

# CSR and the ILO's Decent Work Agenda

An empirical and normative approach towards  
German Direct Investments in Africa

4th International CSR-Conference  
September 24th, 2010 in Berlin



# Theses

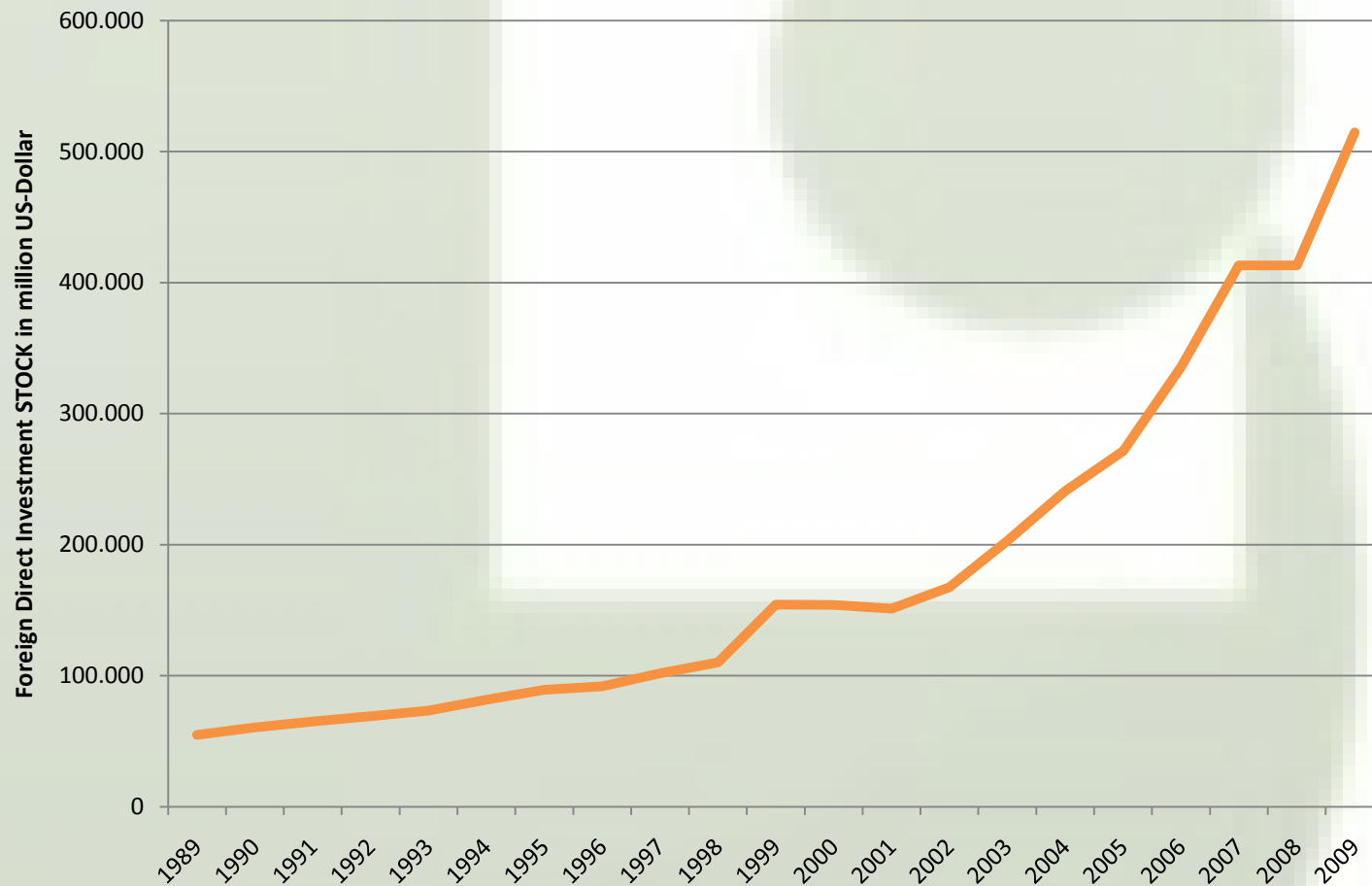
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- I. TNCs have a vast influence on labour standards in Africa.
- II. Some labour standards are agreed on as necessary to preserve human dignity.
- III. The ILO is the adequate player to govern the CSR-Process.
- IV. The ILO has to take a lead in establishing a legally binding regime for international investments regarding labour standards.



## Thesis 1

# Africa's FDI Stock 1989-2009

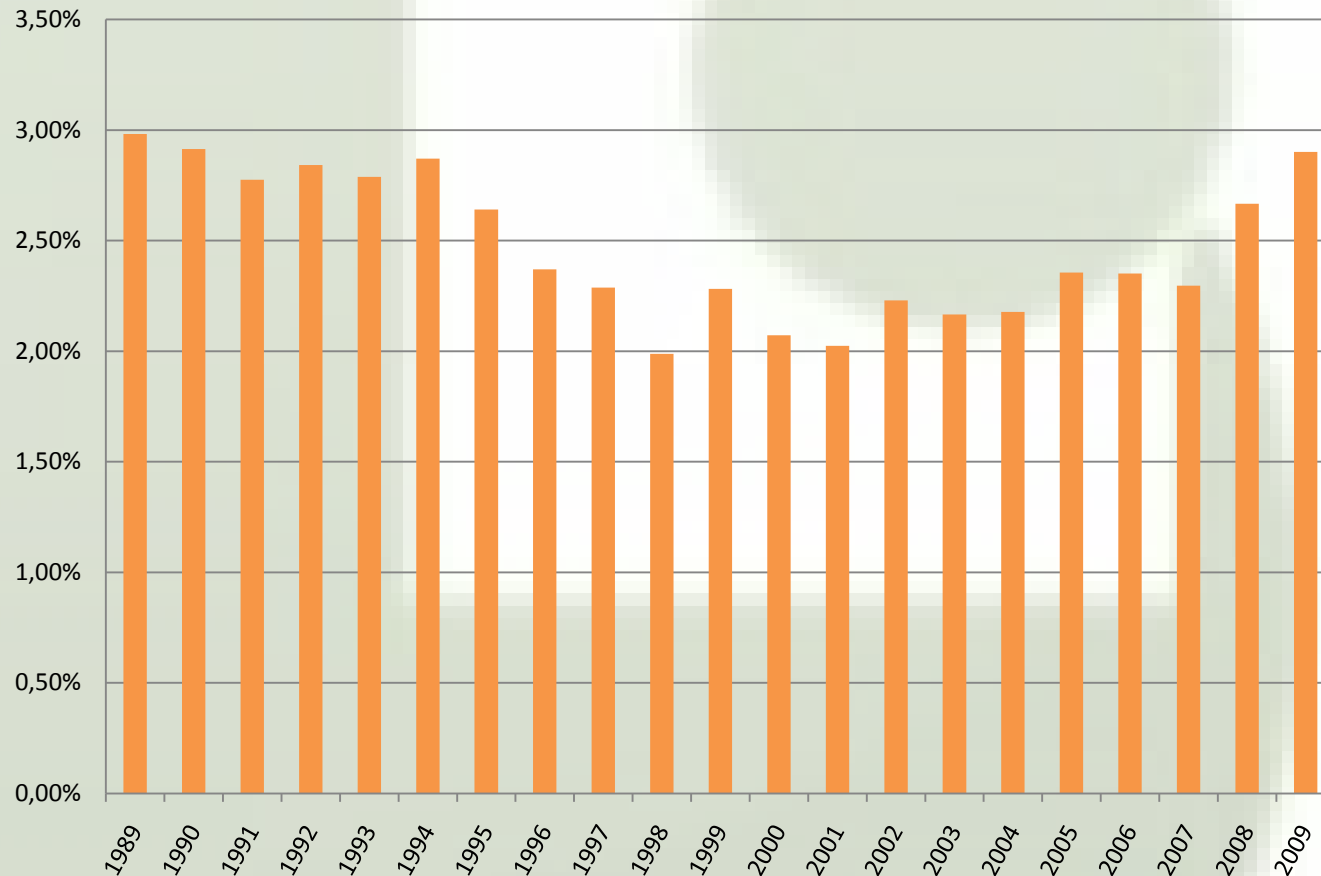


Source: UNCTAD, FDIStat© - Diagram: M.D.



## Thesis 1

# Africa's share of Global FDI Stock 1989-2009

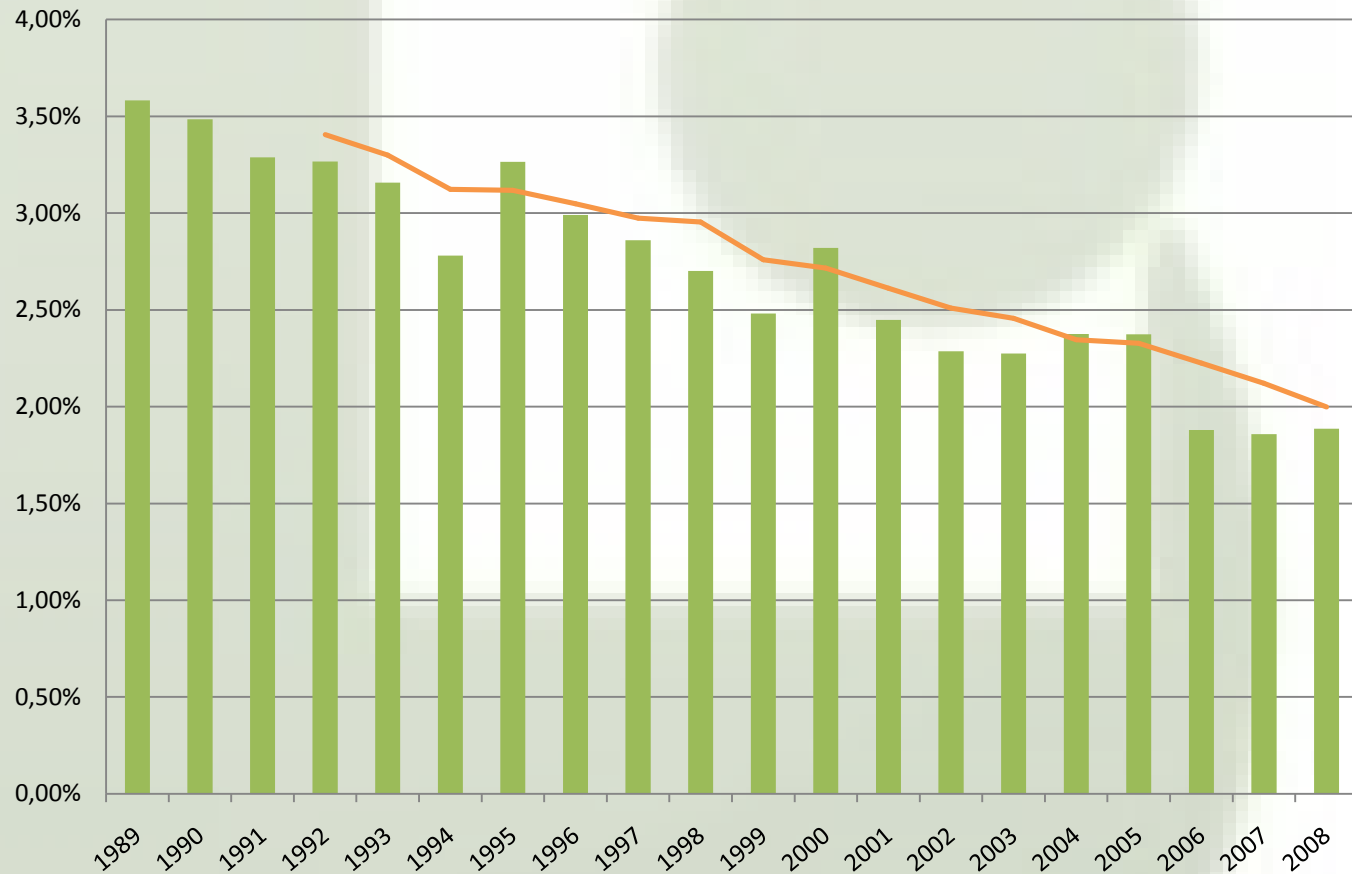


Source: UNCTAD, FDIStat© - Diagram & Calculation: M.D.



## Thesis 1

# Africa's share of German FDI Stock overseas 1989-2008



Quelle: Deutsche Bundesbank und UNCTAD FDIStat© - Diagram & Calculation: M.D.



## Labour standards to preserve human dignity

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- Philosophical inheritance of the enlightenment
  - core of ethics that people recognise one another as persons with equal dignity who must treat one another *“always at the same time as an end and never merely as a means to an end”* (Immanuel Kant)
- Human rights
  - rights of defence
  - political participation rights
  - economic, social and cultural rights



# Labour standards to preserve human dignity

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- **Decent Work**
  - apply over and above all cultural differences – worldwide
  - For investors and employers
    - Obligations to omit (e.g. no forced labor, discrimination)
    - Obligations to act (e.g. Minimum income, health protection)
- **Fair Work**
  - minimum ethical standards for all in a specific society
- **Good work**
  - meeting the vital of workers and of their family members (e.g. self-development, partner-friendly working hours)



## The ILO and its Decent Work Agenda

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- 1999 – Decent Work Agenda
  - creation of productive employment
  - strengthening of social protection systems
  - promotion of the core labour standards
  - social dialogue
- International standard system for labour issues
- Decent Work Country programmes
  - Africa (8 in place; 28 in drafting stage; 16 in preparatory phase)



## Legally binding regime instead of CSR

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- ILO: “voluntary codes of conduct can complement, but do **not replace**, enforcement of national legislation and international standards”
- ILO aims at
  - poverty eradication
  - labor market institution building
  - employment promotion



## Legally binding regime instead of CSR

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- Means combination of bindingness *and* voluntariness
  - Research (groundwork)
  - Concept of “sustainable enterprise” (voluntariness) economic incentives
    - More and better innovation
    - Lower credit costs
    - Rising turnover
    - Prevention of “naming & shaming”-costs
  - Broad ratification of international conventions (bindingness)
    - Necessary fundament for further development architecture

No empiric evidence!



# Conclusion

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***We have to focus on international litigable regulations for labour standards in TNCs.***

***CSR is often not an intermediate step, but a sidestep to these regulations.***

