

Trade unions and CSR: a European research agenda

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- *There is much evidence that Corporate Social Responsibility has increasingly become embraced by industry in Europe. The transfer to Europe of what essentially is a concept embedded in American capitalism, however, results in some interesting contextualizations. One of the most interesting of these is the impact of CSR on one of the most powerful actors to determine the social responsibility of corporations in the European context, namely trade unions and their institutional infrastructure. In many cases unions perceive CSR as a threat, as it transfers yet more power and discretion to managers. By contrast, trade unions in countries with a strong corporatist tradition claim to be themselves drivers of CSR. An altogether different situation exists in Eastern Europe, where unions lack the legitimacy and influence to shape the emerging CSR agenda. Given such a spread of positions, what similarities and differences can be detected in union approaches to CSR? Which specific aspects of CSR are supported by European unions? How have European unions adapted their strategies in response to CSR? This article employs an institutional comparison perspective of selected European countries to explore the role unions play in CSR activities. It maps out the conceptual territory and provides one of the first overviews of the topic.*

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Introduction

Corporate Social Responsibility is clearly on the rise in Europe. During the last few years we have seen the establishment of CSR Europe, a major CSR reference point with a membership of some 65 companies across Europe. The Commission of the European Communities published a Green Paper on CSR in 2001, updated by a Communication in 2006, while the UK government created the post of a CSR minister. There is also substantial evidence that the concept has increasingly become

embraced by industry. In 2004 the FTSE 100 members collectively donated 0.97% of their pre-tax profits to charities and community organizations (The Guardian, 8 November 2004). Annual CSR reports are now published by companies as diverse as British retailer Marks & Spencer, Finnish mobile telecommunication equipment manufacturer Nokia or Deutsche Bank of Germany. Furthermore, CSR is increasingly becoming an integral element of the education of business professionals in most European countries (Matten and Moon, 2004; Lacy and Salazar, 2006).

The spread of CSR can be seen as a political activity by business as it aims to redefine the role of business in society. Hence CSR is a topic that should be of interest to public affairs practitioners and scholars. However, moves by

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business in this contested area are likely to be met with counter-moves by other societal actors. Being largely a concept embedded in the context of Anglo-American capitalism with its emphasis on voluntary action rather than regulation, the transfer of CSR into the European setting results in some interesting contextualizations, as a range of activities that may fall under CSR, such as corporate provision of health care or education, have in Europe largely been undertaken on a mandatory basis (Matten and Moon, 2005).

Additionally the corporate discretion of CSR is at odds with the more regulated frameworks in many European nations, which grant employees and trade unions a well-defined scope to influence corporate decision-making (Boyer and Hollingsworth, 1997; Baron and Kreps, 1999; Dobbin and Boychuk, 1999; Crouch, 2003; Bamber *et al.*, 2004). One of the most interesting questions relating to CSR in a European context is thus how organized labour, most notably trade unions and their institutional infrastructure, cope with this new challenge. It is the aim of our paper to map out the conceptual territory and provide one of the first overviews over this topic.

The paper is structured as follows. First, a methodology section will outline the data collection process, which consists of a content analysis of trade union documents dealing with CSR. On this basis, the major trade union responses to the challenge of CSR are discussed. We move on to analyse which elements of the potential range of CSR measures trade unions emphasize as being important to them. This leads to a discussion of trade union views on the voluntary nature of CSR. We then study strategies pursued by unions in response to the rise of CSR. After this, theoretical positions that can explain union responses to the rise of CSR are examined. Finally we outline what we see as the major elements of a European research agenda in this area.

Methodology

The impact of CSR on European unions has — to our knowledge — not been comprehensively

addressed in the academic literature. Hence our task here is to take stock of questions like: what unions across Europe make of CSR, what aspects of CSR they support and how European unions have adapted their strategies in response to CSR. This task is undertaken by way of content analysis of official union documents, in particular by analysing the responses by various European trade unions to the European Commission Green Paper on CSR of 2001. The Commission Green Paper attracted a total of 12 responses by national-level trade unions from Austria, Denmark, Germany, Finland, France, Ireland and the UK, as well as five statements by Europe-wide trade union umbrella organizations.

In our view, these documents meet the criteria, stipulated by Scott (1990), for judging the quality of evidence that can be gleaned from documents, namely authenticity, credibility, representativeness as well as clarity and comprehensibility of meaning. The language of the documents is straightforward, and since they are displayed on the official Commission website there is little reason to doubt their authenticity and credibility. One might question the representativeness of the documents, since the responses have a Northern European bias and were written before the recent EU enlargement; they hence do not cover Eastern Europe either. To mitigate this, we supplemented these documents with data from other sources, most notably a report on unions and CSR commissioned by the European Trade Union Confederation (Beaujolin, 2004).

We took a realist approach to the documents and limited the analysis of their content to their intended meaning (Scott, 1990), rather than analysing how they might be received by different audiences in different social situations or considering the internal meanings between signifiers and signified as a semiotics perspective would be interested in. Like all public statements, the documents are likely to contain a degree of strategic positioning, but in our view this is not problematic, because all the documents have the same recipient, the European Commission. Hence the comparability of union positions should not be compromised. Our

research does not at this stage discuss the actual strength of unions, as this cannot be achieved by document content analysis. Nonetheless this stock-taking exercise allowed us to generate sufficient insights as to form the basis for a larger empirical study involving case study research across a number of locales in Europe.

Union responses to CSR

A convenient start for analysing the relationship between trade unions and CSR is the question what unions actually make of the concept. Across the European continent as a whole we can identify five distinct union positions on CSR. In many cases CSR is perceived as a threat to unions, as it transfers yet more power and discretion to managers.¹ Such concern is, for example, voiced by British union GMB (2001) in its response to the European Commission Green Paper:

Given the US origins of the concept of corporate social responsibility, the Commission must ensure that it is not used as a vehicle for soft law and company self-regulation, 'privatising' the European social model, or a back door import of the US model.

Some unions have remained sceptical whether CSR can actually deliver what it promises. Such scepticism is, for example, expressed by British financial services union UNIFI (2001, p. 1):

one must be clear on whether this philanthropy is real social responsibility or merely a method of improving corporate image by diverting attention from other less popular actions.

¹Evidence that UK companies involve unions significantly less than other stakeholders in deciding priorities for their CSR activities is offered by Burchell and Cook (2006). Analysing questionnaire data from a sample of 150 UK businesses, they found that directors (100%), employees (91.4%) and local communities (86.2%) were consulted most regularly. By contrast, trade unions (50%) were poorly represented, ranking behind customers, charities and environmental groups.

A similar sentiment is stated by French union FO (quoted in Beaujolin, 2004, p. 19):

The FO is the only confederation that is clearly opposed to the concept of CSR, believing it to be highly paternalistic. In this respect, the FO is extremely wary.

By contrast, trade unions in countries with a strong corporatist tradition claim to be themselves drivers of CSR. For example, German union IG Bergbau, Chemie und Energie suggests that it traditionally has been making a contribution to CSR by fighting for co-determination and against unfair competition in its industries (Habisch and Wegner, 2005). Danish union LO (2001, p. 3) similarly argues that:

The trade union movement plays a crucial role with respect to the achievement of the internal and external dimension of corporate social responsibility.

An altogether different situation exists in Eastern Europe, where unionism has largely lost its legitimacy due to the dominance of unions set up by or having depended on the respective communist parties. As a consequence, Polish union *Solidarność* is the only large organization that can claim legitimacy as an independent union. In addition, however, the position of all unions in Eastern Europe is rather weak and they hence lack the influence to shape the emerging CSR agenda. This situation is illustrated by the following comments by a Polish union (quoted in Beaujolin, 2004, p. 20):

The idea of Corporate Social Responsibility seems rather strange or even absurd to many Polish companies, assuming that they even know what it is. Nowadays the reality is that Polish business focuses primarily on one value, i.e. making tangible profits. CSR simply doesn't matter.

Finally, a small number of European unions, mainly again from Eastern Europe, evaluate their own position as one where they lack knowledge on the subject. For example, a

Bulgarian union (quoted in Beaujolin, 2004, p. 6) evaluates the situation in its country as follows:

The Bulgarian public and most employers (apart from a few foreign investors representing multinationals) are not familiar with the notion of CSR.

Thus we see a wide spectrum of union responses to CSR, ranging from claims, made for example in Denmark or Germany, that unions have traditionally been engines of CSR, through scepticism and distrust of the concept, expressed for instance by French and British unions, to a lack of power to influence the emerging agenda or even ignorance of the concept altogether, as expressed by some Eastern European unions.

Elements of CSR emphasized by unions

Given such a spread of positions, the question arises whether there are any elements of CSR unions are particularly supportive of. Evidently, unions focus first and foremost on company-internal aspects. For example AKAVA (2001, p. 1), a Finnish union for academic professionals, suggests that:

CSR has many aspects, like welfare of personnel, ability to cope and safety at work, promoting equality and diversity, preventing discrimination, promoting lifelong learning, and management of change due to restructuring and ageing employees. These all have a direct impact on staff motivation and productivity.

For British union GMB (2001, p. 1):

Corporate social responsibility must be based on the development of quality employment, with the ongoing development of workers' skills and qualifications through training and lifelong learning.

Related CSR areas unions emphasize are an improved work-life balance or better child care facilities and flexible working arrangements for

parents (DGB, 2001). Other elements of CSR that are important to unions are the anticipation of industrial change and the corresponding request that companies minimize the negative consequences arising from restructuring (GPMU, 2001). Such statements clearly foreground traditional union concerns of employee welfare and training.

By contrast, company-external elements are mentioned considerably less often. Corporate community involvement is addressed at some length by UK financial services union UNIFI (2001). Its response to the European Commission Green Paper expressly addresses social exclusion, in particular lack of access to financial services, but this is more a reflection of its role in the financial services industry than a general commitment of unions across Europe. The discrepancy between detailed discussion of company-internal and generally more scant references to external CSR elements is even more obvious in the case of the natural environment. Although the environment is mentioned by a number of unions (e.g. DGB, 2001; TUC, 2001), the Danish union LO (2001) is alone in strongly demanding the inclusion of environmental protection in CSR policies and action.

The company-internal aspects of CSR clearly dominate the CSR agenda of European unions. Among these, there are four issues of particular salience: working conditions, education and training, employee representation and social issues (see also Beaujolin, 2004). By contrast, company-external issues, such as corporate community involvement or the natural environment, are mentioned only by a minority of unions. These are either in specific industries — such as a UK financial sector union referring to social exclusion in the access to financial services — or in specific countries — like the insistence on environmental protection by a Danish union, which can be explained by the strong ecological tradition in Scandinavian countries. To put it differently, the emphasis on traditional union concerns is evidence that unions are attempting to utilize CSR as an instrument to further their traditional aims.

The voluntary nature of CSR

Many conceptualizations of CSR stress its voluntary nature (McWilliams and Siegel, 2001). This is also the view the European Commission expressed in its Green Paper on CSR, which it emphasized again in its recent Communication on CSR (Commission of the European Communities, 2001, 2006). However, the voluntary nature is an aspect of CSR that is particularly contested by unions. Belgian union CSC/ACV (Beaujolin, 2004, p. 27) states:

The CSC/ACV believes that CSR must be all about respecting the law at all levels.

Similarly the German DGB (2001, p. 1) argues that for a company to meet its social responsibilities means first and foremost obeying both the law and collective bargaining agreements. The Irish Congress of Trade Unions (ICTU, 2001, p. 2) stresses that Ireland has had positive experiences with voluntary collaboration, but it nonetheless rejects a voluntary approach to CSR:

The existence of CSR programmes does not imply a need for less or weaker regulation. In Europe of the 19th century, social evils such as child labour [or a] dangerous work environment were resolved by law, long after the more conscientious employers had adopted best practice... If we were still waiting on 19th century CSR, European children would still be employed by a small minority of European employers.

Many European unions hence suggest that CSR initiatives should be accompanied by a number of verification tools, such as CSR labels, mandatory information and auditing. For example, the Danish LO (2001, p. 1) values the 'development of a "unitary" label in order to strengthen the promotion by market forces of a sustainable development'. Other unions, such as the TUC (2001, p. 6) in the United Kingdom, are somewhat sceptical of such labels and awards:

Awards schemes would create competition between the minority of companies already

interested in CSR and could, depending on the criteria used, stimulate improvements in practice. To be effective, they would need to go beyond this and promote wider take up of CSR by engaging companies not already committed to the CSR agenda.

Hence CSR activities need to be shored up by the mandatory provision of information. For Italian unions UIL and CISL (Beaujolin, 2004, p. 43) this is an important instrument to influence the shape and direction of CSR activities:

The UIL and the CISL believe that social balance sheets, one of the most interesting developments in connection with CSR, represent a major opportunity for the unions.

A number of unions also favour independent auditing of CSR reports. According to the TUC (2001, p. 4):

If social reports are just a collection of selective assertions, they are at best meaningless and at worst misleading. Independent verification would help to ensure that the statements were true and based in fact, rather than simply being a public relations exercise by the company's communications department.

European unions expressed unanimous criticism of CSR as a voluntary concept that could replace legal obligations. In consistency with this position, they favour instruments for the independent verification of CSR activities, including CSR labels, the mandatory provision of social and environmental information as well as its auditing. These union demands culminate in a suggestion to establish an independent monitoring agency (ICTU, 2001).

Union strategies in response to CSR

Given the emphasis on company-internal aspects of CSR and the opposition to its voluntary nature, how have European unions adapted their strategies in response to the CSR challenge? The strategies employed by unions

range from coordination of national activities at European level through the promotion of CSR via unions representation in the administration of pension funds to new forms of collaboration with other stakeholders, such as NGOs.

At a basic level, unions across Europe have undertaken efforts to convey the importance of CSR and their approach to it to relevant stakeholders. The importance of training on CSR issues is underscored by Belgian union CSC/ACV (Beaujolin, 2004, p. 54):

The confederation's aim is to raise awareness of CSR at all levels, including among the general public. The confederation disseminates tools to union delegates and CSR is examined at training courses taken by delegates.

Efforts to coordinate national union activities at European level have been made by ETUC, the European Trade Union Confederation, and Eurocadres, an umbrella organization of European professional and managerial staff unions. The ETUC undertook a survey of European unions in 2003 followed by two seminars for union officials in 2003 and 2004 (for details, see Beaujolin, 2004). Responding to the rise of CSR, Eurocadres (2004) developed its concept of Responsible European Management, a management approach based on stakeholder consultation.

Unions have also sought to lever their influence over the CSR debate by linking their own positions to influential external reference points. For example, UNIFI (2001, p. 5) suggests:

By adopting the values endorsed by the international community in the Universal Declaration of Human Rights, the Convention on the Rights of Children and World Trade Organization and International Labour Organization core labour standards, business would really be committed to corporate social responsibility and not merely paying lip service.

Similar views are expressed by German DGB (2001), which supports the adoption by

companies of the UN sponsored Global Compact and the OECD guidelines for multinational corporations.

Another strategy unions have pursued is promoting socially responsible investment through their representation in the administration of pension funds. In the United Kingdom, the TUC is active in this field (Beaujolin, 2004, p. 17):

The TUC uses its network of over 1000 pension fund trustees to attempt to mobilise votes at company AGMs and to encourage pension funds to adopt investment policies that include socially responsible investment.

Similar commitment has been reported by a number of other unions across Europe, including FNV in the Netherlands, the Inter-Union Employee Savings Committee (CIES) set up by the four French unions CFDT, CGT, CFE-CGC and CFTC or the two main Portuguese union confederations (Beaujolin, 2004).

A further important strategy is collaboration with other stakeholders. A recent and hence particularly noteworthy development in this respect is the collaboration between unions and NGOs. Although some unions expressed a concern about NGO representativeness, the general picture is rather encouraging of such cooperation as the Irish Congress of Trade Unions testifies (Beaujolin, 2004, p. 36):

ICTU Global Solidarity is part of ICAN, a network of organizations including the NGOs Oxfam Ireland, Trocaire, Amnesty, Fairtrade Mark Ireland, Comhlámh and Christian Aid Ireland. ICAN is committed to promoting an international framework to govern corporate activity and to encourage voluntary action by corporations to enhance their contribution to sustainable development. It aims to raise awareness of, debate about, engagement with and support for initiatives devised to enforce international human rights, labour and environmental standards in corporate behaviour and facilitate social dialogue and best practices.

Similar examples are the collaboration of German DGB, Belgian CSC/ACV or British

Amicus-MSF and GMB with development aid, human rights and environmental groups. The emergence of CSR in Europe has thus clearly left a mark on unions, as they are pursuing a number of strategies to respond to its rise. These strategies begin with traditional ones, such as coordination of national activities and improved training on CSR, but they also include some innovative responses, like developing new forms of stakeholder collaboration and utilizing their financial clout through union representatives in the administration of pension funds.

An explanatory framework for union positions on CSR

Having examined union perspectives on CSR as well as their emerging strategies in response to this challenge, the final part of the paper will now seek a theoretical explanation of the union responses to CSR we have observed across Europe. The question why CSR is becoming an issue that is of interest to trade unions can, in general terms, be answered from a pluralist or interest group perspective (Dahl, 1961; Galston, 2005). In line with the pluralist argument, commentators have for some time now seen a growing political involvement by business (Preston, 1986; Coen, 1997). This is seen as a response to business itself being increasingly subjected to political activity, not least to 'the plague of regulation' (Berry, 1989, p. 35). In this political confrontation, it is in particular trade unions, in addition to environmental pressure groups, which can become actual or potential competitors of business (Masters and Baysinger, 1985; Baccaro *et al.*, 2003; Masters and Delaney, 2005). Where business, in turn, succeeds in re-moulding its role in society under the heading of CSR, one can then expect trade unions to become active too to counter such a business-driven re-interpretation of the relationship between business and society.

A pluralist perspective does, however, not explain yet why there are significant differences between European trade unions in their response to CSR. Here we turn to institutional theory and argue, following Tempel and Walgenbach (forthcoming), that the differ-

ences in CSR positions in Europe can be understood by applying both neo-institutional theory ('American institutionalism', as Tempel and Walgenbach would argue) as well as the national business systems approach ('European institutionalism').

The neo-institutionalist perspective

Neo-institutionalism argues that management ideas and concepts are spreading in response to pressures in the organization's external environment, the 'organizational field' (Meyer and Rowan, 1977; DiMaggio and Powell, 1983). The spread of CSR in Europe can indeed be seen as a result of such normative pressures, coercive isomorphisms and mimetic processes, which are driven in particular by multinational corporations and other actors that are particularly eminent in the increasing globalization of economic activities, as research into the spread of other management concepts and ideas has shown (Guler *et al.*, 2002). In the context of the spread of CSR, we could identify the following isomorphisms:

Coercive isomorphisms

Externally codified rules, norms or laws assign legitimacy to organizational practices. In the case of CSR in Europe one can argue that governmental initiatives, such as the EU Green Paper or the initiatives of the UK Government, are examples of such coercive isomorphisms which foster the spread of CSR across Europe. Similarly, self-regulatory and voluntary initiatives, like the UN Global Compact, which establish codes and norms could be counted among these isomorphisms. So the various codes of conduct for multinational corporations issued by bodies such as the UN, the OECD, the ILO, the Global Reporting Initiative and others can be counted among the drivers of CSR, certainly for MNCs, in Europe. An increasingly important role here is also played by the socially responsible investment community. Indexes such as the FTSE4GOOD or the decision criteria of certain investment funds play a coercive role for corporations if they want to gain or sustain access to these sources of capital.

Mimetic processes

In a business climate of growing uncertainty and increasingly complex technologies managers tend to consider certain practices as legitimate when they are considered to be 'best practice' in other parts of the organizational field. These processes also account for the upcoming of 'management fashions', such as the recent wave of 'business re-engineering'. In the area of CSR, this can certainly be considered an important driver, particularly in large European MNCs. Through membership of business coalitions for CSR, like CSR Europe or Business in the Community in the UK, 'best practice' systems are developed and communicated. CSR reporting or flagship projects in the area of philanthropy could be considered as prominent examples here too.

Normative pressures

A particular role has been identified for educational and professional bodies, which directly or indirectly set standards for 'legitimate' organizational practices. For example, the MBA is increasingly becoming the standard formal qualification for corporate decision-makers across the industrialized world. We would argue that the normative lens is also helpful in understanding CSR in an European context. We can point here to the pressure arising from initiatives such as the foundation of the European Academy of Business in Society, EABiS, in 2002. Similar initiatives at the national level exert normative

pressures on business to adopt CSR too. Furthermore, CSR is now at least an optional, in many cases a compulsory part of business education in the leading European business schools (Matten and Moon, 2004).

In short we would suggest that the force of these isomorphic pressures is the greatest where companies and countries are most exposed to global actors, most notably MNCs, global norm-setting bodies and transnational professional or educational processes. One proxy for measuring the relative openness of a national economy is the inflow of foreign direct investment, FDI. As **Table 1** shows, the inflow of FDI into European countries, while sharply increasing in all cases, shows some interesting patterns. Although not the largest economy, the UK has consistently outperformed all the other European countries. France has attracted more FDI than the larger Germany (apart from 2000, which was an exceptional year due to a single large takeover). Irrespective of its small size, Denmark is proving an attractive location too, while Belgium and Ireland are the FDI giants among the smaller European nations. In Eastern Europe, Poland has been performing best, the FDI inflow of which has in some years even outperformed that of Italy. Bulgaria, on the other hand, has only managed to attract a meagre amount of FDI. Admittedly FDI flows on their own are a crude measure of the openness of a national economy, but they do illustrate national differences across the continent.

Table 1. Foreign direct investment stock for selected European countries (in million US Dollars)

Country	1992	1994	1996	1998	2000	2002	2004
Austria	12 040	14 804	19 629	23 564	30 431	43 508	62 657
Belgium*	75 678	105 881	123 883	180 492	195 219	192 411	258 875
Bulgaria	210	355	554	1596	2257	3701	7569
Denmark	14 387	18 083	22 340	35 694	73 574	82 809	98 172
France	130 050	163 447	200 093	246 214	259 795	386 550	535 201
Germany	119 965	139 154	162 492	206 776	271 611	297 785	347 957
Ireland	44 878	46 813	50 873	62 450	127 088	178 566	229 241
Italy	49 963	60 376	74 640	108 822	121 170	130 819	220 720
Poland	1370	3789	11 463	22 461	34 227	48 320	61 427
United Kingdom	172 986	189 588	228 642	337 386	438 631	523 319	771 658

*Figures for 1992–2000 are for Belgium and Luxemburg. Source: UNCTAD (2005).

The national business system perspective

Differences in trade union responses to CSR can also be explained by reference to the national business systems or 'societal effect' approach (Whitley, 1999, 2002; Maurice and Sorge, 2000). One of the key insights of this school is that countries differ in the institutional frameworks for business which then determine corporate agency within the system. While we do not have the space to flesh this out in detail here, trade unions seem to be in a relatively stronger position in countries with a corporatist tradition as these business systems provide unions with clear institutionalized patterns of interaction as well as mandatory and codified rights (Molina and Rhodes, 2002).

Strong corporatist countries, like Germany, France or Sweden, are characterized by collective action of economic actors, consensus-based decision-making, governance in partnership with different interests in society and policies that result in obligations for all actors. Normally, these contexts provide a strong and powerful basis for trade unions. On the other hand, European countries that follow the Anglo-Saxon model, such as the UK and Ireland, are characterized by individualism and a larger amount of discretion for individual actors. They have a strong focus on liberal markets and policies that invite responsive actors rather than consensus-based collective agency (Lane, 1989, 1992; Crouch, 2003). The new accession countries of the EU are a particular case, as the massive changes in economic institutions over the last two decades made them in many ways more similar to the Anglo-Saxon business system, certainly as far as the role of trade unions and worker representation is concerned.

These differences could again be measured by a number of proxies. In the context of this exploratory account we would suggest two indicators, internally their membership and externally the national industrial relations framework unions operate in (Marsden, 1999; Bamber *et al.*, 2004; Blyton and Turnbull, 2004). Significant differences can be observed between European unions in terms of their

membership (see **Table 2**).² Like the other Scandinavian countries, Denmark has a very high union density and its unions also managed to stave off membership losses over the last decade. By contrast, British and German unions today represent less than a third of employees and both have suffered significant losses of members, while Italian and Irish unions managed to increase their memberships. Membership density is especially low in France, yet French unions have been particularly successful at increasing their membership. Eastern Europe is again a different story altogether, where unions suffered particularly high membership losses; in both Poland and Bulgaria unions lost more than 70% of their members over the last decade.

However, membership is only one measure of union influence. Trade unions in Europe can also draw on a variety of other mechanisms to influence the political arena. Where the national institutional framework is relatively strong, they may utilize legal rights or provide reference points for the employment conditions of non-unions members as well, as is the case in Germany. French unions, on the other hand, have close links with major political parties. Such mechanisms are alternative, and probably more effective ways of shaping the political agenda than directly engaging in the CSR debate. Nonetheless, we suggest, in a general sense, that the strength of both its membership and the particular institutional framework of its nation shapes the approach to CSR a specific trade union is likely to take.

The approach to CSR by a trade union can thus be explained by two factors: on the one hand, the national business system perspective points to the relative strength a union derives from its membership structure as well as from its institutional framework. On the other hand, the institutionalist perspective illustrates the degree to which the respective industry or national economy is exposed to the pressures of

²Measuring union density is, of course, beset with methodological difficulties. See the respective discussions in EIRO (2006) and Visser (2006).

Table 2. Union membership and density for selected European countries

Country	1993 (in 1000)	1998 (in 1000)	2003 (in 1000)	Change 1993–2003	Density 2003*
Austria	1616	1480	1407	–12.9%	35.4%
Belgium	2865	3013	3061	+6.8%	55.4%
Bulgaria	2192	778	515	–76.5%	—
Denmark	2116	2170	2151	+1.7%	70.4%
France**	1256	1425	—	—	8.3%
Germany	11 680	9798	8894	–23.9%	22.6%
Ireland	432	463	515	+19.2%	35.3%
Italy	10 594	10 763	11 266	+6.3%	33.7%
Poland	6500	3200	1900	–70.8%	14.7%
United Kingdom	8804	7852	7751	–12.0%	29.3%

*2002 for Belgium and 2001 for Poland.

**Figure for CGT and CFDT only. Membership change for CFDT +44.0%, for CGT +4.5% (1993–1998 only).

Source: EIRO (2006) and Visser (2006).

the world market and hence the pressure to adopt CSR policies and practices (see **Figure 1**).

Unions that are in a relatively weak position in rather open national economies—for instance GMB in the UK—see CSR predominantly as a threat. By contrast, it is unions which enjoy a relatively strong position in traditionally corporatist countries—such as LO in Denmark—that claim for themselves to be drivers of CSR. Unions of little power in countries experiencing strong inflows of FDI and hence global pressures—like Polish union *Solidarność*—are not in a position to influence the CSR agenda in their countries. Relatively weak unions in countries that are not (yet) strongly exposed to global pressures—for example unions in Bulgaria—are usually the ones which state some degree of ignorance of

CSR issues. The final position, scepticism, is somewhat more difficult to place in the matrix: it seems to be voiced by unions in a mid-way position in terms of both relative strength and relative exposure to globalizing pressures.

Further research is needed to firm up this initial picture. The reliance on documents in this paper needs to be supplemented with case study research, which would be able to move beyond union self-perception and explore the actual power structures surrounding CSR in European companies. Such research could draw out national characteristics (by researching several industries within one nation) as well as industry-specific features (by examining companies belonging to one industry in different national settings). Future research could also draw a distinction between the role of the trade union as workers' organization at national level and that of the works council as employee representation at plant level. These issues, however, go beyond what a single paper can attempt to address.

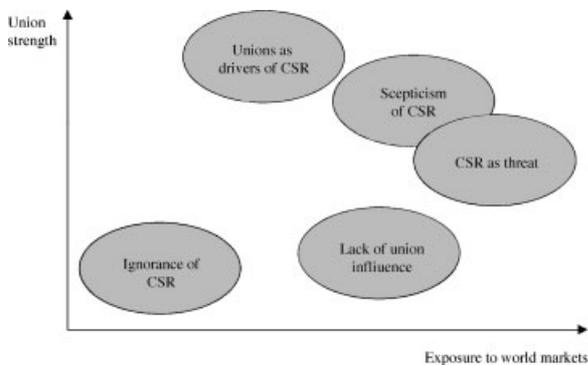


Figure 1. A typology of union positions on CSR across Europe.

Conclusions and further research

CSR is a new terrain for trade unions in Europe as its emphasis on voluntary corporate support for stakeholders and community activities stands in marked contrast to the European tradition of legally binding rules on employee welfare and participation in corporate decision-

making. As a response, unions across Europe have adopted a spectrum of positions on CSR. These range from presenting themselves as the traditional drivers of CSR through a concern that the voluntary nature of CSR might undermine legally enshrined employee rights to acknowledging a lack of power to influence the emerging CSR agenda in the first place (Sobczak, 2004; Royle, 2005).

This spectrum of positions raises the question whether we are going to witness a convergence of union positions over the medium term (see also Büchner, 2003). An indicator for such potential convergence is the general union insistence that the voluntary nature of CSR must not mean a replacement of legally codified employee rights. Some convergence is also visible in the aspects of CSR that receive the greatest union support. Here company-internal aspects, such as employee welfare and training or socially responsible industrial restructuring, clearly dominate over external aspects, like environmental protection or corporate community involvement.

European unions have developed some innovative strategies in response to the challenge of CSR. These range from instrumentalizing the concept of CSR for their own purposes through promoting socially responsible investment via its representatives in the administration of pension funds to new forms of collaboration with other stakeholders, such as NGOs. To the extent that these strategies constitute an attempt by trade unions to shape the political debate on the role of business in society, the emerging union responses to CSR should be of interest to politicians, NGO representatives as well as employers and human resource managers. Last but not least this applies to public affairs scholars and practitioners, who increasingly have to legitimize the societal impact of corporate practices. Further research needs to establish whether these union strategies are indeed going to be successful, but on the basis of this preliminary evaluation the conclusion seems justified that unions in Europe are adapting themselves to the changing circumstances they are faced with.

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