Integrating Occupational Health and Safety with Social and Economic Development

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Abstract

The present day state of OH&S practice is briefly profiled and forces thought to have contributed to its development are listed. Four emerging socioeconomic conditions are identified: (I) sustainable development, (II) 9/11 trickledown, (III) the safe and civil society movement and social and responsible business itself, and (IV) evolution in thinking about profit, free riding, and cognitive dissonance. It is argued that these forces are driving an enhanced role for OH&S within social and economic development. Opportunities for APOSHO are discussed.

1 Introduction

Occupational health and safety professionals have long understood the social and economic basis upon which their profession rests.

The economic basis is easy to understand: if the body is injured or killed, or if the mind or will is broken or alienated, the skill is lost and productivity (welfare) is diminished. Replacing the body is relatively easy but the replaced body does not come ready skilled: skills must inevitably be updated or acquired anew through the opportunity cost of training this entails. If the skill is irreplaceable the loss is permanent. On this basis humans, and their government and business organisations, can sometimes accept that prevention is cheaper than cure and actively work to enshrine the cheaper-than-cure dictum in business process, and in industrial, commercial and quality assurance law.

The social basis is also easy to understand but is somewhat more troublesome for human beings to practise. It has an individual dimension and a group dimension. At the individual level a person’s work – their safe work and decent work – provides their defence against society. It is that activity through which humans can profitably deploy their own human capital and in this sense it is both a cause, and an outcome of, safe and civil society. The group dimension is probably not universally acknowledged. And even when acknowledged it probably only weakly informs conscience and conscious activity.
Nevertheless this dimension is enduring and universal and is best observed in times of stress when groups stick together and, under good leadership and through inspired individual activity prevail against overwhelming odds. No doubt some would interpret this group phenomenon as a safety-in-numbers individual survival mechanism having precious little to do with selfless altruistic behaviour. We believe that it is more than that and call for support on John Donne’s statement.¹ No doubt there are equally beautiful expressions of this sentiment in languages other than English. A simple practical corollary of this group dimension has it that it is immoral for society to look the other way and continue uncaringly to make profits (for some) while the making of those profits causes injury, sickness, trauma and death (for others).

In recent decades considerable progress has been made in respect of the economic dimension where health and productivity are twin goals. However the progress has been uneven between countries and there is still a long way to go. On the social dimension progress has also been made and there is some evidence that humanitarian, sociological and moral (as distinct from economic) considerations are driving reform. This paper will now go to discussion of these claims and examine the basis upon which they are made. It will do this by assessing the ways in which profit taking, the maintenance of health and safety standards, and humanitarian care are gradually being blended into an integrating and progressive ethic for social and economic progress. Opportunities for the occupational health and safety profession will also be outlined.

2.0 Discussion

How then is occupational health and safety being integrated into social and economic development? What forces are driving this integration? These questions will be answered (a) through a stock take of the present state of the art and (b) through identification of, and discussion about, existing and newly developing channels of integration.

2.1 The stock take

Table 1 in the Appendix briefly charts the convergence of occupational health and safety (OH&S) and environmental health and safety (EH&S) into a socio-economic and socio-political domain known as SHE (safety, health and environment). This convergence has been helped in recent years by (a) the sustainable development experiment which gave enhanced status to health and safety, (b) by the quality control and assurance approach to productivity which acknowledged the prime importance of worker health, safety and mental well being for production and profitability, (c) by the growth of the civil society and social and responsible business networks which work against government failure,

¹ No man is an Island, intire of itselfe; every man is a piece of the Continent, a part of the maine; if a Clod be washed away by the Sea ….as well if a Promontorie were, as well as if a Manor of thy friends or of thine own were: any man’s death diminishes me, because I am involved in Mankinde; And therefore never send to know for whom the bell tolls; It tolls for thee (1952).
corporate irresponsibility and loss of social will, (d) by the dogged resilience of the lead intergovernmental agencies (the ILO and the WHO) who through UN conventions and other protocols remind governments of their funding promises and responsibilities, (e) by influential private organisations like the OECD, the World Trade Organisation and the World Bank which on their own undertaking, or out of necessity, sometimes leverage SHE benefits, and (f) by regional and international NGOs which share a SHE specific focus. The present state of the art for SHE is hallmarked by (a) duty of care and due diligence principles supported by statute and (in some countries) common law provisions, (b) industry and trade union ownership of health and safety through quality assurance, education, and public awareness programs, (c) public and private sector involvement in SHE research, education and training, (d) SHE industry itself including consultancy, and product sales and delivery, (e) compensation, rehabilitation and insurance arrangements, and (f) an active and established NGO presence.

The big picture presented in the preceding paragraph gives some cause for comfort. Some countries enjoy high SHE interventions. However enjoyment of these benefits is uneven across countries and challenges remain for the OH&S profession. Even within the high profile countries there are impediments to the efficacy of OH&S strategy.

In spite of the difficulties outlined above occupational health and safety has entered a new period of recognition as an important integrating factor in social and economic development. There are a number of existing and emerging channels involved in this favourable but slight sea change.

2.2 Existing and newly developing channels of integration

Four channels are identified and discussed: (I) the sustainable development ethic, (II) 9/11 trickledown, (III) the safe and civil society movement and social and responsible business itself, and (IV) evolution in thought about profit, free riding and cognitive dissonance.

(I) Sustainable Development

Occupational health and safety is recognised in the Rio Principles (collectively and either directly or indirectly in Principles 1, 7, 10, 13 and 14.) and addressed by many other names throughout Agenda 21 (Eddington, 2002; Eddington, Eddington, & Watson, 2002) These documents inform sustainable development, and Agenda 21 matters are discussed each year at the UN within the Commission for Sustainable Development (CSD) meeting. The sustainable development construct itself (its methodology, procedure and process) is in the consolidating phase of its own life cycle and this consolidation is, to a large part, determining the way in which OH&S is being integrated into social and economic development. A number of examples are now given.
Example 1: Major Groups Input to the Commission for Sustainable Development

Nine major groups have a voice in the CSD process (women, youth, science and technology, farmers, business, trade unions, indigenous peoples, local government and non-government organisations) and whilst some of these groups target other concerns, two groups in particular (indigenous peoples and trade unions) persistently remind participating governments about occupational health and safety issues. At CSD 12 the Trade Union group flagged its intention to step up its work on promoting the essential role of OH&S in sustainable development. In this it will liaise closely with the ILO and is working towards progressing the initiative at the 2005 ILO Conference.

The Trade Union activity on the OH&S front must be viewed as part of a wider union approach which addresses Trade Union Social responsibility (TUSR), Corporate Social Responsibility (CSR), and Government Social Responsibility (GSR). These three initiatives make the Trade Union movement a substantial lead participant in sustainable development reform and a cooperative partner within the safe and civil society networks worldwide. For example fact sheets like the one illustrated in Figure 1 in the Appendix allow citizens (and trading partners) to check on the actions of those in power.

The work outlined in Example 1 begins on the eve of a decade of a United Nations focus on Sustainable Development Education which will begin in 2005.

Example 2: Intergovernmental brokerage of sustainable development

Sustainable development methodology is gradually being developed and owned by powerful intergovernmental organisations and also by other very influential institutions like the World Bank and the World Trade Organisation. Occupational and environmental health issues are at the heart of this evolution.

Enlightenment in the sustainable development context has, for occupational health and safety, taken some 176 years to arrive. For environmental health and safety the figure is some 154 years. The enlightenment benefits of the present age, sometimes called the age of third wave environmentalism, were won over the past 50 years in no small part by the ongoing professionalism of the UN (ILO/WHO/UNCED) and the leading NGOs with whom they worked. First SHE conferences (eg Stockholm, 1972) focussed on, and successfully called up, the establishment of government agencies and laws. Second conferences (eg UN Conference on Environment and Development 1992) focussed on, and successfully called up, the creation of SHE strategies for government agencies, Ministries, and taxation authorities to implement. Present conferences (eg Rio + 10 and subsequent CSD meetings) direct political conscience and treasury spending towards the market ownership of welfare and the market led growth of sustainable development in both developed and underdeveloped countries alike. Of course welfare state activity also continues.

Specific cases are now briefly discussed.
(a) The ILO

The ILO is the lead agency for labour issues. It is advocating the reconceptualisation work – safe and decent work - and has developed an Index of Socio-economic Security, the SES Index. This index is associated with seven forms of socio economic security and decent work. Managers and shareholders are being invited to think about dignified work. There is a programme in crisis response and social reconstruction with links to the Conflict Prevention and Post Conflict Rehabilitation Network (CPR). These programmes and their linkages are complementary to the Agenda 21 market and employment-led road to social security, social justice and peace, and are indicative of the new links being established between NGOs, business, governments and intergovernmental agencies. There is every likelihood that the call for safe work, decent work may soon be joined by a call for sustainable work as well.

There are strong programs against the worst forms of child labour and HIV/AIDS in the workplace. There are innovative linkages with the World Bank, NGOs and sporting clubs. There is a special emphasis on social dialogue with involvement in this of prestigious and well-established NGOs. Much of this activity is about the central role of work and social and responsible business in civil society. But perhaps the most telling sign of rejuvenation, and leadership of third wave/Agenda 21 initiative, is the Declaration on Fundamental Principles and Rights at Work and the programme associated with its reinforcement. The ILO flags the possibility that its labour standards may be used incorrectly for protectionist purposes. Governments working alone, or in cahoots with business, or any other groups for that matter, should know that politicisation of standards will most likely be detected early. And as indices like the SES index, and the Trade Union country profiles are taken up and widely used by educators and civil society groups, early detection may soon be followed by retaliatory welfare depleting responses.

Child labour, and the plight of unprotected workers in the informal economy are also key areas of ILO concern.

(b) The WHO

The WHO pursues occupational health reform through its Global Strategy on Occupational Health for All (WHO, 2003). Chapter 2 of this document clearly identifies it as part of the Agenda 21 experiment. The 10 priority objectives of this strategy (Table 1) pinpoint the way in which the WHO is working to integrate occupational health and safety with social and economic development. WHO collaborating centres are involved in implementation of the strategy and NGOs are welcome as partners. Hazardous child labour and children’s environmental health are high WHO agenda items.
Table 1: Priority objectives of the WHO Global Strategy on Occupational health

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<th>Priority objectives of the WHO Global Strategy on Occupational health</th>
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<td>1.</td>
<td>Strengthening of international and national policies for health at work and developing the necessary policy tools</td>
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<td>2.</td>
<td>Development of healthy work environment</td>
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<td>3.</td>
<td>Development of healthy work practices and promotion of health at work</td>
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<td>4.</td>
<td>Strengthening of occupational health services (OHS)</td>
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<td>5.</td>
<td>Establishment of support services for occupational health</td>
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<td>6.</td>
<td>Development of occupational health standards based on scientific risk assessment</td>
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<td>7.</td>
<td>Development of human resources for occupational health</td>
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<td>8.</td>
<td>Establishment of registration and data systems, development of information services for experts, effective transmission of data and raising of public awareness through public information</td>
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<td>9.</td>
<td>Strengthening of research</td>
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<td>10.</td>
<td>Development of collaboration in occupational health and with other activities and services</td>
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(c) The World Bank

The World Bank is eager to point out that it is an institution dedicated to poverty reduction guided by international development goals, which mission it affects through a business approach. View goals at [http://www.worldbank.org/html/extdr/showcase.htm](http://www.worldbank.org/html/extdr/showcase.htm) (WB, 2003). Criteria that guide the bank can be found at [http://www.worldbank.org/annualreport/2001/poverty3.htm](http://www.worldbank.org/annualreport/2001/poverty3.htm) (WB, 2003). These criteria focus on, inter alia, public sector governance, education, health, empowerment, security, social inclusion, post conflict reconstruction policy, environment and poverty reduction potential, high impact status of investment, promotion of competitiveness, and relevance to/impact on communicable disease, environmental commons, trade and integration, information and knowledge and international financial infrastructure. The bank attempts to leverage these beneficial values, claimed now as third wave values, as its part in *Agenda 21* development. The International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) as World Bank agencies also leverage capacity building. Link to them from [http://www.worldbank.org/](http://www.worldbank.org/) (WB, 2003). A perusal of actioned management practices of these institutions reveals an emphasis on transparency, relevance, efficiency, and cooperation with increasingly relevant NGOs. (See for example the IDA 13 *Replenishment Report* at [http://siteresources.worldbank.org/IDA/Resources/FinaltextIDA13Report.pdf](http://siteresources.worldbank.org/IDA/Resources/FinaltextIDA13Report.pdf), and the IBRD’s *Strategic Compact* - link to IBRD from the World Bank site (WB, 2003).) The World Bank has embraced the UN’s *Millennium Declaration* goals - Sustainable Development and the central role of SHE in it, is Goal 7. With the International Monetary Fund (IMF) and the Organisation for Economic Cooperation and Development (OECD), the World Bank has begun to implement a 2015 goal achievement strategy for key targets. These attributes and actions, together with the mission statements of these...

(d) The World Trade Organisation (WTO)

Social justice and peace, together with prosperity and profitability, are central to newfound meaning in the WTO (WTO, 2003). The WTO adopts sustainable development in its mission. It identifies itself as “working to fight poverty with passion and professionalism for lasting results (and helping) people to help themselves and their environment by providing resources, sharing knowledge, building capacity, and forging partnerships in the public and private sectors” (WTO, 2003).

The Ministerial Declaration, (WT/MIN (01)/DEC/1 – link to it from the WTO Home page given earlier), adopted on 14 November 2001 is the blueprint that guides beyond Doha WTO activity. And yes, progress has stalled somewhat beyond Doha. Item 6 establishes “the right of individual countries to take measures for the protection of human, animal or plant life or health, or of the environment” (subject to WTO rules and political misuse provisions caveats). Item 8 notes the ILO work in progress on the social dimensions of globalisation and renew(s) (its, the WTO’s) “commitment to the observance of internationally recognized core labour standards”. By calling up the Singapore Ministerial Declaration it also “recognises the International Labour Organization (ILO) as the competent body to set and deal with these standards”, and affirms support for the ILO’s work in promoting them. In the details, environment is discussed more than occupational health. It is however possible to interpret the Singapore Ministerial Declaration as double-speak for the view that occupational and environmental health concerns are not the business of the WTO. Please note that this last sentence does not fix Singaporean Ministers with this interpretation: the declaration came out of a meeting of WTO Ministers held in Singapore.

There are also arguments which have it that attempts to leverage O&EH&S benefits through trade can lead to a reduction in welfare. It has to be stated here that there is a view that to allow tariff barriers against countries where labour standards are bad, will not bring about the eradication of those bad practices. Poverty may conspire against it, or firms may find ways to sell sweatshop products through a few showcase factories. As well, illegal inferior standard black market trade may well prosper with its brutality and second best attainment of sustainable development. Papers about the won’t eradicate line have been written by Barun Mitra (Mitra, 2003), an Australian tripartite committee on labour standards (Australia, 1996), Gary Burtless (Burtles, 2001), and Daniel Griswald (Griswold, 2001).
Generally negotiations concerning SHE and trade are prescribed by the WTO’s “green” provisions. These include Article 20 of the GATT, technical barriers to trade including product and industrial standards, agricultural programmes exempt from subsidy cuts, countervailing allowance subsides for the adoption of new environmental laws, intellectual property (TRIPS) concessions allowing the refusal of patents that threaten human, animal and plant life or risk or damage to the environment, and GATS Article 14 exemptions for services trade protecting human, animal and plant life or health.

Table 2 in the Appendix gives an indication of the issues being worked upon by the Committee for Trade and the Environment (CTE) and reveals, by inspection, the complexity of issues. It must be stated here that except for the tuna dolphin dispute (a dispute about environmentally friendly-unfriendly process) the WTO rules have not been put to the test, the dispute having been resolved by the USA and Mexico outside the WTO. By its own admission the WTO has its focus on trade promotion and liberalisation and how, within the law and its mission and rules, it can do this. It is also disappointing that the NGOs have not been given observer status at CTE meetings.

WTO’s Trading into the Future (WTO, 2003) is a good introduction. If not blindly accepted it is a good starting point for critical thinking about trade in general and trade and SHE in particular.

Example 3: Non Governmental Organisations (NGOs) and Sustainable Development

The Non Government Organisations are key actors in sustainable development. Working alone, or in partnership with one another, inter-government agencies, government and industry, NGOs provide forums for professional development.

The existence of some 40,000 NGOs is recorded (Giddens, 2003). It is recognised here that a range of motives will inform the behaviour of NGOs enjoying observer status at meetings held by the UN and other organizations like the WTO and the World Economic Forum. Some will be legitimate professional and/or business organizations transparent about their actions and, by and large, willing to work within the rules. Others will be public domain type organizations seeking better society through promoting their standards or the standards of others. Some will be overtly political organizations that are, nevertheless, open and transparent about the activism they are pursuing. However others will be little better than business or political fronts that, during and after the event, will work alone or in cahoots with others (including governments), to free ride and/or use the rules politically to obfuscate and filibuster for their own purposes. Some will be little better than government operatives parading as legitimate NGOs, whose brief is really to watch and/or manage unilateral political agendas. So, is the NGO situation already too complicated to claim that they can, inter alia, foster, through national, regional and global partnerships, the integration of OH&S with social and economic development? Do NGOs have the same crisis of trust faced by government, business and institutions of the kind just discussed?

Yes and no. But there is no doubt that governments, industry and organizations seeking better civil society outcomes are brokering strategic alliances with NGOs. Such alliances
are being actioned and are not just simple spin. There are also NGOs that are leaders in change. Only a few examples will be given. See for example the work of Transparency International (TI, 2003), and its association with the UN’s Global Programme Against Corruption. This programme is explained in a 26-page document available on the TI homepage (TI, 2003). TI’s 2003 Global Corruption Report is also available and the Bribe Payers Index and Corruption Perceptions Index go directly to reform. Link to them from the TI homepage. Transparency International has been a key player in negotiating with the UN to have corruption addressed as Principle 10 of the Global Compact. It also extends an invitation to reputable NGOs to form partnerships with it. Some OH&S inspectors are known to be corrupt and audit failure (corruption) is at the heart of modern business life. Our searches have revealed no OH&S NGO partnership with Transparency International in respect of constructing an index of inspector/auditor corruption.

The work of the Demos Foundation (Demos, 2003) also reveals the widespread nature of the interest in anti corruption. Publications like Indicators of Effectiveness (WSF, 2003a) and Beyond Philanthropy (Oxfam, 2003), a joint publication of Oxfam, VSO and Save the Children, clearly indicate the sophistication of the civil society endeavour, and the call to a new era of social and responsible business. The World Social Forum homepage (WSF, 2003b) and its linkages provide a questioning view of the World Economic Forum motives, provides a charter of its own, and gives a good indication of people power in search of social justice.

The World Economic Forum (WEF, 2003) and its networks are in pursuit of social and responsible business and the inclusion of NGOs in their meetings is indicative of a willingness to capture the energy, initiative and spontaneity of these groups. One of its constituency groups (Global Leaders for Tomorrow) openly states that volunteers, through lack of trust, generally tend to select NGOs over and above governments and business firms for outlet of their civil society energies and ambitions. Prior World Forum meetings have been stung by the outrage of activists concerned about perceived inequalities in globalisation. The middle classes and conservatives have shown their contempt for both government and industry leaders who erode their profitability and standard of living and some Governments are paying increased attention to the fiduciary duties of firms. Everybody is calling everyone else names about the lack of transparency and honesty in business, government and individual behaviour. This is reflected in the topics for discussion at the 2003 World Economic Forum (WEF, 2003) which reveal something of a change in the way business as usual is perceived.

The document brought to the forum by one of its own creations (Global Leaders for Tomorrow) speaks of actioning the Global Sustainability Index and of establishing indices to measure World Trust in key institutions. There is also talk of establishing a business orientated version of the Hippocratic Oath although some might say that the medical profession could do well to take a good look at itself anyway. And no doubt others, from our own experience, know only too well how the energy and exuberance of youth and idealism can be compromised and eroded away. But only a few of those young leaders need to maintain their ideals for change to be made in the future. The global leaders of tomorrow are a group among whom “there is a growing rapport and
understanding due to the common phenomenon of working across sectors during the early course of their careers. Economic and social return are no longer their sole drivers or expectations. Rather, in best cases, they share a common set of commitments to higher ethical standards in business, governance and social activism” (WEF, 2003).

It is interesting that tomorrow’s business leaders acknowledge some utility in activism. That non-violent activism is being allowed in from the cold is interesting and a quote from the World Economic Forum’s web page (WEF, 2003) is apposite here:

The World Economic Forum supports the rights of free speech and peaceful assembly, but adamantly opposes violence and destruction of property. In principle, then, the Forum is supportive of demonstrations by those who desire to have their voices heard. But the Forum condemns – vehemently and unequivocally – those who believe that violence is a legitimate form of public expression or debate (2003).

You can look a long time to find condemnation of violent leaders on the forum’s pages, but then the forum says it is non political. Some 2003 forum discussants went beyond such verbal seizure of the high moral ground (see NGO’s Responsibilities and Limits to being Global available from the forum homepage (WEF, 2003) and pointed out that “civil disobedience” has a long pedigree and has been instrumental in bringing forward reform.

All of this is simply another way of saying that if government, business or other movements behave too badly the people (some of us) will begin their own plans of action.

(II) September 11 Trickledown:

It is an awful thing to seek to find OH&S “benefits” in the legacy of September 9/11. Likewise it is an unhappy thing for humans not to have learned from atrocity upon atrocity inflicted in many places before 9/11. One “positive” benefit of 9/11 results from the increased scrutiny of state, business and social institutions it calls up. New tools and techniques are being developed (and existing ones improved) to deter terrorism and these go to forensic accounting, profiling, communications, surveillance and detection of dangerous and illegal products, DNA tracking, face recognition, speech and human movement analysis, money laundering, detection of rogue infiltration of organisations and banking systems, and so on.

Whilst many of these tools are in house they will follow the careers of those now developing and using them, and as a result be adapted to more widespread use. While criminals too will be able to buy them there is still something of an asymmetry in favour of social and responsible business in the sense that it is still difficult to detect (frame ups not counted) a criminal act if it did not happen. However the justice authorities must quickly come to workable rules for evidence based on these new technologies so that defence lawyers can not easily shield evil. And governments must quickly establish systems to detect the misuse of these tools, and laws to severely punish those who attempt to misuse them to pervert justice.
But on balance, in the current situation societies appear to be willing to trade off an imagined small amount of civil liberty in favour of a big amount of terrorist free peace of mind. And therein (combined with commercial incentive) is the opportunity for the trickledown to commercial invention and innovation being spoken of here. Some of this invention may also have big implications for small and medium sized business and indeed the individual workers and managers themselves.

The name chosen in this paper to describe this channel (9/11 trickledown) is generic and covers other experiences as well: the return to biotechnological germ research, the SARS experience, the re-emergence and/or ongoing presence of Mafias, piracy, biological diversity smuggling, and warlord behaviour. These impact on the working lives of police, customs officials, peacekeepers and foreign aid workers, soldiers, pilots, ships captains, gamekeepers, doctors, nurses, paramedics, politicians, civil defence workers, inspectors, and United Nations workers, and finally spreads across a wider range of workplaces. 9/11 trickledown has thrown an early spotlight on both general and occupational health, especially in respect of laboratory safety, emergency response, the geopolitics of health communication and pandemic control, vulnerability of intergovernmental organisation health workers, disease modelling and national disaster strategy.

(III) The Safe and Civil Society Movement and Social and Responsible Business Itself

No doubt some would disagree with grouping safe and civil society and social and responsible business together as a second major current. It is recognised that the responsible business movement is largely a business response to government calls and that the safe and civil society movement is a social response to both government failure and government calls for help. And as the examples provided in the previous section about NGO activity under the umbrella of sustainable development reveal, everything impacts on everything else. The World Forum could just as easily be used as an example of social and responsible business activity. However social and responsible business and safe and civil society do seem to emerge from human needs themselves. At any rate no more words should be wasted here on fine distinctions (which are in themselves important in other respects).

Examples of responsible business experiments include the Mondragon approach (2003) began in 1943: the organisation flourishes to this day. No doubt close community ties and national/racial identity play a significant part in the invention of such organizations. The history of the Scott Bader Commonwealth (2003) also reveals an alternate approach to business. The enlightened management protocols of General Electric are the stuff of MBA case studies. Ongoing examples of business attempting to engage ethics can be found in the international chemical industry’s Responsible Care programme (ICA, 2003) and the International Chamber of Commerce’s Business Charter for Sustainable Development (ICC, 2003) triple bottom line accounting, the Lead Foundation, ethical investment trusts, HIV/AIDS in the workplace programs, and water initiatives. The
World Social Forum set up as an alternative to the World Economic Forum is an example of save and civil society action.

However, perhaps the *Global Compact* (Table 2) is the best example of how, under the umbrella of social and responsible business and safe and civil society, occupational health and safety is being integrated with social and economic development. The *Global Compact* is a voluntary corporate responsibility initiative of UN Secretary-General Kofi Annan. It is an attempt to harness corporate power to the attainment of UN ideals. Global business is asked to “embrace, support and enact” 10 principles (Table 2) derived from the *Universal Declaration on Human Rights*, the International Labour Organisation’s *Declaration on Fundamental Principles and Rights at Work* and *The Rio Declaration on Environment and Development*. Table 2 very clearly reveals the human and social dimensions of OH&S and their central position in the compact. The challenge for NGOs like APOSPOH is to find specific ways to help business to support the compact. And it does need support as Table 3 in the Appendix reveals.

(IV) The Evolution of Thought about (a) Profits, (b) Free Riders, and (c) Cognitive Dissonance

(a) profits: to be sure, business representatives at major group dialogues within the CSD process deliver a consistent (sometimes blunt, sometimes disguised) message: if there is money (suitable profit) in it we (business) won’t go there. This sentiment is expressed in the context of the key role of business in sustainable development, which development is largely predicated on industry led solutions. Support is thin on the ground when the view is put that industry should be a part of sustainable development even when profits fail to reach desired benchmarks. Some panellists roll their eyes, others fall silent, and others in the dialogue suggest that to expect industry to do other than make profits, is a nonsense. It is as though the call for social and responsible business has not been heard, that the substantial philanthropic work of business has not been noticed, and that business itself is not fully aware of the evolution in thinking about profit maximisation as a business goal.

Is it then a nonsense to contemplate that profits alone might some day be replaced by a different criterion for decision making?

Harvard University’s Michael E. Porter and his colleague Mark R. Kramer (2002) do not appear to think so. In a discussion about corporate philanthropy they explain why Friedman’s dictum that “the only social responsibility of business is to increase its profits” is now passé. Friedman is said to base his argument in two assumptions: (1) that social and economic objectives are separate, one coming at the cost of the other and (2) that corporations, when they spend on social objectives, provide no greater benefits than were the spending to have been made by individuals allocating their own income.
Table 2: The Global Compact principles

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<th>Human Rights</th>
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<tr>
<td><strong>Principle 1:</strong> Businesses should support and respect the protection of internationally proclaimed human rights; and</td>
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<td><strong>Principle 2:</strong> make sure that they are not complicit in human rights abuses.</td>
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<th>Labour Standards</th>
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<td><strong>Principle 3:</strong> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</td>
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<td><strong>Principle 4:</strong> the elimination of all forms of forced and compulsory labour;</td>
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<td><strong>Principle 5:</strong> the effective abolition of child labour; and</td>
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<td><strong>Principle 6:</strong> the elimination of discrimination in respect of employment and occupation.</td>
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<td><strong>Principle 7:</strong> Businesses should support a precautionary approach to environmental challenges;</td>
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<td><strong>Principle 8:</strong> undertake initiatives to promote greater environmental responsibility; and</td>
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<td><strong>Principle 9:</strong> encourage the development and diffusion of environmentally friendly technologies</td>
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<th>Anti-Corruption</th>
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<td><strong>Principle 10:</strong> Businesses should work against all forms of corruption, including extortion and bribery</td>
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Porter and Kramer claim that these assumptions are violated when corporations spend philanthropically on promoting “competitive context” - defined as “the quality of the business environment in the location or locations where they (the businesses) practice” (p. 6). Their paper provides other details not discussed here. Whilst the final cause of competitive context spending is not far removed from profit maximisation, such spending is a decidedly social and responsible means to business ends. It is innovatory business thinking, which is compatible with *Agenda 21* innovation because it aligns long-term business prospects with socio economic goals. The authors cite Cisco Systems (network administrator education), American Express (travel and tourism education) Grand Circle *Travel* (historical preservation) as firms introducing this innovation.

The authors describe competitive context spending as the start of a “virtuous cycle” in which there need be no inherent contradiction between profitability and a commitment to “bettering society”. Here are some “competitive context” spending OH&S opportunities for business: unification of OH&S standards internationally, no sale to illegal arms traders or rogue governments (respect sanctions), no participation in the trade in illegal substances, banned chemicals or stolen biological and chemicals weapons materials and know how, eradication of illegal dumping of wastes, child prostitution and soldiery,
detection of theft (use by rogue firms) of safety and health standard logos and brand names and their use by way of false labelling, the phase out of dirty technology, subsidising of research into adverse health and safety effects of products, eradication of concealment of breaches of health and safety standards. Each of these has implications for occupational health and safety and for the long term profitably of social and economic development.

Contrary to the disbelief of many, business has already started down this road and has begun to develop analytical tools which factor in checks and balances. Figure 1 (James’ Sustainability Octagon) is an example. At the centre is a modified version of Porters’ representation of the firm as a value chain. Porter’s original model is explained in Figure 2 in the Appendix which also contains Figure 3 explaining the competitive context in which value chain operations are played out. Three primary activities (design, external relations and premises) and two support activities (product disposal and risk management) contained in Figure 1 are not part of Porter’s original formulation.

The primary activities are the production operations themselves and these happen within the internal environment created by the support activities. Law, the quality assurance movement, and education are helping to ensure that occupational health and safety is an integral part of the primary activities of operations management. Likewise occupational health and safety is increasingly called up across the support activities. This is being driven, inter alia, by human resource management education, design for the environment, clean and green technology initiatives, clean and green procurement initiatives, and firm image and reputation. In one sense when multinational firms operating in developing countries maintain OH&S standards above those required by that country, that is when they act beyond compliance, they are participating in competitive context spending.

But the green management version of the value chain illustrated in Figure 1 also reveals changing forces at play in the socio-business environment external to the firm. These forces dictate that profitability and even the medium to long term survival of the firm will depend on more than good green management at each of the levels of primary and support activity. Three margins increasingly determine profitability: an eco margin, a risk margin and a social margin. Firms now have to ask an additional set of questions. For example, is the eco margin narrowing? That is, is the extent to which the industry’s product(s) and the firm’s product(s) meet or surpass environmental benchmarks and performance standards, losing ground to the performance of substitute products or potential entrants? Is the eco margin working for or against the social margin? For example will savings in exhaust emissions of a petrol and safety design of a vehicle carry much weight with a pollution sick citizenry wanting fuel cell power and better driver training and policing? How should risk be managed to account for eco and social margin impacts on profitability? Should the firm plan a sunset strategy for the existing product or find alternative green uses for it? Other questions can be asked: is the risk margin sufficiently wide to allow an orderly phase in of countervailing strategy or are there wildcards in the pack? What phase of their life cycle are the source industries in, and what are the implications of this?
Risk margin, social margin and eco margin are inter alia, informed by occupational and environmental health education, cornered by calls for social and responsible business, supported or ignored by governments as the case may be, and increasingly becoming part of business consciousness. Certainly profits can not be far removed from business thinking, and not all firms care much about global compact endeavour. Furthermore, sometimes whole countries pay little more than lip service to social and responsible business so that business in those countries can behave badly. On top of this there is the perennial problem of free riding. How can a business enter a poor market with competitive infrastructure spending when others sit by and watch until the hard work is done? This is a very difficult question and a lot more work needs to be done in search of ways to reward the doers and fully cost the free riders.

(b) Free riding: Porter and Kramer (2002) touch on the subject and to some extent industry is, inadvertently, finding one answer in the inter-firm and inter-industry value
chain (Figure 2). Beyond-compliance firms are demanding certain standards from downstream and upstream clients.

Figure 2: The inter-organisational value chain

In OH&S terms this happens on the input side when producers refuse to buy inputs from suppliers who deliver unsafe or faulty products or when firms search out suppliers using clean, green and safe technology over those that do not, or when firms using unsafe work practices or the worst forms of child labour become less preferred suppliers. On the output side it happens when manufacturing firms seek out distributors who will handle unsafe products correctly, or which won’t immediately poach trained up personnel. Of course it is notoriously difficult for firms to place conditions on upstream clients especially when there is monopsony. Countries which include green procurement conditions in their government purchasing strategy can do a lot to assist. However none of these strategies is without complications. In general the suggestion is that alliances of industries and firms can eliminate free riders by working together with government within the law to develop now poor, but later rich markets. Legal time limited vertical integrations may be possible in some cases provided they are not permitted to grow into permanent monopolies. It has been proven again and again that once individuals begin to emerge from the poverty trap, health and education loom large on their willingness-to-spend agendas. Such spending is at the beginning of the upward capacity building spiral.

What has been said above in respect of profit taking and free riding is easier to say than it is for industry to do. However it is wrong to say that no progress is being made on these fronts.

(c) Cognitive dissonance: a third human condition phenomenon is, however, quite an impediment to progress worldwide. Cognitive dissonance it is that state in which the group will agree that an action or behaviour is good and worthwhile and even enshrine it
in law, and then find it untenable at the individual level. The precautionary principle often falls between this duality of value. Specific OH&S examples occur when firms and/or workers fail to report and investigate industrial illness and accident, when hazardous wastes are illegally dumped, when substandard materials are knowingly wrung into production, when hazardous (e.g., radioactive materials) are smuggled through the workplaces of unsuspecting people, when workers turn a blind eye to the state of their alcoholic or other drug impaired workmates.

Individuals, firms, industries and governments are complicit in cognitive dissonance failure. However in spite of this some strategies are gradually beginning to succeed. The first involves engineering out the hazard and design for environment and safety. The second (in cases like biotechnology, atomic energy safety, pandemic disease control, and the like) involves passing policing from industry and government, to intergovernmental organisations with interest is humanity rather than profits or the blood, pomp and glory of political states. Finally NGOs are also having some success in fighting this very human failure. The work of Transparency International has been noted. Dare we mention Amnesty International and Greenpeace? Regional and global NGOs like APOSHO and ICOH can help on this front. The key lies in like minded people focussing on agreed-upon codes, standards and scientific principles and not letting these fall between political divisions. Progress on all of these fronts is of necessity slow but it is ongoing.

3 Implications for APOSHO

APOSHO is regional NGO in a dynamic and rapidly developing part of the world. Through its membership it has a richness of cultural understanding and a robust colleagueship. APOSHO countries do no enjoy equal OH&S status and APOSHO is strategically places to work towards regional equalisation of OH&S conditions and equivalence in standardisation. It is apparent from the discussion that OH&S integration is being driven by two kinds of forces. On the one hand there are the ongoing economic efficiency and scientific standards requirements of industry and government (law) respectively. On the other hand there is something of new found concern with the ethical dimensions of poverty, exploitation of the disempowered, and industrial, religious and political brutality. Safe and civil society, and social and responsible business networks are involved in generating this extended moral perception and in doing so they work with governments, intergovernmental organisations and industry. APOSHO is again well positioned to participate in regional UN partnerships to help integrate these new workplace ideals into the social and economic development of its member countries.
4 Conclusion

The paper has argued that in spite of the ugly brutality of the present age, there is a perceptible change in support of safe and civil society and social and responsible business. This change is fragile, complex and complicated and could easily be crushed through lack of will, fragmentation and human indifference. This change extends the nature and role of OH&S and enhances its importance for social and economic development. In so doing it challenges the OH&S profession to expand its expertise and horizons. APOSHO is well placed to serve its member countries and its region in these endeavours.
### Appendix

**Table 1: The ages of SHE**

(a) Occupational health and safety (OH&S)

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Main Developments</th>
<th>Milestones</th>
<th>Characteristics</th>
<th>Key Persons as Benchmarks</th>
</tr>
</thead>
</table>
| **1837 to 1972 Establishment and Consolidation** | • 1837 Establishment of OH&S as an entity at common law (Priestley v. Fowler)  
• 1937 Established duty of care concept at common law (Wilson and Clyde Coal Company v English)  
• Emergence of statute law based on legislate, police and punish | • 1879 Bourneville model factory/village experiment begins  
• 1906 Establishment of the ICOH as a permanent commission  
• 1907 Illinois Commission on Occupational Disease  
• 1911 Federal Survey on Occupational Disease (USA)  
• 1930 all US states have laws on job related safety  
• Post 1946 UN, WHO and ILO established | Characterised in its final stages by apathy, over regulation, ad hoc and haphazard application, fragmented legislation, confused and out of date, and incomplete in its coverage of hazards | • Justice Cockburn  
• The Cadbury Brothers  
• Alice Hamilton |
| **1972 to 1992 The Robens Era** | • Robens type legislation introduced  
• Surge in education and training in SHE  
• SHE paradigm shift: away from market failure towards market mechanism and profitability through emphasis on quality assurance and control.  
• Enhanced status for OH&S  
• SHE to SHEQ (Q = quality) | • Robens Report presented  
• Robens legislation enacted in the UK  
• Robens type legislation replicated or adapted in a number of countries  
• Ongoing refinement and incremental change | • The doing of the duty of care may be delegated but not the duty itself which is fixed on the CEO  
• Enabling legislation  
• Emphasis on self auditing rather than policing  
• Adopts duty of care approach from common law  
• Emphasis on consultation rather than policing  
• Tripartite consultative approach  
• Calls up education and training  
• Codes of practice emerge  
• Legislation binds the state  
• Quasi criminal rather than civil | Lord Robens and his Committee |
Table 1 (Continued)

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Main Achievements</th>
<th>Milestones</th>
<th>Characteristics</th>
<th>Some Key Persons as Benchmarks</th>
</tr>
</thead>
</table>
| 1992 to the present: the Robens-Brundtland Era | • Robens legislation continues to consolidate: becomes the template for EH&S legislation.  
• Clear statement of health and productivity/profitability as two sides of the one coin  
• Emergence of social and responsible business  
• Ownership of green issues by the conservative side of politics  
• The greening of institutions | • The Brundtland Report  
• The Rio Series of conferences  
• Establishment of the CSD  
• Adoption of green and brown issues by the WTO, World Bank | • Ethics is given a high profile  
• Global and convergent  
• Market oriented engaging the profit motive  
• Questions market is the morals business as usual convenience | The Brundtland Committee  
The Globe Committee  
Various leading lights in the following bodies: the WHO, ILO, WTO, World Economic Forum, the Globe Foundation |
| (b) Environmental Health and Safety (EH&S) |                                                                                                        |                                                                           |                                                                                |                                                                                             |

<table>
<thead>
<tr>
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<th>Main Achievements</th>
<th>Milestones</th>
<th>Characteristics</th>
<th>Some Key Persons as Benchmarks</th>
</tr>
</thead>
</table>
| 1850 – 1960 First Wave Environmentalism | • Conservation Movement initiated  
• Established National Parks  
• Protection of wildlife and wilderness included in the conservationist ethic  
• Birth of the idea that nature should be preserved for its own sake | • Sierra Club founded 1892 (To heal the soul go to the Sierra Club URL and read quotes from John Muir)  
• Yosemite Valley 1864 Yellowstone National Park 1872  
• National Parks Services founded  
• 1956 discovery of Minimata disease in Japan | • Conservationist  
• Management of natural resources: greatest good for greatest number of people – optimal use economics. | • Teddy Roosevelt/ Gifford Pinchot – optimal resource use  
• David Thoreau - Walden Pond.  
• John Muir – Sierra Club: nature for nature’s sake  
• Walt Whitman, George Perkins Marsh |
<table>
<thead>
<tr>
<th>1960-1980/6</th>
<th>Second Wave Environmentalism</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Established National Institutions for Environmental Planning eg EPA in the US</td>
<td></td>
</tr>
<tr>
<td>• Pollution and human health included in the conservationist (now environmental) ethic</td>
<td></td>
</tr>
<tr>
<td>• Wilderness ethic prospers</td>
<td></td>
</tr>
<tr>
<td>• Emergence and ongoing consolidation of Environmental law: Clean Air Act 1970 and Clean Water Act 1972 in the US</td>
<td></td>
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<tr>
<td>1967 Environmental Defence Fund Established: brings environmentalism to the law</td>
<td></td>
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<tr>
<td>• 1970 first Earth Day</td>
<td></td>
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<tr>
<td>• 1972 Limits to Growth</td>
<td></td>
</tr>
<tr>
<td>• Energy Crisis 1973</td>
<td></td>
</tr>
<tr>
<td>• UN Conference on Human Environment 1972 – Stockholm Declaration</td>
<td></td>
</tr>
<tr>
<td>• Establishment of the UOEH, Japan in part as a response to Minamata disease</td>
<td></td>
</tr>
<tr>
<td>• Use of coercive laws to restrain environmental abuse</td>
<td></td>
</tr>
<tr>
<td>• Use of courts to steer government agencies but with diminishing returns as governments write poor laws and/or employ their own defence lawyers.</td>
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<td></td>
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<table>
<thead>
<tr>
<th>1986 to the present</th>
<th>Third Wave Environmentalism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Olympics: from Sydney on, the Olympic movement represents sport, culture and the environment.</td>
<td>UN Conference on Environment and Development (UNCED) 1992</td>
</tr>
<tr>
<td>Rio Principles – directed towards Treasuries, Trade Agencies and Ministries of the Environment – crucial actors in the Agenda 21 experiment.</td>
<td>Based on economics and the market</td>
</tr>
<tr>
<td>Adopts a working definition of Sustainable Development and a blueprint for action (Agenda 21)</td>
<td>Retain coercive use of the law to restrain environmental abuse: such use to complement the main deterrent which is the polluter pays principle based on the monetisation of environmental costs and benefits.</td>
</tr>
<tr>
<td>Greening of social institutions Rediscovery of stewardship</td>
<td>Global</td>
</tr>
<tr>
<td>• United Nations Conference on Environment and Development (UNCED) 1992</td>
<td>• Health and productivity focussed</td>
</tr>
<tr>
<td>• Mainstream with an ecosystems view</td>
<td>• Accounting for full and external costs</td>
</tr>
<tr>
<td>• Attempts to correct GNP by subtracting monetary value of depleted capital.</td>
<td>• Polluter pays</td>
</tr>
<tr>
<td>• Emphasis on the voluntary</td>
<td>• Solution based and seeking both preservation (environmental amenity) and productivity</td>
</tr>
<tr>
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<td>• Solution based and seeking both preservation (environmental amenity) and productivity</td>
</tr>
</tbody>
</table>

| • Rachel Carson – Silent Spring (1960) |
| • E. F Schumacher - Small is Beautiful (1973) |
| • John F Kennedy/Stewart Udall reintroduce preservationist policy | • G. H. Brundtland |
| • Maurice Strong | • Barry Commoner |
| • Fred Krupp: Wall Street Journal article on third wave environmentalism |
Notes on Table 1

Table 1 documents the emergence of SHE in the modern and post modern eras and it is immediately apparent that the growth of SHE professionalism is something which has somehow prevailed against, and prospered within, the tides of social change. Again, the three eras of professionalism outlined in Table 1 are incremental changes not paradigm shifts. Each era built upon and contains elements developed in the previous era. It is argued that each era was instigated largely by ethical considerations but subsequently driven by political, legal and economic forces. The Table is far from complete and draws heavily on western perceptions. The authors would welcome information about milestone events and key developments and personalities not mentioned so that the table could be made more complete by their inclusion.
Table 2: Committee of Trade work in respect of SHE agenda concerns

<table>
<thead>
<tr>
<th>CTE Work Programme Item Numbers</th>
<th>Content</th>
<th>Examples of Issues Under Discussion</th>
</tr>
</thead>
</table>
| 1 and 5                          | Trade rules, environmental agreements and disputes | Multinational v unilateral solution of disputes  
Procedural protocols for the 20/200 multilateral environmental agreements (MEAs) allowing countries to ban or restrict trade  
Protocols for member-member, member-non member disputes  
Incompatibility between MEAs and WTO rules: “lex specialis’- the conditions of the specialised (MEAs) prevail. Environment and trade: synergies for developing countries |
| 2                                | Environmental protection and the trading system | Subsidising environmentally friendly production – Agricultural Agreement and Subsidies Agreement exemption of such subsidies from countervailing action and the reduction of domestic support  
Tax refunds on energy and other inputs used in producing exports  
Environmental review of trade agreements |
| 3                                | The use of environmental taxes and product standards and regulations, and labelling, packaging and recycling requirements | Labelling; use, abuse, integrity and trade restriction  
Recycling and its relationship to production and process methods rather than to product alone  
Stipulation of packaging and recycling attributes  
Product charges and taxes adjustable at the boarder but not process charges and taxes |
| 4                                | Transparency of environmental trade actions | How to convince governments to commit to this |
| 6                                | Exports of hazardous wastes and other domestically prohibited goods. | Omissions in the lists of domestically prohibited goods under existing conventions  
Sharing of technical detection and surveillance technology between members |
| 8                                | Trade Related Aspects of Intellectual Property (TRIPS) | Trade restriction in favour of sustainable development, the environment, the conservation of exhaustible natural resources and transport systems  
Adequacy of Article XX of the GATT in dealing with the environmental concerns of trade in goods |
| 10                               | Input from relevant bodies: Intergovernmental Organisations and NGO’s | NGO’s no observer status, Intergovernmental Organisations permanent observer status.  
Arrangements for NGO’s |

Source: Adapted from [http://www.wto.org/](http://www.wto.org/) and various linkages
Table 3: Progress of the Global Compact

*Gearing Up*, a new SustainAbility report launched on 24 June in New York at the United Nations Global Compact Leaders Summit, concludes that despite achieving impressive momentum the corporate responsibility (CR) movement is bumping up against real limits. Some responsible businesses have scratched the surface of global issues like climate change and HIV/AIDS, but just as many work to maintain the status quo. The efforts of business, in combination with government and civil society, are quite simply being outpaced by the problems. It’s time for change.

SustainAbility’s report – subtitled *From corporate responsibility to good governance and scalable solutions* – concludes that the CR movement is constrained by too narrow a focus and the lack of appropriate links to wider global, regional and national governance frameworks. Where links between companies and government do exist, they are often dominated by regressive lobbying – the automotive industry lobbying against effective action on climate change, for example, or fast food companies lobbying to slow controls on their industry. As such, industry or corporate public affairs activities are often at odds with the declared CR initiatives of the same business.

*Gearing Up* is an insightful assessment of business progress by people who work with business. On climate change, the report notes that a few companies have made significant cuts in CO₂ emissions, but globally emissions have increased 8.9% since 1990, against a 60% reduction target. On the health front, some companies are helping to fight HIV/AIDS by providing anti-retrovirals to their employees. Yet in the poorest countries, less than 10% of the six million people who need such drugs currently get them. Too often, it’s a case of too little, too late.

In order to make real progress, and reverse the unfolding backlash against globalization, the authors call on Global Compact participants and other leading companies to help drive system-level change. Business is generally encouraged to stay out of politics, but the challenge business leaders face is increasingly political. "Corporate responsibility has the potential to bring about positive change on a much larger scale", agrees Georg Kell, Executive Head of the Global Compact. "But to get there, the CR movement will need to focus on two things simultaneously: achieving critical mass across all industry sectors, and connecting private actions with public policy efforts so that root causes of problems are tackled. CR cannot operate in isolation any longer."

To make these connections in a legitimate way, companies must be more transparent and consistent in their public policy positions – and they will need to involve other interested parties. The report, which assesses case studies on climate change, HIV/AIDS, chronic diseases and corruption, encourages business leaders to:

- Increase transparency and demonstrate real progress in integrating CR into core business operations
- Work alongside civil society and governments in ‘progressive alliances’ to achieve public policy changes that directly address social and environmental challenges
- Champion policies that ensure more responsible forms of globalization.

John Elkington, Chair of SustainAbility, says, “It’s uncomfortable, but the corporate responsibility movement stands at a watershed. Recent corporate scandals have forced regulators and investors to focus back on basic issues of financial integrity. That’s a problem. If we want the benefits of globalization, business leaders must align their companies’ lobbying with their corporate responsibility activities. They need to help governments to act courageously in such areas as climate change, corruption and HIV/AIDS.”

Note: Founded in 1987, SustainAbility ([www.sustainability.com](http://www.sustainability.com)) is a leading specialist consultancy on business strategy, corporate responsibility and sustainable development.

Source: Adapted from [http://www.unglobalcompact.org/Portal/Default.asp](http://www.unglobalcompact.org/Portal/Default.asp) and various linkages
Figure 1: Trade Union profile for Australia

Trade Union SUST/DEV COUNTRY Profile - 2004 CSD

AUSTRALIA

Is member of CSD □ Is a least dev count □ Is in the UN region of ESCAP □
Is G77 Country □ Is a member of EU □ Is in the WTO grp of CAIRNS □
Is member of OECD and □ Has produced an OECD Social Interface Peer Report

Country ScaDev Reporting of worker / trade union issues

http://www.johannesburgsummit.org/html/prep_process/natlasses

Social Dimension: Poverty, Employment and Access Index

□ 100% ppo, with access to sanitation (WHO) □ 11% youth of total unemployed (ILO)
□ 100% ppo access to drinking water (UNICEF) □ 4% Women of total unemployed (ILO)

HIV/AIDS Index: 0.1% adults with HIV infection □ Has introduced AIDS discrimination protection in labour/social law

Social Dimension: Country is bound by ILO Fundamental Principles and Rights at Work RE: JPOI 9b

(Adoption status of specific ILO Conventions Pursuant to Fundamental Principles of JPOI 9b:)

□ ILO 29 Forced Labour □ ILO 105 Abolish Forced Labour
□ ILO 100 Equal Remuneration □ ILO 111 Discrimination in Employment
□ ILO 138 Minimum Age □ ILO 182 Worst Forms of Child Labour
□ ILO 87 F. of Ass + R. to Organize □ ILO 98 R. To Organise + Coll. Bargaining
□ Has violated Tuiton Rights?
□ QTUR: Anti-union activities continued, the favourite tactics being the use and trailing of strikebreakers and pressure to sign individual non-union contracts. There was good news at the BHP Billiton mining company when union members who had rejected individual contracts were awarded a payrise;

Obserance Record For ILO Core Labour Standards (if available)

REV02: Australia has ratified six of the core ILO labour conventions. However, in view particularly of its restrictions on freedom of association, determined new measures are needed to comply with the committees Australia accepted at Singapore, Geneva, and Doha in the WTO Ministerial Declarations over 1996-2001, and in the ILO Declaration on Fundamental principles and Rights at Work adopted in June 1998. Australia has ratified both of the core ILO conventions protecting trade union rights. There are restrictions on trade union rights, including the right to collective bargaining and protection from anti union discrimination. There is blatant anti-union discrimination, supported and encouraged by the government. Australia has ratified both of the core ILO Conventions on discrimination. However, discrimination against women is a problem, especially as concerns the representation of women in senior positions. Australia has ratified neither of the ILO's two core conventions on child labour. Child labour is not a major problem, although there are reports of its occurrence. Australia has ratified both the core ILO conventions on forced labour, and forced labour is not a widespread occurrence. There remain problems with legislation regarding prison labour, and some women and children are victims of forced prostitution, URL: http://www.ilo.org/displaydocument.asp?index=9911264945&Language=EN

The Value Chain framework of Michael Porter is a model that helps to analyse specific activities through which firms can create value and competitive advantage.

**Inbound Logistics**
Includes receiving, storing, inventory control, transportation scheduling.

**Operations**
Includes machining, packaging, assembly, equipment maintenance, testing and all other value-creating activities that transform the inputs into the final product.

**Outbound Logistics**
The activities required to get the finished product to the customers: warehousing, order fulfilment, transportation, distribution management.

**Value Chain model of Michael Porter: Marketing and Sales**
The activities associated with getting buyers to purchase the product including channel selection, advertising, promotion, selling, pricing, retail management, etc.

**Service**
The activities that maintain and enhance the products value, including customer support, repair services, installation, training, spare parts management, upgrading, etc.

**Procurement**
Procurement of raw materials, servicing, spare parts, buildings, machines, etc.

**Technology Development**
Includes technology development to support the value chain activities, such as Research and Development, Process automation, design, redesign.

**Value Chain model of Michael Porter: Human Resource Management**
The activities associated with recruiting, development (education), retention and compensation of employees and managers.

**Firm Infrastructure**
Includes general management, planning management, legal, finance, accounting, public affairs, quality management, etc.

From a Value Based Management point of view, the Value Chain Framework helps to build a relative competitive advantage, together with Porter’s Competitive Advantage thinking. The Value Chain Framework can be seen as one of two dimensions in maximizing corporate value creation. The other value creation dimension is the Market/Industry Attractiveness for which another model from Porter is often used: the Competitive Forces model.

Source: Adapted from: http://www.valuebasedmanagement.net/methods_porter_value_chain.html
Porter’s competitive forces model is probably one of the most often used business strategy tools and has proven its usefulness on numerous occasions. Porter’s model is particularly strong in thinking outside-in. Sare should therefore be taken not to underestimate or underemphasize the importance of the (existing) strengths of the organization (inside-out) when applying this five competitive forces framework of Porter.

From a Value Based Management point of view, the Five Forces model (Market/Industry Attractiveness) of Porter can be seen as one of two dimensions in maximizing corporate value creation. The other value creation dimension is how well a company performs relatively towards its competitors (Relative Competitive Position), for which two other Porter-models are frequently used: the Value Chain framework and Porter’s Competitive Advantage.

Source: Adapted from: http://www.valuebasedmanagement.net/methods_porter_five_forces.html
Bibliography