

## Chapter XX

### CORPORATE SOCIAL RESPONSIBILITY

1. The state has traditionally exercised responsibility for providing the national institutional framework to promote both economic progress and equitable social development. Yet the ability of Governments to fulfil this responsibility is increasingly being challenged by forces of globalization that are disconnecting networks of production and finance from their institutional frameworks within the nation state. Overall, liberalization has strengthened the private sector, as the lowering of trade investment and financial barriers has increased the scope and the mobility of transnational corporations. Evidence is found, for example, in the steady increase in foreign direct investment flows in recent years.<sup>1</sup> As corporations extend their operations across national boundaries in a global market, their activities increasingly fall outside the regulatory reach of individual States. Today, most individual Governments have only a limited capacity to hold global private actors accountable to legal and ethical standards, including assurances that corporations contribute to or at a minimum do not undermine values of equity, social justice, human rights and environmental protection.

2. Most transnational corporations, while often retaining their headquarters in the major cities of industrialized countries, have established mass-production facilities on an immense scale in countries with weak regulatory institutions, where labour costs are lower and the monitoring of labour, environmental and other standards is less well established. Direct foreign investment has been welcomed by most countries and the growth of transnational corporations has had a direct and wide-reaching impact on the economic and social conditions of a significant share of their populations.

3. The extent to which transnational corporations now operate outside the regulatory framework of any particular country brings to the fore fundamental questions regarding the obligations or responsibilities of the private sector for promoting general economic growth and social progress, and for maintaining and promoting standards and norms of ethical behaviour. Apart from contributing to the economic progress of a country through the creation of income and employment, what more should the private sector do? Should a society expect the private sector to care about and to contribute to a larger common good? Are such expectations reasonable and can they be achieved? Do

they impose too heavy a burden on the private sector? Do they shift too much authority from Governments?

4. It is regularly argued that the primary motivation of corporations should be to make a profit for shareholders; that responsibility for ensuring that political, economic and social objectives are met should rest solely with Governments. Corporations, it is argued, should be required to obey laws and regulations, pay taxes and maintain labour and environmental standards as they exist, but cannot be responsible for solving social problems, achieving full employment or eradicating poverty. Yet it can also be argued that the private sector has both a practical need and a certain ethical responsibility for the well-being of the environment in which it operates, based on its own needs for economic and social stability in which to operate, its needs for skilled and healthy workforces and the benefits it obtains from reduced governmental regulation. It could be argued that expanding markets are only sustainable if they are complemented by a social response to ensure a certain degree of equity. At the level of the individual enterprise, it could similarly be claimed that with wealth comes certain responsibilities. Thus, the private sector in general and transnational corporations in particular might find it in their interests to accept a greater responsibility for promoting an environment conducive to their continuing success.

5. These opposing views lie at the heart of the current global debate on corporate social responsibility, a debate that has intensified in recent years as a result of the growing attention paid to the social impact of globalization and economic and financial liberalization. The growth of the power and influence of corporations has sparked a reaction calling for them to accept commensurately greater responsibilities. This reaction has come particularly but not exclusively from organizations of civil society, which are working to ensure that corporate activities are socially and environmentally sustainable. The growing public demand for enhanced corporate social responsibility has been amplified by the current policy orientation in many industrialized countries, which has reduced the role of the public sector in the economic and social spheres of society; by the increasingly large and unpredictable private capital flows across national boundaries, which have substantially reduced the leverage of Governments, particularly of developing countries, in controlling their economic fate; and by the unprecedented period of

strong economic growth in large parts of the industrialized world, which has resulted in spectacular growth of corporate wealth, benefits and influence in political decision-making.

6. This reaction has, in turn, created a counter-response, particularly but not exclusively from developing countries, which fear the imposition of new forms of conditionality and see corporate social responsibility as a new form of protectionism and a hindrance to their development. Many argue that at their stage of development their primary advantage lies in the low wages and flexible regulations that they offer to entice direct foreign investment by transnational corporations. They view calls for greater corporate social responsibility as thinly veiled attempts to limit their competitiveness and so their economic development, and as a luxury affordable mainly by the wealthy countries. They are joined by many corporations, which are often reluctant to be bound or committed by a concept that they view as unclear in its definitions and in its implications, and that is imposed upon them by a force of public opinion that is essentially amorphous and potentially hostile.

#### **What is corporate social responsibility?**

7. There are probably as many understandings of corporate social responsibility as there are stakeholders involved in discussions on the issue. At its most basic level, corporate responsibility is concerned with the relationships that a company maintains with its shareholders, clients, suppliers, creditors and employees, as well as with the communities in which it operates. Corporations are responsible for ensuring that their day-to-day operations produce a selected range of products and services in the most efficient and economical manner, and for producing a profit in the process. Corporations are responsible for obeying all relevant laws and regulations, for paying taxes and for reporting accurately on their operations. These are areas that directly affect a company's operations and for which it is the primary actor. The concept of corporate social responsibility goes much further, involves many more stakeholders and includes activities that might extend far beyond the day-to-day operations of an individual company.

8. What groups can be regarded as stakeholders in a particular company? Who defines who is a stakeholder? Is it the company that decides who has a stake in its operations or a political authority, or is the concept of stakeholder self-selecting? Traditionally, the term "stakeholder" has been used to include management, shareholders, workers, customers and suppliers, as well as individuals who operate outside the direct cycle of daily business. Examples of indirect stakeholders include the relatives of workers who depend

on their income, people living in the vicinity of a company who are concerned about the effects of a company's operations on the quality of the air they breathe and the water they drink, workers in industries that supply inputs the company needs or who sell products the company makes, or community politicians dependent on company tax payments to support local services. Stakeholders can be even more broadly identified as those individuals or groups that have an interest or take an interest in the behaviour of a company both within and outside its normal mode of operation. They may be members of consumers' groups or non-governmental "watchdog" organizations that have chosen to scrutinize a company's behaviour, even though they might not be directly affected by that behaviour. They might, therefore, help to establish what the code of social responsibility for a particular company entails or at least how they perceive it, even if they are not directly able to influence the company's adherence to that code. Stakeholders' interests can be represented in an organized form. Employer's organizations, trade unions, non-governmental organizations, consumers' groups, investors and local communities all represent, or aim to represent, certain stakeholders' interests.<sup>2</sup> At other times, stakeholder interests are expressed in less organized forms, including demonstrations, protests or boycotts. The spread of communications technologies, including the Internet, has encouraged the mushrooming of such non-organized expressions of stakeholder interest around the world.

9. Are there degrees of interest among different stakeholders, and how close to the actual operations of a company does a stakeholder have to be for his or her opinion to matter? What role does the media play? To what extent should various stakeholders be included in corporate decision-making, and what kinds of processes are needed for them to be able to participate effectively in decision-making? What degree of involvement by stakeholders is appropriate? Should, for instance, local communities have a say in a company's decision to lay off workers or to move jobs out of the community? Should they be eligible for some sort of compensation? Small local businesses will surely suffer from the loss of income attributable to increased unemployment, but to what extent – if at all – should a company consider these roll-on effects in its decision-making?

10. Corporate social responsibility therefore involves the establishment of dialogue between a company and its stakeholders. The term "corporate citizenship" often refers to the action a company takes to become actively engaged in dialogue and to set policies on issues of direct social impact for one or more of its stakeholders. Good corporate citizens not only engage in discussions with stakeholder groups but they also make an attempt to respect and comply with the concerns of those stakeholders. Compliance with those concerns can

thus be made into a “social contract” between a company and the society in which it operates.

11. While there is little agreement about the exact scope and depth of the social responsibility of companies, a number of common minimum elements of social responsibility may be identified. The first element would be that companies must comply with the laws and regulations of the country in which they operate and attempt to follow internationally agreed standards in such areas as labour, human rights and environmental protection. A second element would be for companies to undertake philanthropic activities where they operate, including donating money, time or staff for benevolent causes. Companies sometimes put such actions forward as proof of a commitment to social responsibility.

12. No business wants its reputation or product brand damaged by the disclosure of any negative behaviour, act or accident. Many companies have recognized the need to develop a statement of corporate social responsibility and to put in place a corporate communications and public relations strategy. Beyond this, more companies are seeing the benefits of association with social concerns. The growth of the concept of “cause-related marketing” in business theory and practice is a case in point: to create strategic positioning and marketing discipline that links a company and its products to a social cause, it is helpful to bolster relationships with key stakeholders, enhance brand value, increase sales and differentiate similar products in a competitive marketplace while providing benefit to a cause or an issue. This could lead to the misperception that a company engaged in cause-related marketing is a socially responsible company. Social responsibility should extend beyond compliance with the law, beyond philanthropy and beyond public relations.

13. In a globalizing world, corporate social responsibility has become more complex. As companies have been increasingly involved in international trade and investment, their participation in dialogue with stakeholders has become an important element in a truly global corporate citizenship. The social contract of an individual corporation could therefore very well consist of a number of subcontracts, one for each host society in which it operates. Globalization has expanded the set of stakeholders far beyond the immediate community in which an enterprise has its headquarters. In developing country production facilities of a garment-producing company, for example, workers, their families and their communities all represent new stakeholders’ groups. Does the “social contract” a company might establish at home also extend beyond national boundaries to affect the company’s behaviour in other countries? If a transnational corporation operates in many countries to produce and market its products, how many social contracts does it enter into? Should it maintain one standard to be applied internationally or should it

develop separate standards that are appropriate to local circumstances? Should consumers in one country help to determine a company’s behaviour in other countries? Some consumer groups have proved effective in raising public attention and become important forces in determining the orientation, coverage and assessment of company codes of conduct. Who, ultimately, defines the standards of behaviour for a company?

#### **Ways in which corporate social responsibility is exercised**

14. Most initiatives towards establishing a corporate strategy for social responsibility are laid down in codes of conduct. A code of conduct can generally be defined as a written policy or statement of principles intended to serve as the basis for a commitment to socially responsible behaviour. As codes of conduct are mostly defined and developed by companies themselves, they generally do not carry any legal or regulatory obligation. They tend to be statements of principle that a company or an industry voluntary follows.

15. One way to distinguish codes of conduct is by their content. The three most common areas covered by these codes are labour standards, human rights and environmental protection. Some codes, for example those that apply across an industry, may contain combinations of these areas. Increasingly comprehensive codes also contain stipulations on corporate governance, referring to specific ways and means by which stakeholders’ interests in the company should be addressed. Other codes of conduct may cover issues as diverse as the pricing of farm produce for export in developing countries, including the adding of labels and brand names highlighting their fair trade, as well as provisions on arms trade, tobacco usage, corruption, bribery and animal welfare.

16. In a study prepared for the Governing Body of the International Labour Organization,<sup>3</sup> a second general distinction was made between operational codes and model codes. Operational codes refer to commitments made directly by enterprises or their partners or to codes drawn up by outside entities to which enterprises subscribe or commit themselves. These codes may involve systems of monitoring or reporting undertaken by subscribers or by external parties. In contrast, model codes are generally issued by enterprise associations, trade unions, non-governmental organizations or Governments for others to use as a basis for developing their own codes.

17. A recent count by the ILO identified no less than 215 operational codes of conduct at the company level, of which 80 per cent were developed by transnational corporations. Examples of model codes include the Sullivan Principles, a set of principles launched in 1977 aimed at guiding transnational

corporations based in the United States on their operational activities in South Africa during the apartheid regime. The Coalition for Environmentally Responsible Economies developed a set of principles, better known as the CERES principles, which set out a number of guidelines in the area of environmental protection. Another example is the Business Charter for Sustainable Development of the International Chamber of Commerce.

18. Codes of conduct can also be distinguished by the party that initiates, administers and monitors them. The largest group of codes contains initiatives created by private enterprises or enterprise organizations, such as industry or business associations, chambers of commerce and trade organizations. Other codes have been initiated by workers' organizations, often out of concern for conditions of their own employment or those of their counterpart workers within the same company, product chain or industry in other countries. Non-governmental organizations and coalitions of consumer groups have promoted initiatives by creating a good amount of publicity. Professional consultants, auditors or educational enterprises have also taken a role in developing some types of codes of conduct.

19. Although the largest number of initiatives to enhance corporate social responsibility have been undertaken by the private sector itself, representatives of Governments have sometimes participated in alliances of business associations, non-governmental organizations and other stakeholder groups, and their participation has stimulated a broader range of support for the initiatives taken. One example of an initiative that benefited from extensive Government participation and endorsement at the national level was the 1996 Apparel Industry Partnership in the United States (mainly concerned with setting criteria for the global sourcing of United States transnational corporations in the clothing and footwear industries). Another was the 1998 Ethical Trading Initiative in the United Kingdom of Great Britain and Northern Ireland, a grouping of non-governmental organizations, consumer organizations and business representatives established to provide a forum for discussion, training and dissemination of best practices, and now receiving financial and policy support from the Government of the United Kingdom.

20. Codes of conduct can also be categorized on the basis of the production chain of certain goods and services. Industry codes that are applied to an entire production chain are said to be "vertical" in nature. Such codes are in place, for example, in the clothing, footwear and toy industries that are commonly headquartered in developed countries but have their production facilities located in the developing world. If the interest of consumers is considered to be the final target in the production chain, these vertical codes would also include consumer-driven initiatives, such as social labeling or

trade-related initiatives, or investor-driven initiatives, such as socially responsible investments. "Horizontal" codes apply to a certain industrial sector, in which leading companies initiate certain standards in their operations and apply them across the industry. Codes in place in the chemical or pharmaceutical industries fit this category. Combinations of both horizontal and vertical codes also exist: in those cases, industry and business associations, together with third parties, such as non-governmental organizations, government agencies and consumer groups, come together to agree to a certain set of principles to be applied across the board.

### **Multilateral initiatives to promote corporate social responsibility**

21. The United Nations has worked to develop a supporting international "soft infrastructure" for encouraging social responsibility and the orderly conduct of business through, for example, the issuance of guidelines on consumer protection in 1985, recently extended to include sustainable consumption. It has also encouraged private sector participation in achieving the goals of the global conferences of the 1990s. To further promote corporate social responsibility, the Secretary-General launched, in January 1999, the global compact, a major initiative to increase private sector participation in social development. The initiative contains nine principles derived from globally acknowledged and widely recognized declarations and major United Nations conferences. These include the 1948 Universal Declaration of Human Rights, the Rio Declaration on Environment and Development adopted at the 1992 United Nations Conference on Environment and Development, the Copenhagen Declaration and the Programme of Action adopted at the 1995 World Summit for Social Development and the 1998 ILO Declaration on Fundamental Principles and Rights at Work.

22. The global compact calls upon the private sector to adopt the principles that the majority of the world's Governments have already embraced through these legal instruments. In the area of human rights, the global compact asks the private sector to support and respect the protection of internationally proclaimed human rights within its sphere of influence, and to ascertain that it is not implicitly allowing human rights abuses. In the area of labour, the compact requests businesses to uphold the right to freedom of association and the effective recognition of the right to collective bargaining; to contribute to the elimination of all forms of forced and compulsory labour; to assist in the effective abolition of child labour; and to help eliminate discrimination in respect of employment and occupation. On environmental issues, the compact requests businesses to support a precautionary approach to environmental challenges; to undertake initiatives to promote greater

environmental responsibility; and to encourage the development and diffusion of environmentally friendly technologies. Recognizing that setting and enforcing standards is the prerogative of Governments, the Secretary-General asked the business community to embrace and enact the principles within its own sphere of influence.

23. The International Labour Organization (ILO) has adopted 182 international labour conventions and 190 recommendations since its establishment in 1919. The 1977 Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy was the first comprehensive international set of agreed principles on social policies or standards of enterprises affecting conditions of work, occupational safety and health. The Declaration, which applies to Governments, enterprises, employers and workers, listed various ILO conventions and recommendations previously adopted and also provided for a regular process of review and interpretation.

24. To further support the implementation of core labour standards, ILO members adopted the Declaration on Fundamental Principles and Rights at Work in 1998, reaffirming key principles from a group of core ILO conventions. The Declaration calls upon all members to respect, promote and realize four principles now referred to as basic workers' rights, namely freedom of association and the right to collective bargaining; the elimination of compulsory labour; the elimination of child labour; and the elimination of discrimination in respect of employment and occupation. The Declaration provides a reference for Governments in developing guidelines to enhance corporate social responsibility in the area of labour standards.

25. The Declaration obliges member States of the ILO – even if they have not ratified the conventions in question – to respect, in good faith and in accordance with the Constitution of the ILO, the principles concerning the fundamental rights that are the subject of those conventions. The Declaration also contributes to the objectives set out in paragraph 54(b) of the Copenhagen Programme of Action<sup>4</sup> to safeguard and promote respect for basic workers' rights, to request States parties to the corresponding ILO conventions to fully implement them and to request other States to take into account the principles embodied in them. The Declaration has served as a reference point for new industry codes of conduct, and has contributed to the substantive agenda of the global compact initiative of the Secretary-General.

26. In 1976, member countries of the Organisation for Economic Cooperation and Development adopted the Declaration on International Investment and Multinational Enterprises, and in 1977 the ILO adopted the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. Progress

achieved at the ILO and OECD resulted in the adoption of the OECD guidelines for multinational enterprises later in 1977. The aim of the OECD guidelines was threefold: to ensure that the operations of enterprises were in harmony with government policies; to strengthen the basis for mutual confidence between enterprises and society; and to help improve the climate for foreign investment. The guidelines constitute recommendations addressed by Governments to transnational enterprises, providing principles for responsible business conduct consistent with the applicable laws of OECD member countries. Observance of the guidelines is voluntary and not legally enforceable. Nevertheless, Governments adhering to the guidelines encourage enterprises operating within their territories to observe the guidelines, wherever they operate, i.e., also outside the countries of the signatories.

27. Since their initial adoption in 1977 the OECD guidelines have been revised regularly. Recently, a review of a 1991 text took place, with Governments consulting business and workers' interests – represented in the OECD by the Business and Industry Advisory Committee and the Trade Union Advisory Committee, respectively – as well as seeking increased inputs from the non-governmental organization community and the general public. The revised guidelines for multinational enterprises were adopted by the Governments of the 30 member countries of the OECD, as well as Argentina, Brazil and Chile, at an OECD ministerial meeting on 27 June 2000.<sup>5</sup> The guidelines refer to general policies of companies, information disclosure, employment and industrial relations, environment, science and technology, competition and taxation, as well as, for the first time, bribery and consumer protection.

28. General policies provide that companies should respect human rights; encourage local capacity-building and human capital formation; refrain from seeking regulatory exemptions from Governments; support good corporate governance; abstain from local political activities; and encourage business partners, in particular suppliers and subcontractors, to apply the same principles of conduct they do. The guidelines echo the four main principles of the 1998 ILO Declaration of Fundamental Principles and Rights at Work, and they encourage companies to provide facilities, information and consultation to employee representatives. They also request companies to observe standards of employment not less favourable than those observed by comparable employers in the host country. Finally, the guidelines stipulate a number of procedures to encourage enterprises to act in accordance with fair business, marketing and advertising practices and to ensure safety and quality of the goods and services that they provide.

29. Another important instrument adopted by OECD is the Principles of Corporate Governance adopted in April 1999. Although the Principles refer

primarily to economic concerns, such as the rights and equitable treatment of shareholders, disclosure, transparency and company board responsibilities, they also refer to the role of stakeholders in corporate governance. The corporate governance framework should recognize the rights of stakeholders as established by law and encourage active cooperation between corporations and stakeholders in creating wealth, jobs and the sustainability of financially sound enterprises.

### **Future trends and issues**

30. Corporate codes of conduct have increasingly become a matter of concern outside the headquarters of individual companies. Codes are applied not just to branches and franchises but also to suppliers and marketers. As many companies extend operations beyond national boundaries, the application of a company code in the context of the laws of the various countries in which they operate has become more complicated. For example, how should a company implement a minimum living wage, a common element of company codes of conduct, given the multiplicity of national situations and interpretations about what constitutes minimum requirements? Who should determine what constitutes minimum standards – the company, the host Government, the workers, consumers or some combination of all these stakeholders?

31. Given that development and adherence to codes of conduct have generally been done voluntarily, to what extent should a company's compliance with its own codes be monitored by outsiders? Experience indicates that codes of conduct that are not monitored – whether internally or externally – achieve little impact. So there is a case to be made for monitoring, but responsibility for carrying out the monitoring remains unclear. Additional work remains to be done in the area of standard-setting to facilitate internal and external monitoring of the implementation of corporate codes. The Industrial Standards Organization (ISO), an international organization with members from both the private and the public sectors, has been the key forum for discussion of various quality social audit standards. The Council on Economic Priorities Accreditation Agency has developed and applied a new social accounting standard, known as Social Accountability (SA8000). This standard, based on ISO quality management standards, contains references to international legal instruments on labour and human rights and provides an operational tool for social audit and control, primarily within the company. The standard may provide companies with proof of good corporate citizenship. Yet questions remain about the use of such standards. To what extent should they be used and might they serve to forestall or prevent independent verification of a company's conduct by stakeholders?

32. The existence of corporate codes of conduct, in themselves, are no guarantee of socially responsible behaviour. There are wide variations in the quality and comprehensiveness of these codes. Estimates by the International Organization of Employers indicate that 80 per cent of all codes of conduct fall into the category of promoting general business ethics, with no clearly established means of implementation. A study by the ILO further indicates that of some 215 codes mentioned earlier, no more than one third of the codes reviewed refer to international labour standards, either generally or specifically. Instead, companies draft their own definitions of labour practice targets. It thus appears that there is a valid argument for some vigilance in assessing the quality of codes.<sup>6</sup> But how should this be done? Governments have the authority to ensure that the laws are obeyed, but who has the authority to ensure that voluntary or non-binding codes are implemented? Is a partially implemented code better than no code at all? Is there a danger of a backlash if companies are vilified for not living up to standards they themselves have set? What other considerations come into play?

33. While it is clear that external monitoring, in particular from consumer organizations and advocacy groups, plays a crucial role in the decision of transnational corporations to adopt standards for socially responsible behaviour, other factors influence the ability of corporations to carry out such commitments. Corporations' financial scope to implement social and other ethical values in their production can be severely limited in situations of fierce competition or market instability. Some people argue that the propensity to respond to such outside demands – and the extent to which ethical standards are actually internalized in business practice – is linked to the market power of the individual corporations; only when companies hold a dominant position in a market can they afford to take into account non-profit-related considerations.<sup>7</sup> By the same token, market leaders have great influence over the behaviour of their competitors. If a market-leading company adopts a certain standard it is likely that competitors will do the same. There is thus an added incentive to monitor the behaviour of large market-leading companies.

34. Traditionally, the value of a company is based primarily on the profits it earns and that value is reflected in its stock price. Managers have strong incentives to maintain company valuations by ensuring profitability above all other considerations. Many shareholders, concerned about the value of and return on their investments, similarly put pressure on companies to maintain profits and punish them when they do not. Recent experience of investors fleeing the stocks of companies that have failed to meet earnings expectations has been sobering. To what extent, then, would it be

possible to introduce the notion of social responsibility among investors? This may be occurring to some extent already as more investments flow from such sources as individuals and bankers tend to be and thus more reliable funders of social development programmes. Socially responsible mutual funds, which invest only in companies that meet certain pre-established and published social criteria, have recently gained in popularity in some countries. In this regard, it might also be possible for concerned organizations of civil society to promote public opinion in investor countries to change unsustainable investment behaviour.

35. But this dichotomy underlies the fundamental issue to be resolved with regard to corporate social responsibility. Private companies, regardless of their size or the scope of their operations, are motivated and judged by their ability to earn profits. Is social responsibility a hindrance to profit-making? Many people would argue that social responsibility can be profitable, and that good corporate citizens that take into account the concerns of their stakeholders will be more efficient in the long term. Should a company return profits only to its shareholders, or does it have a responsibility to share its profits with all its stakeholders in the name of better corporate citizenship and increased social equity? Should a company be rewarded for behaviour that has a positive social and environmental impact, and if so how can this be accomplished? What role should Governments play – regulator, facilitator or watchdog? Clearly, much more attention is required to this issue at all levels.

pension funds and insurance companies, which are potentially more long-term patient investors than

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## NOTES

<sup>1</sup> Kell, George and Ruggie, John; *Global Markets and Social Legitimacy: The Case of the 'Global Compact'*, paper presented at the conference: "Governing the Public Domain beyond the Era of the Washington Consensus? Redrawing the Line Between the State and the Market", York University, Toronto, Canada, 4-6 November 1999.

<sup>2</sup> See "World Investment Report 1999: Foreign Direct Investment and the Challenge of Development", chap. XII, prepared by the United Nations Conference on Trade and Development (unpublished).

<sup>3</sup> See ILO documents GB.273/WP/SDL/1 (Rev.1) and GB.274/WP/SDL/1.

<sup>4</sup> See *Report of the World Summit for Social Development, Copenhagen, 6-12 March 1995* (United Nations publication, Sales No. E.96.IV.8).

<sup>5</sup> The text of the guidelines can be accessed at the OECD website:

<http://www.oecd.org/daf/investment/guidelines/mnetext.htm>

<sup>6</sup> See endnote no. 3.

<sup>7</sup> Kell & Ruggie, op.cit.