, bondage as debt repayment, serfdom and forced labour, as well as the recruitment of children by violence or threat for exploitation in armed conflicts, the exploitation of children for prostitution or the production of pornography, the exploitation of children for illegal activities (such as drug trafficking) as well as work which, by its nature or the prevailing conditions, may be harmful to children's health, safety or way of life.

POSTSCRIPT

In 1998, the ILO adopted a declaration regarding basic principles and rights at work and guidelines for their application. This declaration states that all ILO member countries, through their membership and adherence to the statutes, have an obligation to respect, promote and implement the basic principles on which the eight core conventions are based.

MAJOR ENVIRONMENT PRINCIPLES

THE PRECAUTIONARY PRINCIPLE

The OECD guidelines describe the Precautionary Principle as follows:

“Consistent with the scientific and technical understanding of the risks, where there are threats of serious damage to the environment, also taking into account human health and safety, not use the lack of full scientific certainty as a reason for postponing cost-effective measures to prevent or minimise such damage.”

Problems may of course arise when it comes to interpreting the Precautionary Principle. “Cost-effective measures” implies that the measures taken are beneficial from a cost perspective as opposed to the damage that may occur where financial liability rests with the company. Problems may occur, for example, if the trader questions the problem itself. Electromagnetic radiation from mobile phones is one example. If the producer challenges this from a scientific viewpoint, there will of course be doubts as regards the undertaking of corrective measures. If the demands for these measures stem from a feeling of general concern, there may be problems when it comes to defining cost-effective measures. The Precautionary Principle is spelled out in several internationally accepted documents, including the Rio Declaration on Environment and Development (Principle 15).

THE POLLUTER PAYS PRINCIPLE

The Polluter Pays Principle, PPP, is established internationally (in the Rio declaration and elsewhere) and states that anyone causing pollution and environmental damage must essentially bear the costs of corrective measures.

THE PRINCIPLE OF BEST AVAILABLE TECHNOLOGY (BAT)

BAT states that the best possible technology should be used to prevent environmental damage and problems. This technology must, from a technological and economic viewpoint, be industrially feasible and accessible to the industry in question.

THE PRINCIPLE OF PREVENTIVE MEASURES

Rather than waiting until environmental damage occurs before action is taken, preventive measures should be implemented to guard against it (EU).

THE SUBSIDIARITY PRINCIPLE

Environmental damage should be corrected at source (EU).

THE INTEGRATION PRINCIPLE

Environmental issues are to be integrated into all other policy areas (EU).

Useful links

Links listed below may be useful for CSR-related work. This list is an unofficial selection.

UNITED NATIONS (UN)

Global Compact www.unglobalcompact.org
 UN Environment Programme (UNEP) www.unep.org
 UN Development Programme (UNDP) www.undp.org
 International Labour Organization (ILO) www.ilo.org

INTERNATIONAL ORGANISATIONS

EU (CSR issues) www.europa.eu.int/employment_social/soc-dial/CSR/csr-index.htm
 European Parliament www.europal.eu.int
 International Organization for Standardization www.iso.org
 Organisation for Economic Co-operation and Development (OECD) www.oecd.org
 The World Bank www.worldbank.org

BUSINESS ORGANISATIONS

Business and Industry Advisory Committee to the OECD (BIAC) www.biac.org
 Union of Industrial and Employers' Confederations of Europe (UNICE) www.unice.org
 Confederation of Danish Industries www.di.dk
 International Chamber of Commerce www.iccwbo.org
 International Organisation of Employers www.ioe-emp.org
 World Business Council for Sustainable Development (WBCSD) www.wbcsd.org

TRADE UNION ORGANISATIONS

European Trade Union Confederation (ETUC) www.etuc.org
 International Confederation of Free Trade Unions (ICFTU) www.icftu.org

RESEARCH INSTITUTES

Harvard University www.harvard.edu
 The Institute of Industrial Relations Library www.lib.berkeley.edu/IIRL
 Raoul Wallenberg Institute www.rwi.lu.se
 Stanford University www.stanford.edu
 University of Minnesota www.umn.edu

MISCELLANEOUS:

Alien Tort Claims Act www.globalpolicy.org/intljustice/atca/atcaindx.htm
 Amnesty International www.amnesty.org
 UK government CSR site www.societyandbusiness.gov.uk
 Business Ethics www.business-ethics.com
 Business & Human Rights Resource Centre www.business-humanrights.org
 Business for Social Responsibility (BSR) www.bsr.org
 Center for International Private Enterprise www.cipe.org
 CSR Europe www.csreurope.org
 The Copenhagen Centre www.copenhagencentre.org
 The Corporate Social Responsibility Newswire Service www.csrwire.com
 The Danish Institute for Human Rights www.humanrights.dk
 Eco-Portal – the Environmental Sustainability.Info Source www.eco-portal.com
 Ethical Trading Initiative www.ethicaltrade.org
 Global Reporting Initiative (GRI) www.globalreporting.org
 Global Sullivan Principles www.globalsullivanprinciples.org
 Greenpeace www.greenpeace.org

Human Rights First, www.humanrightsfirst.org
Human Rights Watch (Corporations & Human Rights) www.hrw.org/corporations
Corporate Social Responsibility Forum (IBLF) www.iblf.org
Social Accountability 8000 (SA 8000) www.cepaa.org
Social Investment Forum www.socialinvest.org
SustainAbility www.sustainability.com
Swedish Foreign Ministry human rights website www.manskligarattigheter.gov.se
World Economic Forum www.weforum.org

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