The Application of International Labour Standards and Private Regulation in Subsidiaries of Multinational Enterprises in Ghana: Ramifications for Organised Labour and Workers

A thesis submitted to The University of Manchester for the degree of Doctor of Philosophy in the Faculty of Humanities

2019

NATHANIEL D TETTEH

ALLIANCE MANCHESTER BUSINESS SCHOOL
LIST OF CONTENTS

LIST OF CONTENTS ............................................................................................................. 2
Abstract ................................................................................................................................. 8
Declaration ............................................................................................................................ 9
Copyright Statement ........................................................................................................... 10
Dedication............................................................................................................................. 11
Acknowledgements ............................................................................................................. 12
Abbreviations and Acronyms .............................................................................................. 13
CHAPTER ONE: INTRODUCTION......................................................................................... 15
  1.1 Background to thesis.................................................................................................... 16
  1.2 The core research questions ....................................................................................... 18
  1.3 Significance of the study: contributions ..................................................................... 19
  1.4 Structure of the Thesis ............................................................................................... 20
CHAPTER TWO: LITERATURE REVIEW ............................................................................ 22
  2.1 Chapter Introduction .................................................................................................... 22
  2.2 Industrial Relations and Approaches ......................................................................... 22
    2.2.1 Systems Theory .................................................................................................... 26
    2.2.2 Strategic Choice .................................................................................................... 28
    2.2.3 Marxist Approaches – the political economy of industrial relations ............... 29
    2.2.4 Comparative Approach ....................................................................................... 34
  2.3 Contemporary Economic Context: Globalisation and MNEs .................................. 41
    2.3.1 MNE – Structure and Strategy ........................................................................... 42
    2.3.2 MNE - Cross border diffusion of Employment and Labour Practices ............. 48
  2.4 Regulation and International Labour Standards ....................................................... 52
    2.4.1 ILO Conventions and other Public Codes: ......................................................... 54
    2.4.2 Private Regulatory initiatives; .............................................................................. 59
  2.5 The Concept of Corporate Social Responsibility (CSR) ........................................ 67
    2.5.1 Historical Development of CSR ....................................................................... 69
    2.5.2 CSR Theories ...................................................................................................... 72
  2.6 Conclusion .................................................................................................................... 75
CHAPTER THREE: RESEARCH METHODOLOGY ............................................................... 77
  3.1 Introduction .................................................................................................................. 77
### 3.2 Research Design

- **3.2.1 Qualitative and Quantitative Paradigms**: 78
- **3.2.2 The Researchers Choice of Approach**: 79
- **3.2.3 Case Study Research Strategy**: 80
- **3.2.4 Sampling of Case Study Organisations**: 83
- **3.2.5 Sampling of Respondents**: 85

### 3.3 Data Collection: In-depth Individual Interviews

- **3.3.1 Semi Structured Interviews**: 87
- **3.3.2 Data Analysis Technique**: 89
- **3.3.3 Secondary Data Collection and Analysis**: 91

### 3.4 Confronting challenges: Access and the Field

### 3.5 Pilot Study

### 3.6 Quality Assurance and Rigor

### 3.7 Ethical Considerations of the Research

### 3.8 Limitations of the Study

### 3.9 Conclusion

### CHAPTER FOUR: The National and Sectoral Contexts

- **4.1 Chapter Introduction**: 100
- **4.2 The Geographic Scope of Ghana**: 100
- **4.3 Ghana’s Political Economy**
  - **4.3.1 SAP and Ghana**: 103
- **4.4 The Mining Industry**
  - **4.4.1 Overview of the Ghanaian Mining Sector**: 107
  - **4.4.2 Current State of the Mining Sector**: 111
- **4.5 The Private Security Industry**
  - **4.5.1 The Private Security Sector - Ghana**: 115
- **4.6 The Manufacturing Sector**: 118
- **4.7 Conclusion**: 120

### CHAPTER FIVE: The State in Ghana; the developmental, dysfunctional features and context of regulation

- **5.1 Chapter Introduction**: 123
- **5.2 Labour Legislation in Ghana**
  - **5.2.1 Frailty in the Legislative Framework**: 126
  - **5.2.2 The Robustness of the Labour Legislation**: 134
6.10 SecuriCorp - Union Response to Employment Practices and Outcomes

6.10.1 SecuriCorp - Selected Responses: coalition building

6.11 SecuriCorp – Summary

6.12 Discussion – DrinkCorp and SecuriCorp

6.13 Chapter Conclusion

CHAPTER SEVEN: ROSSINTO AND HILIGOLD

7.1 Chapter Introduction

7.2 Company Background - Rossinto and CSR

7.2 Rossinto - Implementation of CSR

7.3 CSR and the Work Organisation

7.3.1 Rossinto - Production Process and Coercive Labour Discipline

7.3.2 Rossinto – The Issue of Work Intensification

7.3.3 Rossinto – The Framework of Occupational Health and Safety

7.3.4 Rossinto – The Impact of Reward and Compensation Programmes

7.4 Rossinto - The Production System and Freedom of Association

7.5 Rossinto – Union Response to Employment Practices and Outcomes

7.6 Rossinto - Summary

7.7 Company Background - HiliGold and CSR

7.7 HiliGold – Implementation of CSR

7.8 HiliGold – CSR and the Work Organisation

7.8.1 HiliGold – Production Process and Coercive Labour Discipline

7.8.2 HiliGold – The Issue of Work Intensification

7.8.3 HiliGold – The Framework of Occupational Health and Safety

7.8.4 HiliGold – The Impact of Reward and Compensation Programmes

7.9 HiliGold - The New Production System and Freedom of Association

7.10 HiliGold – Union Response to Employment Practices and Outcomes

7.11 HiliGold – Summary

7.12 Discussion – Rossinto and HiliGold

7.13 Chapter Conclusion

CHAPTER EIGHT: DISCUSSION

8.1 Chapter Introduction

8.2 RQ1: How are the employment practices in the four MNE case studies mediated by the national industrial relations system in Ghana?
8.3 RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana? ........................................................................................................ 261
8.4 RQ3: Is freedom of association observed and acted upon in practice in the case study MNEs? .................................................................................................................. 262
8.5 RQ4: In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms? ........................................ 267
8.6 Chapter Conclusion .................................................................................................................. 273

CHAPTER NINE: CONCLUSIONS .................................................................................................. 276

REFERENCES ................................................................................................................................. 280

Appendices ....................................................................................................................................... 308
Appendix 1: Total Participants ......................................................................................................... 308
Appendix 2: Participants Breakdown ............................................................................................... 309
Appendix 3: ILO Conventions ratified by Ghana ............................................................................ 315

Final Word Count: 88,000
LIST OF TABLES AND FIGURES

Table 2.1 Non-Union Management Approaches ................................................................. 50

Figure 1 Codes in Context .................................................................................................. 61

Table 7.1 Summary of Findings from DrinkCorp and SecuriCorp .............................. 207

Table 8.1 Summary of Findings from Rossinto and HiliGold .................................... 253

Figure 4.1 Map of Ghana ................................................................................................. 101

Table 9.1 Anti-Union Strategies Deployed at Case Companies .................................. 264

Table 9.2 Trade Union Responses at Case Companies ................................................. 270
Abstract:

The contemporary Ghanaian state post-Nkrumah have successfully worked on capturing foreign direct investment (FDI) from Multinational Enterprises (MNEs) by implementing neoliberal policies in order to achieve development. Those policies have been the constraining of actors such as unions and bodies of the state in the creation, monitoring and enforcement of labour standards. For example the contemporary framework of employment regulation is one of a ‘reductionist’ labour law; weak in its coverage, its ability to effectively sanction unscrupulous employers and its effectiveness in avoiding the fracturing of organised labour. MNEs the principal protagonists and beneficiaries in this age of liberal marketization, for the most part, have developed hegemonic practices of Corporate Social Responsibility (CSR) to address employment standards in weakened institutional contexts: in the wake of movements that have targeted corporate misconduct. Although, measures of CSR and private regulatory initiatives have allegedly been designed as the ‘corporate counter efforts to silence, evade, oppose and co-opt’ (Shamir, 2004 p.670) those political pressures. To address the growing need for research into MNEs operating in Africa in terms of their industrial relations practices, this study seeks to provide an employment relations dimension to understanding CSR in the growing research area of international private regulations and their employment implications in developing countries.

This study sets out to examine the application of international labour standards and private regulation adopted by MNEs in the Ghanaian context, and the possible ramifications for organised labour and workers. The study utilises an employment relations framework which examines the micro-level interactions at the workplace and also observes the macro-level actors set up to govern those relations, to highlight weaknesses in the institutional capabilities of state actors. In its examination of four MNEs, initial findings of practices such as the use of anti-union strategies and whipsawing in this developing country context, remained consistent with those highlighted in literatures of International Human Resource Management. At the workplace the rhetoric of CSR which is subsumed in private regulatory initiatives such as Codes of Conduct (CoCs) and Transnational Company Agreements (TCAs) had varied interpretations with regards to their influence on labour processes, albeit, highlighting a positive effect of a TCA at an MNE; with the signing of a collective agreement. This is because on the whole MNEs seem to be distorting and not necessarily enhancing the question of labour standards even when they engage with CSR. The hegemonic practice of CSR thus, forms part of an elite agenda to put a ‘human face’ to the expropriation of profits serving up short term palliatives at best and concealing concrete managerial practices that undermine labour standards. The thesis argues that issues of labour standards and CSR must be understood in the national, sectoral and workplace context; thus taking up an employment relations approach of examining the macro, meso and micro level allowed for an informed piece of work. This is because the macro and meso level institutional context of a weakened state regulatory framework as well as a fractured labour movement, provided scope for the actor agency (MNEs) to create relatively unfavourable organisational outcomes for workers.
Declaration

No portion of the work referred to in the thesis has been submitted in support of an application for another degree or qualification of this or any other university or other institute of learning.
Copyright Statement

The author of this thesis (including any appendices and/or schedules to this thesis) owns certain copyright or related rights in it (the “Copyright”) and s/he has given The University of Manchester certain rights to use such Copyright, including for administrative purposes.

Copies of this thesis, either in full or in extracts and whether in hard or electronic copy, may be made only in accordance with the Copyright, Designs and Patents Act 1988 (as amended) and regulations issued under it or, where appropriate, in accordance with licensing agreements which the University has from time to time. This page must form part of any such copies made.

The ownership of certain Copyright, patents, designs, trademarks and other intellectual property (the “Intellectual Property”) and any reproductions of copyright works in the thesis, for example graphs and tables (“Reproductions”), which may be described in this thesis, may not be owned by the author and may be owned by third parties. Such Intellectual Property and Reproductions cannot and must not be made available for use without the prior written permission of the owner(s) of the relevant Intellectual Property and/or Reproductions.

Further information on the conditions under which disclosure, publication and commercialisation of this thesis, the Copyright and any Intellectual Property and/or Reproductions described in it may take place is available in the University IP Policy (see http://documents.manchester.ac.uk/DoculInfo.aspx?DocID=24420), in any relevant Thesis restriction declarations deposited in the University Library, The University Library’s regulations (see http://www.library.manchester.ac.uk/about/regulations/) and in The University’s policy on Presentation of Theses.
Dedication

I dedicate this work to my mum and dad, who have dedicated their lives to providing their sons with all the opportunities they never had.
Acknowledgments

I have fought the good fight, I have finished the race, I have kept the faith - the Second Epistle of Paul’s letter to Timothy (2 Timothy 4:7). My journey in the faith started in the mid-2000s and I have not looked back since, thank you Yahweh for making this possible. In the four years taken to complete this study, I owe a lot to the sacrifice, forbearance and support of many people. To start at the very beginning of this journey, Dr. Rachel Annand, Dr. Steve French and Dr. Alhajie Saidy Khan, thank you for the time taken to ignite the passion of examining employment relations in a boy trying to navigate the Keele University bubble. Without your interest in my development and support I would not have been able to muster the confidence to successfully pursue a master’s degree at AMBS.

To my A team which is made up of Dr. Stephen Mustchin and Prof. Miguel Martinez Lucio, to whom I owe a huge intellectual debt but most importantly to whom I am truly grateful for their time, patience and emotional support afforded me on this journey. You have always been a phone call away and a team I proudly boast about as the very best at the business school simply because you provide constructive criticisms but more importantly are adept at ‘softening’ the blow. To Stephen, thank you for taking me on, giving me a chance and shaping my views about my role in society, I can never fully repay you. To Miguel, I have come to experience and am in awe of your ability to write sentences which carry a multiplicity of meanings, thank you for your support.

I am grateful to the Economic and Social Research Council (ESRC), my sponsors for providing me with the opportunity to pursue a PhD. I am fully aware of the privilege afforded me and for that I am truly grateful. Special thanks go to Hayley Meloy at the NWSSDTP and her counterparts in the PGR administrative team here at AMBS (led by the late Ray Walmsley and now by Helen Mcmanamon) for their support during fieldwork and over the course of the study.

To my friends who have been with me throughout the process, Isaac Amoah, Caleb Azundow, Shamin Khan, Jason Archie-Acheampong, Peter Schofield and Paul Sterzenbach. I am eternally grateful first for your friendship, then for your love and enduring words of wisdom during my times of turbulence. To my one and only ‘uncle’ Ahmed Issifu who has always been my shadow from the very beginning, I can never repay your faith in me and support in helping me realise my goals. Charity Lamisi Mbilla, mum of my love Jima and my God son Nankala, I say thank you.

To my family: my mum Mercy Chimsi and my dad Ebenezer Tetteh Abroso, thanks for giving me everything required to prosper in this world and the world after. Our God could not have placed me in better hands and I will work tirelessly to remain a son you can be proud of. Last but certainly not the least, to my brother Michael Tetteh, thank you for bearing with me, remain balanced in your outlook and keep the trait of a ‘long fuse’ you will have your own testimony to give.
Abbreviations and Acronyms

APSOG – Association of Private Security Organisations of Ghana

CA – Collective Agreement

CLS – Core Labour Standards

CoCs – Codes of Conduct

CPP – Convention People’s Party

CSR – Corporate Social Responsibility

DFI – Department of Factories Inspectorate

EPA – Environmental Protection Agency

FDI – Foreign Direct Investment

GCM – Ghana Chamber of Mines

GEMM – General Metal Manufacturing Workers Union

GFL – Ghana Federation of Labour

GMWU – Ghana Mine Workers Union

GTUC – Ghana Trades Union Congress

GUFs – Global Union Federations

ICMS - International Certifiable Management Standards

ICU – Industrial and Commercial Workers Union

ILO – International Labour Organisation

ILS – International Labour Standards
IMF – International Monetary Fund
LI – Legislative Instrument
LoM – Life of Mine
MinCom – Minerals Commission
MNEs – Multinational Enterprises
NGO – Non-governmental Organisation
NLC – National Labour Commission
OECD - Organisation for Economic Co-operation and Development
PMSU – Professional and Managerial Staff Union
PSCs - Private Security Companies
SAP – Structural Adjustment Programme
SSA – Sub-Saharan Africa
TCAs – Transnational Company Agreements
TWN – Third World Network
UN – United Nations
UNCTAD - United Nations Conference on Trade and Development
UPSP - Union of Private Security Personnel
WACAM - Wassa Association of Communities Affected by Mining
WTO – World Trade Organisation
CHAPTER ONE: INTRODUCTION

Introduction

This employment relations (hereinafter: ER) study sets out to examine; the Application of International Labour Standards and Private Regulation in Subsidiaries of Multinational Enterprises in Ghana: ramifications for organised labour and workers. This objective and subsequent research questions (detailed below), have been crafted to address the growing need for research into multinational enterprises (MNEs) operating in the African developing country context in terms of their industrial relations policies and practices. Firstly this research follows the path of significant empirical studies on ER and human resource management (HRM) practices of MNEs in recent years (Almond and Menéndez, 2013; Ferner et al., 2005; Ferner et al., 2012), that explored issues of transfer of Industrial Relations practices of MNEs from home to host countries. The bulk of research in this area until recently was focused on the operation of MNEs in the Global North, however there has been a proliferation of research looking at the emerging or developing economies in China (Zhao et al., 2012), Vietnam (Collins, 2011; Macintosh, 2013; Vo and Rowley, 2010), in Eastern Europe (Meardi, 2006), Latin America (Niforou, 2012) and Africa (Akorsu and Cooke, 2011; Ayentimi et al., 2019; Cooke, 2014).

Secondly, the research seeks to bridge conventional business management and employment relations’ understandings of labour standards and corporate social responsibility (CSR) (Jackson et al, 2018), translated in Ghana, a context widely cited as a ‘success case’ of sustained adjustment and growth (World Bank, 1995), by examining its state infrastructure and the practices of MNE subsidiaries in strategic locations of its economy. Here the thesis attempts to contribute to literature by examining the International Labour Organisation’s (ILO) labour standards, their effect on the legislative agenda in Ghana and permeation into CSR; and corporate voluntary initiatives taken up by MNEs and their subsequent employment implications. There is a general understanding that CSR literature typically takes up a managerialist orientation, where business literature provides little room for
workers and their representatives (trade unions) in shaping CSR\(^1\), despite being the subject of it (Jackson et al., 2018). Nonetheless, this thesis seeks to provide an ER perspective of CSR in the growing research area of transnational company agreements (TCAs) which re-positions trade unions in those discussions (Dehnen, 2013; Mustchin and Martínez-Lucio, 2017). For example it responds to the call of Niforou (2013) for further research on TCAs in terms of their implications for local practice and employment outcomes in developing countries, a focus on more critically analysed empirical evidence as opposed to the large body of descriptive research on this topic (Müller et al., 2008).

1.1 Background to thesis

This thesis explores the nature of MNEs and international private regulations in an African developing country context. Many studies conducted with a focus on MNEs, their practices and the internalisation of private regulations by those enterprises and member countries of the International Labour Organisation (ILO) for example, have so far been largely done in the context of developed countries. The Ghanaian country context is a relevant choice for the thesis (discussed in detail in chapter four) because of its historical significance in terms of being as one writer crudely put it the ‘first true colony of Negro Africa to achieve independence’ (Dalton, 1961, p. 552) and the pivotal role played by its first president Nkrumah in ‘international troublemaking’ (ibid: 553) by threatening the rule of capital and opposing Eurocentric political institutions\(^2\). This is notwithstanding his engagement with Pan-Africanism\(^3\) which called for the liberation of the continent from colonial rule and the promotion of alternatives to Eurocentric capitalism. Secondly, it is a suitable site because of its contemporary status as a successful test case of democracy in

---

\(^1\) Although there has been some input in Multi-stakeholder codes of conduct and on some level at international certificate management standards

\(^2\) Effectively, ‘leaning toward the Iron Curtain’ (Dalton, 1961, p. 553)

\(^3\) For brevity Pan-Africanism in this instance is taken as the call for an enhanced economic cooperation and a common foreign policy amongst African States. It has been more than 60 years since the All-African Peoples Conference, a notable event in the history of Pan-Africanism was convened in Accra in 1958
Africa⁴; in a continent that has had major challenges in maintaining stability since the return to self-rule in largely the second half of the 20th century. On a final point its contemporary status as a model of successful adjustment (World Bank, 1995), in the assessment of global agencies such as the World Bank and International Monetary Fund (IMF), especially owing to the devastating effects of their ‘conditionalities’ that has been widely documented in the literature makes Ghana a fertile research site (Addo et al, 2010; Boafo-Arthur, 1999). This is because structural adjustment policies and its lasting effect on the state’s role and approach to employment matters in terms of regulation; rule-making, monitoring and enforcement and in terms of its subsequent tilt towards an insatiable receptiveness⁵ to attracting FDI from MNEs (Adams et al, 2014; Mmieh and Owusu-Frimpong, 2004), makes it a suitable site for addressing the overarching objective and the research questions.

The thesis employs the British ER tradition of examining the interactions that occur between the state, the employers and their representatives and that of workers and their representatives. Thus it examines not just the micro-level relations that take place in the workplace between managers and workers but also the macro-level interactions that take place within and between institutions set up to govern those relations. Through the use of wide ranging employment relations literature including theoretical contributions, it explores those macro-level and micro-level interactions with sensitivity to literature capturing the effects of globalization, in this case the effect that institutions such as the ILO, the World Bank and IMF (through SAP) and arguably MNEs, institutions in their own right, that have impacts on employment relations and employment outcomes in Ghana. Owing to the overarching objective which essentially looks at the permeation of international labour standards and private regulatory approaches in this case across both the macro and micro levels and its effect on employment standards in country especially on the constituents of organised labour and workers, this thesis carefully works to locate the juncture at which Ghana’s contemporary development of

---

⁴ Especially after its transition to multi-party democracy in 1992
⁵ Creating a conducive climate for capital; ease of doing business
capitalism, or its idea of ‘developmentalism’ moved to a free market ideology or neoliberalism. It then effectively places it in tandem with changes in terms of the proliferation of MNEs and regulatory shifts that have been to the detriment of the working class (workers and their representatives). Nonetheless it explores the actions of those unions that have accepted the status quo or those incorporated into employer agendas as well as those actively organising against their exploitation utilising national, regional and international levers in their struggles.

To answer the overarching objective and subsequent research questions (see below), this thesis employed a qualitative research method, where 71 participants were interviewed in a semi-structured format from purposively sampled organisations (see chapter three). These organisations included four ‘case’ MNEs ‘DrinkCorp’ from the beverage sector, ‘SecuriCorp’ from the private security sector, ‘HiliGold’ and ‘Rossinto’ from the mining sector. Moreover these case MNEs were complimented with other actor organisations from the state and civil society.

1.2 The core research questions

The main objective of the study is to empirically ascertain the nature and pattern of labour standard application in the subsidiaries of MNEs operating in Ghana; seeking to understand the outcomes for workers and their representatives. The questions that emerge from this stated objective that direct the study are below. The first essentially examining the effect of the state apparatus (actors and labour legislations) on MNEs and their employment practices. The second examines how selected MNEs in this study operating in the Ghanaian context, use and apply private CSR initiatives subscribed to by their parent entities. The third observes the regulatory outcomes of those private regulatory initiatives (ramifications for organised labour and workers); a focus is placed on the critical facet of freedom of association; ‘the starting point for putting [the significant actor] labour on the map’ (Hammer, 2005, p. 512). The final research question examines how the trade union movement in Ghana responded to the practices deployed by those MNEs.
1) How are the employment practices in the four MNE case studies mediated by the national industrial relations system in Ghana?

2) In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?

3) Is freedom of association observed and acted upon in practice in the case study MNEs?

4) In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms?

1.3 Significance of the study: contributions

This thesis makes significant contributions. It first aligns with the behaviour of MNEs identified by critical literature examining industrial relations and HRM practices of MNEs (Almond and Menéndez, 2013; Ferner, 1997; Ferner et al., 2005); in terms of their deployment of anti-union strategies, and practices of whipsawing amongst many others, remaining consistent in this African developing country context. A context that has seen significant political and economic changes since independence, one where essentially ‘developmentalism’ has been translated into the pursuit of neoliberal policy prescriptions that have encouraged soft regulatory approaches, to the detriment of workers and their representatives.

Secondly, it makes a four-fold contribution to literature by considering ILO’s labour standards in terms of its shift to ‘promotional’ principles (Royle, 2010), and its reflection on the neoliberal policy in Ghana and the permeation of CSR approaches. This thesis was written with supportive evidence of the Ghanaian state’s uptake of a narrative of creating conditions such as ‘reductionist’ labour laws in the quest for FDI and development. Secondly, a 2 by 2 comparison of strategies deployed by the Ghana Federation of Labour (GFL) and Ghana Trades Union Congress (GTUC) in each of the two paired chapters effectively demonstrated the presence of a fractured labour movement in Ghana (Akorsu, 2010; Britwum, 2010), by crucially providing empirical evidence of their contrasting approaches to
unionism. Thirdly, the thesis makes a contribution that focuses on the area of TCAs and the wider literature of CSR where MNEs have engaged in the activity of referencing the ILO’s core labour standards. Here the thesis contributes to this growing research area where TCAs are seen to be potentially good initiatives to create and strengthen employment standards across the supply chain of MNEs. In this study where just one TCA examined at a case MNE, it led to some positive outcomes such as the signing of a collective agreement and the growth of a local union (within the MNE and across the sector) in a mostly non-unionised security sector, initially with the support of its affiliate global union. Although in this case the MNE found ways to strategically undermine its commitments, engaging in anti-union strategies to constrain its ‘partner’. This case also supported arguments that TCAs could be leveraged informally (Mustchin and Martínez-Lucio, 2017), despite management and unions often having little knowledge of their existence. This is in addition to another substantial point which sets out that in the rare case that a local union with sufficient power resources in terms of its hold on the sector has knowledge of its existence; a TCA is considered basic and advocated for in the main by unions, for ‘weaker’ institutional contexts. Lastly, in subheadings examining the nature of work at these firms, the study highlighted that facets of ‘country of origin’, the language of ‘best practices’ as well as contemporary managerial developments detailed in the waves of labour process theory (Marks and Chillas, 2014) significantly affected workplace employment outcomes (the reality) as opposed to the rhetoric of CSR.

1.4 Structure of the Thesis

This study is presented in nine chapters. The current chapter one, the Introduction, has provided the rationale for the study, the research questions posed and the significance of the work carried out. The subsequent chapters two and three first detail the plurality of literature used in this thesis and then secondly introduce the methods used. Here industrial relations and its perspectives are first examined to
set up the intellectual anchor point of the thesis. Subsequent sections within the chapter such as globalisation and MNEs (examine their growth, structure and strategies); regulation and international labour standards which discuss various sites of regulation as well as public and private initiatives. Last but not the least, the concept of corporate social responsibility is discussed. The methods covered in chapter three looked to demonstrate clear understanding of quantitative and qualitative research paradigms; and why the thesis elected on utilising the latter, with a multi-case study method preferred. It further details the processes of data collection and analysis, providing a personal account on the challenges confronted in the field and then discusses steps taken to optimise the validity and reliability of the study.

Chapter four and five serve to first provide contextual information on Ghana and the sectors examined in the study, with chapter five specifically delving into the first empirical findings on the macro level in terms of labour legislation in the country. It explored its frailties and the frailty of institutions involved in the monitoring, and enforcement of legislation. The chapters six and seven provide the organisational context and strategies employed by the MNEs examined and a detailed discussion of the findings unearthed in the case MNEs. The penultimate chapter, eight, provides a comprehensive discussion of the findings critically linking it to literature and answering the key questions posed in the study. This chapter is then followed by chapter nine a concluding chapter summarising the findings and contribution of the thesis.
CHAPTER TWO: LITERATURE REVIEW

2.1 Chapter Introduction

This chapter is a review of the relevant literature covering the themes explored in this study. The chapter is divided into four parts; literature relating to industrial relations (IR) and its various approaches, globalisation and the MNE, regulation and international labour standards and the concept of CSR. Notably this thesis employs the British IR tradition of examining the interactions that occur between the state, the employers and their representatives and that of workers and their representatives. Thus, the literature on IR informs the study of these actors and their effect on employment matters (macro, meso and micro levels). The subsequent section informs the study on the nature of globalisation and the MNE and its linkages with the cross-border diffusion of employment practices, whilst the other sections outline the nature of regulation, how for example international labour standards (public and private codes) permeate the various ‘sites’ (macro, meso and micro levels). Last but not the least, the wider concept of CSR is examined in terms of its historical, contemporary and theoretical treatment to understand why and how firms mostly MNEs, have chosen to frame and operationalise labour standards.

2.2 Industrial Relations and Approaches

The objective of this section on IR and its approaches is to set up the intellectual anchor point of the thesis and the general context of the thesis. Bain and Clegg (1974, p. 95) define IR as the ‘study of all aspects of job regulation – the making and administering of rules which regulate employment relationships – regardless of whether these are seen as being formal or informal, structured or unstructured’.
This is a classical definition of IR which centres it on rule-making at work derived from a systems approach (See Dunlop, 1958 and explanation below). Essentially a set of rules that govern an economic exchange between the buyers (employers) and the sellers (workers) of labour (Dundon, 2016). Notably, the terms ‘employment relations’ or ‘employee relations’ frame for most of the second half of the twentieth century have come to eclipse the jargon of ‘industrial’ (ibid; Nienhuser and Warhurst, 2012). Nonetheless, in its basic form, the field is concerned with the analysis of the employment relationship and the economic exchange between employers and employees centred on the wage-effort bargain\(^6\), a subject shaped by power dynamics (ibid).

The subject area is now truly a multidisciplinary field of study linked to sociology, law, psychology, economics and broader social science perspectives, attributable to the complexity of the employment relationship (Dundon, 2016). Firstly, unlike most contractually-based relationships, the item being exchanged in the contract is labour, an atypical commodity that is intangible and so, employers in actual fact pay for potential or for the capacity of a worker to carry out work, not actual labour; it only becomes actual labour in its execution (Nienhuser and Warhurst, 2012). Employers look to overcome this indeterminacy of labour, the conversion of labour power into profitable work, by utilising employment contracts and exercising control in the workplace to direct, monitor, evaluate and discipline employee performance. This indeterminacy of labour, that is the gap between purchased potential and profitable outcomes, is often a contested area.

Secondly, complexity of the employment relationship arises from various interests and objectives held by the key actors (employers, workers and the state) in the relationship. For example Fox’s (1966, discussed below) notable frames of reference concept of ‘unitarism’ and ‘pluralism’ depicted blinkered employer attitudes towards the exercise of authority, the existence of conflict at the workplace and the potentially collaborative role of trade unions. This concept later

\(^6\) An exchange of effort for reward centred on a labour contract; a legal artefact where the employer agrees to exchange pay for the workers’ labour (effort and time) – See (Nienhuser and Warhurst, 2012)
widened to understanding the attitudes of workers (trade unions) ‘radicalism’ and that of wider public ‘egoist’ depict a set of assumptions held by workplace actors that in some way inform industrial relations (Cullinane, 2016). An employer adhering to a unitarist frame of reference will look unfavourably on trade unions and work to sabotage it whilst, a trade unionist inclined to a radical frame of reference will be suspicious of HRM attempts to generate employee engagement; viewing it as a method of co-opting workers in managerial agendas (ibid). Thus, in the workplace the interests of employers and employees can be conflictual, cooperative, or harmonious pertaining to their frames of reference, although in general they are mostly conflictual in terms of the appropriation and distribution of surplus value arising from expended labour (Nienhuser and Warhurst, 2012). However, both actors could share the mutually common interest of; maintaining the organisation and its profitability, thus, some form of compromise or at least acquiescence, is usually achieved (ibid).

On a final point complexity also stems out of the embeddedness of the employment relationship within countries, in terms of the laws and norms which could markedly affect the behaviour of the exchange parties. Literature on ‘societal effects’ (Maurice et al, 1986; Sorge and Warner, 1986), ‘business systems’ (Whitley, 1992), ‘production regimes’ (Gallie, 2007) and that of the widely utilised ‘varieties of capitalism’ (Hall and Soskice, 2001a&b) which is specifically discussed in section 2.2.4.2 (varieties of capitalism), help detail country differences such as prevailing legal, labour market and social security systems that have important influences on industrial relations. The legal context of countries for example, is particularly pertinent because it outlines the content of the labour contract that is, the basic rights and obligations of employers and workers. Notably, the asymmetry of power that exists within the employment relationship, mostly in favour of employers, the capability of workers to counteract that by leveraging on collective action through trade unions that influence the voice options for employees within the relationship is dependent on country context. The highlighted literature above essentially exemplify the institutionalist approach in the field of international comparative management where the institutional environment is seen as the key determinant of
organisational characteristics. Notably, the ‘societal effects’ thesis (Maurice et al, 1986; Sorge and Warner, 1986), a precursor to the other highlighted literature, found a relationship between the institutional structure of society and that of organisational forms and practices (ibid; Coates, 2000). Generally, these literatures (Maurice et al, 1986; Sorge and Warner, 1986; Whitley, 1992; Gallie, 2007; Hall and Soskice, 2001a&b) presented two arguments; firstly arguing that the way particular economic institutions function differed between national capitalisms and that those differences had direct effects on the patterns of growth and competitiveness (Coates, 2000). Secondly that such institutional differences were systemic rather than random; structural rather than accidental and reflected the impact of economic activity of wider ‘societal effects’ which were themselves predominantly nationally rooted (ibid).

To summarise, the field is concerned with the regulation of the labour contract, one where the contract is: indeterminate, the relationship is dynamic and inequality power resources is at its heart (Frege and Kelly, 2013). There have been various overviews of social science theories used in industrial relations research (see; Müller-Jentsch 2004; Martin and Bamber, 2004; Kaufman, 2010). Müller-Jentsch (2004) has been identified as providing one of the best and most comprehensive summaries, as it distinguishes ontologically between system theory, Marxist theory, institutionalism, action theory and economic approaches (Frege and Kelly, 2013). The subsections outline theories representing the two underlying ‘philosophies’, the market driven (systems theory, strategic choice, convergence theories) and political economy theories, which cut across all theories and are particularly important for a comparative understanding of industrial relations issues (ibid). They offer alternative accounts of the main driving forces in employment regimes, with market driven theories based on economic functionalism, focus on market forces and capitalist firms with the state as a mere facilitator, whereas the latter political economy accounts highlights the facets of social and political forces as equally important to market forces in shaping or constraining labour markets (ibid). The latter presents the state as an independent actor, one not subordinate to the market (ibid). The theories discussed in the subsections below will set up the
intellectual anchor point of the thesis, by significantly describing industrial relations and a selection of core perspectives: the systems theory, strategic choice, the Marxist political economy approaches and the comparative approach, which exam theories of convergence and varieties of capitalism.

2.2.1 Systems Theory

Systems theory approach made popular by John T. Dunlop (1958) through the concept of an industrial relations system (IRS), tried to move the subject matter of IR from earlier attempts to centre analysis on industrial conflict to one centred on rules and norms guided by the three groups of actors (managers, workers and their representatives, and government institutions dealing with industrial relations) (Müller-Jentsch, 2004). Dunlop’s (1958) work on Industrial Relations Systems, constituted society as a system sub-divided into constituent parts of: industrial relations, political and economic sub-systems that interact and are to some extent interrelated.

Hyman (1995: 20) described Dunlop’s approach as theoretically framing industrial relations as ‘a system of rules: a subsystem of society where actors interrelated within a specified set of contexts in order to generate stable patterns of regulatory outputs’. Critically, despite providing analytical focus as utilised in the works of IR specialists at the ‘Oxford School’ 7, it distanced itself from the progressive works of pioneer writers such as Sidney and Beatrice Webb (the Webbs) in the early 20th century (Hyman, 1995; Müller-Jentsch, 2004). The Webbs treated industrial relations as embedded in the more general socio-economic relations as opposed to being in ‘a self-contained world (one which inter-connected only through a limited number of channels to the external environment); ... [where] recipes for institutional adaptation and adjustment could be formulated independently of broader strategies of social reform’ (Hyman, 1995 p. 21).

---

7 Theoreticians: Allan Flanders and colleagues, promoted pluralism and systems theory and through the Donovan Report in the 1960s greatly influenced the development of IR study and policy (see Zeitlin, 1987; Kirkbridge, 1985)
Additionally as a critique, the systems approach promoted the ideology of ‘pluralism’ and stability; the negotiation of order in industrial relations always seen as a possibility and one that is desirable (ibid). This thinking essentially left underrated the dimensions of conflict and change (ibid; Müller-Jentsch, 2004).

Notably, Alan Fox a theorist from the Oxford School, in this case levying criticisms on the pluralist orthodoxy encouraged by the systems approach, promulgated ‘radical’ theories or frame of reference (Kirkbridge 1985). For example Fox (1973) questioned the pluralist portrayal of a balance of power as one that is substantially blinkered in the understanding of society and of IR as ‘it obscures the domination of society by its ruling strata through institutions and assumptions which operate to exclude anything approaching a genuine power balance’ (Fox, 1973, p.206). For Fox, society is characterized ‘in terms of the over-arching exploitation of one class by another, of the propertyless by the propertied, of the less by the more powerful’ (ibid: 206), as such the pluralist characterisation of a balance of power or the portrayal of the dominant class as just another interest group, could in effect be used as an ‘ideological tool of subordination and legitimation used semi-purposively to condition the subordinate class into accepting the status quo’ (Kirkbridge, 1985, p.277). Consequently, under this perspective collective bargaining⁸ is no longer seen a means of normative adjustment between the competing groups (labour and capital) but rather a mechanism created to shape or filter out conflicts that threaten the main structural features of domination; power, status and profits (ibid). Effectively, the pluralist ideology served as an operational tool to replace the non-realistic unitary ideology purported by managerial theories, which denied the legitimacy and existence of deep-seated conflict; resisting the roles of trade unions (rival power groups) and the process of joint regulation within an enterprise (Fox, 1973; Kirkbridge, 1985).

---

⁸ A term invented by the Webbs that describe the process where representatives of employers and workers jointly determine, regulate and agree terms on decisions relating to substantive and procedural matters that mould the employment relationship (Beszter, 2016)
2.2.2 Strategic Choice

Strategic choice is an IR theory developed by Thomas Kochan and his colleagues (Kochan et al, 1984), elaborating on the systems theory approach. The model of strategic choice integrated the traditional theories of industrial relations systems with literature on corporate strategy, structure and decision making. Viewed as an update to Dunlop’s systems model (Dunlop, 1958), this model worked to address five anomalies found in the systems theory. Firstly to account for the decline in union membership by exploring the changing behaviour of the various actors that have caused the decline; secondly factoring in changes in managerial values vis-à-vis in managerial strategies toward unions and collective bargaining (Kochan et al, 1984). In contemporary times, taking a ‘union-free’ approach, for example using a union avoidance or containment strategy has become a high priority for employers, that has coincided with the ‘rearranging of many firms’ industrial relations/human resources function, transferring power from labor relations staffs to those human resource functions associated with union avoidance’ (Kochan et al, 1984, p.18). Thirdly, to account for the rise in alternatives or perhaps supplements to collective bargaining ‘experiments with shop-level participation’, that involve various forms of worker participation such as quality circles (ibid: 19). Fourthly, to account for the changing pattern of collective bargaining where increasingly management have been taking the initiative in bargaining demands, worsening the terms and conditions of employment and introducing innovations in personnel practices. On the fifth and final point, the model considered change in the traditional role of the state as a regulator of the process of rule setting but not of the outcomes; as there has been an expansion of regulations of the terms and conditions of employment governing industrial relations (ibid). To summarize, strategic choice substantially outlined that trade unions were not always permanent participants in workers’ employment relationships, consensus is not static (as in Dunlop’s IRS) and that management played proactive not just reactive roles through the strategic use of human resource management in shaping industrial relations.
2.2.3 Marxist Approaches – the political economy of industrial relations

The theoretical mainstream of industrial relations, dominated by Dunlop and writers from the ‘Oxford School’ evaluated IR in terms of attaining system outcomes of order and regulation whilst, wholly rejecting the Marxist conception of class polarisation as inevitable sources of conflict by ignoring significant facets of instability and disorder as potential outcomes (Müller-Jentsch, 2004). In essence the Marxist approach assume that the structure and form of industrial relations at any given time are the outcome of a power conflict between forces of capital and labour (Kirkbridge et al, 1985). This approach views capitalists and workers as being involved in an antagonistic, unequal relationship; where the latter are forced to sell their labour power as a commodity on the labour market in exchange for financial sustenance (ibid). This relationship remains unequal and hostile, insofar as the capitalists control the means of production and pursue aims of continually increasing the ‘surplus value’ received by keeping the wage rate low (ibid: 278). This is in addition to the fact that this ‘exchange relationship is characterized by an asymmetrical distribution of power, because the individual worker faces the capitalist as a representative of a collective force’ (ibid: 278). The major theorist in this area of Marxist analysis was that of the works of Richard Hyman. Hyman (1975, p.12) defined industrial relations as ‘the study of processes of control over work relations’, where those processes are only subject to theoretical explanations that reference class structure and the capitalist environment (accumulation and control of ideological resources) (Müller-Jentsch, 2004; Kirkbridge et al, 1985).

It is worth noting that another important theorist, John Kelly (1998) introduced the political economy taxonomy of industrial relations; an approach that emerges from Marxism where the focus is on injustice and how that stimulates collective worker responses. Here he recognised that exploitation and domination were at the heart of the employment relationship, as such, these serve as catalysts to activists to mobilise the real force of workers interests and collective identity albeit conducted under circumstances of counter mobilisation against organised labour from employers supported by the state (Müller-Jentsch, 2004). This
approach essentially provides some theoretical ties around the growth of trade unions with workers’ heightened sense of injustice and their ability to effectively mobilise and the frequency of industrial action (ibid). Here emphasis is placed on the importance of workers having a collective awareness of injustice emanating from their social relationship between capital and labour where there are opposing sets of interests and values (ibid). This could then be effectively mobilised depending on access to key resources such as an effective worker organisation and the availability of a leadership willing and able to head workers’ struggles: although counter strategies deployed by employers and the state could work to curtail collective action (Crouch, 1982).

2.2.3.1 The Labour Process Analysis

The labour process analysis of industrial relations centre on discussion had in literature of the transformation problem, identified by Marx as, how bought labour power is transformed into performed work (Müller-Jentsch, 2004). Famously, Harry Braverman (1974) Labour and Monopoly Capital, highlighted this by examining how managerial strategies was having profound impacts on workers in the twentieth century. In his book, Braverman set out the Marxist perspective on the role of capitalist management to be that of controlling the labour process in their efforts to extract maximum surplus value by transforming labour power into work performance (ibid; Müller-Jentsch, 2004). This managerial control and the continual technocratization of work, he argued essentially worked to leave employees alienated from the products of their labour (ibid; Marks and Chillas, 2014). His construction of a linear process of gradual degradation of labour and the intensification of managerial control over the labour process (utilising Taylor’s scientific management), and the deterministic nature of technology in rendering near complete control of the labour process to management, were amongst the criticisms of his work though arguably, his work encouraged sophisticated debate in the field (Müller-Jentsch, 2004). For example, many writers then and now recognise managerial strategies and practice that utilise Tayloristic principles, technology and
machinery in some parts to deprive workers of control of the labour process, although thoughts are mostly laced with caveats as to the extent to which this process is systemic, strategic or indeed happen without opposition (ibid). This is because ‘hardly any strategy could be implemented without serious changes because practice is a product of conflict, bargaining, and compromise between two or more parties’ (Müller-Jentsch, 2004, p. 9).

To inform the employment relations framework adopted in this study which examines the macro-level institutions created to govern relations at the micro-level, as well as discussing issues at that level, the labour process theory (LPT) was used to inform discussions on arising issues occurring at this micro-level; issues of work intensification, pay and working conditions amongst other substantial issues of undermining unions at the workplace despite commitments made to social responsibility. This ‘radical’ theory significantly influenced by the Marxist frame of reference about work relations sheds some light on contemporary managerial practices (Abbott, 2006), and as such provides the study with a useful lens in understanding managerial strategies over time. Marks and Chillas’ (2014) work on the ‘three waves’ charts the development of LPT and helps the study in understanding micro-level issues.

According to Marks and Chillas (2014), the ‘first wave’ development of the LPT focused on the crucial Marxist contributions of Harvie Ramsay (1977), which discussed the relationship between workers and management (at the workplace level) as one that was fundamentally antagonistic when examining workers’ ability or inability to contribute to decision making in organisations (participation) from a sociological and historical perspective. Writing at a time of increased managerial interest in participation initiatives in the UK, Ramsay presented the argument that managerial interest in participation was cyclical (Marks and Chillas, 2014). At that time managerial interest to engage in participation initiatives was the result of challenges to their authority during a period of economic prosperity, resulting from conflict posed by labour mobilization. Effectively in the struggle between capital and labour, Ramsay noted that employers deployed strategic measures to seemingly encourage ‘participation’ or cede some control to workers in
circumstances where workers seek to challenge managerial authority (ibid). However in real terms their actions represent defensive mechanisms that is purposely aimed at diluting labour power in an instrumental way rather than a genuine attempt to include them in decision-making (ibid). Notably, Marchington and his colleagues (Marchington et al, 1993) encouraged the use of the metaphor of ‘waves’ rather than ‘cycles’ in order to ‘display greater sensitivity to the intricacies of particular workplaces and contexts’ (ibid: 554). In their critique, Ramsay’s work failed to ‘capture the varying rationales behind initiatives in specific employing organisations, the political processes that accompany these initiatives or any counter-tendencies that may exist at workplace level’ (ibid: 554).

The ‘second wave’ of LPT focusing on control, compliance and consent within the workplace was steeped in the body of work of the ‘triumvirate’ writers; Andy Friedman, Richard Edwards and Michael Burawoy (Marks and Chillas, 2014). At the workplace level, these writers observed changes in the forms of management, Friedman (1977 cited in, ibid) observed that some workers (often skilled workers) were allowed a degree of ‘responsible autonomy’ or given scope for discretion and preferential terms under conditions appropriate for management, in the employers attempts to divide and stratify the working class. Edwards (1979 cited in, ibid) emphasised these themes of control strategies such as bureaucratic control, effectively segmenting and dividing workforces, creating the perception of discretion for the few at the top of the hierarchy and facilitating the destruction of mass unionism. Finally, Burawoy in his book Manufacturing Consent (1979 cited in, ibid) argued that there were some elements of consent between management and employees, where workers through their participation in the political systems of management engendered their consent to exploitation. Essentially the mechanism of labour control by capitalism as observed by Burawoy was one of co-optation and subtle coercion, where at the workplace employees are given the illusion of choice in a restrictive environment. Their subsequent participation creates consent and limits the potential of labour-management conflict whilst maximising productivity. Burawoy (1979 cited in, ibid) noted that corporations manufactured consent utilising a variety of schemes, exemplified were that of the piece-rate pay system,
internal labour market, and collective bargaining; where workers were co-opted into managerial agendas through the illusion of choice and participation (in terms of collective bargaining).

The ‘third wave’ of LPT delved into topics of lean production, HRM and partnership, the new forms of control and management albeit subtle, at a time of ‘Japanisation’. Here labour process theorists observed and critiqued these managerial strategies, for example ‘Japanisation’ or lean production that altered the employment experience for workers with superficial practices promoting worker involvement, as the lived experience was that of work intensification. Martinez-Lucio (2010, p.123) locates this type of exploitation in ‘the age of self-harm as the socioeconomic system turns further inwards onto the body to extract ever more intense levels of worker activity and effort’. Whilst, HRM has been viewed as the employers attempt to organically integrate employees into corporate objectives and marginalise the influence of their representatives (through the individualisation of the employment relationship). The direct voice mechanisms associated with HRM such as new forms of communication (i.e. management-led mass meetings), and corporate-oriented ‘collective’ modes of representation have worked on displacing autonomous and independent collectivist forms (Gall, 2010; Martinez-Lucio, 2010). In addition, through the use of partnership agreements and its rhetoric of mutual benefits, management continue to achieve control by consent (in times of restructuring and change) by presenting the ‘opportunity’ for union renewal under restrictive circumstances where unions are encouraged to shift from adversarial to cooperative dispositions and actively participate in firms’ initiatives or agendas (productivity, quality and flexibility) (ibid; Marks and Chillas, 2014). As a feature of American and British IR from the 90s to the 2000s, critics such as Kelly (1996; 2004), Martinez-Lucio and Stuart (2002) put forward pessimistic views of partnership compromising the autonomy and effectiveness of trade unions in responding more assertively to change (Martinez-Lucio, 2010).

This thesis employs the British ER tradition (mentioned in 1.1 background to thesis) of examining the interactions that occur between the state, the employers, workers and their respective representatives. The LPT perspective and the use of
Marks and Chillas (2014) ‘waves’ works well in informing this framework as it broadly informs the study of the way work needs to be critically looked at; that of the micro level industrial relations strategies employed by management and the levels of control within it. This will be useful in the case chapters in terms of identifying managerial strategies of control, for example in their use of co-option and coercion, lean production and HRM measures, which temporarily tilt the balance of power at the workplace to employers, as identified in previous studies conducted on firms in Ghana (Ayentimi et al, 2019; Akorsu and Cooke, 2011; Cooke, 2014). Whilst, chapter 5 of this study which examines the state in Ghana, will provide a macro-level picture of the labour legislation and institutions, one that will most likely show managerial control being fostered at the workplace. This is because developing countries like Ghana court FDI (Deng et al, 2009; Adams et al, 2014) by providing a conducive regulatory environment for MNEs, notwithstanding the fact that studies have found MNEs to generally engage in the manipulation of institutional settings in terms of exerting enormous pressures on the sphere of policy-making (Ferner et al., 2012). For example by dominating host employer associations and threatening whipsawing (discussed below), MNEs can exert pressures in their host’s national employment systems at the macro, meso and micro levels (Almond and González Menéndez, 2013).

2.2.4 Comparative Approach

This section highlights the comparative approach to industrial relations in order to call attention to the need for sensitivity to different contexts and to briefly discuss comparative concepts that will be alluded to in the study. According to Salaman’s (2000) distinction between ‘comparative’ and ‘international or trans-national’, the ‘comparative’ approach, distinctively looks at the industrial relations system between countries, examining the ‘differences in the interrelationship between actors, processes, outcomes and environments’ (ibid) or variations between countries or regions with regards to levels of trade union density, industrial conflict or IR institutions (ibid; Collings, 2008). Whilst, an ‘international or trans-national’
approach is described in terms of research that focuses on the features of industrial relations which operate across national boundaries. For example that of; ‘multinational corporations, international union organisations and trans-national political institutions such as the European Union and the International Labour Organisation, and their capacity to establish trans-national labour standards and challenge national sovereignty’ (ibid: 28). This thesis follows the latter as it is primarily concerned with IR issues and problems experienced by both capital and labour, arising from the internationalisation of business and the IR strategies pursued by firms, employees and their representatives and ‘state-like’ institutions in response to it (Collings, 2008). Here, factors which affect the determination of IR policies and practices within MNEs and subsequently those that influence the configuration of IR in their subsidiary operations are examined. Thus facets of trade union recognition or avoidance, collective bargaining and levels of employee participation are discussed notwithstanding the role of nations and that of international industrial relations institutions that operate across national borders in conditioning the actions of MNEs (ibid). Nonetheless, the subsections below (2.2.4.1 and 2.2.4.2) will provide a discussion of the basic theories of comparative employment relations which will be alluded to in the study, specifically that of convergence, divergence and literature on the varieties of capitalism.

2.2.4.1 Comparative Industrial relations

Most literature on comparative industrial relations document wide and persistent variation in industrial relations across countries resulting in part from institutional factors specific to nations. Nonetheless, the convergence thesis promulgated by Kerr et al (1960) and that of the globalisation theories (Gereffi, 2005) have put forward arguments which suggest drivers such as technology (in the case of the former) and globalisation are pushing national industrial relations systems towards uniformity or convergence (Bamber et al, 2004). According to Kerr et al (1960) convergence to greater uniformity in industrial relations systems is in the main
driven by homogenizing pressure of new technologies amongst other forces, for example that of the push for progress, education, equality and the ‘compulsion of comparisons’ international best-practice, creating strong pressures for uniformity across nations (Frege and Kelly, 2013). The thinking here at the time was that structure follows functions, as such industrial relations by in large would change in line with technological and developmental requirements, with the emerging common model matching the Anglo-American pattern at the time of writing; ‘pluralistic industrialism’ (ibid). The writers posited that convergence was an inevitability despite identifying the persistence of political, social, cultural and ideological differences as possible variables that could promote diversity in industrial relations patterns, in the end, the logic of industrialism would prevail producing convergence on a particular set of institutional arrangements of labour market regulation (ibid; Bamber et al, 2004).

The proposed convergence theory by Kerr and colleagues Dunlop, Harbison and Myers (1960) has been the subject of debate and critique over the years (Frege and Kelly, 2013). Criticisms levied at Kerr and his colleagues were that they were masking US values and imperialism (asserting American ethnocentrism), as the theory concluded that the model best designed to succeed in the global economy was the US model, despite empirical evidence challenging this core assumption (ibid). Others questioned the deterministic assumptions underpinning the logic and whether industrialism did generate convergence (Nienhuser and Warhurst, 2012). For example, contemporary literature on strategic choice place emphasis on the proactive roles of all actors as the determinants of action rather than exogenous factors such as technology (Müller-Jentsch 2004). In essence, technology is no longer viewed as the driver but as a factor shaped by economic and societal forces (ibid; Frege and Kelly, 2013). This is notwithstanding the other argument that the historical transformation of the American labour market in the 1980s with the

---

9 A time of mature industrial relations where employers and unions engaged in effective and non-confictual bargaining, with minimum state intervention (Frege and Kelly, 2013)
10 The logic of industrialism dictated that countries industrialising required and adopted certain characteristics: the use of particular technologies; an ideological consensus centred on pluralism, urbanisation and big government; an increasingly higher skilled and more educated workforce; and a rule- bound industrial relations system (Nienhuser and Warhurst, 2012)
decline of collective bargaining, the preconditions for consensual bargaining, rendered the Dunlop and Kerr approaches as less relevant (Frege and Kelly, 2013)

Nevertheless, discussion of convergence still occurs in literature (Turner and Windmuller, 1998), as contemporary developments in the operation of the labour market, the structuring of the legal framework, the role of government, the rules of governing collective bargaining and the policies of organisations representing employer and employee interests have seen a degree of convergence, especially that of countries in Western Europe and North America. Contemporary literature have identified globalization as the driving force behind a global market-driven convergence of employment regimes towards the US model (Frege and Kelly, 2013). A market-driven convergence generally promoting standardization around dominant economies; literature on the ‘dominance effect’ exemplify the age of Americanisation with the ‘best practice’ of Taylorism or that of Japanisation ‘lean production’, mostly diffused by MNEs across the world (Pudelko and Harzing, 2007; Royle, 2006; Smith and Meiksins, 1995; Ferner, 1997). For example in Smith and Meiksins’ (1995) system, society and dominance (SSD) model, ‘dominance effects’ are practices that have been developed in leading national economies or industrial sectors or within specific firms, that have the potential of exerting a distinctive influence on key actors in and around a wide range of business enterprises situated in different societies by virtue of their supposed efficacy (ibid; Elger and Smith, 2005). It is notable that the features of globalisation that of, the integration of product markets as a consequence of removing trade barriers, internationalization of financial markets, cross-border spread of technological advances and transnational organization of production by MNEs, drives convergence (Pudelko and Harzing, 2007; Gereffi, 2005). In effect it promotes a convergence of form as it threatens nationally based governance institutions, thus employment models are assumed to inevitably change and converge in line with economic requirements (ibid).

Nonetheless, convergence has not become a dominant force as there remains widespread empirical documentation of divergent practices and outcomes in industrial relations, especially in cross-national comparisons (Turner and
Windmuller, 1998). Literature on the ‘varieties of capitalism’ (below) develops this point, in that, despite the powerful force of globalisation, national institutions still play a significant role in shaping industrial relations; demonstrated by a variety of capitalist employment regimes and the core distinctions of coordinated and liberal market economies. Moreover, globalisation theories mostly propagated by Gereffi (2005), continue to follow the much criticized functionalist approach to the explanation of social and economic structures (Frege and Kelly, 2013). In addition Katz and Darbishire (2000) observed a growing convergence of several patterns of work practices among seven industrialized countries that co-existed with an overall increasing divergence of employment practices within each country, a phenomenon they coined as ‘converging divergences’. This concept contributed to the debate on whether globalisation and the internationalization of markets was primarily leading to convergence of employment relations. Here the authors acknowledged that employment systems across countries were converging toward four common patterns of work practices: a low-wage employment pattern; the human resource management (HRM) employment pattern; a Japanese-oriented employment pattern; and a joint team-based employment pattern (ibid; Boyer, 2001). Although, significant differences in national employment-related institutions have resulted in some variation across countries in how those identified patterns were implemented (ibid).

2.2.4.2 Varieties of capitalism

The ‘varieties of capitalism’ (VoC) literature puts IR in an economic context and represents a popular approach to comparative industrial relations; examining the comparisons in the national offerings of opportunities for, and constraints on, how firms structure work and the wage–effort bargain, which effectively result in the varied forms of employment relationships and industrial relations (Nienhuser and Warhurst, 2012). The works of Hall and Soskice (2001a&b) informs this literature which holds two critical empirical observations. First, that there are significant and lasting differences in the way capitalist economies are organized; second, that there
is no systematic tendency for any particular variety of capitalism to outperform any other over the long run (Kelly, 2011). It argues that even in the contemporary context of economic globalisation and restructuring institutions possess a remarkable degree of resilience, strongly path dependent with institutional changes likely to be minimal or incremental, if any at all, owing to market pressures. VoC literature identify two ideal types of capitalist political economy, liberal market economies (LMEs) and coordinated market economies (CMEs), and a third type, the Mediterranean economy (ME), recently systematically discussed (Molina and Rhodes, 2007 cited in Kelly, 2011). In LMEs ‘firms coordinate their activities primarily via hierarchies and competitive market arrangements’ whereas in CMEs, by contrast, firms’ coordination activities depend more heavily on non-market relationships (Hall and Soskice, 2001a, p. 8). These have important implications on industrial relations, for example there is a striking divergence in industrial relations institutions between the two main varieties of capitalism: LMEs (the UK and US) typically have lower union density, lower collective bargaining coverage and more poorly organized employer associations compared with CMEs (Germany) (Kelly, 2011). The critique of this literature, have been on the lack of variety in the ‘varieties of capitalism’, amongst many others of viewing labour as passive agents (See Kang, 2006 for extensive presentation of critiques). It is important to note that Kerr’s convergence theory, and the theoretical approaches of the ‘varieties of capitalism’ and ‘globalization’ theories (written here and above), take the common approach of combining economic and institutional analysis, however ultimately adhere to a functionalist understanding of capitalist (employment) models, thus share similar weaknesses of undervaluing the effect of social and political forces in shaping or constraining the labour market (Frege and Kelly, 2013).

2.2.4.1 Researcher’s Position
Martin and Bamber’s (2004, p.295) taxonomy of ‘four touchstones that represent key features of national industrial relations systems’, that of examining the role of the state, the degree of enterprise-level management autonomy, the role of the union organisation and that of collective bargaining in industrial relations to help evaluate theories, will be utilised here to outline underlying position assumed by the researcher in this thesis. On the role of the state, this thesis aligns with the thinking of Esping-Andersen et al (1976) in defining the state as ‘the locus for class struggle’, where state power in a capitalist society could for the most part be monopolized and used as ‘an instrument in the hands of the ruling classes for enforcing and guaranteeing the stability of the class structure itself’ (Sweezy, 1942 cited in Esping-Andersen et al, 1976, p.187). As Hyman (1989, p.217) puts it, the state functions ‘to secure the often contradictory objectives of accumulation and legitimation’. Thus, the state plays two contrasting roles first of introducing regulations to deliver efficiencies in labour contracts to enhance economic performance of its industries (accumulation), but also works to ensure dignified working conditions, social justice and human rights for its citizens at their workplaces (legitimation) (Frege and Kelly, 2013). Significantly, the underlying thinking in this study is that, the state’s function of supporting capitalist accumulation takes priority over its function of legitimation, albeit maintaining legitimacy through ‘market correcting’ interventions by fostering voice at work and including social partners in economic and social policy is also important (ibid).

The underpinning theoretical considerations on the scope of managerial autonomy in IR, is that which understands managerial interests as remaining predominant under capitalist industrial relations though they are by no means the exclusive agents in the determination of those relations (Martin and Bamber, 2004). The scope of autonomy or choices available to management is limited, with competition in the main forcing management to continually find the most efficient means to maximize the extraction of surplus value (ibid). Essentially this ‘radical’ position places IR under the influence of competitive processes and structures of the capitalist political economy, rather than the strategic choices of enterprise managers (ibid).
2.3 Contemporary Economic Context: Globalisation and MNEs

This section will now turn to the discussion of the contemporary economic context, specifically discussing the age of globalisation and the rise of MNEs in the new global economy. Significantly, discussions will be had on the nature of MNEs in terms of their various typologies with linkages made with the diffusion literature, that is, the cross border diffusion of employment and labour practices in order to highlight the capability of MNEs in shaping employment practices.

Much of the literature has posited that over the last few decades, the phenomenon of globalization has caused profound shifts in economic structures, institutional arrangements, and the organization of work (Bhagwati, 2005; Egels-Zandén, 2009; Stiglitz, 2003). Evidence for these developments is usually based on increasing competitive pressure, global outsourcing, communications technology evolution, and a homogenization of consumer tastes and branding (Egels-Zandén, 2009; Klein, 2000). As highlighted earlier (section 2.2.4.1 comparative IR), globalisation theories add to the convergence thesis as it’s considered to be driving a convergence of capitalisms towards the dominant, Anglo-American model (*ibid*). Symptomatic of this is the liberalization of international trade in an increasing range of areas, the international integration of production within MNEs and the lowering of restrictions on FDI and liberalisation of financial flows (Egels-Zandén, 2009).

Crucially, located in the wider critical tradition is the understanding that globalisation cannot strictly be conceived in only economic terms but instead must be viewed as a complex of political, cultural and economic force (Giles, 2000). Globalisation is portrayed as the most recent ‘stage’ of international capitalist development (the rise of a neo-liberal global order); one that has overseen a strategy to extend the capitalist mode of production to virtually every corner of the planet (*ibid*). An order that is manifested in the Bretton Woods Institutions, the World Bank and the International Monetary Fund (IMF) which have promoted; the removal of ‘constraints’ on financial markets and corporations, the transformation
of states (privatisation of national assets), and pushed policies of structural adjustment to developing countries (Morgan, 2014). However, it is noteworthy that these neoliberal strategies of global integration promoted by those institutions, enforcing market dependence through the use of debt to force the integration of the south of the world into the global economy, did not occur without opposition from social forces; as exemplified by ‘IMF riots’ 11.

Literature largely posits varying versions of an idealised globalised economy where national economies and their international interactions are incorporated and rearticulated by genuinely global processes and transactions into new a structure (Hirst et al., 2009). The scenario presented in this contemporary age is supposedly one where economic actors and activities are said to have become dis-embedded from national societies and domestic policies; as private corporations and public regulators alike become routinely predisposed to considering potentially global determinants of their sphere of operations (ibid). The primary focus of this thesis is MNEs, entities described as being the vital constituent of this era of “dis-embedding” in economies (Hans-Wolfgang and Rüb, 2014). MNEs are noted to have substantially grown in the early years of this new century (UNCTAD, 2001), becoming significant employers in almost every country in the globe, occupying positions of significant ‘power’ with respect to their elevated status in the global economic system and subsequently able to deploy strategies 12 to profoundly mould national employment systems (Almond and Menéndez, 2013).

2.3.1 MNE – Structure and Strategy

---

11 The waves of popular protests across the Third World and countries of the former socialist bloc in response to debt crisis and austerity measures, ‘adjustment’ adopted in the late 1970s to early 1990s. These forced the IMF to ‘allow’ governments to repeal some of the most socially damaging conditionalities imposed by their loans (Walton and Seddon, 1994 cited in Angelis, 2000).

12 These include the transfer of management philosophies, buying out the host system and controlling host employer associations amongst many other strategies (Almond and Menéndez, 2013).
The Organisation for Economic Co-operation and Development (OECD) conceives of multinational enterprises (MNEs) as:

Enterprises [that] operate in all sectors of the economy [that] usually comprise companies or other entities established in more than one country and so linked that they may coordinate their operations in various ways. While one or more of these entities may be able to exercise a significant influence over the activities of others, their degree of autonomy within the enterprise may vary widely from one multinational enterprise to another. Ownership may be private, State or mixed (OECD, 2011, p. 17).

There were roughly 7000 parent MNEs in 1970, about 38,000 in 2000 and as at the time of writing, the figure is in excess of 100,000 parent MNEs controlling over 900,000 foreign affiliates (OECD, 2018; UNCTAD, 2011). They account for over half of global exports, around a third of world gross domestic product (GDP) and about a fourth of global employment (ibid). The other notable change with regards to MNEs since the early 1990s has been in the local of parent MNEs, as there has been the growth of MNEs from emerging market countries, such as China, India, and Brazil; for example in 1990, there were no emerging market MNEs in UNCTAD’s list of the top 100 multinationals. However by the year 2000 and 2013 there were 5 and 8 MNEs respectively (Eden, 2016), with figure currently at around 17 MNEs (Corporate Information, 2019). Literature locates MNEs as central actors in the contemporary international economy evidenced by their role in generating global FDI and the sheer fact that they employ in excess of 80 million people outside their home bases (Edwards et al., 2013; Smith-Hillman and Omar, 2005). For developing countries FDI has become an important source of private finance alongside private bank loans since the mid-1980s, outstripping national development aid or multilateral bank lending (ibid; Deng et al., 2009). Characterized as ‘the embodiment of modernity and the prospect of wealth: full of technology, rich in
capital, replete with skilled jobs’ by The Economist\textsuperscript{13}, governments in developing countries especially since the 90s have prioritised attracting MNEs\textsuperscript{14}.

Arguably, almost all companies start life by operating in one national environment however some decide to expand operations and become MNEs for a multiplicity of reasons. For example, internationalising out of necessity due to globalised competitors (Ohmae, 1990) or in search for increased profitability, or indeed some companies internationalise their operations simply because multinationalism has been construed as a symbol of success and progress (Perlmutter, 1995). Early writers such as Perlmutter, 1969 and Doz and Prahalad (1991) wrote about how MNEs differ in kind as well in degree from domestic organisations. Thus, unlike domestic enterprises, MNEs must coordinate the activities of usually geographically dispersed and nationally distinct affiliates to work towards particular goals or strategies in historically, culturally, ideologically, politically, legally, and economically heterogeneous environments (\textit{ibid}; Dickens, 2014). Notably, from a managerial stance, becoming or being an MNE is fraught with challenges in relation to areas of strategy, structure and human resource management (Lam and White, 1999). Perlmutter’s (1969) typology of MNEs is explicitly based on the ‘primary attitudes’ or mind sets of senior executives and that of Bartlett and Ghoshal (1989) represent key contributions in strategy (e.g. management style) and structure, whilst works by Anthony Ferner and colleagues (Ferner, 1994; Marginson, 1994) represent substantial contributions vis-à-vis MNE orientation and implications for HRM.

To begin with Perlmutter (1969) offered three primary attitudes held by senior executives in their management of MNEs: ethnocentric (home-country orientation), polycentric (host-country orientation), and geocentric (world-orientation). An ethnocentric orientation is conveyed in terms of headquarters and national superiority attitudes, this prevailing attitude creates tendencies to centralize authority at headquarters where directives flow from it to its affiliates in

\textsuperscript{13} “Everybody's Favourite Monsters,” The Economist, 27 March 1993 (Cited in, Deng et al., 2009)

\textsuperscript{14} Pursuing polices of privatisation of public sector industries, liberalising investment restrictions and de-regularising policies (Deng et al., 2009)
a steady stream, typically bearing the message of ‘this works at home; therefore it must work in your country’ (Perlmutter, 1969: 12). Whilst executives in both headquarters and affiliates express the national identity of the firm, for example this is ‘an American company’ and recruit, and train person(s) from the home nationality for key positions (ibid; Levy et al, 2007).

Polycentric (host-country orientation) on the other hand, takes the form of a respectful disengagement from host-country cultures; with the assumption that their cultures are different and could be difficult to understand (Perlmutter, 1969). The focus here is on making the firm which is located in the host country to be as ‘local in identity as possible’ (ibid: 12), thus local persons are allowed to occupy top positions with the MNE on the whole held together by good financial controls. Hence, ‘a polycentric firm, literally, is a loosely connected group with quasi-independent subsidiaries as centres –more akin to a confederation’ (ibid). Notably, the managerial orientations discussed so far illustrate to some extent the likelihood of MNEs transferring country-of-origin practices to their subsidiaries. Contrary to polycentric MNEs, with more centralisation in decision making, ethnocentric companies develop detailed HRM policies which shape the behaviour of subsidiaries in host countries (Evans and Lorange, 1989 cited in Tempel, 2001).

At the heart of the analysis, both of these attitudes (ethnocentric and polycentric) represent beliefs regarding which persons and ideas are competent and trustworthy (compatriots vs foreigners) (Levy et al, 2007). Whilst senior executives with a geocentric orientation do not equate superiority with nationality, because ‘good ideas come from any country and go to any country within the firm,’ (Heenan and Perlmutter, 1979: 20–21) and as such ‘within legal and political limits, they seek the best men [sic], regardless of nationality, to solve the company's problems anywhere in the world’ (Perlmutter, 1969: 13). MNEs where geocentric attitudes prevail seek to remove the local vs foreign dichotomy from the corporate consciousness (ibid). Although power is decentralised to affiliates, this is tempered by evaluation standards which reward coordination and focus ‘on worldwide as well as local objectives’ (ibid). Moreover, goods and information typically flow in a complex interdependent network structure which links affiliates both among
themselves and with the head office (ibid). Essentially this orientation of geocentrism is that of collaborative efforts between subsidiaries and headquarters in establishing universal standards and some permissible local variations, with the various parts of the MNE working together on critical allocation decisions on new products, new plants and laboratories (ibid).

For these types of MNEs, their senior management team is truly international as it includes the heads of its affiliates and the country-of-origin effect is considerably weaker than in ethnocentric counterparts (Tempel, 2001). Nonetheless literature have sufficiently provided empirical arguments that suggest that the method by which MNEs expand overseas could be an important factor in determining the extent to which they will attempt to transfer country-of-origin practices to their subsidiaries (Ferner, 1994; Tempel, 2001). Arguably, MNE expansion through Greenfield investments increases the likelihood of the replication of key features of the parent company in contrast to Brownfield sites (ibid; Delbridge et al, 1992; Oliver and Wilkinson, 1989). This is because the MNE has greater choice of employment practices, such as the sought of employees hired, the terms and conditions of employment and the nature, if any, of representative structures (ibid; Edwards et al, 1999).

Perlmutter’s model represented a static taxonomy of MNEs although in his later work with a colleague, Heenan and Perlmutter (1979), a fourth attitude was developed: the regiocentric attitude. This attitude being ‘regionally oriented’, fell between the polycentric and geocentric attitudes, representing the basis of an evolutionarily theory of internationalisation in which geocentrically oriented MNEs signified the most advanced form. Anthony Ferner in his contributions to the study of MNEs specifically in the area of cross border diffusion of human resource management and employment practices recognised Perlmutter’s efforts to categorize MNEs, acknowledged that the ‘geocentric’ form is ‘increasingly predominant with the growing integration and homogenisation of markets’ (Ferner, 1994, p.80).
Bartlett and Ghoshal’s (1989 cited in Tempel, 2001) four typologies of MNEs (of MNE strategy and structure); the multi-domestic\textsuperscript{15}, international, global and transnational also allows for the understanding of possible HRM implications within these entities. ‘Multi-domestic’ depicts an MNE with a strategy focused on local responsiveness with a corresponding structure that is decentralised; with a company form akin to a ‘decentralised federation’. Whilst the ‘international’ MNE is focused on attaining a balance between local responsiveness and global consistency, thus pursues a structure akin to a ‘co-ordinated federation’ – ‘where subsidiaries have the freedom to adapt products and strategies to local conditions, whilst at the same time being dependent on headquarters in terms of new products, strategies and ideas’ (Tempel, 2001, p.114).

The ‘global’ strategy is categorized by the search for global efficiency and consistency. In this model, production is integrated in order to produce standardised products, which are distributed and sold world-wide by subsidiaries (Tempel, 2001). This strategy utilises a structure in which decision making and resources are concentrated at headquarters, ‘the centralised hub’ (Tempel, 2001, p.114); with subsidiaries in this case more dependent on headquarters than in multi domestic and international companies, acting as channels for the company’s standardised products. The final category, ‘transnational’, is described as one where firms attempt to be locally responsive, and globally efficient, by making an effort to create and transfer knowledge and skills around the organisation. Structurally, the firm here is described as an ‘integrated network’, that is very flexible and links the major parts of the company together, whilst ‘decision making, resources and capabilities are neither centralised nor decentralised but rather spread about the company in centres of excellence, each centre being responsible for a different activity and having a strategic role in a particular area’ (\textit{ibid}).

\textsuperscript{15} See Tempel, 2001 – Bartlett and Ghoshal (1989) originally used the terminology ‘multinational’ rather than ‘multi-domestic’
2.3.2 MNE - Cross border diffusion of Employment and Labour Practices

This subsection discusses the diffusion literature; the cross border diffusion of employment and labour practices, this is done to highlight the capability of MNEs in shaping employment practices. This subsection links with the previous section on the structure and strategy of MNEs and it is especially important in informing the study as to how these entities (MNEs) shape the employment and labour practices of their host countries (potentially in the developing country context).

The structural facets of MNEs explored in the section above with regards to the various typologies presented by Perlmutter (1969) and that of Bartlett and Ghoshal (1989 cited in Tempel, 2001) have been used to explain the presence or absence of diffusion of employment practices in MNEs. MNEs arguably effective mechanisms for the transfer of knowledge across borders, are shaped by organisational and environmental factors (Edwards, 2000). For example organisational considerations of: structure, the country-of-origin and the method of growth (Walsh, 2001; Ferner, 1994, 1997; Ferner and Quintanilla, 1998), amongst other factors such as the power resources of subsidiaries or the role of organisational actors who could exercise choices to encourage or discourage diffusion (ibid; Edwards et al, 1999). Whilst environmental factors mainly consist of constraining factors of host country institutions (national business systems) (ibid).

The characterisations of ethnocentric and global MNE forms (Perlmutter, 1969; Bartlett and Ghoshal, 1989 cited in Tempel, 2001) encourage the ‘forward diffusion’ in the practices flowing from the parent company to its subsidiaries (Edwards, 1998). Writing at the time, Bartlett and Ghoshal (1989 cited in Tempel, 2001) had not been able to identify a ‘transnational’ company in their studies; although they recognised that the trend was toward the ‘transnational’ direction. With regards to the important question of the diffusion of practices from the parent company to subsidiaries, ‘multi-domestic’ companies were least likely to impose

---

16 Ferner and Quintanilla’s (1998) work brought an update to Bartlett and Ghoshal (1989) in its conception of competing national models coexisting alongside each other and that of the dynamism that exists in the relationship of MNEs with both home and host business systems. Notwithstanding this Bartlett and Ghoshal’s work remains the main points of reference.

17 There has also be instances of ‘reverse diffusion’ see Edwards and Ferner (2004)
the ‘forward diffusion’ of practices over HRM and ER practices whilst ‘global’
companies stood at the other end of the continuum or spectrum (ibid). Whereas
‘transnational’ companies gravitated towards the former, ‘international’ companies
were grouped with the latter (ibid).

According to Hu (1992 cited in Edwards and Ferner, 2002, p.96) the various
captions of ‘global’ or ‘stateless’ cited by literature denote the detachment of MNEs
from their original base, however the view that should be propagated of MNEs
should predominantly be that of ‘national firms with international operations’.
Hence it is unsurprising that ‘forward diffusion’ occurs with MNEs from
economically successful countries diffusing practices to foreign subsidiaries in an
attempt to replicate an approach seen as successful (ibid; Edwards, 2000). For
example, for most of the 20th century the growth of American MNEs had been a
concern for researchers as they were key diffusers of Taylorism and were seen to
undermine nationally established institutions and customs: through their
reluctance to grant recognition to unions, their pursuant of the unilateral
management style and their readiness to effect redundancies (Edwards and Ferner,
2002; Edwards et al, 1999). Whilst towards the end of the century, research focus
shifted to Japanese MNEs and their active diffusion of lean production and
associated employment practices in their foreign subsidiaries (ibid).

There is a general assumption that the power of local actors within MNEs is
weak (Ruggie, 2018), literature on management whipsawing 18 (Greer and
Hauptmeier, 2015; Almond and González Menéndez, 2013) for example sufficiently
demonstrate the multiplicity of ways central actors (home managers) retain
coordination and control of subsidiaries. Greer and Hauptmeier (2015) identify four
whipsawing patterns, informal and coercive whipsawing; where competition is
staged with labour understanding that concessions are necessary for investment
but without the use of explicit or specific threats in the former, whilst in the latter
threats are utilised with little attempt to secure the cooperation of worker

18 Where MNEs ‘play different national subsidiaries off against each other, making coercive
comparisons and threatening plant closures if productivity fails to reach the levels achieved
elsewhere in the firm’s global network’ (Almond and González Menéndez, 2013, p.46)
representatives. In the other two patterns managers organize competition in the organisation of production but try to maintain a partnership with workers by influencing labours interests and ideas in the case of hegemonic whipsawing or by using standardized formal bidding in that of rule-based whipsawing (ibid; Aranea et al, 2018). Moreover, substantial work by Lévesque et al., 2015; Gunnigle et al., 2015; 2005 and Ferner et al., 2012, when examining American subsidiaries in the service and extraction industries, found that decisions over union recognition were centralized and local actors lacked the autonomy to shape the subsidiary’s union avoidance policies dictated by the headquarters (ibid). Gunnigle et al. (2005; 2015) specifically commented on the long-standing history of employer resistance to union recognition; one where literature straddles the continuum of union suppression\textsuperscript{19} to union substitution\textsuperscript{20}, as well as the nuanced interpretations of the varieties of union avoidance, such as that captured in Gall’s (2001 cited in Dundon, 2002, p. 239), typology\textsuperscript{21} (see Table 2.1, below) of non-union management approaches: where the practice of the ‘evil stuff’ for example, the ideological opposition to unions resonates with the dominant managerial frame emanating from the USA.

Table 2.1 Non-Union Management Approaches

<table>
<thead>
<tr>
<th>Non-Union Approach</th>
<th>Types of anti-union behaviour and control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fear Stuff 1</td>
<td><strong>Union Suppression</strong>: Employer behaviour here includes blatant intimidation of workers, the objective to instil a ‘fear’ (real or otherwise) of managerial reprisals to possible unionisation.</td>
</tr>
<tr>
<td>Sweet Stuff 1</td>
<td><strong>Union Substitution</strong>: Management argue that unions are unnecessary, with better terms and conditions and sophisticated employee voice channels to resolve any grievances.</td>
</tr>
<tr>
<td>Evil Stuff 1</td>
<td><strong>Ideological Opposition to Unions</strong>: Management articulates the view that unions are “reds under the beds”, and will be destructive to the company performance.</td>
</tr>
</tbody>
</table>

\textsuperscript{19} See Dundon and Rollinson (2004); Dundon and Gall (2013); Dundon (2002)
\textsuperscript{20} See Dundon and Rollinson, 2004; Fiorito (2001) : excluding unions via staff associations, speak-up initiatives
\textsuperscript{21} An augmented typology of Roy’s (1980 cited in Dundon, 2002, p. 239) original classification: fear stuff, sweet stuff, evil stuff, fatal stuff, awkward stuff, tame stuff, and harm stuff
Fatal Stuff 1
**Blatant Refusal:** Employer behaviour here includes refusal to recognise a union, or at best refusal to ‘bargain in good faith’.

Awkward Stuff 2
**Stonewalling:** Managers create what appear to be legitimate obstacles to union recognition, effectively employing ‘delaying’ tactics.

Tame Stuff 2
**Damaged Limitations:** Employer behaviour can take the form of ‘sweetheart’ deals, partially recognising ‘moderate’ unions or creating internal (managerial controlled) staff associations.

Harm Stuff 2
**By-passing:** Employer behaviour seeks to effectively marginalise collective employee voice, often through specific non-union communication channels.

**Source:** Gall (2001 cited in Dundon, 2002, p. 239); 1 = Roy’s (1980) original classification; 2 = Gall’s (2001) additional typologies

Notably, literature (Edwards et al, 1999; Ferner and Edwards, 1995; Gupta and Govindarajan, 1991; Ghoshal and Nohria, 1989) have demonstrated that some subsidiaries of MNEs, do have power to resist the transfer of country-of-origin-practices (owing to resource dependence for example) and in effect the relations between the parent company and its subsidiaries are outcomes of bargaining based on power resources. The power resources of subsidiaries in this case is in relation to ‘their strategic importance, their ability to generate profits, their control of special skills, and their role as intermediaries with key decision-makers in the local environment’ (Ferner and Edwards, 1995, p.237). Consequently, subsidiary MNEs that possess facets of these power resources could countervail attempts by its parent company in the transfer of HRM and ER practices and for example manipulative management styles (Tempel, 2001; Beechler and Yang, 1994; Sisson, 1989; Dundon, 1999). In addition, important qualifications such as the presence of resourceful local managers as well as facets of structural and associational power; in terms of the subsidiary’s position within the value chain, could help in efforts to resist transfer (Ferner, 2012). The consideration of this organisational or company level factor of power, in addition to possible institutional constraints provided by national forms of employment regulation (host country institutions or national business systems), for example labour market institutions such as strong trade
unions, could serve to constrain efforts of homogenisation (Edwards, 2000; Coller and Marginson, 1998).

2.4 Regulation and International Labour Standards

This section will now turn to a discussion of regulation and international labour standards. It looks to literature that expand on regulation, essentially ones that help inform the study of the fact that national legislation or the standard conception of regulation does not elucidate the more complex dynamics of change that is occurring on several levels. For example it examines literature that considers softer private regulation and more complex corporate approaches.

Martínez-Lucio and Mackenzie (2004, p. 79) in their work, on evaluating the ‘new regulation’ within industrial relations noted that ‘the meaning of regulation is operationalised in a variety of ways’. The Oxford dictionary defines regulation as ‘a rule or directive made and maintained by an authority’, a definition very much in line with Baldwin et al (1998 cited in, ibid, p. 79) the first of its three conceptions of regulation views it as ‘the promulgation of an authoritative set of rules, accompanied by some mechanism, typically a public agency, for monitoring and promoting compliance with these rules’. Martínez-Lucio and Mackenzie (2004) posit that this conception of regulation alongside that which synonymously includes the role of a state and its attempts to manage the economy, represent a traditional view utilised in the discussion of developments within capitalist economies. Instead the writers present a view that regulation should be deliberated on a functional logic, one ‘that deals with ensuring the continuity and reproduction of social and economic relations through a variety of sites’ (ibid, p. 80). In employment the authors identify the construction of three distinct ‘sites’, the first being that of the role of the ‘centralized’ state in providing a general framework of rules and governance processes underpinning industrial relations at the macro level. The second being that of regulation secured through the institutions of industrial relations (IR), whilst the third being those at firm level. At a member state level, the
International Labour Standards (ILS) from the ILO are invariably meant to permeate all these three ‘sites’ of regulation. Firstly, ILS is integrated into national employment law with the related state machinery of enforcing bodies responsible for monitoring and ensuring compliance. Whilst its adoption leads to the development or strengthening of institutions of IR, where collective bargaining (preferably at a centralised level) further contributes to its objectives; although increasingly at a national level MNEs are no longer committed to joint regulation of the labour market with trade unions (Morgan, 2014). Finally, at firm level these ILS are also adopted. However, as Martínez-Lucio and Mackenzie (2004, p. 80) puts it ‘certain regulatory ‘sites’ may have greater effect than others’ as essentially ‘the function of regulation is not pre-constituted but constructed and open to reorganization across these different sites’ (ibid).

Aside from informing the employment standards in member states, the current format of CLS has played a role in informing the standards of multilateral agencies. Since the Declaration in 1998 CLS have been reaffirmed or referenced in a variety of fora: the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the UN Global Compact and the OECD Guidelines are examples (Turnell, 2002). Notwithstanding this, CLS are currently not integrated into the rules of the World Trade Organisation (WTO), following a previously failed attempt at establishing a ‘social clause’ (core rights identical to CLS) to multilateral trade agreements in its inaugural Ministerial Conference in 1996; regarded by some members as simply a vehicle for protectionism (ibid). This was in spite of campaigns by international labour unions, consumer groups and NGOs especially in the subsequent Ministerial Conference in Seattle in 1999, to pressurise member countries to approve the inclusion of CLS. Noticeably, the inclusion of CLS in the discourse of international financial institutions has also not been forthcoming, as those institutions have reservations about affirmative rights (Fields, 2003).

---

22 Notably developing countries were mostly in opposition with Malaysia and Egypt notably vocal whilst United Kingdom and Australia were the only two developed countries that opposed the Social Clause (Turnell, 2002)

23 Although CLS has permeated some bilateral and regional trade agreements or schemes

24 the World Bank and the International Monetary Fund but also the Asian Development Bank, the Inter-American Development Bank, the African Development Bank, and the European Bank for Reconstruction and Development (Fields, 2003)
Nonetheless, CLS in contemporary times have been embedded in the discourse of corporate social responsibility. A discourse that will be comprehensively covered in section (2.5); tracing its development and theoretical foundations in order to gain a better understanding of the reason behind the proliferation of private regulatory initiatives.

2.4.1 ILO Conventions and other Public Codes:

Founded in 1919, the ILO is the only international organization that is not purely intergovernmental but also tripartite in its structure with the inclusion of; unions, employers and state actors. The ILO traditionally has been viewed as the primary international (governmental) organisation that has led the way in international standard-setting, albeit becoming more normative in its aims to protect labour rights (Hassel et al, 2009). Generally the literature recognises the progress made by the ILO in its efforts to create minimum labour standards in all member countries (around 187), especially in the period leading up to the 1970s. In this epoch the ILO largely operated in a context of rising trade union power, standardized industrial relations, significant direct state involvement in economic activities, and the proliferation of Eurocentric forms of social corporatism; which significantly encouraged organized labour and its political allies to emphasize the importance of collective and substantive rights rather than individual and procedural rights (Hepple, 2005; Royle, 2010). Royle (2010) identifies a slowing down in the production and the active enforcement of conventions (amongst member states) and a shift since the 1980s from conventions focused on collective rights to ones that are individual and technical in character rather than being substantive. This response is attributed to a shift by this international body (currently made up of 187 state members), when faced with an expanding and diverse membership as well as the influence of the USA (following its exit in 1975 and return in 1980), bringing to bear its financial power and dominant ideology of neoliberalism (ibid; Alston, 2004; Standing, 2008). Thus these authors have highlighted that in light of
the influence from the USA, the ILO has largely shifted away from assuming a role of standard setting to that of being a development agency.

In recent times the governing body of the ILO has adopted a model that has primarily identified eight “fundamental” Conventions:

- The freedom of Association and the effective recognition of the right to collective bargaining (Conventions 87 and 98)
- The elimination of all forms of forced or compulsory labour (Conventions 29 and 105)
- The effective abolition of child labour (Conventions 138 and 182)
- The elimination of discrimination with respect to employment and occupation (Conventions 100 and 111)

These Conventions presented in the ILO Declaration on Fundamental Principles and Rights at Work 1998 (hereinafter: core labour standards), represented a reductionist set of standards (prohibitive and affirmative) that are universal and set to apply to all ILO member states.

In the context of the primacy of neoliberalism (Jessop, 2016), one that for example set out a global argument for the marginalisation of trade unions, on the whole literature treats core labour standards (CLS) as essential and their application as beneficial to workers especially located in the global south, despite debates over their effects on labour costs and competitiveness (Budd, 2004; DfID, 2004). Proponents of CLS arguing from a social dimension speak of the need to ‘guarantee as far as is possible certain basic human rights to workers around the world’ (Freeman, 1997, p. 98). This is because the prohibitive and affirmative character of the standards promotes the social inclusion of disadvantaged groups such as women, people with disabilities and other marginalised groups, as well as promoting political institutions like trade unions and to some extent tripartite structures that are necessary in ensuring social, industrial and wider economic stability (Dfid, 2004; Palley, 2004). CLS fundamentally encourages a production

---

25 Trade unions represented as market distortions that reduce output and employment in the current liberal market economy paradigm (Palley, 2004).
process which assures the dignity and well-being of all workers. Whilst other substantive labour standards in areas of social protection, occupational health and safety provide essential safety nets that could lead to positive outcomes such as reducing poverty (ibid). From the economic standpoint, the effect of CLS in creating industrial stability potentially fosters private and FDI (DFID, 2004). As Palley (2004) puts it, CLS shifts economies on to a ‘high road’ path of economic development where the language of competition amongst businesses emphasises productivity and product quality as opposed to working conditions.

Alston (2004, p. 507) described the model of CLS that is the 1998 Declaration as largely based on ‘non-binding instruments, general and determinedly soft standards, promotional means of enforcement’ where there is ambivalence on its effectiveness. This is because although it was a worthy attempt to re-establish the idea of universality, the impact of those principles has proved ‘disappointing and ineffective’ (Hepple, 2002 cited in, ibid). Here the language of promotional principles (soft law and flexible approaches) which moved the ILO away from pursuing legally binding Conventions with sanctions for non-performance, has proved detrimental to its success (ibid; Royle, 2010). Moreover, this focus on a few standards, could mean that other Conventions become neglected; possibly side-lining the body of Conventions and Recommendations covering areas of economic security, rest periods, health and safety, limits on working hours, annual leave, maternity provision and pensions, a body of rights now reduced to a few priority areas based on perceived political convenience (Royle, 2010; Standing, 2008). This is notwithstanding its role in leaving ‘space’ and legitimising (by association) voluntary codes of conduct; effectively becoming part of the UN ‘pond’ where MNEs ‘blue wash’ themselves in their attempt to demonstrate values of corporate social responsibility (Royle, 2010).

The table in the appendix shows the 37 ILO Conventions (see Appendix 3) currently ratified by Ghana (the main country focused on in this thesis), with the latest ratification coming in August 2013; the Maritime Labour Convention (MLC 2006) which commits providing workers on its flagged vessels to decent work standards. Although, the country has not ratified 51 conventions including those on
the use of employment agencies (Convention No. 181) and around maintaining a system of labour inspection in agriculture (Convention No. 129) amongst many others.

2.4.1.2 UN Global Compact and the OECD Guidelines for MNEs

Arguably, while the ILO primarily executes its role as a standard-setter addressing state law with a strong normative background, its CLS format has played a role in informing frameworks adopted by significant multilateral agencies (Hassel et al, 2009). For example, informing the initiatives of the UN Global Compact and the OECD Guidelines for MNEs that have laid out norms directed at global business. This is notwithstanding the overarching contribution of the ILO’s Tripartite Declaration of Principles on Multinationals and Social Policy (MNE Declaration)\(^{26}\), the only ILO instrument that provides direct guidance to enterprises on social policy and inclusive responsible and sustainable workplace practices. In 2000 the U.N. Secretary-General at the time Kofi Annan with the aid of his advisor John Ruggie, integrated the CLS into a ten-point Global Compact of shared values and principles (Turnell, 2002). The UN Global Compact is a voluntary corporate citizenship initiative that calls on companies to integrate into their core business operations ten principles on: human rights, labour rights, environmental protection, and anti-corruption. By adopting the Global Compact, companies commit to embed those principles as part of their strategy and day-to-day operations, supporting public accountability and transparency as well as committing to report publicly on their progress. While not a legally binding standard, the Global Compact principles are adopted from widely accepted international agreements on universal standards (ibid). The Global Compact has now been signed by more than 10,000 companies from over 160 countries (UN Global Compact, 2020).

2.4.1.3 The OECD Guidelines for MNEs

The OECD claims that its Guidelines for Multinational Enterprises which were first adopted in 1976 and has been reviewed 5 times since, ‘are the most comprehensive set of government-backed recommendations on responsible business conduct in existence today’ (OECD, 2020). The Guidelines which address a plethora of issues; such as the respect for internationally recognized human rights and CLS, addressing MNEs and their wider operations (local subcontractors). They target all companies operating within and beyond its 34 member and 12 affiliated countries that account for more than three-quarters of the world investment flows (Hassel et al, 2009). The OECD Guidelines supported by the mechanism of National Contact Points (NCPs)\(^{27}\) to assist enterprises and their stakeholders with regard to implementation and also provide a mediation and conciliation platform for resolving issues (OECD, 2011). According to the OECD (2020) supporting governments utilise their Guidelines to encourage and maximise the positive impact of MNEs on sustainable development and enduring social progress.

Nevertheless, Amnesty International’s report in 2016 titled ‘Obstacle course: How the UK’s National Contact Point handles human rights complaints under the OECD guidelines for multinational enterprises’, critics the OECD Guidelines as a system that is not fit for purpose. The main findings was that the UK NCP which is normally cited as the exemplar, a) did not fulfil the criteria of accessibility, predictability and compatibility with the OECD guidelines, b) appears to ignore the objectives of complainants who allege human rights abuses resulting from the activities of UK companies, c) places a high evidential threshold on complainants that goes beyond the requirements of the guidelines, d) inconsistency in how it requires complainants to substantiate that companies are ‘directly linked by a business relationship’ to adverse human rights impacts, e) problems of partiality amongst many other findings. Both the OECD guidelines and the UN Global Compact have faced criticism on a number of issues: 1) a lack of transparent

\(^{27}\) Agencies established by adhering governments to promote and implement the Guidelines (OECD, 2011).
monitoring procedures and public accountability; 2) strong dependence on the mobilization and monitoring capacities of trade unions and NGOs; 3) the lack in ability to sanction non-compliers; and 4) a concern that states might be relieved of their responsibility to set legal standards (Hassel et al, 2009). Generally there is a concern that companies will use these public codes as a PR tool, although proponents argue that both initiatives work to set a moral tone, create best-practice and set into motion a normative spill-over effect (Ruggie 2008 cited in ibid) which in long run would force compliance.

2.4.2 Private Regulatory initiatives;

This subsection will be discussing private regulatory initiatives which are distinctive from the ‘public’ legislative sphere in aspects of formulation, enforcement and involvement of the state actor amongst many others. It is particularly pertinent to this thesis to understand these levers, what they are, how they are adopted and applied by MNEs especially at subsidiary level; mostly in weakened developing country contexts.

Countries operating sound industrial relations systems have distinguishable "public" and "private" forms of labour regulation (Justice, 2001). This is where the ‘public’ represents the labour law and its attendant enforcement machinery including the labour inspectorate and the ‘private’ representing various self-regulatory initiatives, and co-operation between firms and other social partners. This thesis aligns with the thinking that in the ideal scenario workers could be adequately protected by labour law (provided it is enforced) and by their trade unions, when they are permitted to function (ibid). Nonetheless, in the developing country context where these facets are lacking or restricted, private regulatory initiatives in the area of labour practices utilised by MNEs could be considered credible alternatives or supplements to regulation; so long as there is strong involvement of trade unions. According to Preuss (2009) there are 13 types of
private regulatory initiatives; those operating at supra-organisational, organisational and sub-organisational levels. Also see figure 1 below.

Supra-organisational level:

- Global generic code (e.g. UN Global Compact)
- Intergovernmental organisation code (e.g. ILO Conventions)
- NGO code (e.g. Worker Rights Consortium Model Code of Conduct)
- Regional code (e.g. Code of Business Conduct by APEC)
- Industry association code (e.g. Electronic Industry Code of Conduct)
- National code (e.g. Ethical Trade Initiative Base Code in the UK)

Organisational level:

- Code of conduct (e.g. The Way We Work of Rio Tinto)
- Code of ethics (e.g. Code of Ethics for Principal Officers at Scottish Power)

Sub-organisational level:

- Environmental/sustainability policy (e.g. Sustainable Development Priorities of SAB Miller)
- CSR policy (e.g. Corporate Social Responsibility Policy of United Utilities)
- Functional code (e.g. Procurement Policy of 3i)
- Ethical code for a function (e.g. Ethical Procurement Policy of Scottish & Newcastle)
- Code for an individual CSR issue (e.g. Human Rights Policy of Persimmon)
These private regulatory initiatives of codes typically stand in hierarchical order to each other where for example the ILO Core Conventions are incorporated into company-level codes of conduct as external reference points and are also reflected again in sub-company level documents (*ibid*). Whilst, other private initiatives operate in parallel to each other, for example that of codes issued by industry associations or NGOs, contrasting with company level codes of conduct. Generally private regulatory initiatives (with the focus on labour practice) utilise language or content that respect the standards of the international community. With respect to the content covered in this thesis, those standards typically mean reference to the ILO CLS, though the best initiatives go beyond the CLS to cover wages, hours and working conditions such as health and safety. Although the general understanding
is that, if CLS is respected, and workers are free to form independent trade unions and collectively bargain, there may be little room for prescriptive content.

Amongst the plurality of private regulatory initiatives listed, criticisms surrounding their usefulness or effectiveness normally centre on how they ‘give effect’ to their commitments as well as the monitoring of it. For example in the organisational level where a firm has promoted a private regulatory initiative, there lies a moral duty to give it effect; substantially placing the overall responsibility for its implementation in the hands of senior management, to be incorporated into all relevant management systems. This is in addition to the associated costs borne out of proper implementation; for example the training of key staff, provision of information to workers and the setup of confidential and accessible means of reporting violations, as well as the monitoring and verification of initiatives. Well documented failures (see Klein, 2000; Marlin and Marlin, 2003) of corporate attempts to deliver on private regulatory programs in the 90s, has since led to calls for the ‘independent monitoring’ 28 of such initiatives. To garner credibility company-led initiatives normally utilise the services of accounting firms and management consultancies to carry out ‘independent monitoring’ whilst others use designated local NGOs to be ‘independent monitors’ of their arrangements with suppliers and subcontractors; both arguably problematic as there are examples of firms attempting to control the monitoring process contractually (Justice, 2001).

In contemporary times, there has been a development of new institutional forms in an attempt to overcome some of the limitations of some private regulatory initiatives such as company codes of conduct (Utting, 2002). This is because questions surround the credibility of business-led programmes thus, under pressure from activists, NGOs and unions, increasingly MNEs and firms in general are now adopting other seemingly robust private regulatory initiatives and their associated monitoring infrastructure to insure themselves against social risks and to maintain, improve or rebuild their corporate image (Baccaro and Mele, 2011). For example in contrast to multi-stakeholder initiatives such as international certifiable

28 Where credibility is attained if compliance is monitored by persons or organisations independent of the company adopting the initiative
management standards (ICMS)\(^{29}\) issued by organisations such as the International Standards Organisation (ISO), and Social Accountability International (SAI), ‘business-led programmes are often and increasingly dependent on the involvement of external stakeholder groups in order to bolster their external legitimacy’ (Brammer et al., 2012, p. 16). Contemporary managers face a dilemma, as greater stakeholder involvement in the formulation and implementation of these programmes usually threatens to make them more mandatory in character (ibid). However, the contemporary trend of private regulatory initiatives is that of a move away from unilateral acts to more complex and ambitious multi-stakeholder approaches (García-Muñoz Alhambra et al., 2011).

A major development has been the involvement of trade unions in private regulatory initiatives (at organisational level). Egels-Zandén's (2009) work on transnational governance of workers’ rights identified the emergent arena of transnational industrial relations systems. In unpacking two operational governance tools of; company codes of conduct (CoCs) and International Framework Agreements (IFAs) he understood that within the area of Corporate Social Responsibility (CSR) where companies look to go beyond legal minimum requirements in order to address societal needs, CoCs and IFAs serve as differentiated tools utilised to govern the area of worker rights, despite sharing similar traits in areas of content (Egels-Zandén, 2009). IFAs or the wider encapsulation of TCAs (which also captures European Framework Agreements, EFAs), essentially offer another modality for multi-stakeholder initiatives since they are agreements that are negotiated jointly by national trade unions and global union federations (GUFs)\(^{30}\) with multinational enterprises making reference to CLS and applying them to company operations worldwide\(^{31}\) (Lustig, 2014; Mustchin and Martínez-Lucio, 2017). Niforou (2013, p. 368) defines them as "negotiated

---

\(^{29}\) Examples of ICMS in the areas of employment are that of; ISO 45001 (Occupational health and Safety), SA8000 (measures covers CLS amongst others), where firms obtain these standard certification by independent third-party auditors who verify a company’s compliance with standard requirements.

\(^{30}\) GUFs are represented as potentially essential international levers for affiliates, especially in developing countries – see Cotton and Royle (2014), and Croucher and Cotton (2008)

\(^{31}\) In the case of EFAs they have a regional (European) scope of application, and are signed by European Industry Federations (EIFs), EWCs and/or national unions and central management (Telljohann et al 2009).
documents between MNEs and global union federations (GUFs) [that] stipulate compliance with core labour standards in company operations worldwide and their supply chain". The latter point on supply chain is particularly pertinent as they are now increasingly international, TCAs work to promote decent work beyond the company’s borders, especially those signed after 2009 (EuroFound, 2019). Usually initiated by GUFs, TCAs are used as an instrument for the communal acceptance of globally accepted standards, and essentially the regulation of industrial relations in MNEs and their supply networks (Telljohann et al, 2009; Papadakis et al, 2008; Schömann et al, 2008). Pertinent, in the contemporary contexts where many governments in the global south and to some extent in the global north fail to put pressure on MNEs, to respect labour standards for the fear of deterring FDI (ibid).

TCAs, are negotiated agreements, though void of legal ‘bindingness’32 could encourage unionisation at the subsidiaries of MNEs and offer trade unions a place in monitoring and compliance, arguably, different from other voluntary codes of conduct that corporations adopt unilaterally to demonstrate commitment to CSR (EuroFound, 2019; Du Preez and Smit, 2017). This is because despite varying significantly in content, all TCAs make some reference to the ILO’s core labour conventions and in recent decades have qualitatively improved by incorporating the UN’s Guiding Principles on Business and Human Rights and Universal Declaration of Human Rights, along with OECD’s Guidelines for Multinational Enterprises (ibid; Telljohann, 2009). Specific articles such as ‘freedom of association’ and the ‘right to collective bargaining’, could essentially encourage the growth and representation of trade unions at company level; constituting the “starting point for putting labour on the map by according it organising rights in the first place” (Hammer 2005, p. 512). As Herrnstadt (2007, p.188) elaborates, ‘they [TCAs] serve as an attempt to remedy the content and procedural deficiencies associated with codes’. However, TCAs are still “far from a mature industrial relations tool” (Hammer 2005, p. 514), in terms of being a reliable tool for transnational labour relations, albeit representing the next step in the evolution of responses to MNEs, a labour relations-based alternative to

32 See IOE, 2018; García-Muñoz Alhambra et al., 2011 – there is a reliance on a soft regulatory approach, compliance is neither backed up by judicial review nor by sanctions
other supra-organisational or organisational codes (Helfen and Fichter, 2013; García-Muñoz Alhambra et al., 2011).

The database collated by the ILO and the European Commission on transnational company agreements denotes an increase in the number of agreements signed year on year between 2000 and 2016, from about 30 in 2005 to 115 in 2016. To date an additional 18 TCAs has since been concluded, making it at total of 133 agreements, mostly concentrated in metal, construction, chemicals, food and service sectors (EuroFound, 2019; European Commission, 2020). More so, the bulk of TCAs signed so far have been between GUFs and MNEs headquartered in the European Member States or Norway; thus TCAs still remain ‘largely a European phenomenon’ (Sydow et al, 2014, p.491). A phenomenon largely consigned to European based MNEs operating in a particular type of industrial relations system; one that recognises the importance of social dialogue. Thus, national unions typically emanating from co-ordinated market economies (CMEs) in Europe view them as a mechanism for dialogue and problem solving whilst unions from liberal market economies (LMEs) view them as an opportunity to organise (Stevis, 2010; McCallum, 2011). Generally, the view of TCAs amongst trade unions is mixed. For the example the pioneer of TCAs, the global union IUF which organises agriculture and food workers, signing one with the French MNE, Danone in 1988 and then subsequently signing 8 more agreements between then and the early 2000s, has since slowed its interest in TCAs, whilst BWI (construction, forestry), UNI (private services), and IndustriALL (manufacturing, mining, energy) have been active in signing MNEs (Telljohann et al, 2009; ILO 2018). This is in spite of widespread praise of successes such as the Accor-IUF documented in Wills (2002). On the whole in recent times (2016 - 2020) there has been a relative slow down, possibly attributable to scepticism around the initial drive for quantity or indeed the unwillingness of certain leading MNEs such as Boeing, Nestle, Siemens or Gerdau to negotiate TCAs (Stevis, 2010). However, on balance in contemporary times GUFs have reviewed their strategy and set preference on reaching agreements that have stronger implementation, dispute resolution procedures and ones that actively facilitate unionization rather than simply consenting to it (Stevis, 2010). This is
because ‘it is better to have no [TCA] at all than a weak one’ (Telljohann et al, 2009, p.7), as a weak TCA works to boost the image of the company (in demonstrating the involvement of key stakeholders in their CSR approach) but hardly results in an improvement in workers’ conditions (Stevis, 2010).

The common thread in literature on TCAs have been around a) the significant differences that exist between TCAs with specific regards to their scope of substantive content, b) its implementation and monitoring mechanisms, c) its ability to deliver standard working conditions in supply chains. On the first point literature acknowledges that initially TCAs were weakly worded and the focus of GUFs were on concluding as many as possible, thus the shift from quantitative to qualitative approaches in contemporary times has resulted in more comprehensive agreements. Although there still remains diversity in the substantive content of TCAs, they all stick to the minimum core labour standards whilst progressive agreements layout extensive health and safety measures for example. Secondly, most TCAs, with very few exemptions, have explicitly written implementation and monitoring mechanisms, however, for the most part ‘implementation has been limited and has proven deficits, regardless of the particular national environment’ (Sydow, 2014, p.491; Fichter and McCallum, 2015). This is because most TCAs lack concrete measures of implementation, besides the obligation of actors to communicate TCAs to employees, which is problematic without a comprehensive program of education especially in parts of the world were workers have little understanding of concepts such as the freedom of association and collective bargaining (Telljohann et al, 2009; Herrnstadt, 2007). Moreover most agreements fall foul of instituting effective monitoring mechanisms, here monitoring is understood as ‘the surveillance of labour practices against a given set of labour standards by a person (or persons) with a regular or frequent presence at the workplace and unobstructed access to management and staff’ (Ascoly and Zeldenrust, 2003 cited in Telljohann et al, 2009, p. 33). The most complex TCAs operate along the lines of the rules of multi-stakeholder initiatives such as the Ethical Trading Initiative (ETI) with the use of external monitors, where there are legitimate questions around the actors involved (the absence of strong local trade
unions), the frequency of monitoring and sanction regime for non-compliance (Herrnstadt, 2007). Finally, success stories about the effectiveness of TCAs are scant, although factors such as effective transnational union networking and the presence of strong local unions have provided some examples of clear breaches of TCAs being raised (invoked) and resolved (Herrnstadt, 2007; Sydow et al, 2014).

2.5 The Concept of Corporate Social Responsibility (CSR)

This section on Corporate Social Responsibility (CSR) very much follows on from the previous section on regulation as it discusses a concept which places firms in the space of regulation. Majone (1994; 1995) and Regini 1995 both cited in Martínez-Lucio and Mackenzie (2004) outlined shifts in the boundaries between the regulator and the regulated; where the state is no longer an isolated magnetic pole of regulation but rather regulation is now shared. Essentially, they note profound shifts in the regulatory process at the macro/national level and at the micro/enterprise level; where the new locus for employment regulation is the firm itself (ibid).

Corporate Social Responsibility (CSR) is an evolving concept that is mostly poorly defined (Sachdev, 2006). Admittedly, ‘defining CSR is not easy’ (Matten and Moon 2008, p. 405), because it is a contested concept, one subject to relatively open rules of application and an umbrella term covering conceptions of business – society relations (ibid). For example, Howard and Willmott (2001 cited in Sachdev, 2006) list about 19 issues covered by CSR that of; concern for human rights, charitable giving, commitment to reporting and the environment, to name a few. Research by Carroll (1999) and Moir (2001) explored the concept by charting definitions in academic literature and notable ones used by businesses, tracking the wider influences of the ‘business case’, an idea based on ‘enlightened self-interest’, and stakeholder approaches to the conception of CSR. These wider influences have over the course of time affected the understanding of the concept and practice of it.

33 For example that of Corporate Citizenship (Matten and Crane, 2005)
Thus, in contemporary times the sphere of corporate responsibilities has widened to include areas including the workplace (employees), marketplace (customers, suppliers), the environment, relations with the community, corporate governance, ethics and human rights (ibid). For the purposes of this thesis, labour issues frequently at the heart of ethical disputes which often fall under the remit of human resource departments, is where CSR intersects with industrial relations (Sachdev, 2006). For example issues of discrimination, working conditions, health and safety, harassment, pay, child labour, forced labour, freedom of association and collective bargaining – all employment relations matters are prominent in debates around CSR (matters addressed in private regulatory initiatives) (ibid).

At the core of CSR is the idea that it reflects the social imperatives and the social consequences of business success, essentially consisting of clearly articulated and communicated policies and practices of corporations that acknowledge responsibility for some of the wider societal good (Matten and Moon, 2008). Notably, the locus of decision making, in terms of the precise manifestation and direction of the responsibility, lies within the purview of the corporation (ibid). This is exemplified the European Commission’s (2001) understanding of CSR ‘a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis’. Here a socially responsible firm is one that choses to go beyond fulfilling legal obligations in activities such as investing more into human capital, the environment and relations with stakeholders (ibid; Compa, 2008; Segal et al., 2003; Bichta, 2003). Although it is notable that wider tensions do exist between what society (social activists) make of CSR and that applied by businesses; which are largely conceived in utilitarian terms rather than being deontological (Carroll, 1999; Moir, 2001). Corporations have in the whole simply widened the definitional spheres of responsibilities, becoming parts of a profit equation, and not the ends in and of themselves (ibid).
2.5.1 Historical Development of CSR

The concept of CSR is not a new one; being that of a social, moral and economic phenomenon (Carroll, 2008). Ethical pressures on businesses to behave responsibly has always been in existence; issues around the protection of workers, environmentalism and consumer protection are long-standing (Sachdev, 2006). A poignant example is that of slavery where pressure from abolitionists led to the abolition of the transatlantic slave trade (lasting 400 years); a lucrative trade few considered immoral until the second half of the eighteen century, yet within 30 years the practice was outlawed in the UK (ibid). Quaker-led campaigns beginning with anti-slavery petitions to Parliament in 1783, eventually led to substantial Acts, the Slave Trade Act 1807 and the Slavery Abolition Act, first prohibiting slave trade in the British Empire and subsequently abolishing the practice altogether (ibid). Additionally, pressure generated to encourage conformance from the abolitionists by encouraging the purchase of sugar from non-slave-owning countries strongly mirrors the activities of organisations like the Fairtrade foundation today (ibid).

Literature typically locates the advent of CSR in the mid to late 1800s, identifying the industrial revolution as an important starting point (Carroll, 2008). Here, industrialists like Hershey, Cadbury, Fry and Rowntree (all Quakers) sought to humanize capitalism by creating better living conditions for workers (Sachdev, 2006). Similarly, the industrial welfare movement at the time advanced by Robert Owen, Lord Ashley and John Stuart Mill, and their counterparts in the USA, George Pullman and Andrew Carnegie utilising enlightened methods to increase productivity, improved the working and living conditions of their mill workers (Carroll, 2008; Bichta, 2003). The rise of the trade union movement responding to rapid expansion of industrial society was accompanied by a series of parliamentary measures to improve working conditions, notably that which restricted child labour and introduced the ten-hour day (Sachdev, 2006). Timely interventions at the time for workers in the factory system, a source of pollution, crime and poverty amongst its workers (mainly women and children) and an industry where, the competition...
among mill owners was severe enough to force round-the-clock working with no breaks other than for meals (ibid; Smith, 2003).

This period leading to the turn of the twentieth century was characterised by the proliferation of this charity view of CSR where a few ‘captains of industry’ recognised business and societal relationships. Although, the period leading up to the Great Depression in 1929 characterised as the ‘profit maximizing management’ phase (Hay and Gray, 1974, cited in Carroll, 2008, p. 23) in the development of social responsibility, saw some members of the ruling class regularly defying regulatory measures. The post-depression, trusteeship or stewardship view held at the time shifted sole focus from shareholder maximising behaviour as corporate managers were now expected to act in the general interest rather than just maximising stockholder wealth (Carroll, 2008; Kolk et al., 1999).

Howard Rothmann Bowen’s (1953) seminal work tilted ‘Social Responsibilities of the Businessman’ post the Second World War proved influential. Recognising the existence of big corporations as effectively possessing power resources and actions that touched the lives of citizens in many ways, Bowen (1953, p. 6) articulated that it was incumbent for ‘businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society’. Notwithstanding the lack of gender neutrality in his connation of the ‘business man’, Bowen’s work encouraged academic engagement and the subsequent decade saw rising interest in CSR. According to Carroll (2008) writers on the subject in the 60s, including Davis (1960), Frederick (1960), McGuire (1963) and Walton (1967) promoted the ideas that beyond legal obligations firms had certain responsibilities to society, although they emphasised on instrumental views on the long-run economic gains to businesses pursuing said courses of action (Carroll, 2008; Davis, 1960). Whilst writers in the 70s and 80s like that of Johnson (1971 cited in Carroll, 1999) and the intervention from the Committee for Economic Development (1971 cited in Carroll, 1999) in the United States promulgated the ‘conventional wisdom’ of a socially responsible firm as one that balances the ‘multiplicity of interests’ shareholders and other groups such as employees, suppliers, communities and wider society. Interestingly, during
this period this stakeholder value view of the firm very much contrasted with the instrumental view purported by Drucker (1984 cited in Carroll, 1999) on turning societal problems into economic opportunities and that of Milton Friedman’s well known take on the subject: ‘there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game’ (Friedman, 1970).

Bichta (2003) rightly highlighted that although the foundations of CSR were laid in the 19th century, the modern understanding of it is particularly linked with the social movements of the 1970s in the United States and in Western Europe. Linked to the prolonged post-war period of sustained economic growth and the rise in environmentalism and feminism, activists groups mobilised the public in demanding changes to the policies of corporations (ibid). In an age where capitalism is both resurgent and triumphant; the faltering of traditional social democracy, the retreat of the state and the renewed ascendancy of corporate power (increased role and power of large corporations), as well as the creation of a civilisation in which business values are seen as central in contemporary life, the public now demand that corporations are ethically run and share citizenship responsibilities (Klein, 2000; Sachdev, 2006). This particularly pertinent for countries located in the global south as the prevailing model of capitalism, specifically globalisation has had ‘devastating effect... on developing countries and especially the poor within those countries’ (Stiglitz, 2002, p. ix). Nonetheless, the countervailing power of non-governmental organisations, notably the International Red Cross, Greenpeace, Save the Children and Amnesty International have been effective in applying pressure (uncovering ethical impropriety) on businesses to be ethical (ibid). Specific examples of unethical impropriety, for example the Nestle infant formula scandal unearthed by the NGO War on Want in 1974, and the controversy of people doing business in apartheid South Africa34, infamous ethical scandals in the period leading up the 1990s placed CSR firmly on the corporate agenda (exemplified by the advent of CSR reporting) (ibid; Marlin and Marlin, 2003).

34 These amongst others led to the development of a Voluntary Code of Conduct for Transnational Corporations by the UN Commission on Transnational Corporations, established in 1973 under the auspices of the United Nations Conference on Trade and Development (UNCTAD) (Lustig, 2014).
2.5.2 CSR Theories

Garriga and Melé’s (2004) mapping exercise of the approaches and terminologies that help shape the debates around the concept of CSR, is the contemporary essential guide (Carroll, 2008). They effectively place theories of CSR into four groups of: instrumental, political, integrative, and ethical theories (ibid). In the first group the corporation is seen only as an instrument for wealth creation and CSR is conceived as a strategic tool (a means to an end) to achieving economic objectives (Garriga and Melé, 2004). Associated theories in this field are those targeting the maximization of shareholder value, for example that of ‘enlightened value maximisation’ (Jenson 2000 cited in, ibid), and other contemporary theories coalesced around strategies that achieve competitive advantages by utilising social investments, cause related marketing – the care for society whilst simultaneously expropriating profits (ibid; Mcwilliams et al., 2006).

The second group, which is more political science oriented literature compared to the more managerial one before, emphasises the social power of corporations. Theories of corporate constitutionalism, integrative social contract theory, and corporate citizenship are subsumed within this category (Garriga and Melé, 2004). Here, corporate constitutionalism discussed by Davis (1960; 1967 cited in, ibid) in principles of ‘the social power equation’ and ‘the iron law of responsibility’ is where organisations have to either supposedly utilise their position in society to achieve some ends of society (as defined by constituency groups) or suffer losing it. The integrative social contract theory advanced by Donaldson (1982 cited in, ibid) largely from the thoughts of John Locke, presumes the existence of an implicit social contract between business and society. By understanding its ‘macrosocial contracts’, that is, ‘hyper norms’ - universal moral principles that define the limits of acceptable action and ‘microsocial contracts’ a substratum of contracts with members of numerous localized communities, firms could be legitimised entities. Finally theories of corporate citizenship is based on the notion of a ‘citizen’ - one with individual duties and rights within a political community, where the ‘corporation itself is a citizen, a member of the larger community and
inconceivable without it’ (Solomon 1992 cited in Melé, 2008, p. 71). As such as a
good corporate citizen firms should be involved in philanthropy, local community
development, and protecting universal rights.

The third and fourth group, integrative and ethical theories, the former
theoretical grounded on thoughts that business ought to integrate social demands. In a broad sense it posits that business depends on society, as such; encompass theories on issues management, the principle of public responsibility, stakeholder management (Emshoff and Freeman, 1978 cited in, ibid) and corporate social performance (Carroll, 1979 cited in, ibid). Finally, ethical theories, based on the normative stakeholder theory, universal rights, sustainable development (triple bottom-line), and the common good approach, focus on ethical requirements that cement the relationship of business and society, here firms ought to accept social responsibilities as ethical obligations (ibid).

This section has highlighted the numerous theories that have been brought
to bear on the subject of CSR. Garriga and Melé (2004) work was important to
highlight these differences and to demonstrate the lack of consensus. For example as one author insightfully put it, ‘the term is a brilliant one; it means something, but not always the same thing, to everybody’ (Votaw, 1972, p. 25) and even its antonym, social ‘irresponsibility’ is subject to multiple interpretations (ibid). Nonetheless, it is important to note the significant contributions of the neoliberal classical (shareholder value theory) and the Neo-Keynesian view (stakeholder value theory) that set the agenda for debate (see Carroll, 2008 for extensive discussion).

The former view famously exemplified by Milton Friedman (1970) of the
University of Chicago, who elucidated that ‘the social responsibility of business is to increase its profits’. At the heart of the neoliberal classical view of CSR is that any thought of a corporation’s responsibility to the wider society was an immoral idea, as it essentially violated the rights of the owners of businesses (ibid). In this view of business, the corporation cannot have social responsibilities, and if this agents (managers or executives) take actions that ‘reduce returns to stockholders’, for example exceeding their mandate by expending on social practices; they are in
effect stealing monies from their principal which is unethical. This extreme profit maximising view is supported by proponents such as Theodore Leavitt, who stated that ‘there is nothing wrong as such with the corporation’s narrow ambitions or needs’ (Leavitt, 1958, p. 44), adding that the ideas of social welfare should remain firmly in the purview of the state. This neoclassical view of business responsibility to society and its unadulterated managerial view of capitalism have since been challenged (Bichta, 2003; Freeman and Dmytriyev, 2017). This is because the struggle to protect the ‘homo economicus’ generally has been met with a counterforce of increasing public opinion that now pushed the view of the ‘business corporation as an economic institution which has a social service as well as a profit-making function’ (Dodd, 1932, p. 1148).

Finally the Neo-Keynesian view of CSR, that is, the stakeholder value theory popularised by Robert Edward Freeman’s (1984) work encourage firms to identify and engage with stakeholders35 in order to ensure survival in the contemporary business environment. This theory essentially promoted the view that the business organisation should be viewed as co-existing in a network of interested parties, as opposed to competing alone in the open market purely driven by self-interest (Fleming and Jones, 2013). Therefore, the essence of the corporation primarily lies in building relationships and creating value for all its ‘stakeholders’36, conceptually breaking open the isolated enterprise; taking up the ‘open systems’ strand of systems theory purported by Ackoff and Churchman (1947 cited in Freeman and Mcvea, 2001). Crucially, this theory has since provided descriptive, instrumental and normative (philosophical, moral and ethical guidelines) values that have shaped the contemporary articulation of the modern day enterprise in managerial literature (Carroll and Buchholtz, 2014; Mitchell et al., 1997; Donaldson and Preston, 1995).

35 Viewed by Holme and Watts (2000) as the ‘essence of CSR’
36 ‘Any group or individual who can affect or is affected by the achievement of the organization’s objectives” (Freeman, 1984, p. 46), typically employees, customers, communities, suppliers, and financiers
2.6 Conclusion

This chapter has analysed literature that underpin the thesis’ overarching inquiry into the application of international labour standards and private regulatory initiatives in the subsidiaries of MNEs operating in a developing country context; where there is an enormous political desire for FDI, and the state has been active in producing conducive regulatory and fiscal conditions to court it (context discussed in chapter 5). Literature covered in this chapter has been that relating to industrial relations and its various approaches, globalisation and the MNE, regulation and international labour standards and the concept of CSR. The contributions from the field of industrial relations, the theoretical anchor point of the thesis, was first explored; discussing the systems theory, strategic choice, the Marxist political economy and comparative approaches to understanding the employment relationship. Here it is understood that industrial relations are not subsystems of society but rather embedded in the general socio-economic relations, that managerial actors do have a degree of strategic choice in detailing strategy and structure as well as in decision making in the firm; where they proactively play a role through the use of HRM for example to shape work relations. The critical Marxist and labour process perspective helps inform the study of the antagonistic and unequal nature of the employment relationship, with the latter conception illustrating the fluid ways employers have sought to control the labour process overtime. Whilst, the LPT perspective discussed with Marks and Chillas’ (2014) waves is employed to inform the study of the micro-level industrial relations strategies and the methods of control deployed by employers’ overtime. Finally theories from the comparative literature informed this study; especially that on convergence and divergence as well as theories on the varieties of capitalism. The first two provided knowledge on information technology or global market driven convergence to Anglo-American patterns of industrial relations whilst the latter illustrated the divergent practices and the importance national institutions play in shaping industrial relations.
In the second section of this chapter a general discussion was had on globalisation
and multinational enterprises (MNEs), which briefly highlighted their growth and
substantially utilised the prominent works of Perlmutter (1969) and Bartlett and
Ghoshal (1989) to discuss the various typologies (structures and strategies) with
linkages to the cross border diffusion of employment practices. A discussion of
typologies and the diffusion literature was deemed pertinent to understanding the
strength of actors such as home managers or the headquarters in shaping the
employment practices at subsidiaries. The third part examined regulation where
Martínez-Lucio and Mackenzie’s (2004) conception of the three sites of regulation
was utilised. Here it is understood that on the macro level; the state provides a
general framework which to some extent is influenced by international labour
standards, on the meso-level regulation is secured through the industrial relations
institutions whilst a final site exists at the micro-level or firm level. Essentially this
literature expands the lens of study so as to capture the dynamics of work and
regulation at various levels. Thus the study will go on to operationalise this with an
approach that observes a multiplicity of actors across different levels. The levels of
enquiry exemplifies this approach, as the study examines the national industrial
relations system in Ghana, the utility of private CSR initiatives within MNEs, the
regulatory outcomes of this on the critical facet of freedom of association and
response the union actors to the practices deployed by those MNEs. The final
section of the chapter examined the wider concept of corporate social
responsibility (CSR) in terms of its historical, contemporary and theoretical
treatment. Notably, coverage of CSR was done to understand why and how firms
(in this case MNEs) in contemporary times have chosen to frame and operationalise
labour standards.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter will explain the research methodology chosen for this study. It used a case study research strategy to examine four MNEs in order to contribute to literature looking at the practices of MNEs in developing countries in IR and international business, as well as contribute to discussions on CSR. This included employee and management perspectives as well as interviews from state actors and NGOs. Remenyi et al. (2003) described methodology as an ‘overall approach to a problem which could be put into practice in a research process, from the theoretical underpinning to the collection and analysis of data’. A plan of action in attaining answers to posed research questions is invariably tempered by a particular vision of the world, and ontological and epistemological presuppositions are acknowledged (Creswell, 2007; Saunders et al., 2009). This chapter seeks to justify the research strategy and methodological strategies employed in this study, section (3.2) on research design will provide the rationale for the research methodology and the sampling processes, before justifying the particular research technique of qualitative semi-structured interviews and data analysis technique utilised in this study in section 3.3. Section (3.4) will provide a personal account of my experience of fieldwork, whilst sections 3.5 to 3.8 outline results from a pilot study carried out, discussions on quality assurance, ethical considerations and the limitations of the research.

3.2 Research Design

A research design is a framework that serves as a guide to deliver on a research agenda: an essential constituent that threads together a study’s initial questions with its empirical findings and the logical understandings reached in its conclusions.
In essence, this is a strategy that is a blueprint that integrates philosophical thinking, strategies of inquiry and specific methods that guide an entire research agenda. In social science research, there are two main research strategies, that of qualitative and quantitative strategies utilised to reflect the social reality being investigated in order to ensure methodological congruence and consistency that informs the entire research.

### 3.2.1 Qualitative and Quantitative Paradigms

The two paradigms of quantitative and qualitative research strategies or by contemporary mixed methods approaches have been topics of discussion with regards to their appropriateness and/ superiority in the pursuit of a good social inquiry (Creswell, 2003a; Creswell, 2003b; Creswell, 2014). Lord Kelvin (1883 cited in Sayer, 1992, p. 175) highlighted the rift between the two approaches by elucidating that ‘when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind’. The key characteristics of quantitative research is one with elements of control, operational definition, replication and that of hypothesis testing, thus, one where experiments are conducted to answer certain questions, and replication of findings is highly sought after. The strengths of this type of research is that of the ability to produce causality statements because of controlled experimentation and the replicability of findings, although, it has significant limitations in social research because of the complexity of human experience and the difficulty in controlling all variables, the factor of human agency which significantly means people do not all respond in the same ways as like ‘matter’ in the physical sciences. In a critique of the quantitative approach, Blaxter et al. (1996, p. 61) argued that the collection and analysis of data in numeric form, in large-scale sets of data, in order to present it as being about the gathering of ‘facts’ is problematic, instead qualitative research which focuses on collecting and analysing information in in non-numeric forms ‘tends to focus on exploring, in as much detail as possible, smaller numbers of instances or examples
which are seen as being interesting or illuminating, and aims to achieve depth rather than breadth’ *(ibid)*. Qualitative research is characterised by the understanding that events can only be understood if they are observed in context, as such the researcher immerses themselves in the setting, because the aim is that of understanding lived and felt experience. The strengths of this type of approach lies in the viewpoint it provides the researcher in terms of unearthing often missed subtleties and complexities, when social research for example is carried out by scientific or more positivistic enquiries. However, its limitations lie in the ability to generalise findings because contexts and interactions, cannot be extensively replicated and contains within it issues of bias and reflexivity, as the researcher’s presence could have a profound effect on the subjects of the study.

Crucially, the two research paradigms are not simply differentiated by questions of breadth versus depth or that of their increasing delineation as ways of data collection where. For example, Bryman (1988) argued for a mixed methods approach, the apparent de facto best of both worlds, where qualitative and quantitative approaches could be combined. This is because the choice between the two paradigms is a fundamental research dilemma as each perspective adopts an underlying philosophical stance.

### 3.2.2 The Researchers Choice of Approach

Generally, the researcher has some freedom to choose which of the two research strategies to adopt however the nature of the study largely influences the choice and shapes the study (Silverman, 2010). According to Creswell and Poth (2017) qualitative research explores a social or human problem; in which among other things the researcher conducts the study in a natural setting. This study utilised the qualitative research strategy as it was adjudged to be suitable for answering the research questions. The reason behind this choice was first due to the fact that the qualitative method facilitated an in-depth and contextual analysis of the topics under study. The study needed a detailed understanding of complex and sensitive
issues transpiring at the workplace and industry level, details which could only be established by talking directly with the participants (organisational members and some stakeholders) and allowing them to tell their stories unencumbered in addition to information compiled from documentary sources to help address the research questions (Creswell, 2007; Yin, 2010). In essence, the research approach entailed the use of qualitative data collection instruments such as in-depth interviews and documentary review which paved the way for in-depth investigation into the subject matter (Marshall and Rossman, 2014). Secondly, the phenomena under study located within a unique developing country context called for a methodology that was flexible (utilising a variety of data sources), holistic, reflexive, and one where emergent themes or symmetry of outcomes is afforded room for discussion; basic assumptions behind qualitative enquiry (Cassell and Symon, 1994).

It is important to note that this method has traditionally received criticisms from quantitative positivists as lacking ‘science’; inadequate in robustness, generalizability, reliability, validity, transparency and objectivity, as such laden with the personal values and idiosyncrasies of researchers (Denzin and Lincoln, 2011; Tracy, 2010). Nonetheless, there is appreciation of the philosophical underpinning of qualitative research within the social science discipline in contemporary times in terms of its idealist and anti-positivist underpinning. This approach generates rich data by taking on board context: studying phenomena in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them or how people make sense of their world and the experiences they have in the world (Denzin and Lincoln, 2011; Merriam, 2009).

3.2.3 Case Study Research Strategy

Qualitative research encompasses case study, ethnography, phenomenology, grounded theory, biographical, historical, participatory and clinical strategies (Denzin and Lincoln, 2011; Yin, 2010). This study adopts case study as a research strategy, it is essentially 'an empirical inquiry that investigates a contemporary
phenomenon in a real-life context, with particular reference to situations where the boundaries between phenomenon and context are not clearly evident’ (Yin, 2009, p. 18). Stake (1995) acknowledges that case studies are the most common ways of conducting qualitative research although the method is not purely limited to qualitative research: critically, ‘it is both the process of learning about the case and the product of our learning’ (Stake, 1995, p. 237). Yin (2009) highlights that the use of case study as a strategy has gained prominence in organisation and management studies as a result of growing confidence in its use and status as it ‘lends itself well to capturing information on more explanatory how, what and why questions’ (Crowe et al., 2011, p. 4) as well as being a rigorous research strategy in its own right because it utilises ‘interviewing, observing and document analysis’ (Denzin and Lincoln, 2011, p. 14). Thus, in addition to the cited advantages, case studies are identified as not only bounded systems that focus on specific phenomenon as Stake (1995) identified intrinsic, instrumental and collective types of case study, the strategy may also seek to preserve the wholeness and integrity of the case or cases under scrutiny as well as include data from multiple sources (individuals, specific groups of people or communities and organizations) as well as multiple methods (Creswell and Poth, 2017).

Stake (1995) and Yin (2009) identifies case study research as inclusive of both single and multiple case studies, nonetheless this research adopts the multiple case-study research approach. The choice of this approach was informed by a number of factors. Broadly, from a practical standpoint, a case study research strategy was appropriate considering the three-year duration of the PhD programme as it was practically impossible to observe all MNEs in the country, notwithstanding the cost of such an undertaking. Thus the strength of this approach lies in its depth and purposive approach in the sampling of the cases involved in this multiple case study research. With regards to the specific benefits of the multiple case study research approach, it firstly, allowed for the studying of multiple cases simultaneously in an attempt to generate a broader appreciation of issues raised, essentially allowing for a wider discovery of theoretical evolution and identification of further research needs (Saunders et al., 2009; Vissak, 2010). Secondly, in this
multiple case studies approach, four case companies were selected offering the advantage of cross case comparisons which allowed for the exploration of differences within and between cases (Baxter and Jack, 2008). This design involves a research framework that draws views from an array of stakeholders (actors at the macro, meso and micro levels) with the goal of replicating some findings and achieving more robust results in contrast to single case studies, as it enhances validity and generalizability of findings (Baxter and Jack, 2008; Saunders et al., 2009; Yin, 2002). In view of this, data were collected (inclusive of semi-structured interviews and documentary literature) from a variety of sources: civil society organisations, trade unions, sectoral organisations and state agencies as a means of validation.

Notably, apart from providing interesting narratives this approach was suitable to achieving the aims of the enquiry; as it offered rich, and informative data as well -being deemed as appropriate by Yin (2009) as appropriate for investigating ‘how’ and ‘why’ questions of which this study had many. Nevertheless, in spite of the benefits of the multiple case study approach highlighted; generally case studies present a number of challenges. Yin (1994, p. 55) highlights the peculiar mental strain of the approach: ‘the demands of a case study on a person’s intellect, ego, and emotions are far greater than those of any other research strategy’. This strain is attributable in part to the expense and time involved in conducting one. For example, in carrying out this research, the researcher spent the months of May to August 2017 in Ghana, living in the capital and travelling to remote communities to gather data, notwithstanding the management of the copious amounts of data generated. Moreover a multiple case study approach has a peculiar challenge with regards to finding the balance between depth and breadth, as ‘a multiple case study increases the latter but decreases the former’ (Vissak, 2010).

Fundamentally, the researcher’s choice of approach was underpinned by philosophical understandings where the focus was not ‘entirely’ on finding ‘truths’ but on unravelling detailed subjective views in order to foster a deeper understanding of their lived experiences of employment in the multinationals.
identified. It took an anti-positivist stance and an axiological viewpoint that refutes the notion of ‘value-free research’ (Saunders et al., 2009).

3.2.4 Sampling of Case Study Organisations

This section covers the research sampling plan; the design for how sources were specially chosen for generating data (Tracy, 2013). It looks at the sample size and procedures used in data collection, with sampling generally referring to the strategies that enables the researcher to pick a subgroup from a larger group with the thought of utilising the subgroup as a basis for making inferences about the larger group.

This study adopted a multiple case study research design utilising four MNEs in Ghana as purposive cases. A purposive sampling procedure was preferred and utilised in this research, for selecting the categories of interviewees as it is a non-probabilistic procedure and generally recommended for targeting or isolating specific persons for the vital knowledge they have with regards to answering the research questions (Maxwell, 2006). In this sampling procedure, the researcher selected case organisations with a specific aim in mind, that of selecting unique cases that will potentially be informative and isolating persons or cases for in-depth investigation. Purposive sampling provides the opportunity for developing theories and concepts or testing them. As such, the study selected ‘information rich’ participants; individuals, groups and organisations that provided the greatest insight into the research themes (Yin, 2010).

The cases utilised in this study were purposively chosen on the premise of understanding the effect of private regulatory initiatives or corporate social responsibility (CSR) policies; a contemporary institutionalist pressure that has become pertinent to international management, on the employment relations of MNEs at subsidiary level (Press et al, 2009). The thinking employed here is that the rise of CSR might have significant implications on employment relations at the
workplace level vis-à-vis employee representation and positive employment outcomes for workers, as MNEs commit to observing CLS. The four MNEs selected in this study, were those with elaborated CSR policies around employment and in the main had sufficient dealings with trade unions. SecuriCorp and DrinkCorp MNEs operationalised varied CSR policies, the former with a TCA and the latter ascribing to basic principles, both functioning in sectors with contrasting apathy to unionisation. Whilst, Rossinto and HiliGold operated in a sector construed to be relatively forerunners in the discourse of CSR, also had with a multifaceted approach to CSR but both distinctively functioning in a historically unionised sector.

It is important to note that, case companies were also chosen with regards to the type of unions they dealt with vis-à-vis the workplace unions’ affiliation to the Ghana Federation of Labour (employer friendly union) or to the Ghana Trades Union Congress (GTUC); national trade union centres with contrasting orientations. MNEs originating from an Anglo-American tradition where there is degree of apathy to engaging with unions and employee representation compared to their continental European and Nordic counterparts, were specifically chosen to represent the constant in the analyses. This is in addition to a host country environment that provides a relatively weak institutional setting for the development of sound employment relations.

These cases were complimented with a selection of other actor organisations such as: state agencies Minerals Commission (MinCom), Labour Department, National Labour Commission (NLC), Environmental Protection Agency (EPA)); organised labour (affiliates of the Ghana Trades Union Congress and the Ghana Federation of Labour); employer associations (Chamber of Mines) and civil society organisations (the Third World Network (TWN) and that of the Wassa Association of Communities Affected by Mining (WACAM), and Oxfam). This sampling approach enabled the study to reach substantive conclusions drawn from population sets (employee groups, employer groups, government officers) from across the various sites examined in the study and aiding comparative discussions (Maxwell, 2006). In all 71 participants took part in the study out a sampled population of 75 (See Appendix 1 and 2 for a complete breakdown).
3.2.5 Sampling of Respondents

The strategy of participant selection in qualitative research is very much based on the aims of the approach of illuminating, interpreting, and understanding, as well as that of the researcher’s own imagination and judgment (Glesne and Peshkin, 1992). There are a multiplicity of sampling techniques utilised in qualitative study, the idea of randomization was eliminated from the study as it was not required to fulfil generalizability but instead purposive sampling, was adopted. In this sampling procedure, the researcher selected cases with a specific aim in mind, that of selecting unique cases that will potentially be informative and isolating persons or cases for in-depth investigation. Abrams (2010, p. 538) buttresses this point by citing that in purposive sampling “the researcher exercises judgment about who will provide the best perspective on the phenomenon of interest, and then intentionally invites those specific perspectives into the study”. A total of 66 participants were initially sampled to take part in this study. Crucially, when selecting the participants for this research, the central aim was not solely on selecting individuals or the cases because they fully represented their population, thus allowing for generalizability, but for the sole purpose of their relevance to the research topic. The participants were selected from the ‘target population or accessible population’ (Burns and Grove, 2010, p. 233). There are primarily four MNEs involved in this study, although other ‘actor’ organisations were covered. The primary inclusion criterion for the participants were that they must be part of the organisations selected. These participants were broadly selected from each organisation without regard for the number, but for the sole aim of reaching saturation. For example, in two of the organisations examined, the NLC and the Labour Department, the researcher purposively selected five participants to interview, however ended up interviewing only two and four respectively. This determination of saturation was actively made during the data collection process where the researcher checked for repetition of stories amongst participants and points at which no new information was provided by new participants (Glesne and Peshkin, 1992). Moreover, some group of respondents from two organisations, the WACAM, an advocacy group and ‘Mount Gold’ a mining MNE headquartered in the USA, who were not originally included in
the sample schedule were encountered in the field. Their perspectives as it were, became relevant; as WACAM worked closely and advocated on local issues pertaining to communities living in or near mining concessions. Whilst interviews conducted with workers at Mount Gold’s subsidiary headquarters helped provide further industry context. This increased the total sample size to 75 from the initial 66 scheduled due to the changes highlighted.

It is notable that, the participants in this study were chosen because of their special character as discussed above however, in taking said approach, the study took in consideration the dilemma that the rich and detailed data generated from non-random samples result in analyses that potentially suffer in claiming representativeness. Moreover, the study also relied heavily on ‘elite’ informants, which potentially left room for critique. Richards (1996, p. 199) identifies elites as ‘a group of individuals, who hold, or have held, a privileged position in society and, as such, as far as a political scientist is concerned, are likely to have had more influence on political outcomes than general members of the public’. Although, in organisational studies elites are ‘those who occupy senior management and board level positions within organisations’ (Harvey, 2011, p. 433). Nonetheless, this study held to the understanding of elites in the Marxist perspective which places ‘power’ in institutions and sections of society, but also acknowledges that ‘in many cases, it is not necessarily the figureheads or leaders of organizations and institutions who have greatest claim to elite status, but those who hold important social networks, social capital and strategic positions within social structures because they are better able to exert influence’ (ibid).

### 3.3 Data Collection: In-depth Individual Interviews

Tracy (2013) noted that about 90 percent of all research conducted in social science relied firmly on interviews. Interviews are an essential tool in qualitative research as they elicit a rich illustration of the participant’s perspective on research topics as they provide a forum for probing and are a useful tool in acquiring copious amount
of vital information left out of formal documents or omitted from sanitized histories that reflect a view held by those in positions of power (Myers and Newman, 2007). Therefore, the study adopted it as the primary instrument for data collection.

This study understood in-depth interviewing as an extended ‘face ‐to‐face verbal interchange’ (Fontana and Frey, 1994 cited in, Welch et al., 2002, p. 612) between the researcher and participant with the purpose of understanding the latter’s experiences and perceptions. This is a broader definition that includes both semi ‐ structured and unstructured qualitative interviews, and has been touched on in the proceeding section. Seidman (2006) acknowledged that in utilising an in‐depth interviewing technique, a vital basic assumption is affirmed, that is individuals’ stories are of worth. As such this technique actively involves conducting intensive individual interviews with a small number of respondents to explore their perspectives on a particular idea, program or situation. Concretely, allowing for obtaining informational depth in a stress‐free manner especially deployed in informal settings, which was observed in this study.

The research also followed Glassner and Loughlin’s (1987, p. 35) proposals of rapport building with regards to its crucial nature to the effectiveness of this technique. Therefore in conducting this study prime efforts were made to establish trust and familiarity with participants by allocating sufficient time for interaction before conducting the interview, showing genuine interest, assuring confidentiality and not being judgemental. Essentially, participants were presented with a ‘good listener’ who was well situated on issues being neither firmly entrenched in mainstream thinking nor too far from the margin (Miller and Glassner, 1997).

3.3.1 Semi Structured Interviews

Semi‐Structured Interviews (SSI) represent one of the most preferred forms of interviewing in social research. They are verbal interchanges, where the interviewer garners information by utilising a list of predetermined questions that is closed‐
ended questions and also employing open-ended questions to explore a subject in-depth and from a variety of perspectives (Longhurst, 2009). They are situated in the middle of the continuum of structured and unstructured interviews. SSIs in this study unfolded in a conversational manner but directed respondents to some degree, as they were self-conscious, orderly and partially structured (ibid). Thus, particular points were covered with each participant but incorporated elements of flexibility as respondents shared their opinions and experiences of working conditions at their MNEs or for interviewees at the various regulatory agencies or NGOs, points were covered on their role and their impact in the sector. Fundamentally, SSIs were used to gather systematic information about the central topics in this study while also providing sufficient latitude for some exploration when new issues emerged (Wilson, 2014). Therefore, they were suitable in the exploration of complex and to some extent politically sensitive issues shrouded in policies, strategic in nature, in the management of the various companies and regulatory bodies covered in the study (Barriball and While, 1994). Open-ended options provided in SSIs gave ample opportunity for probing, confirming views and clarifying answers with regards to the complex issues examined.

SSIs used in this study could be liable to the general criticism of validity and reliability often associated with them. This is because in utilising only closed-ended questions, structured interviews pose questions that are consistent, exactly the same for each participant, and as such there is a higher degree of certainty that differences in the answers provided are due to differences among the respondents rather than in the questions posed (Barriball and While, 1994). The SSIs used in this study did take up opportunities to change words, but fundamentally, not the meaning of the questions asked. This is because the researcher recognised that under socio-cultural circumstances, not every word has the same meaning to all respondents as respondents do not share or use the same vocabulary (ibid). Consequently, the validity and reliability of the semi-structured interviews is dependent upon conveying equivalent meanings to participants in the language and manner that is best understood, rather than a focus on the sequence and exactitude of words used (Denzin and Lincoln, 2011).
3.3.2 Data Analysis Technique

In this field research, copious amounts of qualitative data that examined the phenomenon in review were collected. Data obtained in the form of interviews and observations were captured in field notes, observational notes, digital tape recordings and images, although preference was given to the written word. Sufficiency lies in not only just collecting copious amounts of information but in analyzing it. During the data gathering process, partial analysis occurred, however more systematic analysis occurred after the meticulous transcription of conversations. It is important to note that the transcriptions from audio-recorded interviews into text were carried out by a third-party\(^{37}\). Generally, recurring categorizations, articulations and discourses from the transcribed texts were isolated and critically interpreted. Focus was placed on connecting the particular data to concepts and theories that addressed the research questions.

Fundamentally, this study used thematic analysis as the main method of qualitative analysis. Braun and Clarke (2006, p. 79) describe thematic analysis as ‘a method for identifying, analyzing, and reporting patterns (themes) within data’. This method is markedly different from other analytic methods that seek to describe patterns across qualitative data such as grounded theory that is theoretically bounded. Since the goal of a grounded theory analysis is to generate a plausible and useful theory of the phenomena that is grounded in the data whilst thematic analysis presents a clear benefit in that it is suited to a wide range of research interests and theoretical perspectives and is a useful method (Braun and Clarke, 2006; Clarke and Braun, 2013). This is because, it could be situated with the constructivist ideology, useful in the analysis of different types of data, from secondary sources such as media to interview transcripts, effective with large or small data-sets; and applicable in producing data-driven or theory-driven analyses (\textit{ibid}).

\(^{37}\) Hired with the sole aim of preserving the participants original expressions and in line with ensuring confidentiality was made to sign a confidentiality form
Guidelines provided by Braun and Clarke (2006) in their six phases of analysis were followed in this study. Guidelines served as basic precepts as analysis itself is not a linear process; where one can simply move from one phase to the next, instead it is a recursive process where forward and backward movements are made as needed, throughout phases (ibid). Braun and Clarke (2006) suggested to firstly starting with the familiarization of data that is being immersed in, and becoming intimately familiar with, the collected data; reading and re-reading the data. Secondly, coding which is generating labels that tied into the broad research question and engaging with literature was carried out in a bid to capture both a semantic and conceptual reading of the data (ibid). Thirdly, themes were sought to identify similarity in the data (ibid). Themes in this study were captured as something that represented some level of patterned response or meaning within the data set (ibid). Researcher judgment was necessary in discerning what themes were by being guided by the overall research focus as some themes were given considerable space in some data items, and little or none in others (ibid; Clarke and Braun, 2013). The final steps involved reviewing the themes, defining and naming themes and then the integral element of writing up; weaving together the analytic narrative and vivid data extracts to provide readers with a coherent and persuasive story about the findings and contextualizing it in relation to existing literature (ibid).

In carrying out the thematic analysis in a recursive manner as acknowledged above, this study actively sought to avoid the associated common pitfalls which are detrimental to producing quality analysis (Braun and Clarke, 2006). These pitfalls include failure to engage in thorough analysis by stringing together extracts with little or no analytic narrative and the pitfall of reporting data collection questions from interview schedules as ‘themes’. Themes identified in this study cohered around a central idea with the overall research question that examines the application of ILS and Private Regulation in Subsidiaries of Multinational Enterprises in Ghana, and the ramifications for organized labour and workers.
3.3.3 Secondary Data Collection and Analysis

This study utilised secondary data, that is, documents that have not been produced at the request of a social researcher and are simply ‘out there’ waiting to be assembled and analyzed (Bryman 2012: 543). Essentially, documentary secondary data encompassing raw data and published summaries; emails and minutes of meetings to surveys and published official statistics covering social, demographic and economic topics derived from governmental departments (Saunders et al., 2009). Significantly this data was sought from the onset as it was understood that government organizations and other publishers of business information as well as entities like commercial organizations tend to produce large volumes of documentary material as part of their everyday activities (ibid). The documents utilized in this study were of good quality since these organizations especially commercial ones, devoted considerable efforts to documenting their activities (ibid).

This study extensively used secondary documentary analysis and in doing so, viewed these documentary sources as a resource for research: where focus was placed on the contents of documents that carried data of interest. Hakim (1982 cited in Thomas, ϮϬϬϯ: ϭϵϭͿ understood it as ‘any further analysis of an existing dataset which presents interpretations, conclusions or knowledge additional to, or different from, those presented in the first report on the inquiry as a whole and its main results’. This allowed for the charting of the historical facets of political and industrial relations in Ghana, the nature of contemporary unionism as well as the global growth of capital and the neo-liberal movement. More so, it was crucial in providing foundational information that informed further probing during the face-to-face interviews as well as serving as a basis for research replicability as sources are readily available and could be cross checked.

A plurality of documentary sources was used in this study, thus efforts were divided by first, collecting documents available on site at the various multinational subsidiaries involved in the research and their corresponding social partners.
Whilst other efforts were placed on garnering documents from the corresponding Ministries or commission to which the various firms were placed in or subject to state supervision: for example, the Minerals Commission, Ministry of Employment and Labour Relations, and Ministry of Environment, Science, Technology and Innovation. This is further covered in Chapter Five and Six of the study.

3.4 Confronting challenges: Access and the Field

There is very little literature that focus solely on the experiences of doctoral research students with duality in citizenship going back ‘home’ to conduct research, although the work of Juliana Siwale and her experiences of undertaking PhD fieldwork in Zambia (Siwale, 2015) makes an important contribution in this light. My identity is that of a ‘British-Ghanaian’ the son of Ghanaian migrants who has lived in Manchester since the age of 16, with no experience in working in Ghana and in the sectors targeted for this thesis. Although prior to fieldwork I held valuable ‘social knowledge’ as I frequented my homeland for holidays. This identity and lack of experience added layers of complexity in the politics of negotiating and maintaining access. My credentials as it were, was one deep-rooted in a lived experience under the former colonizer and one devoid of the crucial levers of political and industry contacts usually crystallised in interactions built in religious, and social gatherings at the country’s leading secondary and tertiary institutions. As a colleague from the Global Development Institute (GDI) at the ‘Ghana house’, here at the University of Manchester once commented: ‘Nat you are a British Ghanaian’ here emphasis was put on my Britishness in an attempt convey a message of my supposedly ‘dis embeddedness’ or lack of substantial ties to my ‘homeland’. Needless to say my inability to communicate fluently in ‘Twe’ the dominant language supported this assessment.

These factors considered on the whole, from the onset affected my understanding of challenges to be expected at the stage of fieldwork. I made it a priority to start fieldwork ‘unofficially’ by attending a conference at the University
of Ghana’s business school, a year before (where I spent a month in country). This was a reconnaissance mission at a conference that was made up of local PhD students, lecturers, members of civil society organisations and politicians, and proved fertile grounds to gather contacts and build a necessary network of contacts. More importantly being in-country provided me with the chance to locate and connect with childhood friends and teachers who worked (in varying levels of seniority) in the sectors of interest. This proved crucial in allowing me to conduct a pilot study at a mining MNE with a senior executive, allowing me to sharpen my methodological tools, becoming familiar with extractive sector (mining process and the key actors), and even more importantly helping me in determining how to act in ways that were culturally appropriate. This senior executive became a significant gatekeeper as I was personally introduced to sector actors, the head of the Ghana Mine Workers Union (GMWU), amongst other introductions to a senior figure at the Chamber of Mines and at the Minerals Commission as well as to two senior figures; one at ‘Rossinto’ and the other at ‘Mount Gold’. This gatekeeper became crucial especially in the extractive sector where trust for mainstream research is lacking and the issue looked at was politically sensitive; hence he acted as a guarantor of my legitimacy (Mcareavey and Das, 2013).

Subsequently, when returning for the ‘official’ fieldwork, with the network already built in the mining sector, I leveraged on them to help me in securing formal access to their organisations. The contact at the GMWU proved crucial in gaining formal access to the other mining MNE ‘HiliGold’ examined in this study. Formal access to participants at the other state bodies examined in this study was sought through at least two trips made to their offices in the capital (armed with a research information sheet and a business card), whilst contacts from the conference were leveraged to attain participants in the NGOs. In terms of formal access to ‘SecuriCorp’ and ‘DrinkCorp’, a colleague at the ‘Ghana House’ provided a contact that was crucial in securing entry to the first (their organisation) and to the second through their contact at the Ghana Employers Association which I visited.

Waddington (1994 cited in, Mulhall, 2003) understood the process of gaining access as involving a process of managing ones identity; projecting a
suitable image and convincing gatekeepers of being harmless. This is because for political or personal reasons, they can stop the access process into crucial parts of sample organization(s) and prevent introductions to vital informants who can provide valuable information (Okumus et al., 2007). Therefore, in the initial stages of negotiating access, I worked hard on presenting myself in the ‘correct way’ (Mulhall, 2003). Essentially, by consciously paying particular attention to a casual smart dress code, the spoken word and identifying as a ‘Ghanaian-British’ as opposed to a ‘British-Ghanaian’ in order to meet the cultural expectations of the gatekeepers and participants. A process Van Maanen (2011, p. 144) eloquently described as a “continuous push and pull between fieldworker and informant”; an ongoing process revisited on a daily basis as actors subtly questioned motive and the benefits of the research.

The narrative above draws a complex web of interactions that supposedly allowed for a ‘seamless’ entry into the research sites. However gathering data from 71 participants required perseverance, and patience. Firstly, in a developing country context the infrastructure in terms of communication and transport proved problematic, because of limited ‘constant’ access to the internet, sending emails mostly proved a fruitless endeavour (with the exception being with that of the mining MNEs), conversely whilst phone calls proved a useful method in first establishing contact, careful calculations had to be made about the encroachment into the private space of gatekeepers as they did not have work phones. The best method of building initial rapport with gatekeepers and subsequently participants was physically visiting premises frequently, here affordable and safe transport proved problematic, notwithstanding traffic caused by choked road arteries and members of the police force negotiating bribes on the street. Secondly, in terms of patience, aside from ‘chasing down’ participants to keep to agreed schedules, a lot of patience was required when I was chastised in person for persistently maintaining contact by a HR Manager at Nestle Ghana, for the crime of following up an email with two phone calls. This is notwithstanding the refusal of access into Coca-Cola after some assurances, on the account that the HR director was on holiday as well as the harassment from the General Secretary of the Union of
Private Security Personnel and his board members, after an assurance of a meeting was secured. In the latter case, I was mistakenly construed as a spy from its global union federation.

3.5 Pilot Study

A pilot study refers to a small-scale methodological test conducted to prepare for a full-scale study and it is intended to help refine aspects of the instrument(s), for example, that of the research design, fieldwork procedures, data collection instruments, or analysis plans, that will be deployed in the final study (Kim, 2010; Yin, 2010). Thus, for a qualitative inquiry especially researchers utilize it to assess the acceptability of an interview schedule or expand, or narrow their proposed research topics for example, an approach proving very useful to novice researchers as well as to self-evaluate one’s readiness, capability, and commitment as a qualitative researcher (ibid). Serving as a potential training ground, conducting pilots help to enhance the credibility and quality of qualitative researchers (Padgett, 2016). For acknowledged reasons above, a pilot study involving a total of 4 participants was conducted. It involved two workers at ‘Glo-Gold’ a historic gold mining company headquartered in South Africa and interviews with workers at the NGO Oxfam and another one, the Centre for Constitutional Order an NGO at the time helping host mining communities. This was incorporated into the research design in order to gain a rich insight into the research process and to identify practical issues that could potentially emerge during the final research process. The pilot allowed me to hone my interview skills in terms of adhering to stipulated times, modifying some words in order to limit ambiguity and tweak the sequence of questions. Overall the pilot proved slightly costly than anticipated in terms of time and money however it was a useful exercise in dealing with potential ‘teething’ problems before investing a great deal of time, money, and effort in the full-scale study (Mason and Zuercher, 1995). More importantly it produced useful findings consistent with those identified in literature on TCAs (See Chapter 2.5) which sees
them as largely underutilized; in this case senior management at this subsidiary level had limited knowledge of their existence despite the fact that the company had concluded agreements in recent years. As well as providing useful visual insights into the environmental effects of illegal mining operations.

3.6 Quality Assurance and Rigor

Quality assurance is seen as sine qua non in academic circles as such this study endeavoured to meet the set of practical criteria set out by Tracy’s (2010) eight “Big-Tent”. In her work Sarah Tracy set out eight key markers of quality in qualitative research: a) worthy topic, b) rich rigor, c) sincerity, d) credibility, e) resonance, f) significant contribution, g) ethics, and h) meaningful coherence (Tracy 2010, p. 839). Utilising this criteria, this study demonstrates quality. Firstly the study of MNE behaviour in a developing country like that of Ghana in light of declared commitments to CLS through CSR declarations and TCAs proved a topic worthy of exploration and one with the potential of providing significant contributions (as demonstrated in Chapter 1.3 and Chapter 9.6) in research areas of the international dimensions of industrial relations, that of transnational collective agreements (TCAs). Secondly, rigor, sincerity and credibility were ensured and demonstrated through an extensive fieldwork which lasted four months, clarity of the methodology chosen, and affirmation provided from multiple sources of data. Thirdly, the research resonated with wider literature tackling topics of policy diffusion across subsidiaries, labour management relations, labour movement revitalisation, and business ethics and social responsibility. With regards to ethics the research addressed all ethical issues that could have had an impact on the quality of the research output through various ethical clearances with the University of Manchester and the study organisations. Finally, the research delivered on its objective realising this aim through the effective use of appropriate methodologies.
3.7 Ethical Considerations of the Research

Most writers such as Yin (2010) for example, recommend that before any research project commences, ethical clearance should first be sought since the process of data collection in this case involves human beings who are often required to share information which could put their lives at risk or expose organisational secrets. Thus, the researcher sought and obtained ethical clearance from the University of Manchester’s Research Risk and Ethics Committee, before proceeding to the field. This process involved providing a justification of the need to conduct the study and that the study had carefully considered and addressed ethical issues bothering on informed consent, voluntary participation, anonymity and confidentiality.

3.8 Limitations of the Study

In his writings (Patton, 2002, p. 223) noted that “… there are no perfect research designs. There are always trade-offs.” It goes without saying that the trade-offs that were made here in terms of the focus on just a few MNEs and a snapshot of state bodies and NGOs was very much owed to the constraining factors of time and financial resources. Thus generally, the timeframe for the completion of the thesis was set at three-years, and with the added constraining factor of financial resources meant that the study suffered from achieving breadth and to some extent depth. Moreover, the use of Interviews, a predominant component of the data collected, is the most practical data collection tool for eliciting the views of participants, however, views expressed in those formats are only reflective of a specific moment in time and not over a longer period (could have benefitted from the deployment of ethnographic methods). In addition to the general observation of ‘reflexivity’, where this study could have benefitted from ‘multiple eyes’, as its conduct by a sole researcher brings with it the associated pitfall of being the only ‘eye’.

97
On specific points, this study could have benefitted from a case comparison with MNEs emanating from a central European context in the same or similar sectors. This would have added a layer of analyses or complexity in terms contrasting the Anglo-American styled MNEs and their CSR attitudes to that of MNEs coming from contexts of long standing traditions of positive views on trade unions and worker representation; industrial relations frameworks that position trade union representatives as natural partners (Preuss et al, 2009). In doing so, there is an acknowledgement of the historic and abiding differences among and even within European countries; as countries like the U.K. in contemporary times share some national business system features with the United States, since institutional changes in the 1980s (Matten and Moon, 2008).

Finally, the study could also have perhaps benefitted from an exclusive focus on just one sector or two just two sectors. For example that of the mining sector, an area of natural resource-seeking FDI where MNEs are locationally-fixed and of the manufacturing sector, where there is predominantly efficiency-seeking FDI (Marginson, 2016). This sectoral focus along with a good representative sample of MNEs in those sectors would have allowed for a deeper enquiry into the rhetoric and reality of private regulatory initiatives and a comprehensive exploration of the varied trade union response to possibly marked changes in employment security and conditions.

3.9 Conclusion

This chapter sought to present and justify the research strategy and methodological strategies employed in conducting this study. The study utilised the qualitative method and adopted a multiple case study approach. It provided a justification of said approach and detailed processes of purposive sampling, in-depth face to face interviewing (semi-structured), secondary data use and their analysis. Section (3.4) presented a personal account of the challenges of access, how they were met including other challenges faced in the field. The final parts of the chapter provided
information on how the study approached ensuring quality and rigor and ethics. The essence of this chapter was to provide the methodological basis for the research and demonstrate that the research was conducted well.
CHAPTER FOUR: The National and Sectoral Contexts

4.1 Chapter Introduction

This chapter presents general information about Ghana and its political economy as well as providing specific information on the various sectors covered in proceeding case studies. The information presented is deemed pertinent and a necessary contextual starting point. This is because a discussion of the macro and meso environment brings into perspective the current political and socio-economic realities, which have been immensely impacted by antecedent economic conditions such as the Structural Adjustment Programme (SAP). The move from a socialist orientation to a neoliberal one and its sectoral ramifications in mining and manufacturing, for example, provides a better appreciation of potential effects on employment outcomes at the micro or firm-level. This chapter solely draws on secondary data sources. It starts with a brief description of Ghana and its political economy; this highlights key facets such as its colonial past, its independence and earlier socialist orientation. A sub-section on SAP and Ghana moves the discussion to its contemporary form which emphasizes market and ‘trickle down’ principles. Lastly the second part of this chapter examines the mining, private security and beverage sectors.

4.2 The Geographic Scope of Ghana

Ghana is a country located in West Africa situated on the coast of the Gulf of Guinea. Formerly, known as the Gold Coast, a British colony from 1897 to 1957, prior to colonisation and the slave trade, the inhabitants primarily traded gold with the British and other Europeans (Maier et al., 2019). On the 6th of March 1957, Ghana became the first sub-Saharan Africa (SSA) country to achieve independence and became a republic in the British Commonwealth of Nations in July 1960. The
nation is organized as a unitary state with a central government consisting of an executive, headed by a democratically elected president with a four-year mandate and a maximum of two terms. As a republic, it has an elected parliament, an independent judiciary and a free press. In addition to formal structures, the system accommodates the role of traditional rulers in local governance. Administratively, the country is divided into 10 Regions (see Figure 4.1 below): Western, Central, Greater Accra, Volta, Eastern, Ashanti, Brong Ahafo, Northern, Upper East and Upper West. Accra stands as Ghana’s administrative and political capital.

**Figure 4.1 Map of Ghana**

![Map of Ghana](image)

*Source: World of Maps (2019)*

### 4.3 Ghana’s Political Economy

At independence Ghana had a per capita income level comparable to countries like South Korea and Malaysia, and much higher than Thailand, India, and most other African countries (Mckay et al., 2015). In the immediate years following independence, it enjoyed an annual growth rate of 6%, and had substantial foreign

---

38 As of 16th February 2019, the country now has 16 Regions (Modern Ghana, 2019)
exchange reserves and a strong civil service (Donkor, 1997). The government with Dr. Kwame Nkrumah as prime minister from 1957-1960 and president from 1960-66 pursued several policies to effectively enhance economic growth and address issues of poverty reduction (Mckay et al., 2015). This was achieved through a development policy that placed focus on removing the constraints to industrialization; efforts in constructing a modern road network, to modernize ports at Takoradi and Tema, to diversify agricultural production, and to achieve significant progress in education, health and social protections\(^{39}\) (ibid; Britwum and Martens, 2008). A socialist approach to development was largely practiced by most African leaders at the time, where all aspects of economic development were primarily state-driven, with a proliferation of state-owned enterprises and substantial controls over prices, trade and foreign exchange (Owusu, 2003). For example in the 1980s there were 350 state owned enterprises but by the end of 2003 only 32 were left under state control (ISSER, 2008). Significantly in the area of employment, advancing workers’ rights was a notable hallmark of the first government, as political freedom and the rights of workers were deemed ‘indivisible’ (Arthiabah and Mbiah, 1995: 59 cited in, Akorsu, 2010). Concretely, Ghana joined the ILO in 1957, ratifying in excess of 35 conventions and the state effectively recognized the Ghana Trades Union Congress (GTUC) as the representative of labour.

Economic progress and surplus foreign reserves of $481 million at the time (Rimmer, 1992), sustained high wages and a good provision of social services; however, by the mid-1960s when Nkrumah resorted to autocratic rule and growth slowed, reserves were depleted as macroeconomic conditions worsened. Consequently, living conditions deteriorated (including human rights abuses) and indebtedness prevailed as the state resorted to borrowing and seeking donor support (Mensah et al., 2006; Rimmer, 1992). In reality, the history of Ghana’s first 25 years of independence was a case of largely self-inflicted decline (Huq 1989

\[^{39}\text{Social assistance and insurance; poverty reduction schemes, and social security for example the creation of Social Security and National Insurance Trust (SSNIT) in 1965 (Abebrese, 2011; Norton et al., 2001)}\]
cited in, Mckay et al., 2015). This is because the period between the toppling of the Nkrumah government in 1966 and December 1983 when Flight Lieutenant Jerry Rawlings took power for the second time saw substantial political instability marked by eight different regimes in this period, periods of short-lived civilian and military rule and major inconsistencies in policy implementation. The economy received several shocks from sharp oil price rises in the 1970s, severe droughts during 1975–77 and 1981–83, and the repatriation of Ghanaians from Nigeria in 1983 (Gockel and Amu 2003 cited in, Mckay et al., 2015). In contrast to inflationary figures of less than 1% in 1960, 1983 recorded figures of 123% and a fall in GDP of about 16% (Baah and Akorsu, 2007 cited in, Akorsu, 2010). Subsequently, the Provisional National Defence Council (PNDC) in 1983 was left with no other alternative than to seek assistance from the Bretton Woods institutions (IMF and the World Bank) after requests for assistance from the socialist bloc proved unsuccessful (Gyeke-Dako et al., 2015). The Economic Recovery Program (ERP) of April 1983 was consequently borne out of an agenda aimed to ‘stabilize, liberalize, privatize’, the popular parlance contained in most agreements with said institutions (ibid: 7; Mckay et al., 2015). This ERP, a market-oriented policy presented reform measures that largely returned the country to growth and improved fiscal performance although substantial aid inflows also played a crucial role. Successful political liberalization followed economic liberalization with a transition to democracy in 1992.

4.3.1 SAP and Ghana

Post-independence, in the 1960s to early 1970s, most SSA countries initially had remarkable economic development, although development slowed in the late 70s and stagnated in the 80s (Heidhues and Obare, 2011). The purge of Keynesian economists and their replacement by neoliberal monetarists in the Bretton Woods Institutions, promulgated neoliberal globalization policies with the understanding that African countries would do better, based on the theory of comparative
advantage\textsuperscript{40}. On the condition that their economies were properly inserted into the world economy through free trade, liberalization, privatization, and deregulation—i.e., the Washington Consensus (De Rivero 2001 cited in, Harvey, 2007). Economic fragilities across the continent were primarily attributed to excessive government involvement in the economy—by way of protectionism and acute restrictions on free trade, with the incidence of corruption, political cronyism and mismanagement identified as inevitable corollaries\textsuperscript{41} (\textit{ibid}; World Bank, 1981). As such, the 1980s saw the proliferation of policy prescriptions by the IMF and the World Bank, of liberalization-laced strategies, SAPs; that emphasized macroeconomic stabilization, privatization and free market development to African economies as preconditions for debt relief or borrowing. By the end of the 1990s, most African countries had implemented SAPs in one form or another and at the end of the 1990s SAP lending in sub-Saharan Africa exceeded $15 billion (Mensah et al., 2006; Noorbakhsh and Paloni, 2001).

Ghana became the first in SSA to implement SAPs and was upheld as a model of successful adjustment (ISSER, 2008). The locally dubbed ERP in 1983 and the Structural Adjustment Programme in 1987, its antecedents, all targeted arresting and reversing the decline in all sectors of the Ghanaian economy, and to rehabilitate ruined productive and social infrastructure (Gyeke-Dako et al., 2015). The policies targeted pricing, fiscal, structural and institutional reforms; effectively worked to redefine the role of the state in terms of interventions and its involvement in economic activities (\textit{ibid}; Mensah et al., 2006). Subsequent growth in the proceeding decades seemed to have silenced the skeptics of SAPs at the time (\textit{ibid}; Mckay et al., 2015). According to Mensah et al. (2006) and Tsikata (2001), reform was in four phases stretching from phase one, ‘stabilization’ in 1983 to phase four ‘re-stabilization and adjustment’ in 2002. Ackah et al (2014 cited in Gyeke-Dako et al, 2015) attributed improved performance to reforms in trade policies, the provision of financial and technical assistance in the rehabilitation,

\textsuperscript{40}Marketization; free trade brings about the efficient allocation of resources, long term gains in terms of higher output and lower prices for all participating countries (Harvey, 2007)

\textsuperscript{41}As identified in the World Bank (1981); infamously known as the Berg Report
modernization and expansion of potentially productive and efficient industries, i.e. extractive industry.

Overall, in light of GDP growth rates, the country achieved moderate but consistent growth over the past 29 years, with the growth rate between 1990 and 2010 averaging five percent (Gyeke-Dako, 2015). Characterized into four periods, the first being a period of instability occurring in the period of 1990-1994; constant growth witnessed in 1994-1999; accelerated growth in the years 2000-2008, and a gold and petroleum boom period of 2010 -2013 (ibid). Sharp declines in 2008 to 2009 were largely attributable to the global economic climate of rising prices of oil and a fall in FDI from development partners due to the credit crunch, and the world food crisis that occurred in the early part of 2008 (ibid). Significantly, FDI have proved a substantial source of external financing as it rose from less than 10 percent of GDP in the 1990s, increasing to annual averages of about 18 percent in the 2000s and substantially growing by 41% from $636 million to $2.527.4 million from 2006-2010, between 2010 – 2017 FDI averaged at $3,195 million (Evans et al., 2018; Unctad, 2014; Unctad, 2018).

The country’s long-term growth prospects remain positive in light of relatively strong democratic institutions and favorable prospects for increased oil and gas production, which could signal further significant FDI (Del Granado, 2013). This is notwithstanding its ties with lenders (the IMF and World Bank) as subsequent governments since SAP have maintained strong commitments to implementing neo-liberal policies. Nonetheless, with regard to outcomes in employment, the nation’s shift from a socially administered system of economic management in the early parts of its independence to the neoliberal adjustment or market-oriented system, where legislation and policies have been used to drive FDI inflows, there has been significant implications on manufacturing growth for example and on protection for workers in the labour market (ISSER, 2008). Chapter five (The State in Ghana: the developmental and dysfunctional features and context of regulation) which examines the regulatory infrastructure will further exemplify this, amongst the case studies undertaken. In the context of the wider SSA, the
adopters of SAPs largely performed badly. This is because out of 29 SSA countries that adopted SAPs, the economic conditions of 11 had deteriorated, while 9 others showed only little improvement (Kumssa, 1996).

4.4 The Mining Industry

Gold price records were consistently broken during its boom period of 2009 to 2012, where for the first time the price crossed the $1000 mark as it traded at $1087.50 in 2009, subsequently rising to peaks of $1,664 in 2012 (Amadeo, 2019). Gold showed its strength as a safe haven during the economic turmoil (2007 -2009), as investors diversified out of currencies into gold following uncertainty about the Eurozone debt crisis and growing debt in the USA (ibid). Nonetheless, the recovery of stocks and a strong dollar in the ensuing years between 2013 to 2015 affected prices; for example 2015 recorded a post boom price of $1,160, although a weakened dollar saw a slight recovery\footnote{Affected by Britain’s decision to leave the European Union (Chamber of Mines, 2018)} in 2016 and 2017, $1,250 and $1,257 respectively (Kitco, 2019). In the global supply, Asia stands as the largest producer of gold with a share of 26.5% of the market followed by Africa, North America and South America with respective shares of 18.9%, 16.5% and 16.7%. With Oceania and Europe completing the ranking with 11.3% and 10.1% shares of global production. China, Australia, Russia and the United States have consistently maintained their ranks as the first to fourth largest gold producers in the world whilst, South Africa and Ghana, make up the African countries in the top ten (Chamber of Mines, 2018).
4.4.1 Overview of the Ghanaian Mining Sector

Gold mining has historically been a defining feature of the Ghanaian economy. The nation is well endowed with substantial mineral deposits of manganese, diamonds and bauxite, as well as significant offshore oil and gas discovered a decade ago. However, gold is the crucial resource it has in abundance. It hosts the second-largest gold deposits in Africa, second only to South Africa. Conservative estimates have placed a figure of about 2,488 metric tons (80 million ounces) of gold mined since its first sighting in 1493 to 1997 (Amponsah-Tawiah and Dartey-Baah, 2011; Kesse, 1985; Quashie et al., 1981).

In contemporary times, the nation like most mining economies, after the global financial crisis of 2008 did experience a gold rush, specifically from 2008 to 2012. In the case of Ghana’s, the minerals and mining industry were substantially rejuvenated by SAP policies in the 80s which led to a prolonged period of gold rush, the third in its history, with the arrival of the MNEs. Prior to SAP new exploration and mining developments were relatively non-existent, with no new mine opened in the four decades leading up to the 1980s (Aryee, 2001). This decline was attributed to falling investor confidence resulting from a mix of inappropriate protectionist policies which inhibited exports and stifled investment, amongst other reasons concerning the inadequacy of the institutional and legal framework within which the sector operated (Aryee, 2001; Ayee et al., 2011). Steeped in the understanding that gold mining projects are capital intensive, Ghana failed to mobilize the necessary risk capital and investment needed for sound mineral development (World Bank, 1992).

The SAP epoch of the early 1980s, where Ghana pursued stabilization and structural reforms, primarily targeted at reversing the decline in the mineral sector

---

43 Gold reserves according to US Geological Survey is estimated to be in the region of 50 million ounces (1,600 tons) (Ghana EITI, 2015); (Ghana EITI, 2014)

44 The first located between 1892 and 1901 and the second after the First World War, with production declining sharply in the run up to independence and remaining at relatively low levels after independence up until the 1980s (Chuhan-Pole et al., 2015)
through ERP in 1983 and SAP in 1987 respectively, fell in line with prescriptions of its Bretton Woods partners (Gyeke-Dako et al., 2015; World Bank, 1992). These policies successfully removed the state from the sphere of holding controlling interests in mining vis-à-vis large state-controlled enterprises to ones where governments solely focused on ‘collecting economic rents’ a role of industry regulation and promotion; allowing private companies to take the lead in operating, managing and owning mineral enterprises (ibid). It was argued at the time that declining performance in the industry was in the main due to excessive government intervention, as state enterprises targeted short-term rent collection rather than long-term growth. Therefore, the policy imperative that was successfully promoted was to restructure the sector by reducing the state’s role, privatizing state mining enterprises and creating fiscal arrangements conducive to investment from mining MNEs: a radical mining agenda⁴⁵.

This was a legislative agenda that laid the institutional foundations for the sector, as the new mining code established the Minerals Commission (hereinafter: MinCom) to regulate and promote the mining sector. It streamlined mineral rights licensing procedures, provided a favorable competitive fiscal regime (taxes, royalties, dividends) and established minimum quotas for minerals sales to be held by companies in offshore accounts, these were inclusive of other measures such as the reorganization of the marketing arrangements for diamonds, and legalization of small-scale gold and diamond mining (Ayee et al., 2011). Moreover reforms also affected critical sector departments such as the Mines Department (now the Inspectorate Division of the Minerals Commission) and the Geological Survey Department, to strengthen the monitoring of health and safety, production figures and to provide geological information on prospective mineral grounds to investors (ibid).

⁴⁵Focused on privatisation, represented concretely in the first independent mining code, the Minerals and Mining Law, PNDCL 153, of 1986; a law currently in its revised format in the form of the Minerals and Mining Act, Act 703 enacted in 2006, and its Amendments (2010, 2015).
These reforms coupled with increases in gold prices substantially made the sector very attractive to international mining companies, with for example three of them commencing production in the 1990s (Ayee et al., 2011). It is estimated that more than US $900 million was invested in the minerals sector (gold, diamonds, manganese and bauxite) between 1983- to 1993 resulting in part from more than 55 gold prospecting licenses issued between 1986 and 1989 and from rehabilitation and expansion programs (Addy, 1997; ibid). In total, about $17 billion has been attracted by the sector since 1983 (Mincom, 2017). FDI have primarily gone into exploration, in existing and new mines whilst some investment has financed supporting services such as assay laboratories, drilling, and explosive manufacturing as well as contract mining companies. The sector is made up of major and junior international mining companies and local companies46.

The enabling environment created for FDI in the SAP era led to a 1,441 percent increase in gold mine production from the period 1983 to 2013 (Ghana EITI, 2014). Overall mine output for all major minerals increased within that period. Increase in production has had positive impacts on exports and government revenues as total merchandise exports, accounted for by minerals have risen from under 20% in the mid-1980s to 47 % in 2016. Gold generally has been the single largest contributor47 to the economy since 1991 replacing cocoa (Mincom, 2017). The sector maintained an average contribution of 5.5 % to GDP and 42 % of total merchandise export during the 2000 – 2008. Although recent years have seen fluctuations (See: Table 5), nonetheless, overall nominal gold mining revenue has drastically increased from $25.7 million in 1970 to $4.6 billion by 2011, representing an increase of about 18,000% (Owusu et al., 2016).

The industry also contributes to the Ghanaian economy through the payment of corporate tax, royalties and income taxes on wages of employees and on dividends declared (Uncsd, 2010). In the period 2000 and 2008, the sector contributed an average annual 11% of government revenues gathered by the

46 Examples include; Table 4.1 below, with junior international companies mainly emanating from Canada, South Africa and Australia (MinCom, 2017).
47 Gold is the flagship mineral making over 90% of all mineral output (Mincom, 2015)
Internal Revenue Service in the form of corporate tax, PAYE and royalties. For the period, taxes collected amounted to $544,904,517.13 (ibid). The large scale mining sector employment is normally around 22,000 people of which less than 2% make up expatriates, with about 1 million people in small-scale mining (Mincom, 2017). Overall as with most extractive industries, the impact of the sector on employment has been marginal, as the sector employs less than 2% of Ghana’s total labour force, leaving agriculture to dominate the sector with regard to employment employing over 40% of the country’s labor force (Owusu et al., 2016). It is also worth mentioning that the small scale mining (SSM) sub sector contributes on average (from 2000 to 2008) about 12% of the total gold produced and 89% of diamonds production. The legalization of this sub sector in 1984, as part of the agenda of loosening state monopoly on mineral production encouraged a proliferation of investment. Nonetheless, in contemporary times the problem of illegal small-scale ‘galamsey’ miners have surfaced and been well documented. Generally this sub sector has placed the vast number of people who support themselves with its revenues; a number that includes child labourers, in hazardous labour conditions that encompass risks such as mercury exposure, and mine collapse (Hilson, 2009 cited in Chuhan-Pole et al., 2015).

Socio-economically there are assertions that the sector has contributed to indexes such as the development of human resources and local infrastructure (Ayee et al., 2011). Through voluntary contributions toward their host communities as part of their drive to show corporate social responsibility, nonetheless, mining MNEs have historically been linked to disparaging employment related issues, and wider societal abuses. For example, a World Bank study found that “gaseous emissions [from Ashanti Goldfields Company], fallout from the ore roasting stack, dust dispersion, tailing spillage, tailing dam decant liquor and various liquid effluents have over a very long period of time produced widespread contamination in the Obuasi area and in the downriver drainage” (World Bank, 2003, p. 6).

---

48 This figure became 100% from 2008 (Uncsd, 2010)
49 Large scale pollution of rivers and conflicts with MNEs, (Hilson and Yakovleva, 2007)
50 For example in 2008, the members of the Chamber of Mines spent in excess of US$ 12 million on CSR initiatives (Ayee et al., 2011)
Subsequently, NGOs have called for accountability, in light of sporadic cyanide contamination of water bodies by large-scale mining operations (Amponsah-Tawiah and Dartey-Baah, 2011). More so, critics such as the Third World Network (TWN) have criticized the relaxed fiscal regime of the sector, particularly that of the progressive reduction in tax rates and increased fiscal incentives given to mining companies since 1983 (Ayee et al., 2011).

4.4.2 Current State of the Mining Sector

The mining sector is made up of small scale and large-scale miners, in a pyramidal format, with the latter sitting at the apex. The large-scale mining subsector is dominated by MNEs from Canada, Australia, South Africa and United States with minority investors from the United Kingdom, Norway and China. There are currently 10 large-scale mining companies operating 14 mines, mostly open pit mines (see table 4.1 below); 13 gold mines and one each for bauxite and manganese in communities predominantly coalesced around the western part of the country (ICMM, 2015). A part of the country, Tarkwa, is known to house the bulk of all the mining companies in the country; a concentration that is the highest in SSA, with huge gold and manganese reserves (Amponsah Tawiah and Dartey Baah 2011). The SSM subsector remains a crucial player in the industry with 1,300 registered mining groups, contributing immensely to gold and especially diamond production (ibid; MinCom 2017; 2015). Currently about 235 local and foreign companies currently hold prospecting licenses with 40 companies granted mining leases, mainly in gold (MinCom, 2015; 2017).
Table 4.1 Major Mining Companies in Ghana

<table>
<thead>
<tr>
<th>Mining Company</th>
<th>Government Share (%)</th>
<th>Type and number of operation(s)</th>
<th>Location (Region)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adamus Resources</td>
<td>10</td>
<td>Gold (2)</td>
<td>Western</td>
</tr>
<tr>
<td>AngloGold Ashanti</td>
<td>1.7</td>
<td>Gold (2)</td>
<td>Western and Ashanti</td>
</tr>
<tr>
<td>Chirano Gold Mines</td>
<td>10</td>
<td>Gold (1)</td>
<td>Western</td>
</tr>
<tr>
<td>Gold Fields</td>
<td>10</td>
<td>Gold (2)</td>
<td>Western</td>
</tr>
<tr>
<td>GoldenStar Resources</td>
<td>10</td>
<td>Gold (2)</td>
<td>Western</td>
</tr>
<tr>
<td>Newmont Ghana</td>
<td>0</td>
<td>Gold (2)</td>
<td>Brong-Ahafo and Eastern</td>
</tr>
<tr>
<td>Perseus Mining</td>
<td>10</td>
<td>Gold (1)</td>
<td>Central</td>
</tr>
<tr>
<td>Prestea Sankofa Gold</td>
<td>10</td>
<td>Gold (1)</td>
<td>Western</td>
</tr>
<tr>
<td>Ghana Bauxite</td>
<td>20</td>
<td>Bauxite (1)</td>
<td>Western</td>
</tr>
<tr>
<td>Ghana Manganese</td>
<td>10</td>
<td>Manganese (1)</td>
<td>Western</td>
</tr>
</tbody>
</table>

Source: ICMM (2015)

In terms of the contribution of sector to the economy; fiscal and export revenue performance, gold performance and employment figures, the Ghana Revenue Authority, reported the fiscal revenue\textsuperscript{51} attributable to the sector to be at GH₵ 2.16 billion (around $500 million) in 2017, representing 16.3% of total GRA collections (Ghana Chamber of Mines, 2018). On average the sector contributed to about 21% of the total fiscal receipts by the GRA and 1.9% to GDP\textsuperscript{52} from 2010 to 2016 (Ghana EITI, 2015; Ghana Chamber of Mines, 2018). Gold mining remains the highest contributor in the sector, with large scale gold mining accounting for 96 percent of mineral export revenue in 2017 with other important minerals exports being diamond, bauxite and manganese (Ghana Chamber of Mines, 2018). While generally, mineral export revenues have been more than double the country’s other major export commodities of cocoa and oil, making it the leading source of foreign exchange. For example in 2017 it was 43 percent compared 19% and 23% recorded for cocoa and oil respectively (\textit{ibid}).

\textsuperscript{51} Calculations inclusive of corporate income, royalty, PAYE and others (self-employed)

\textsuperscript{52} Excludes the contribution of Oil and Gas
Table 4.2 Gold Export Revenue from the Large Scale Mining Sector

<table>
<thead>
<tr>
<th>Years</th>
<th>Gold Revenue (US$)</th>
<th>Gold Production (Ounces)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1,711,511,381</td>
<td>2,486,821</td>
</tr>
<tr>
<td>2008</td>
<td>2,202,878,021</td>
<td>2,585,993</td>
</tr>
<tr>
<td>2009</td>
<td>2,842,821,528</td>
<td>2,930,328</td>
</tr>
<tr>
<td>2010</td>
<td>3,620,766,467</td>
<td>2,970,080</td>
</tr>
<tr>
<td>2011</td>
<td>4,630,255,619</td>
<td>2,924,385</td>
</tr>
<tr>
<td>2012</td>
<td>5,309,042,207</td>
<td>3,166,483</td>
</tr>
<tr>
<td>2013</td>
<td>4,610,284,057</td>
<td>3,192,648</td>
</tr>
<tr>
<td>2014</td>
<td>3,841,579,039</td>
<td>3,167,755</td>
</tr>
<tr>
<td>2015</td>
<td>3,320,635,208</td>
<td>2,848,574</td>
</tr>
<tr>
<td>2016</td>
<td>3,257,646,310</td>
<td>2,546,112</td>
</tr>
<tr>
<td>2017</td>
<td>3,522,245,743</td>
<td>2,805,464</td>
</tr>
</tbody>
</table>

Source: Ghana Chamber of Mines (2016; 2018)

Finally as depicted by table 4.2 above, gold production from large scale mining companies for the ten year period (2007 - 2017) have relatively been at an average of 2,877,607 ounces. However, during this period, direct employment at these mining companies has oscillated from about 12,000 to highs of over 19,000 in 2012, then to recent lows of 9,939 and 10,503 in 2015 and 2017 respectively (Ghana Chamber of Mines, 2018; ICMM, 2015). Expats were inclusive of the figure and made up on average 1.5% of the labour force.

4.5 The Private Security Industry

Historically, the state had always been the only actor in this arena utilising the military, police and intelligence services in the control of criminal activity. In the era of SAP and post-SAP where economic policy focused on cutting back on the role of the state in a bid to exercise fiscal discipline; its delivery of social services, security inclusive have been affected (FES, 2011). In essence, the thought of security being within the remit of the state, a public good, has been systematically eroded through years of retreat by governments in this space. This space has now been occupied by private security companies (PSCs), now at the forefront of addressing contemporary crime borne out of an uneven mix of rising urbanisation and joblessness (FES, 2011;
UNODC, 2014). For example, the five-year Strategic National Policing Plan (2010 - 2014) set out by the Ghanaian police leadership in their bid to convince government to allocate more funds in building a world class police service, unearthed the forces’ inadequacy with regard to its existing staff strength and inaptitude to guarantee the safety of citizens and property (FES, 2011).

Nonetheless it is notable that the proliferation of PSCs in recent years have been more pronounced in certain sectors; as increased investor activity post-SAP in the exploitation of natural resources has heavily skewed the demand for PSCs towards mining MNEs, leaving a large proportion of the population to other non-state and community based systems (Commonwealth Network, 2017). Moreover the continued influx of global capital into sectors such as aviation, shopping malls, real estates and hotels have driven up the numbers of PSCs (G. Owusu et al., 2016). The list of registered PSCs in Ghana includes local, regional and international players.

There are stark differences that exist between public and private security in terms of the power of arrest and the role of profits. The state security apparatus in Ghana include the National Security Council, the Armed Forces, the Police Service, the Bureau of National Investigations, the Immigration Service, the National Fire Service and the Prisons Service. Notwithstanding the whole body of other institutions linked to this apparatus such as the office of the Attorney-General, regional and district security councils, all mandated with the power of arrest and rights to use coercive instruments available to the state against persons thought to hinder national security. It is noteworthy that Ghanaian citizens are also endowed

53 Police Population Ratio (PPR) in Ghana; stood at 1:784 people, below the UN policing standard of 1:500 PPR (Government of Ghana, 2017)
54 The service has faced a crisis of credibility as the Commission on Human Rights and Administrative Justice (CHRAJ) continually report cases of rights abuses: harassment, unlawful arrest and detention, and police brutality (Puddington and Piano, 2014; Us Department of State, 2016)
55 Although, the majority of PSCs in Ghana are owned and run by Ghanaians, predominantly by former police and military staff (G. Owusu et al., 2016)
with the power of arrest\textsuperscript{56}. Whereas PSCs provide security under contract, for profit, are substantially limited\textsuperscript{57} by the law to observing, reporting and deterring crime.

4.5.1 The Private Security Sector - Ghana

Ghana follows the global trend with regard to the proliferation of PSCs (G. Owusu et al., 2016); in terms of employment given to large numbers of people and the revenues generated by the industry (FES, 2011). For example, the world’s leading PSC, G4S employs about 546,000 people worldwide (114,660 in Africa) and recorded revenues of £7.5 billion (around $9.5 billion) in 2018. The United Nations Office on Drugs and Crime (UNODC, 2014) cited that the value of the industry was in the region of $165 billion in 2009; with a projected annual growth of 7 per cent, it was valued at $244 billion by the end of 2016. The report located the fastest growing markets in developing countries. In Ghana, there has been a marked proliferation of PSCs in recent years; for example, as of November 2017, the Ministry of Interior’s register of private security companies’ listed 239 separate entities in ‘good standing’\textsuperscript{58} and of these, about 70 members belonged to the Association of Private Security Organisations (APSOG)\textsuperscript{59}. Although the true figure of PSCs in Ghana stood in excess of 1053, inclusive in that were those operating without licenses and premises (Commonwealth Network, 2017; G. Owusu et al., 2016).

In Ghana, the registration, regulation and monitoring of PSCs are the responsibilities of the Ministry of Interior. Powers granted by section 38 of the Police Service Act of 1970 (Act 350), in an attempt to define the sector and set the parameters for regulating these non-statutory security actors. The regulatory

\textsuperscript{56} There is widespread abuse of this constitutional right and this has unfortunately been a facet in mob action. That is, instant justice carried out by mobs a vigilante behaviour evident in the disturbing murder of Captain Maxwell Mahama in May 2017 (Naadi, 2017)

\textsuperscript{57} They do not have the power of arrest

\textsuperscript{58} A status given to PSCs that have attained and maintained their licence to operate; a status introduced by the Ministry of Interior (Ministry of the Interior, 2017)

\textsuperscript{59} The APSOG was formed in 1998 with a total number of 25 registered companies (G. Owusu et al., 2016)
framework under which PSCs operate is directed by the Police Service (Private Security Organisations) Regulations, 1992 (LI 1571) and Police Services (Private Security Organization) (Amendment Regulations, 1994 (LI 1579) (FES, 2011). These Legislative Instruments details the process for the registration of PSCs and sets out prohibitions on the use of fire arms. They also govern the activities of informal organizations such as neighbourhood watchdog committees.

Contemporary discussions around PSCs in Ghana led by NGOs like the Africa Security Dialogue and Research organization (ASDR), incorporating APSOG representatives have centered on advocating and lobbying key members of Parliament through training workshops to effectively regularize the industry to prevent it from apparently ‘undermining national security in the name of business or making money’ (ASDR, 2008a, p. 3). They insinuate that the Police Service Act of 1970 (Act 350) is obsolete as it supposedly does not take into account global security trends and the positive role PSCs play in development (ibid; ASDR, 2008b). As such, they argue for separate legislation on private security which clearly defines the functions and modus operandi of the private security sector, to be in line with a broad national security strategy (ibid). Whilst the related legislative instruments (LI 1571 and 1579) have been regarded as being inadequate so far as management of the sector is concerned, as such the group has advocated for the inception of a regulatory body that will supervise, regulate, inspect and monitor the activities of PSCs, and also set up training guidelines for employees in the industry (ibid). This is because the group takes the view that the Ghanaian Ministry of Interior and the Police Service are incapable of regulating the proliferation of the private security industry in Ghana. More so, the group has advocated for a code of conduct for the industry to cover issues like training standards, the calibre of employees and remuneration in their bid to ‘bring up the image of the industry’ (ASDR, 2008a, p. 6), and to be relevant by improving the efficiencies of the state police through collaborative efforts like intelligence sharing; a positive impact currently being

---

60 A member organization of the African Security Sector Network (ASSN) focused on delivering on reform across Africa.
61 ASDR (2003; 2007; 2008a&b)
62 A comprehensive Private Security Sector Act that captures the full scope of the industry and at the same time release the industry from being a minor footnote in the Police Act 350 (ASDR, 2007)
hindered by the low levels of guard quality and professionalism (ASDR, 2008b).

Critical topics discussed in the training workshops have touched on unionization, vetting and the need for the industry to mirror the ‘successful’ South African model. The underlying view of the industry of unionization was well depicted in the views of Awoonor Renner, the former president of the APSOG and the chief executive of K-9 Securities Services who understood labour unions to be organisations that ‘clamour for higher and higher wages, but are not productive’ (ASDR, 2007, p. 7). Whilst Edwin Barnes, the Chief Director of the Ministry of Interior and Major General Nii Carl Coleman, the associate executive director of ASDR (ASDR, 2008 a&b) questioned whether employers in the sector should allow the unionisation of employees, owing to the fact that the government currently considers the sector as partners in the provision of security to the nation. This is because the constitution allows unionization of workers, but disallows unionization of members of the state security services. Thus if PSCs are categorised as such, legal strike actions could never be called. This is a possible indication of the industry’s view on CLS, specifically that of the freedom of association.

In discussions on vetting in the recruitment process; understanding what sort of data PSCs have of their personnel in order to ensure that applicants are of ‘good character’, it was noted that companies registered with APSOG had a database of their personnel, where they undertook pre-employment screening jointly by internal investigators and the police Criminal Investigation Department (CID). The president of APSOG; however, lamented that the CID mostly responded with: ‘there is nothing to report on the candidate’ or ‘the investigation continues” (ASDR, 2007, p. 7), reflecting the desire of employers within this industry for ‘comprehensiveness’ with regard to thorough checks. Subsequently, it was suggested that the proposed regulatory authority hold that data, ‘employers should consistently report to the authority on the activities of their employees’, a de facto industry ‘blacklist’. It is noteworthy that the provision discussed by this NGO very much reflects its desires for the Ghanaian system to follow that of South Africa’s private security industry. An industry where Private Security Industry Regulatory Authority regulates around 9,000 PSCs that employ around 500,000 workers
compared to 190,000 officers in the country’s police service, and one that have
enviable rights as some of its PSCs are allowed to bear arms in a sector worth
between R40 – R50 billion annually\(^{63}\) (Davis, 2019). To this end, the sector lobbyists
have worked to ‘modernise’ the legislative framework and professionalise the
industry; secure revenues, upskill workers and uplift their image from ‘watchmen’
(ASDR, 2007).

4.6 The Manufacturing Sector

The Ghanaian manufacturing sector comprises of, food and beverages, textile,
wood chemical, and cement, and has historically been one of the largest
contributors to industrial output in Ghana\(^{64}\). ISSER (2008) identified the
performance of the sector in three periods: the import substitution industrialization
(ISI) era soon after independence (1960-1982); the era of structural adjustment and
economic recovery program (1983-2000); and the third period of sustained
macroeconomic stability and increasing investor confidence (2001-2007). The first
two periods witnessed oscillating contributions of the sector to GDP from pre-
independence lows of 0.8% of GDP, 4% of GDP in 1960, negative growth rates in
1983 and stagnated growth of around 3% in era of SAP. SAP policies relatively had
an adverse impact on this sector as this once protected sector was exposed to
competition from imported manufactured inputs; in addition to the effect caused
by reforms to the exchange rate and financial liberalization that affected the value
of the cedi and lending rates (Charles et al., 2014). The third period saw increased
investment and stability, however the period of post-2007 to date has seen
decreasing contributions to GDP from highs of 9.1% in 2007 to 4.5% in 2017, with
average contribution at 6.52% to GDP between the years of 2010 and 2016 (GSS,
2018). Dominated by state enterprises in the first period, employment in the sector

---

\(^{63}\) Around $2.6 billion to $3.3 billion

\(^{64}\) The industrial sector sub-sectors: manufacturing, mining and quarrying, construction, electricity
water and sewerage. Notably oil and gas now part of the mining and quarrying subsector makes a
considerable contribution (Gss, 2018)
increased by nearly 90% between 1962 and 1970, however at the end of the ISI and SAP era, with a shift from a centrally planned economy to a market based one, there was a fall in employment. For example at the peak of 78,700 in 1987 employment fell to 28,000 in 1993, the recent figure of 437,316 in 2015 is a marked increase (GSS, 2015).

Ghana’s declining manufacturing sector has been termed as the ‘missing middle’ (Aryeetey and Baah-Boateng, 2016, p. 4), however, the sector has a significant concentration of MNEs, for example out of the 2,178 total numbers of MNEs operations recorded in Ghana between 1994 and 2006, 58.1% were manufacturing enterprises (Ghana Investment Promotion Centre, 2007 Cited in Akorsu, 2010). Notably, firms within this sector mostly have collective agreements with unions, however work by Akorsu and Cooke (2011) for example noted concerns over the widespread exploitation of workers. For the purposes of this study, the beverage subsector like most in the continent has increasingly become an attractive investment market for the global drinks companies; in part due to population growth, positive demographic developments, increasing urbanisation and higher disposable incomes. This is inclusive of government initiatives across the continent aimed at reducing the production and consumption of illegal alcohol as well as creating conditions ‘ease of doing business’ to encourage FDI. MNEs such as Anheuser-Busch InBev, Diageo, Heineken, and Castel, with significant existing interests in African brewers, have consolidated the industry with beer companies being amongst the largest listed companies in many African countries.

According to Asoko Insight (2017), Ghana’s beverage market has grown over recent years with significant growth recorded in alcohol consumption. Beer is the most consumed type of alcohol (ibid), respectively followed by spirits and wine. Projected growth in incomes expenditure on beverages was set to continually rise, corresponding with the growing in the number of drinks companies. Whilst the soft drinks market in Ghana is led by Coca-Cola, and PepsiCo, with the bottled water

---

65 Targeted tax concessions to encourage investment and the use of locally grown ingredients
66 Beer market estimated at around 1.76 million hectolitres
67 Although many MNEs in this sector have a historicized presence in the local market (Grant, 2001)
market led by Voltic Ghana, which is majority owned by ABInBev. In recent times there have been increased investments in the sector (manufacturing, bottling and packaging capacity), for example, Accra Brewery Limited\textsuperscript{68}, invested $130 million between 2015 -17 on its production line; doubling its capacity, whilst Kasapreko commissioned a $70 million factory, with four additional production lines in 2015 (Asoko Insight, 2017).

4.7 Conclusion

This chapter provided general information about Ghana, the country which plays host to the MNEs examined in this study. It touched on the country’s colonial links with the British Empire. A brief account was given on political taxonomy in terms of its early socialist orientation started by Nkrumah’s regime, which was subsequently fractured by the inception of SAP in the early 1980s (Akorsu and Cooke, 2011). Here it understood that the strong orientation on socialism and the preference for a state controlled development strategy in Ghana (across SSA): where the state acted through public enterprises rather than allowing the private sector to take the initiative, was effectively replaced by the market forces and the trickle down strategy of SAP imposed by the Bretton Woods institutions (ISSER, 2008; Kumssa, 1996). Neo-liberalism manifested in those SAP policies and the subsequent orientation fundamentally shifted the focus from a centrally planned economy to a market based one. By following these economic reform programmes based on the primacy of self-regulating markets, severely reduced government involvement, African governments especially in SSA relegated their economies to that in the colonial period where the production structure was overwhelmingly that of agriculture and mining. The chapter demonstrated that SAPs had a disproportionate effect on the mining sector which has seen the proliferation of global mining MNEs with the wider policies of liberalisation around capital flows and the fiscal regime; ‘a game changer in bringing in foreign investment’ (ICMM,\textsuperscript{68} A SAB Miller’s subsidiary
The central policy impetus of liberalising has also encouraged FDI into the private security and the beverage sectors.

This chapter has been descriptive but essential. The core points made here which informs the rest of the thesis are three-fold. Firstly that mining is a historically significant activity in Ghana, serving as a barometer of the health of the Ghanaian economy. Subsequently, it serves as an important site to trace contemporary policy developments and their legacies on employment. This sector was the first to observe strikes under colonial rule, with a high proportion of union coverage in the sector, however workers in the sector today face similar challenges of relatively hazardous working conditions, although issues relating to a lack of employment and employment protection is widespread and attributable to SAP and the mass arrival of MNEs. Secondly, in a largely non-unionised private security sector, there has been a proliferation of PSCs and the formation of a powerful employer association APSOG. This group and leading industry MNEs have continually lobbied for a regulatory body for the sector akin to ones in South Africa, to ‘professionalise the sector’, remove small local competitors, subdue unions and monitor employees. Thirdly, the manufacturing sector badly affected by SAP has witnessed a growth in employment figures and investment (in the beverage subsector) in recent times, however with a significant concentration of MNEs the sector is noted for widespread exploitation of workers. Notably, the measures to encourage the ‘ease of doing business’ have been to the detriment of workers in this largely unionised sector. The cumulative effect of this climate of liberalisation will be captured in the subsequent (Chapter 5) which examines the labour law and the institutions in charge of monitoring and enforcing it. Notwithstanding a look at its implications on trade unions; in terms of the state’s contemporary approach to strategically limit the role of organised labour despite its pivotal role in the struggle for independence.

Here a narrative is painted of the problems of a developing country caught between having to constantly develop and effectively operationalise its institutions at a time when these are being undermined and de-centred by neo-liberal local and transnational policies. This is in spite of Ghana being one of the earliest cases of
independence in Africa with what was a radical socialist orientation to development under the stewardship of Nkrumah. These contradictions of the context are essentially highlighted to show the relevance of the study, because from afar Ghana should be one of the better IR African examples but still constrained.
CHAPTER FIVE: The State in Ghana; the developmental, dysfunctional features and context of regulation

5.1 Chapter Introduction

This chapter primarily focuses on answering the first research question (RQ1); how are the employment practices in the four MNE case studies mediated by the national industrial relations system in Ghana? It does this by looking at the national industrial relations system in Ghana, through the lens of the industrial relations institutions operating in the country, essentially the phenomena outside the workplace that could determine and regulate the nature of employment relations. In doing so it understands that IR systems generally have a role in dictating to some extent the behaviour of MNEs (Edwards et al., 2006), where host country effects direct them in their approach to managing workers. For example, Ferner and Quintanilla (1998) talk about the local isomorphic pressures host countries place on MNEs to conform to national norms, although converse viewpoints, still position MNEs as relatively strong and able to establish or dictate the rules of the game in their hosts IR systems; as their subsidiaries adopt and implement practices from their home country (Edwards et al., 2006). The chapter starts by first discussing the prevailing labour legislation in Ghana (the Labour Act of 2003), in terms of examining its frailties and strengths in setting up a robust legislative framework. Secondly, it explores the labour market institutions which include the identification of state agencies, trade unions and employer associations involved the regulation of employment. Thirdly, it sets out to identify other state agencies, the Minerals Commission and the Environmental Protection Agency that play critical roles in monitoring employment standards like occupational safety and health in the mining industry where their regulatory mandates or underpinnings have indirect impacts on the monitoring of some employment standards. Fourthly, the chapter examines the empirical data gathered on these state agencies in the context of their inability to monitor and enforce employment standards. In this section issues of gross under
investment and other institutional weaknesses are linked to the lasting legacies of SAP in 1980s in creating conditions where they are ineffective and more importantly in relation to RQ1, agencies (such as the Environmental Protection Agency) now rely heavily on self-reporting and soft regulatory approaches by MNEs.

Overall the chapter crucially follows the logic that in its role as a regulator, the state in creating domestic regulatory environments potentially plays a significant part in determining the labour practices of MNEs and its approach to compliance. For example, in terrible cases of exploitation in the garment industry, where workers were forced to work 14-16 hours a day until the 24th April 2013, when 1100 workers sadly paid the ultimate price after the devastating collapse of Rana Plaza in Bangladesh (WarOnWant, 2016), the country’s lax regulatory environment was questioned. There is an understanding that Ghana’s labour regulation emanates from the combination of domestic and international law, however the state in administering its domestic legal regime governing employment relationships and workplace conditions (Toffel et al., 2012), has left workers relatively unprotected as it has sought to encourage the flow of global capital by lightly regulating its economy. Invariably, by rolling back on its commitments to creating a regulatory framework that on balance constrains the countervailing forces of global capital and that of the domestic labour movement, the state has in effect enabled a soft regulatory approach; creating a multifaceted approach to managing labour at the workplace.

5.2 Labour Legislation in Ghana

The Labour Act of 2003 (Act 651) is a contemporary legislative development, and substantial manifestation of social dialogue at work, garnering the views of employers, worker representatives and civil society organisations in order to address areas of congruence with the constitution and that of international labour regulations vis-à-vis the country’s commitments made with the ILO. On the face of it, this piece of legislation worked well on moving the language away from that of
the master – servant undertones, and opening up the freedom of association by allowing unionisation to previously un-unionised public sector associations (Akorsu, 2010). Substantially, it seemingly acknowledged that conflict is inevitable in the employment relationship as such strikes are de-criminalised. Nonetheless, this law in reality worked on substantially undermining the labour movement by breaking the monopoly status of the Ghana Trades Union Congress (GTUC), restricting the strike option and its potency, and limiting the freedom of association for certain worker groups (Akorsu, 2010; Britwum, 2010). Overall, the inception of Act 651 represented an effort by the state to simplify the labour law to provide clarity to the investor community to a large extent and worker groups, in a single piece of legislation (ibid). However the proceeding sections below critically examine the themes alluded to in detail as well as highlighting the salient areas of the labour legislation in Ghana. These aspects taken cumulatively will demonstrate substantial deficiencies in the labour legal framework in Ghana.

For clarity the current statutes on employment and labour relations are the Labour Act of 2003 (Act 651) and its legislative instruments of L.I 1822 and L.I 1833. Act 651 captures other pieces of legislations such as the Persons with Disability Act of 2006 (Act 715) in the area of employment of persons with disability, the Children’s Act of 1998 (Act 560) in the area of employment of young persons, the National Pensions Act of 2008 (Act 766) and the Fines (Penalty Units) Act of 2000 (Act 572) with regard to sanctions. As with the contemporary National Pensions Act of 2008, that saw the establishment of a National Pensions Regulatory Authority and the revamp of pensions in the country, the Fair Wages and Salaries Commission Act of 2007 (Act 737), a recent development separate from Act 651, established the Fair Wages and Salaries Commission (FWSC) to assess public sector pay and develop salary structures for the public service. Act 651 lightly touches on occupational health and safety, largely leaving this issue to the dated law of the Factories, Offices and Shops Act (No. 328 of 1970) and the Factories, Offices and Shop (Amendment) Act of 1991. This is inclusive of the Workmen’s Compensation Act of

---

69 Criticisms levied with respect to its limited scope; a lack of coverage of other industrial operations in the country (Akorsu, 2010; Akorsu and Cooke, 2011)
1987 (PNDCL 187), which treats the subject of benefits deriving from employment accident and occupational disease (Norman et al., 2014). The mining regulations\(^7\) (especially that carried out by the Inspectorate Division of the Minerals Commission), and Radiation Protection Regulations 1993 (LI 1553) also touch on issues of occupational health and safety. Moreover, although Act 651 substantially broadened the scope of the National Tripartite Committee (NTC), an organisation created in 1972 comprising of five representatives each from all social partners and headed by the Minister for Employment and Social Welfare, tasked with determining national daily minimum wages, although cover is not universal. This is because it applies to all workers in the country except those in the free trade zones where employers are free to negotiate and establish contracts of employment (Akorsu, 2010).

5.2.1 Frailty in the Legislative Framework

This section represents a substantial part of this thesis. This is because it connects the political and economic developments highlighted in section 4.3 (Ghana’s Political Economy); where the once socially administered country borne out of compromises reached with organised labour is now significantly marketised, creating a contemporary regulatory environment of ‘weakened’ labour laws and regulatory actors. Thus, the section details the substantial deficiencies in the legal framework in Ghana. The first part focuses on looking at the frailties of Act 651 in light of exclusion of a substantial portion of the working population, its provisions aimed at restricting the right to strike from certain category of workers and the lax sanction regime underpinned in the labour law. In discussing frailties with regards to the right to strike, comparisons are made with the colonial administration and subsequent regimes thereafter in an effort underline a relatively slow-paced legislative move to fully institute the conventions and recommendations of the ILO.

---

\(^7\) The Minerals and Mining Act 2006 (Act 703) and its Amendment Act, 2015 (Act 900) and the related Minerals and Mining (Health, Safety and Technical) Regulations of 2012 (L.I 2182)
Finally the second part of the section cites the frailties of Act 651 by highlighting its efforts to make the labour market flexible and its role in ‘fracturing’ organised labour in terms of the end to the monopoly of the GTUC, as well as critiquing the current treatment of occupational health and safety, and workers compensation (Workmen’s Compensation Act of 1987, PNDCL 187).

5.2.1.1 The Frailty of Worker Coverage, the Strike and Sanction Regime

The Labour Act of 2003 (Act 651) was enacted to amend and consolidate 17 existing pieces of legal instruments into one legal document, touching on laws relating to labour, employers, trade unions and industrial relations and to establish the NLC (Gtuc, 2012). The aim was to incorporate all of Ghana’s ratified ILO standards as well as to make the law concise and accessible\textsuperscript{71}, thus encouraging compliance (Akorsu, 2010). Additionally, Act 651 appeared progressive as it covered workers in Export Processing Zones (EPZ), where in other national jurisdictions said workers have not received sufficient attention in areas of for example unionisation, working hours, and health and safety within predominantly MNEs (Cirera and Lakshman, 2017).

The frailties of Act 651 are three-fold; firstly the labour law in Ghana continues to exclude large tranches of workers. 80% of the employed workforce work predominantly in the informal sector (Osei-Boateng and Ampratwum, 2011), and interviewees at the NLC reported that the act could only be used in cases where there is a formalised employment relationship\textsuperscript{72}. Thus, as most employment contracts are established verbally in the informal sector\textsuperscript{73} and as such are undocumented, the protections under the labour law are ineffectual for those workers (\textit{ibid}). Secondly, it has seemingly followed the path of the previous labour regulations in terms of the denial of the right to strike and constraining the power

\textsuperscript{71} The language utilised is relatively clear with little ambiguity and it is only 69 pages in length.
\textsuperscript{72} A written contract between employers and employees (Section 12 of Act 651)
\textsuperscript{73} Only 20 percent of informal employees have a written contract compared with 92 percent in the formal sector (Twerefou et al., 2007)
of the labour movement: policies implemented by the colonial administration and the governments post-independence (limited under the Convention People's Party, CPP), the Nkrumah regime, where the labour movement was allowed to flourish\(^\text{74}\) (Adu-Poku, 2006). This is because, largely remaining intact up until the passage of Act 651, the Industrial Relations Act of 1965 (Act 299) which replaced the Industrial Relations Act of 1958 (Act 56), effectively recognised the labour movement and to a varying degree constrained its power through the minister responsible for labour. Thus, similar to Act 299, section 154(1) of Act 651 dictates processes of conciliation and makes efforts to constrain strike action, through forced arbitration if disputes are not settled promptly\(^\text{75}\). Moreover, in broadening the definition of what an essential service is, large categories of workers in the public sector have been stripped of the right to embark on strike action or lockouts but instead are encouraged to resolve disputes within three days or face compulsory arbitration thereafter (section 162 (1)).

Notably, the maltreatment of workers and their representatives in the current labour law with regards to its piecemeal protection of certain workers and the restrictions of their rights such as the right to strike, has been one that is deep rooted and could be traced back to the machinery and legal framework effected by the colonial administration and subsequent regimes thereafter, to some extent limited under the CPP (Akorsu, 2010). This is because under the colonial administrators the excessive use of political control through indirect rule in the form of Native Authorities (consisting of chiefs and traditional leaders), the Master and Servant Ordinance of 1877\(^\text{76}\) and the Compulsory Labour Ordinance 1895\(^\text{77}\), that significantly regulated waged work relationships in the period leading up to the Trade Union Ordinance of 1941 (Cap 91) which sped up the establishment of trade

\(^{74}\) The regime strengthened the position of trade unions and encouraged collective bargaining, for example the Civil Servants Act of 1960 made trade union membership compulsory for all civil servants. Although restrictions on the right to strike and co-option of union leaders through ministerial or diplomatic appointments became prevalent during economic crisis (Trachtman, 1962)

\(^{75}\) The Labour Act of 2003 (section 160) stipulates notice of intention to strike of seven days, a period of seven days of strikes before parties are subjected to forced arbitration (section 164)

\(^{76}\) It provided recourse to civil proceedings in matters of dispute between the employer and the employed, with a breach of contract subject to civil proceedings, based on complaints of the aggrieved party (Lawani, 2016)

\(^{77}\) The most successful of early forced labour laws - See Lawani (2016)
unions (*ibid*; Adu-Poku, 2006; Lawani, 2016), worker intimidation, flogging and whipping, the withholding of wages were commonplace at the workplace for most workers involved in misconduct and trivial offences (*ibid*; Rathbone, 2000). Additionally, the Regulation of Employment Ordinance of 1921 was enacted to suppress strike threats during the inflationary years of 1919-1921, and effectively made a breach of contract such as desertion subject to criminal proceedings (*ibid*). Admittedly, forced labour and laws on desertions is seemingly a thing of the past as a direct result of the ratification of ILO Convention 105 on the Prohibition of Forced or Compulsory Labour two months after independence in 1957 (Akorsu, 2010). However, the maltreatment of workers in the case of inflicting pain on them is still a feature of the present (*ibid*; Akorsu and Cooke, 2011; Ayentimi et al., 2019). In the case of the labour movement, the introduction of the Trade Union Ordinance of 1941 (Cap 91) in the prevailing years leading to independence helped increase the number of unions at workplaces, however, similar to contemporary times the labour movement faced significant barriers (*ibid*). CAP 91, later amended by the Industrial Relations Act, of 1960 (Act 299) positively encouraged employers to bargain with unions, introduced the check-off system for union dues and made the GTUC the sole representative of organised labour in Ghana, however placed restrictions on the right to strike (Britwum, 2010). Thus, akin to the contemporary treatment of workers in essential services, the Conspiracy and Protection of Property (Trade Disputes) Ordinance of 1941 (Cap 90) which simultaneously came into effect with Cap 91, rendered strikes by government employees in essential services illegal and a criminal offence (Gockel and Vormawor, 2004; Tagoe and Torgbe, 2012).

Thirdly, Act 651 is contradictory in parts and has an uneven approach to delivering on sanctions for labour violations. It is contradictory in the sense that section 170 protects lawful striking workers against the hiring of replacement labour by employers during strike action, however, the law allows for the temporary replacement of labour where ‘the work is necessary to secure essential services illegal and a criminal offence (Gockel and Vormawor, 2004; Tagoe and Torgbe, 2012).

---

78 The case of a workers’ face dipped in hot pepper by a manager at Marwako Restaurant for working slowly in March 2017 (Graphic Online, 2017)
minimum maintenance services at the undertaking’ (section 170 (1)). Notably, the National Labour Commission (NLC) a body facing significant challenges (discussed later in the chapter), is authorized to hear disputes over what work amounts to minimum maintenance services. Moreover, with regards to the sanction regime, employees engaged in illegal strike action could potentially face lawful dismissal or a forfeit of their remuneration with respect to the period they were absent from work (Section 168 (4)). However, employers who breach the regulations face relatively lax sanctions. In cases of breaches, Act 651 makes specific reference to the Fines (Penalty Units) Act of 2000 (Act 572). For example in cases of the employment of young persons in hazardous work, and forced labour, employers face penalty units of 100 and 250\(^{79}\), whilst in cases of non-compliance to inspectors orders they face 250 with the possibility of paying compensation to person(s) suffering loss or damage or injury as a result of non-compliance. With the highest penalty units set at 1000 for serious violations, the equivalent of GH¢12,000 (approximately £2000), there is little deterrent for unscrupulous employers, this is despite the fact that in areas of health and safety and that of the wilful obstruction of inspectors from carrying out of their duties, employers in breach could face fines of a 1000 and 250 penalty units respectively, including the possibility of imprisonment of 3 years and 12 months respectively (Section 118 and 126).

5.2.1.2 The Frailty of Oppositional forces to Capital: Flexibility and ‘Fractured’ labour

The contemporary discussions around flexibility locates their ascent from the years of SAP in the late 1980s and 1990s especially in the formal sector when said economic policies were introduced that led to massive public sector retrenchment, over 200,000 jobs lost and privatisation (Twerefou et al., 2007). Policies encouraging public sector shrinkage included, inter alia, legislative attempts to

\(^{79}\) Penalty Unit - refers to such units established by the Fines (Penalty Units) Act 2000 (Act 572). The monetary value of a penalty unit stands at GH¢12.00.
reduce workers’ protection in devastating efforts in the proceeding decades to remedy rising unemployment through the pursuit of flexibility in the labour market. Act 651, stands as the quintessential modern approach to a legislative push for flexibility in the labour market by its non-capture of the informal sector workers and its push for trade union pluralism (Akorsu, 2010). Hence, with a large informal sector where employment security is not afforded workers that are in employment relationships, flexibility is endemic as workers are easily hired and fired. Invariably with a disproportionate number of people working in the informal sector, Act 651 works to maintain this high degree of flexibility. By espousing the objectives of creating industrial harmony, the labour law, in seeking a flexible labour market has contradiction laced within its very essence (Akorsu, 2010). This is because flexibility puts employers at an enormous advantage, giving them the managerial prerogative. Effectively, giving them the right to freely hire and fire workers and set wages, whilst diluting the collective power and resources of unions (ibid; Ayentimi et al., 2019)

Significantly, with the inception of Act 651, the state made official its interpretations of the ILO’s ‘freedom of association’ promised under the contemporary constitution of the fourth republic. Where the GTUC (the only national labour centre at the time) had power over the certification and affiliation of unions, seen as a contravention of ILO’s Conventions 87 and 98, Act 651 placed that power under the remit of the Chief Labour Officer under the Labour Department. This change akin to Trade Union Ordinance of 1941 (Cap 91) weakened the GTUC and has ‘fractured’ the labour movement. This is because under the auspices of adherence to the ILO and to the ideals of trade union pluralism, the state arguably broke the labour movement. Thus, in the contemporary age, the Ghana Federation of Labour formed in 1997, another trade union centre stands today with membership in excess of 48,000, and competes
directly with the GTUC, and as argued later in this thesis, stands as an employer compliant trade union centre (GTUC, 2012; Gockel and Vormawor, 2004). This is notwithstanding the problems it has caused in further creating internal union divisions as national unions within the GTUC can effectively and legally break away. For example, in 2003 a substantial portion of members at the Industrial and Commercial Union (ICU), an affiliate of the TUC, broke away to form the Union of Industry, Commerce and Finance (UNICOF). The new union, with substantial financial resources competed directly with the ICU and amassed members in excess of 4,000 workers within 16 enterprises initially organised by the ICU (Gockel and Vormawor, 2004). Notably, a continued trend from Cap 91 in the 80s and 90s that saw important breakaways such as that within the Public Services Workers’ Union an affiliate of the TUC; where Judicial Service staffs formed the Judicial Service Staff Association of Ghana (JUSSAG), an organisation outside the reach of the GTUC (ibid). Moreover, it has emboldened some employers to effectively manipulate the clause on union plurality by promulgating employer friendly staff associations, effectively splinter unions or yellow unions at workplaces.

In her work on labour market flexibility, De Gobbi (2006), noted that it is a common feature of developing countries like that of Egypt, Ethiopia and Ghana to find the legal framework only applying to a very small part of the economy, in light of burgeoning informal sectors. With a further symptom being that of the state’s willingness in the 1990s and the early parts of the 2000s to remove supposedly rigid labour laws and replace them with very flexible ones, even more flexible than those adopted in some advanced economies (ibid).

5.2.1.3 The Frailty of Legislative Depth: absence of comprehensive laws on Occupational Safety and Health and Workers Compensation

Under Section 24(1) of the 1992 Constitution “every person has the right to work under safe and healthy conditions....” This invariably covers workers in both formal and informal sectors as well as the self-employed. Notably, this fundamental
human right was upheld by the Labour Act of 2003 and even by the state in the Third Republic.\textsuperscript{84} Act 651 section 118 (1) places a duty on the employer to ensure that every worker they employ works under satisfactory, safe and healthy conditions. It also imposes a duty on employers to report occupational accidents and diseases to the relevant agencies (section 118 – 120 of Act 651). Nonetheless, the lack of specificity about who to report accidents and occupational illnesses to means that the Act leaves room for non-compliance. Its ambiguity could also be linked to the fact that Ghana has not ratified ILO Occupational Safety and Health Convention 1981 (No. 155), which calls on member countries to formulate, implement and periodically review a coherent policy on occupational safety and health and work environment and have established, an authority or authorities dedicated to occupational safety and health, guiding and implementing action at the nation level. Moreover, although Act 651 covers some aspects of the Factories, Offices and Shops Act of 1970 and its Amendments, it however leaves workers’ compensation to the Workmen’s Compensation Law of 1987 (PNDCL 187), arguably a dated piece of legislation that puts workers at a disadvantage. This is because PNDCL 187 like Act 651 appears to target workers primarily in the formal sector, leaving those in the informal sector with mostly inferior bargaining positions to fend for themselves (Norman et al., 2014). The PNDCL 187 mandates all employers in the country to compensate their employees for occupational injuries or death, yet most workers have no knowledge of being entitled to, for example, workmen’s liability insurance and compensation in the event of an injury (ibid). Moreover, despite PNDCL 187 seemingly limiting coverage to only formal sector workers, less than a fifth of companies offer liability protection to their workers, thus with little deterrent employers continue to flout the law (ibid).

To operationalise the Workmen Compensation Law of 1987, the Labour Department was put in charge of it, whilst as part of the fabric of occupational health and safety, the Factories, Offices and Shops Act of 1970 and its Amendments is operationalised by the Department of Factories Inspectorate (DFI), all subsumed

within the Ministry of Employment and Labour Relations (MELR). The subsequent sections in this chapter will highlight the state of affairs in these government departments, however it is noteworthy that the extent to which the state is serious about health and safety, is very much illustrated in its outdated legislation as pointed out above but also more importantly in the inadequacy of the resources it devotes to it. For example the DFI has a total staff count of 36 factory inspectors, tasked with occupational health and safety surveillance across the country (News Ghana, 2017). Nonetheless, personal injuries, premature deaths, accidents and preventable disasters remain commonplace in workplaces across the country.

5.2.2 The Robustness of the Labour Legislation

Despite highlighting the frailties of the Labour Act of 2003 above, the Act sufficiently addresses topical issues of putting restrictions on temporary hiring and contracts, stipulations on working conditions including workers’ rights to paid annual leave, maternity pay, fringe benefits, minimum wages, a healthy and safe working environment, protection against unfair dismissal, some restrictions on mass redundancies and protections for unions, especially in the area of recognition. Thus, Act 651 in section 75 (1) stipulates that ‘a temporary worker who is employed by the same employer for a continuous period of six months and more shall be treated under this part as a permanent worker’. Whilst the Act also guarantees every worker at least fifteen days of paid leave in any calendar year of ‘continuous service’[^85], with workers mandated to work a maximum of eight hours a day or forty hours a week with overtime paid thereafter. More so workers are entitled to a thirty minute break under normal hours of work, with daily and weekly rest periods of twelve hours and 48 hours respectively (Act 651, section 40 - 41). As part of these working conditions, workers are entitled to the fringe benefits of pension coverage that of mandatory SSNIT contributions by largely employers, stipulated by

[^85]: Continuous service defined as working for more than 200 days in one year (Act 651, section 21 (1))
the Pensions Act of 2008 (Act 766)\(^\text{86}\) and basic health coverage under a national health insurance scheme. Nonetheless, despite these provisions the forthcoming section on the labour market institutions and the other empirical chapters on the cases in this thesis will demonstrate significant violations of these labour regulations.

On the employment protection front, that of restrictions on layoffs and minimum wages, Act 651 in section 65 (1) stipulates that in the case of redundancy due to ‘introduction of major changes in production, programme, organisation, structure or technology of an undertaking’, employers must write to the Chief Labour Officer and the relevant trade union, not later than three months before contemplated changes with all the pertinent information such as reasoning and those to be affected. Unions are to be consulted on measures to be taken to avert or minimize redundancies as well as those to mitigate the effects of terminations. Whilst workers made redundant are entitled to redundancy pay, amounts decided between employers and unions. Notice period is set at a month’s notice for a length of at least service of three years, two weeks for those below three years and seven days’ notice for weekly contracts (Act 651, section 17). Whilst the national daily minimum wage currently stands at GH₵ 9.68 (£1.56), set by tripartite body NTC.

5.3 Labour Market Institutions

5.3.1 The National Labour Commission

The National Labour Commission (NLC) was established under section 135 of Act 651 to function as a dispute resolution body that provides mediation and arbitration services. The NLC regulations (2006) LI 1822 and the Labour Regulations (2007) LI 1833 serves as its operational tool. The Ministry of Employment and Labour Relations (MELR) Act 651 confers it with the powers equivalent to the

\(^{86}\) That of employers contributing at least 13.5 percent of workers’ wages with workers making up 5 percent every month.
Ghanaian High Court barring the power to issue prison sentences, however it has the power to reinstate workers; the only body to have such power. Prior to Act 651, the Industrial Relations Act of 1960 (Act 299) allotted the Labour Department the sole responsibility of managing and settling industrial disputes. As an embodiment of a feat of social dialogue, it is tripartite composed, with a seven member body made up of commissioners with two representatives each from Government, employers’ organizations and organized labour and a chairperson (nominated by organised labour and employers’ association). On occasions when the staffs of the NLC are not able to resolve a dispute through facilitation, the commissioners of the NLC who are all part-time workers judge cases purely on the merits of the law, Act 651. Parties are encouraged to stick to their decisions but have the constitutional right of appeal, at the Court of Appeal.

5.3.2 The Labour Department

The Labour Department exists under the Labour Act of 2003 (Act 651) to satisfy the ILO Convention No. 150 on labour administration ratified by Ghana in 1986; to administer labour legislation as well as to provide advice on labour policy and all matters relating to labour including enforcing labour laws and working conditions through the inspection of workplaces. It is under MELR and is crucially involved in the registering of collective organisations like unions, issuing collective bargaining certificates and plays a part in dispute resolution. The Labour Department is under the Ministry of Employment and Labour Relations and it is organised in units focused on areas of industrial relations, administration, employment, employment information, human resource management, child labour, international affairs and compensation. The legal team subsumed in the latter unit deals with the critical piece of legislation: the Workmen’s Compensation Act of 1987 (PNDCL 187).
5.3.3 The Department of Factories Inspectorate

The Department of Factories Inspectorate is also under MELR operating under the Factories, Offices and Shops Act of 1970 (Act 328). The DFI promotes health and safety of persons within the purview of Act 328 (MELR, 2019). Its core functions include the inspections of factories to ensure maintenance of reasonable standards of safety and health, the investigations into occupational accidents and injuries, and the approval of factory building plans, the registration and renewal of certificates for factories, prosecutions of offences under Act 328, and the running of occupational health and safety programmes (ibid).

5.3.4 Trade Union Centres

Sidney and Beatrice Webb (Webb and Webb, 1896) provided a classic definition of trade unions when describing them as ‘a continuous association of wage earners for the purpose of maintaining or improving the condition of their working lives’. This section provides a description of the trade union centres in Ghana; however it starts by briefly emphasising the current state of employment and working conditions for workers generally (some covered above) and the contemporary challenges facing unions in Ghana.

The Ghana Living Standards Survey 2014 (Gss, 2014) pointed out that more than half of the working population do not have signed contracts with their employers and that most were subjugated to poor working conditions. For example it indicated that 70.1 percent of them do not have pension schemes, about 80.4% do not have subsidized medical care, only 39.6% are entitled to paid holidays, and just about 38.9% are entitled to sick or maternity leave with pay (ibid). This is despite the fact that these benefits, that is, paid holidays, sick leave and maternity leave, social security and provision of employment contracts are statutory requirements, however as stipulated above, monitoring and enforcement are
ineffective in practice (especially, in the informal sectors). Notably, although trade unions have been well established in Ghana, only 28.9% of workers have a trade union present at their workplace; a significant union density decline from 52% and 37% in 1999 and 2006 respectively (ibid; Owoo et al., 2017).

The challenge facing unions in Ghana largely stem from legislative impetus to weaken them and the fact that collective bargaining mainly happens at the enterprise/company level with few exceptions owing to those changes and employer preference for decentralised negotiations. This has given substantial flexibility and leverage to employers to dictate working conditions in their responses to market conditions. Significantly as highlighted in in this chapter and contextualised in Chapter four (4.3 Ghana’s Political Economy) unions face an existential challenge from neoliberalism, free market ideals encouraged by international partners and local think tanks and policy institutes which provide a brokerage function, ascribing limited roles to collective actors in the functioning of the economy (Hauptmeier and Heery, 2014).

5.3.4.1 The Ghana Trades Union Congress

The GTUC a confederation of 18 national unions was formed in 1945. The passage of the 1941 Trade Union Ordinance paved the way for its formation, with 14 small craft unions and a total membership of 6,000 workers (FTF Council, 2003). At formation the body was weak and ineffective and like its affiliates lacked a financial base and effective organization (Trachtman, 1962; Britwum, 2010). In the immediate aftermath of its founding it linked its struggle for improved working conditions with the demand for political independence in alliance with CPP led by Dr. Kwame Nkrumah (FTF Council, 2003). Subsequently, CPP led government post-independence gave legal backing to trade unions (FTF Council, 2003; Britwum, 2010). Symbolically, the Union headquarters, the Hall of Trade Unions, which

87 The Ghana Timber and Millers Organisation (GTMO) of the Industrial and Commercial Unions (ICU) engage in sector-level negotiations (ISSER, 2008)
houses the TUC and its affiliates, was provided by the CPP government as a tribute to labour’s contribution in the struggle for liberation (*ibid*). Significantly, GTUC cooperation with labour responsive governments like the CPP and the National Redemption Council (NRC) governments (during the 1970s) produced labour friendly legislation, and positioned it as the only labour centre in Ghana (before 1997) (*ibid*). It holds an average membership of roughly 500,000 (FTF Council, 2015). The centre is affiliated with the Organisation of Trade Unions of West Africa (OTUWA), the Organisation of African Trade Union Unity (OATUU) and the International Trade Union Confederation (ITUC) (Goldberg, 2012).

5.3.4.2 The Ghana Federation of Labour

Formed in 1997 holding its first national delegates conference in 1999, the Ghana Federation of Labour (GFL) became the second national trade union centre in Ghana (Konings, 2003; GTUC, 2012; FTF Council, 2015). Initially possessing strong membership figures with the inclusion of 8 organisations; the Ghana National Association of Teachers (GNAT), the Ghana Registered Nurses’ Association (GRNA), the Textiles, Garment and Leather Employees’ Union (TEGLEU), the Civil Servants Association (CSA), the Judicial Services Association of Ghana (JUSAG), the Co-operative Transport Association, the Tailors and Dressmakers Association and the Lotto Receivers’ Association, membership has since dwindled. This is due to the withdrawal of the GNAT, GRNA and CSA (now known as the Civil and Local Government Staff Association of Ghana (CLOGSAG) that became non-affiliated unions and have a cumulative membership of around 260,000 workers (FTF Council, 2015). Currently the GFL has eleven affiliates (GTUC, 2012) with an estimated membership of 178,000 (FTF Council, 2015). This centre is also affiliated with the ITUC.
5.3.5 Employers’ Associations

Employers’ associations are bodies of employers, usually divided along sectoral lines to further the interests of member companies by conducting negotiations with trade unions, providing advice and representing them in a variety of fora. In Ghana these agents of capital are coalesced under the Ghana Employers Association, the subsequent sections mentions the Ghana Chamber of Mines, a body that represents the mining companies and therefore relevant to this study and the fledging APSOG from the private security sector. Notably, these bodies with the support of international partners such as the Dutch Employers’ Cooperation Programme and the International Organisation of Employers influence the political spheres through the organisation of forums of matters of employment and the strategic use of media to entrench the view of the status quo (the neoliberal discourse).

5.3.5.1 The Ghana Employers Association

The Ghana Employers’ Association (GEA) is a national Employers' Organisation, which looks to represent members from enterprises operating in all sectors of the economy (FTF Council, 2015). Formed in 1959 following the granting of some rights to organised labour under the IRA of 1958, the GEA served as vehicle for employers coalescing to enhance and protect their interests when negotiating with organised labour and the government. It also serves as a platform for intra employer consultations in order to reap the rewards of shared experiences. It currently represents over 1,500 employers distributed around eight business associations and stand-alone enterprises. This network is affiliated internationally to the International Organisation of Employers.
5.3.5.2 Ghana Chamber of Mines

The Ghana Chamber of Mines (GCM) is an employers’ association representing companies in the minerals industry (ICMM, 2015). It is the main industry association, which is entirely funded by its members that produce over 60 percent of Ghana’s mineral output. The GCM has represented the industry since its founding in 1928. A historical establishment with roots emanating from its colonial mother; known as the West Africa Chamber of Mines that was set up in 1903 by industry heads located primarily in London to advance the mining interests of its shareholders through petitioning colonial governments and administrative bodies on mining related issues. GCM works on promoting and protecting the interests of the mining industry; the image of mining; membership governance; and providing leadership in resolving national issues related to mining. Interviews at the mining MNEs examined in thesis (Chapter 8) spoke of the GCM being critical to industry learning; for example through mine safety meetings, mine managers shared experiences and learnt about best practices. Moreover, the GCM has played an integral role in the formation of the ECOWAS Federation of Chamber of Mines (launched in 2016) in its efforts for regional integration. Internationally, the GCM holds strong links with the International Council on Mining and Metals (ICMM).

5.4 Other Labour Market Institutions

The previous paragraphs which looked at the frailties of the labour legislation highlighted its insufficiency in addressing the issue of occupational safety and health, in light of an examination of the Labour Act of 2003 and the Workmen’s Compensation Act of 1987 (PNDCL 187). Where, the former used language that was ambiguous and the latter seemingly limited coverage to workers operating in the formal sector. It recognised the primary piece of legislation in this area with regards to guidance in the provision of occupational safety and health services, as that of the Factories, Offices and Shops Act of 1970 (Act 328) and its Amendments,
as well as the Mining Regulations and Radiation Protection Regulations 1993 (LI 1553). However, it allayed a central critique of limited scope in their coverage of workplaces in the country, this is notwithstanding the indirect impacts on occupational safety and health by other statues such as the Environment Protection Agency Act of 1994 (Act 490), the Ghana Health Service and Teaching Hospital Act of 1999 (Act 526) and the National Road Safety Commission of 1999 (Act 567). To this end, this section is on other state agencies such as the Minerals Commission, the Environmental Protection Agency (EPA) that have critical roles to play in monitoring issues of occupational safety and health that is central to labour relations, especially in the mining sector, examined in this thesis.

5.4.1 Minerals Commission

This commission under the Ministry of Lands and Natural Resources is charged with the regulation and development of the mineral resources in the country. The Minerals Commission (MinCom) stands as a substantial government organisation with legal underpinning in the Minerals Commission Act of 1993 (Act 450), that of the Minerals and Mining Act of 2006 (Act 703) and in Article 269 of the 1992 Constitution. It acts to coordinate and implement policies pertaining to the provisions of Act 703 and the various regulations made under this Act. For example, L.I 2173 and L.I 2182 that focuses on matters relating to licensing, local content, exportation, sale and disposal of minerals, as well as health, safety and technical issues. The commission ensures compliance with mining laws through monitoring as well as serving as a technical advisory agency to the state, of which, the subsumed Inspectorate Division of the Commission headed by the Chief Inspector of Mines plays a critical role of enforcement. Essentially, MinCom within its broad supervisory role oversees the general policies on licensing, local content stipulated under L.I 2173 whilst the Inspectorate Division of the Commission is mandated under the Act 703 with interpretations in L.I 2182 to inspect all aspects of mining operations for compliance. In practical terms without the approval of the
Inspectorate Division of the Commission, a mineral right holder cannot begin any mineral activities.

5.4.2 Environmental Protection Agency

The Environmental Protection Agency (EPA) was established under the EPA Act of 1994 (Act 490). Under the Act, the EPA was given the responsibility of regulating the environment. Prior to 1994 and the landmark Act, that induced its current institutionalisation and decentralised form, an Environment Protection Council (EPC) was created in 1974 and was subsumed under the Ministry of Environment, Science and Technology; adopting recommendations from a United Nations Conference on the Human Environment held in Stockholm in 1972. Substantially, Act 490 transformed the EPC to the current agency into a body that among other things possesses regulatory and enforcement functions. It currently sits under the Ministry of Environment, Science, Technology and Innovation (MESTI) and has statutory functions detailed by the legislative instrument on environmental assessment regulations 1999 (LI 1652). For example the EPA prescribes standards and guidelines relating to the pollution of air, water, land and other forms of environmental pollution; granting environmental permits, conducting investigations into environmental issues and ensuring compliance via pollution abatement notices and fines.

---

88 The EPA has zonal offices in 10 regions in Ghana with differing numbers depending on the concentration industries and other activities like mining in the regions.
89 Under National Redemption Council decree - NRCD 239 and subsequently amended by the Supreme Military Council decree - SMCD 58
90 Pollution in its variety of forms potentially dangerous; emissions, substances, noise and vibration alike
5.5 The Legacies of a Weak Regulatory Regime

The extensive examination of the labour legislation in the earlier parts of this chapter, essentially demonstrates the importance of labour law as one of the primary sources of contemporary employment regulation albeit there are overlaps with other legal spheres, for example that of company law (Mitchell and Arup, 2006). Moreover there has been the identification of relevant institutions that fall within the labour regulatory regime in Ghana; which apply the edicts of the law. However, the arena of labour law is not without politics or conflict between different ideologies, as Kahn-Freund (1972, p.5) put it “the principal purpose of labour law is to regulate, to support and to restrain the power of management and the power of organised labour”. Invariably these tensions permeate the various institutions set up to implement the law. Thus, this section explores weaknesses within those institutions, and unearths findings of gross under-investment. It effectively comes to an understanding that the ideology of neoliberalism, manifested in SAP/ERP in the 1980s, still remains as the prevailing economic thought and as such capital or managerial prerogative in the workplace remains in the ascendancy.

5.5.1 Fragility within Traditional Labour Market Institutions

The three state agencies directly involved in the regulation of employment in the country are that of the Labour Department, a body that is essentially the registrar of trade unions and one charged with workplace inspection and the determining of compensation resulting from workplace injury; the NLC which serves as an employment tribunal; and the DFI which inspects factories, offices and shops for the purposes addressing occupational health and safety. When exploring these institutions for weaknesses with regard to carrying out tasks and creating a system that ensures suitable employment protection, it was evident that these agencies are complex social, economic, political and ideological organisations in themselves;
however more importantly they face significant challenges in areas of the unavailability of adequate number of personnel, training opportunities for staff, facilities and operational resources. The IR system in Ghana has significant institutional weaknesses that affect compliance to regulations and allows for a multifaceted approach to labour management in the country. The subsequent pages will go on to demonstrate this.

5.5.1.1 The Labour Department

The Labour Department finds itself in a dire situation in the highlighted areas of staff shortages, training opportunities for staff, having adequate facilities and operational resources. As officials interviewed put it:

*Government commitment is actually needed. It has not committed itself. Currently, we have 216 districts across the country but we are present in only 64 districts. This means that one of the offices like Cape coast for instance is responsible for about 2 or 3 additional districts. There are no resources for example vehicles for monitoring. The Acting chief labour officer is the only one with a vehicle and they will not even care of the rest. The number of workers at the department is nothing to write home about. Currently we have about 140 technical staff and it is seriously inadequate.* (EIB Officer 58)

The official above admitted that the state failed in meeting the commitments of properly funding this department which solely relies on government funding. It has suffered from a chronic lack of investment over decades with officials attributing it to SAP and to the recent freeze on state expenditure at the bequest of the IMF and World Bank further worsening conditions. The officials interviewed drew on a narrative that demonstrated that there had been a substantial effort made to bring in FDI and MNEs to the country on the promise of a relaxed regulatory environment. Hence, the weakening of key players such as the Labour Department was invariably going to be a consequence. Since its establishment in 1938, the department has only maintained presence in 64 out of the 216 districts in the country, with a limited number of technical staff on site, about 140 out of the total workforce of 243, being designated as labour officers,
expected to monitor labour standards in the country. Whilst, on the point of inadequacy in terms of facilities and operational resources, officials interviewed referred to the physical appearance of infrastructure the institution’s headquarters was housed in and the lack of basic facilities such as vehicles for monitoring or the availability of funds to sufficiently remunerate inspectors that utilise their monies, for transport to sites they are to inspect.

*It is an indictment that we have to occupy a building that is almost collapsing. This is the head office we are talking about! How can you go around advising people on how to keep their rooms clean when yours is dirty!* (Department Administrator 60)

*All the vehicles you have seen here, not even one belongs to labour department. We have only one, and that one self, is difficult to move. Only one for the whole department, even here is the head office and you have one vehicle, which has to be pushed before it even moves. So what about districts and regions?* (Legal Officer 57)

A field observation made at the headquarters of the labour department was that it was well situated in an area marked as the ‘ministries’, however it was not well sign posted as its signboard had aged. The building hosting the department was severely dilapidated and dusty, with furniture and equipment needed for its smooth functioning dated.

The prevailing climate of constraints on resources has meant that the department carries out very few inspections year-on-year. This has precipitated the ethos in recent times of relying on self-reporting, where workers bring up their grievances before inspectors pursue employers under section 122 of Act 651, to inspect. It is noteworthy that the staffs seem to be making the best out of the bad predicament the department finds itself in, as they continually push for the required standards but are hampered by the challenges mentioned. Nonetheless, the issues highlighted above, combined with the unavailability of in-house or offsite training opportunities to staffs for that matter, has led to feelings of neglect amongst officials at the department. This has discouraged future prospects in seeking employment with the department for, amongst other reasons, being overworked and underappreciated; the labour department has a high attrition rate:
We feel we are a neglected department; other ministries appear to be better resourced. So, if an opportunity arises to leave why not? (Department Administrator 60)

5.5.1.2 National Labour Commission

The narrative of inadequacy in institutional backing through funds to meet running needs was found to also be the case at the NLC. In its role, the NLC receives labour complaints from aggrieved workers as well as from organised labour. An official confirmed that 8 out of every 10 cases received are from individual workers lodging complaints concerning issues of unfair labour practices, unpaid salaries and other issues. Akorsu (2010) spoke of an underperforming NLC in the context of unresolved case load. She found that in 2008 out of a total of 632 complaints made by both individual and unionised workers, which averaged 53 complaints on a monthly basis, the commission was able to complete only 317, with about half of the complaints at the time still pending. The issue of a massive backlog was found to be the case, attributed to the fact that the commission only held hearings on Wednesdays. It could be said that the lack of regional offices and resources in general could be the source of their inability to deal with their current case load, notwithstanding, their general underperformance with regard to national coverage. An official at the commission poignantly made this point:

*We are under-resourced. For example the NLC must be based in all the regions where complaints could be launched as far afield as Bolgatanga or Tamale for example. However to complain, aggrieved workers have only one office to go to and people have to come all the way from wherever they are to the office in Accra. We have no financial power to rectify this situation at the moment. Additionally, we do not have enough logistics to back up our current operation and operations, to cover the country is not feasible as we are lacking infrastructural presence and personnel in those regions.* (IR Director 56)

Officials confirmed that since its inception in 2003, there has been chronic underinvestment by the state making it near impossible to carry out its functions or indeed meet yearly targets. Complaints over the years are said to have increased
whilst finance for the NLC has dwindled or even halved. A field observation made was that the NLC was not well situated and sign posted, as it was situated in rented premises away from the area designated as ‘ministries’. More so its premises were wholly inadequate with specific regard to size in accommodating the numbers coming through its doors; however it was much better than that of the Labour Department.

5.5.1.3 The Department of Factories Inspectorate

This study did not garner primary data on this labour market institution, however, officials interviewed at the NLC and the labour department alluded to a department facing significant challenges with regard to the aforementioned areas. This has massively hampered its ability to carry out crucial inspections of factories, shops and offices, in its mandate to check and ensure health and safety at said workplaces. For example in the district office of Tema, which is charged with inspecting over 600 factories and other establishments within the Tema Industrial area on a six month basis, the office has only four inspectors available to ensure health and safety practices are adequate and maintained. In the mist of challenges in terms of staff strength, operational resources such as vehicles, and administrative support, inspectors infrequently visited sites and had practices of carrying out inspections once every two years in the majority of cases.

5.5.2 The Continental Issue of Labour Inspection

The challenges faced by the labour administration system arguably are not just a Ghanaian issue but a problem present in many countries in the Africa. In looking specifically at labour inspection in Africa, Nyambari (2005), the executive director of the African Regional Labour Administration Centre (ARLAC) found that inspectorates are faced with political, economic, social, cultural, administrative and
technological challenges. Challenges that are very much contingent on the socio-economic realities in the nations, that have been shaped by globalisation and structural transformation as well as the restructuring of the public sector (ibid). As a consequence, ‘in most African countries, labour inspectorates are limited in scope and coverage (covering less than 10 percent of labour force), they are splintered, compartmentalized and often non-complementary’ (Nyambari, 2005: 30). He details that in most of those countries the result of public sector reforms have reduced the number of labour inspectors by 20 to 40 percent in the last decade (ibid). For example, public sector reforms in Kenya led to a reduction of general inspectors by 30 percent, from 175 to 124, while the occupational safety and health inspectors were reduced by about 15 per cent (ibid). To put this in context for example, Akorsu (2010) recorded a figure of 190 technical staff carrying out inspections at the Labour Department whilst this study recorded 140; this represents a reduction of about 26 percent. Moreover, in her study she placed the number of people working at the Division of Factory Inspectorate, those dealing with issues of occupational health and safety at 67. Budgets for labour administration in several African countries is said to have halved during the period of SAP (Fashoyin, 1999 cited in Akorsu, 2010). The cementation of neoliberalism across the continent has meant that expenditure on the public sector has slowed, with labour ministries typically suffering the brunt of cuts, since they belong to the category of non-priority ministries under said lens (Akorsu and Cooke, 2011).

Unfortunately, these budgetary cuts have come at a time where casualization and informalization[^91] of the labour market is high. Subsequently, the workload in labour administration has increased as there are pressures to widen scope or responsibilities in order to meet the new demands presented by the ‘modern’ workplace (Nyambari, 2005). Contemporary issues to do with how the labour administration system copes with protecting vulnerable working groups[^92] and new risks faced by urban and rural workers associated with growing sectors

[^91]: The informal economy stands at around 70 percent of the labour force in most African countries (Nyambari, 2005)
[^92]: For example, working groups such as child labourers and people living with HIV/AIDS
such as mining, export processing zones (EPZs) and security industries, has meant that a holistic approach to labour administration is required.

Labour administrations exist across the continent of Africa in this light most states point this out as a signal of their compliance to the relevant ILO Convention No.150. In doing so they demonstrate that they have a system of labour administration that responds to the preparation, administration, co-ordination, checking and review of national labour policy as well as one that implements and enforces labour regulations. However as highlighted these administrations are mostly uncoordinated, lack competency and are somewhat absent in ensuring compliance in some sectors of the economy. Through chronic underinvestment, providing staff with the ‘status’, the material means and the financial resources necessary for the effective performance of their duties, the state machinery in countries across the continent have demonstrated that labour is not a priority. This position very much contrasted with the discourse around the labour administration system being a crucial tool for development.

5.5.3 Fragility within ‘Other’ Labour Market Institutions

This section examines the other state agencies referred to earlier, the Minerals Commission and the Environmental Protection Agency (EPA), that have critical roles to play in monitoring issues like that of occupational safety and health that is central to delivering on positive employment outcomes, especially in the mining industry, examined in this thesis. Here the minerals commission is extensively examined in terms of inability to monitor and enforce regulations in its sector particularly owing to its skewed focus on investment or sector promotion rather than regulation manifested in the lack of technical staff and capability required to perform core functions. This is evidenced in the proliferation of ‘galamsey’ in the small-scale mining sector and the widely documented violations and hazardous
conditions faced by workers\(^{93}\) in the subsector. Moreover it deals with an agency encouraging self-reporting (in the large-scale mining sector), leaving room for soft regulatory approaches by MNEs. Whilst the documentation on the EPA predominantly focuses on its mining department and its reliance on an environmental performance rating and disclosure programme, that proved ‘successful’ to varying degrees, owing to an agency without sufficient resources to actively carry out its mandate.

5.5.3.1 The Minerals Commission

The Minerals Commission (MinCom) is an agency that was created during the SAP era, instituted by the antecedent legislation of Minerals and Mining Law of 1986 (PNDCL 153). This critical sector actor performs the dual function of promotion and regulation. A function that places it in a precarious position in presenting a robust regulatory regime and attracting FDI: a point made by one of its officers below in terms of shielding investors from aggrieved communities.

*We ensure that the impact of the company’s activities will not necessarily impact on the local communities too much, essentially minimising the impact of mining operations. We are also trying to see to it that the investors brought on board are not unnecessarily targeted by the communities* (Corporate Affairs Officer 64)

When discussing sectoral regulatory developments; interviewees cited that the break-up of state enterprises such as the Precious Minerals Marketing Corporation (PMMC) in era of SAP, created the problems of ‘galamsey’ and the dire working conditions in the small scale mining subsector (highlighted in the pilot study conducted). They highlighted that the breakup of the PMMC which had a statutory monopoly as the primary buyer and seller of minerals produced by the small-scale mining sector, and the subsequent ‘liberalising’ role played by MinCom (see quote below). Given the mandate to grant purchase and export licences to private persons and foreign companies, in the purchase of diamonds and gold

\(^{93}\) Health impacts, child labour - See Human Rights Watch (2015) and (Amagyei, 2017)
produced by small-scale miners, the agency has been crucial in further marginalising the PMMC.

*They keep telling us that government has no business in doing business; I don’t know whether you hear the politicians say so. The government has to create opportunity for the private sector to take advantage.* (Monitoring and Evaluation Officer 65)

The breakup in the monopoly of state enterprises and the general liberalising agenda at play in the minerals industry subsequently encouraged a gold rush and exacerbated the problem of ‘galamsey’; resulting from the entry of scrupulous investors and the unquenchable appetite for gold. Investors in the small-scale mining sector have disproportionately come from China in recent years, for example as many as 50,000 gold prospectors are said to have left China for Ghana since 2005 (Hilson et al., 2014). This period saw the influx of the MNEs considered in this study; that of the international mining companies, ‘Rossinto’ and ‘HiliGold’, in the large scale mining sector, the arrival of ‘SecuriCorp’ in the private security sector and the increase in investment by ‘DrinkCorp’, in the beverage sector. Nonetheless, the participation of the majority of investors in the small-scale mining sector from China is said to have been in the area of ‘galamsey’, an incidence rate very much attributed to the contemporary economic and political power Beijing wields in sub-Saharan Africa (Hilson et al., 2014).

*The perception in the last decade has been that, gold is like on the streets of Ghana, basically, you just come with your money, you get it and go! ... If the supply from small scale licensed miners does not meet the demand, individuals resort to any means of getting it.* (Monitoring and Evaluation Officer 65)

Interviewees at the MinCom referred to dynamism when describing the minerals sector and the desire for regulators to also be dynamic in their activities. Frustration was overtly shown about the devastating impacts of ‘galamsey’ due to a lack of legal clarity, the presence of foreign actors and the lack of investments in the commission in the area of technical staff provision to monitor mining activities. Interviewees explained that concrete efforts were initially made to legitimise the subsector of small-scale mining by the passage of laws in 1989; the Small-scale Gold Mining Act (PNDCL, 218), the Mercury Act (PNDCL 217) and the institution of the
PMMC under the Precious Minerals Marketing Corporation Act (PNDCL 219). However recent legislative developments to supposedly merge parts of these laws, displace the PMMC and confer licencing powers to MinCom, is said to have negatively affected the sub-sector. This is because the land readily available and reserved for small-scale mineral exploitation increasingly became scarce as businesses partnering foreign investors rapidly exploited it.

This extensive description of the current challenges faced by the regulator in terms of dealing with the menace of illegal mining (referred to in the pilot study), and general challenges of possessing adequate resources such as the lack of testing equipment and staffs, informs the study of an agency failing in its ability to properly monitor and enforce regulations in its sector (MinCom, 2015; 2017). As mentioned the agency suffers from staff shortages, especially in the area of technical staffs. Reporting a total staff strength of 210, as of the end of 2016 this was distributed across areas of finance and administration; policy planning monitoring & evaluation; the chief executive office; and the inspectorate division, 66, 61, 24 and 59 respectively (MinCom, 2017). Interestingly, these reported figures are largely misleading in terms of highlighting the technical staff required for its ‘proper functioning.’ For example, when examining the policy planning monitoring & evaluation function, which it reported as having staff strength of 61, with closer scrutiny it turned out that more staffs were allocated to the facet of policy and planning, leaving only three individuals focused on the core task of monitoring and evaluation. An officer at the commission paints this picture quite clearly in the quote below:

Like I keep saying, we don’t have the numbers because as I told you the field is very dynamic, things keep changing, more companies keep coming... but we are not increasing. [With regard to numbers] It is sad to say but we have the unit manager and a senior monitoring and evaluation staff, it is only quite recently a fresh graduate from university who did his service at the unit for a couple of years, around one or two years was absorbed. (Monitoring and Evaluation Officer 65)

Consequently, the lack of numerical strength continually affects the performance of the unit, for example 40 monitoring visits were undertaken to exploration companies at the close of 2016, a relatively low figure considering that
there are over 300 exploration companies\textsuperscript{94}. Subsequently, in light of these constraints, a strategy based on an active reliance on self-reporting by firms has been instituted; as such there is the practice of a reliance on data supplied by firms to the regulator on quarterly returns. This strategy was cast as problematic by ‘senior staffs’\textsuperscript{95} at this regulatory body.

We need to be on the ground but because of the workforce which is not that big we solely depend on reports, but once a while we go to the field, but if we were many we would be going out there [currently] it’s a little bit dicey, difficult but then in the face of challenges you have to find ways and means to make your work effectual. (Monitoring and Evaluation Officer 65)

It is also notable that in contemporary times (post-2010), MinCom have developed CSR guidelines for mining companies as part of their regulatory regime to capture pertinent issues such as corporate governance and ethics, human rights, as well as employment and labour standards. Although laudable in the context of scrutinizing the behaviours of foreign and local players within the industry in terms of their labour practices, the aforementioned strategy of an over-reliance on self-reporting and the resource challenges has meant that only a single member of staff within the agency’s corporate affairs team deals with auditing reported CSR measures initiated by mining companies.

Field observation found that MinCom was well housed in modern premises with sufficient office space, modern office equipment and furnishings. However interviewees mentioned that in the midst of the current climate of staff shortages, they lacked motivation to carry on and that the scarcity of promotional opportunities with the culture of nepotism, made it hard to remain positive. More so, relevant training opportunities were noted to be far and few between, for example officers interviewed cited that they never received training for the specific positions they came to assume within the department.

When you come here they give you training in management... I am a technical person, I have been given a position of monitoring and evaluating exploration companies, however I was never trained to assume that position. To fit into this environment I have had to decipher which part of the job is

\textsuperscript{94} Interviewee (Monitoring and Evaluation Officer, MinCom)

\textsuperscript{95} A term referring to middle managers
monitoring and which part is evaluation. (Monitoring and Evaluation Officer 65)

Finally it is befitting to end on a segment about employment standards; as notes in this section have highlighted the inability of the sector’s agency to monitor and enforce general standards. Remarkably, an interviewee (Corporate Affairs Officer 64) spoke of workers within this sector agency needing employment protections themselves in light of the sector minister’s maltreatment of employees. Essentially, it was explained that employees at MinCom recently explored the issue of unionisation, interestingly looking to join the dominant sector union (the Ghana Mine Workers Union) to protect their interests as some districts officers were unfairly sent home on the bequest of the minister.

5.5.3.2 The Environmental Protection Agency

The mining department within the EPA, through its environmental performance rating and disclosure programme called AKOBEN\(^{96}\) (meaning, ‘vigilance and wariness’), indirectly plays a role in ensuring good labour practices within MNEs with mining and manufacturing operations. Under the AKOBEN initiative, which was piloted in 2005-07 and successfully launched in 2010 with support from the World Bank and international experts on performance ratings, the environmental performance of mining and manufacturing was assessed using a five-colour coding rating system. These five colours were used to indicate environmental performance ranging from poor to excellent\(^{97}\), which are reached by analysis of over 100 performance indicators (both quantitative and qualitative) that also seek to gauge progress on commitments made by firms in earlier stages of operation in their environment impact assessments\(^{98}\). The AKOBEN initiative utilised environmental disclosure as a policy tool, leveraging on the power of full disclosure through annual

\(^{96}\) AKOBEN has its roots in Ghana’s tradition of ADINKRA symbols

\(^{97}\) Red (Poor ), Orange (Unsatisfactory ), Blue (Good – ‘In Compliance’), Green (Very Good – ‘Applies Best Practices’ ) and Gold (Excellent – ‘Committed to Social Performance’ )

\(^{98}\) Benchmarks referenced in impact statements consulted on in public hearings and reviewed by the EPA before initial permits were approved
press briefings aired out to Ghanaian media\(^99\) and a global audience via the internet (to a multiplicity of stakeholders). Essentially, this environmental transparency initiative sought to complement the existing regulatory system by utilising ‘disclosure and reputational incentives’\(^{100}\) as additional tools aimed at improving compliance to environmental regulations. Also it is noteworthy that AKOBEN thoughtfully assessed social performance, through the lens of the company’s CSR programs targeted at their catchment communities\(^{101}\). This is because social performance was the highest ranking rating criteria\(^{102}\), the key determinant in the attainment of a Gold rating. To demonstrate the effect of non-compliance and the effectiveness of this disclosure program, the informant at the EPA cited that:

**At the launch in 2010 most companies share prices dropped. This is because investors at the stock exchanges queried why they [the companies] are not doing well in the relative jungle of Africa. Newmont said it affected their share price, so they put in lots of investments. Akoben, helped them improve their community relations. This is because it queries them on what they use their money for. They now spend the money where people can see it. They now have the established practice of asking us what the requirements are, so they can put us somewhere in their budget. (Mining Unit Officer 61)**

**Another example is the marked effect Akoben had on the Ghana Bauxite Company which was being badly run by the Chinese with regards to their environmental impact; reports from Akoben reached Chinese diplomats who then had some choice words for the Chinese leadership of the company asking them to stop disgracing them amongst their peers in the international community. So there was marked improvement in the period of 2009 to 2013 (Mining Unit Officer 61)**

Over the course of the launch and ‘institutionalization’ period from 2010 – 2013 the initiative is said to have registered over 200 companies and led to significant improvement in environmental and resource management, social investments, workplace and good community relations. These were reached by improvements seen in on-site monitoring systems, better restoration and reclamation of disturbed lands, corporate investments into local communities via

---

\(^99\) Coverage is patchy, missing key national papers (Darko-Mensah and Okereke, 2013)

\(^{100}\) Positive and negative incentives such as public praise or reprimand

\(^{101}\) Communities within the area of influence of a mining operation

\(^{102}\) Measured by (1) intent of the company towards social issues, (2) expression of intent through a comprehensive social policy, and (3) the actions it undertakes in accordance with its CSR policy (Sekyi, 2011)
their hiring practices and support for societal issues concerning health service provision. Notably the Chamber of Mines, have utilised AKOBEN in line with their “mines code of conduct” to caution its members, whilst civil society bodies like WACAM have utilised it to inform local communities about the responsibility of mining MNEs to their host communities.

Nonetheless, as with the other labour institutions examined in this chapter, the EPA failed to fully carry out its duties of; engendering companies to be in a state of conformity with obligations, providing competent regulation via frameworks of permits, licences or authorizations as well as possessing the power to punish companies or persons failing to comply with laws through civil, administrative or criminal action. This is because the key informant interviewed within the mines department, pioneering the AKOBEN initiative reported on an agency facing shortages with respect to the number of personnel, resources and logistics in meeting those goals, including one that does not effectively make use of punitive measures, as it frequently issues tokenistic fines. A state of affairs he confidently attributed to constraints placed by the World Bank and IMF and to recent conditionalities placed on the government by the IMF in 2015 following its approval of a three year arrangement worth $918 million under the Extended Credit Facility (ECF) ‘to restore debt sustainability and macroeconomic stability to foster a return to high growth and job creation, while protecting social spending’ (IMF, 2015). For example it was noted that the mines department, a unit identified under section 18 of the Minerals and Mining Act, 2006 (Act 703) and LI 1652, as a department tasked with granting environmental permits before any mineral operation could be undertaken by a holder of a mineral right, has staff strength of nine (6 full time technical officers, 2 contract technical officers and 1 administrative officer).

103 The strict containment of public sector expenditure, in particular the wage bill and subsidies
5.6 Conclusion

This chapter examined the first research question (RQ1): how are the employment practices in the four MNE case studies mediated by the national industrial relations system in Ghana? It examined the labour laws, the industrial relations institutions operating in Ghana, seeking to understand the robustness of the regulatory regime in the country in terms of the laws and the actors involved in the implementation and monitoring of it. It set out the developmental and dysfunctional features of the Ghanaian state largely in the context of regulation. Where in the immediate years post colonialization saw the proliferation of substantive regulation, enabling organised labour and linguistically removing the master-servant undertones of a previously repressive legal regime. Here in the ‘politics of regulation’ the state decisively intervened, partly owing to the socialist tone set by the Nkrumah regime (see 4.3 Political Economy) and to the instrumentality of organised labour in the fight for independence. Nonetheless, this chapter highlights a current legislative context that has since been deliberately weakened (sanctions included); the labour law now largely embodied in a single Act 651, has worked to constrain the power of trade unions, systematically breaking the monopoly of the GTUC and providing fertile grounds for the growth of ‘yellow unions’ and weakening the effectiveness of strike action. Moreover it deliberately avoided bringing in line key pieces of regulations on occupational safety and health, and workers compensation, in an effort to encourage the investor community; providing clarity that laws promotes and enables the ‘ease of doing business’. This is notwithstanding its disproportionate effect on excluding large proportions of the workforce from employment protections. This chapter also significantly highlights that the set of institutions responsible for monitoring and enforcement of employment standards are quite fragmented and have been found to be struggling, attributable largely to chronic under investment. This current context of a weakened state, the gaps left in legislation and the systematic ‘easing’ in terms of monitoring and enforcement, for this study it is significantly a contributory factor to the employment practices of the MNEs examined in the subsequent chapters.
CHAPTER SIX: DRINKCORP AND SECURICORP

6.1 Chapter Introduction

The previous chapter on the state, tackling research question one, examined a legislative framework that had quite comprehensive coverage of core labour standards, however it demonstrated notable failures in enforcement, in a country with an increasing MNE presence. This chapter focuses on examining two MNEs in light of tackling research question two to four: RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana? RQ3: Is freedom of association observed and acted upon in practice in the case study MNEs? RQ4: In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms?

DrinkCorp and SecuriCorp, enumerated below are two British MNEs that represent market leaders in separate industries; one in the manufacturing industry where unionisation is typically present whilst the other is in security services, an industry known for very little union presence. More importantly, they represent companies with slightly varied approaches to CSR. This chapter is structured around key headings of the implementation of CSR, the work organisation, freedom of association and the trade union responses. It is structured in congruence with the research questions: RQ2 - In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?, RQ3 - Is freedom of association observed and acted upon in practice in the cases study MNEs?, RQ4 - In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms? This is also in line with framework of looking at the macro, meso and micro-level, in this case the latter, which occur in the workplace between managers and workers. The chapter begins by describing each company in terms of their global and African presence and describes their
motive for and attempts at demonstrating CSR. This provides contextual information necessary for understanding the rhetoric of CSR, which will prove crucial when separating rhetoric from reality later on. It answers the second research question and continues with an examination of the rhetoric of CSR in light of the work organisation; exploring incidences of coercive labour discipline, work intensification, occupational health and safety and issues of remuneration. Examining freedom of association in the case of DrinkCorp through the lens of its introduction of a new production system, or through the Ethical Employment Partnership agreement (the TCA) in the case of SecuriCorp, help address the third research question. Whilst the final section on trade union responses addresses the fourth research question in exploring union approaches to possible repressive managerial strategies.

The chapter provides key findings in light of the examination of companies having a CoC or TCA; in terms of the CoC, findings were in line with the plethora of literature that describe them as declarations with little attention to comprehensive implementation and monitoring as it is solely subject to internal risk management. Whilst surprisingly the TCA examined had considerable failings, in that the corrective constituent of implementation and monitoring via the involvement of external partners such as trade unions, was from the beginning limited and relegated to a legitimising role. It was also substantially found that the rhetoric of CSR did not match up with the reality at both companies as similar violations of excessive managerial control, work intensification and issues to do with occupational health and safety and remuneration were unearthed. At the very heart of this failing was that of the failure to uphold workers right to freedom of association. Finally, the chapter captures the drive for more members, delivering on collective agreements and using international union networks as a union strategy at both workplaces however, it describes differing orientations of those unions on the spectrum of cooperation and conflict and the marked effect it had on them.
6.2 Company Background - DrinkCorp and CSR

DrinkCorp is a British MNE that is the global leader in beverage alcohol with brands across spirits and beer; operating in over 180 countries, employing more than 30,400 people and has revenues in excess of £12 billion (Annual Statement, 2017). In Africa, DrinkCorp operates 12 breweries located in countries like Nigeria, Kenya, and Uganda to name a few, contributing £1.56 billion 13% to its group’s revenue in 2017. DrinkCorp could be described as an ‘ethnocentric’ or ‘global’ MNE (see Chapter 2 subsection 2.3.1 for an extensive explanation). DrinkCorp’s subsidiary in Ghana is the leading total beverage company in the country following a merger in 2004 with a subsidiary of a rival global beer company based in the Netherlands. Over the years DrinkCorp has built strong brands and pursued a CSR strategy that supposedly rests on sustainability and responsibility.

DrinkCorp’s has espoused values of building thriving communities in the various countries it operates in, reducing its environmental footprint and leading the conversation on alcohol in the society.

Not a lot of people are fans of alcohol, we are easily villainised. Personally, I took alcohol from the time I was old enough to drink and I really like the message that you can drink alcohol responsibly. We have a negative perception anytime somebody tells you that they saw your daughter sitting in a bar drinking alcohol. This is because historically people have abused it. We don’t make drinks for people to get drank. We make drinks for people to enjoy. (Demand Planner 12)

Crucially in looking to change the perception of alcohol in society as demonstrated above, DrinkCorp’s leadership became founding members of the Portman Group in 1980. A powerful public relations body for the industry, known for its first code of practice on the naming, packaging and promotion of alcoholic drinks: a code in 1996 that staved off a ban on alcopops in the UK after a public furore over under-age drinking. The listed initiative is amongst many other initiatives, important to this thesis is the labour component of DrinkCorp’s CSR strategy, here it has made commitments to act in accordance with the UN Guiding

---

104 A classic horizontal acquisition, however this process which integrated two companies in the same type of business into a new legal entity and took four years to complete (2004-2008)
Principles on Business and Human Rights. A notable signatory to the United Nations Global Compact\textsuperscript{105}, precisely two years after the initiative’s formation in 2000, and also to the UN’s Women’s Empowerment Principles. The firm’s CSR aims are listed in a ‘Code of Business Conduct’, which highlights its values and sets out an expectation that its business partners ‘do the right thing’. Nevertheless, it is notable that DrinkCorp and its European Works Council signed an EFA in 2002 (renewed in 2007) that instituted improved consultation rights, a code of practice on redundancies, and steering committee (which meets to discuss procedural and constitutional issues), that covers all its European operations (Dobbins, 2002).

Needless to say this EFA strictly applies only to its European operations and has not been extended to its operations in Africa or to an IFA, perhaps because of the institutional differences (rules on the inception of EWC) that exists between Europe and Africa.

DrinkCorp’s CSR initiatives in Ghana have focused on providing sustainable access to clean drinking for example through its ‘Water of Life’ campaign amongst other initiatives on road safety and on procurement commitments to sourcing locally produced materials. Arguably, these CSR activities have been largely initiatives carried out as part of their risk management strategy, compliance and a focus on long-term profitability. The company looks to prevent further regulation, thus its initiatives targeted at ‘drinking responsibly’ help to limit it or indeed to abate fines and potential reputational damage, by protecting water bodies from its dangerous effluents. In addition its lauded local sourcing initiative has been driven primarily by the need to secure tax reliefs created by the Customs and Exercise Act of 2012 (Act 855) to encourage the use of local materials\textsuperscript{106}.

Long profitability through the pursuit of acquiring the licence to operate and that of promoting labour related CSR efforts, were identified as tools developed by DrinkCorp to enhance its reputation within the market. Profitability derived from securing the social licence to operate was identified by participants as a ‘strong

\textsuperscript{105} The largest CSR initiative in the world: with over 13,000 corporate participants and stakeholders in over 170 countries. A principle based framework covering 10 principles in the areas of human rights, labour, the environment and anti-corruption.

\textsuperscript{106} This reduced foreign exchange and encouraged the innovation of the premium clear beer
tool’ utilised to ‘buy in support from the local community’ (Union Secretary 1), and in doing so it invariably promoted the company. A strategy utilised across its African operations to operate and survive in an increasingly competitive product market. In relation to work and employment, DrinkCorp’s ‘Code of Business Conduct’ firmly articulates its commitment to respecting CLS; ‘a serious commitment to respecting human rights is fundamental to [their] way of business’ (DrinkCorp July, 2017). DrinkCorp strived to be proactively seen to address the spotlight issues of workers’ rights across its operations in order to convince the public of its sincerity in doing so. Couched in the language of ‘giving back’ almost all interviewees looked to project a view of a company that truly cares, one that is not driven by market concerns, although the Packaging Manager 7, plainly stated that ‘CSR is done for reputational purposes, marketing the brand’ and raised question marks over the business’ treatment of workers.

6.2 DrinkCorp Implementation of CSR

DrinkCorp’s ‘Code of Business Conduct’ sets out that every employee must act as a custodian to their espoused values and reputation to comply with the code or face disciplinary action and dismissal including possible civil and criminal liability for breach. It defines the role of managers as central actors, that of being role models and the carriers of the code, policies and standards to their workers.

Packaging Manager 5 spoke of a ‘Code of Business Conduct’ drafted by DrinkCorp HQ and cascaded down, to the subsidiary in Ghana. In furtherance she acknowledged that the code had no local integration, coming straight from DrinkCorp HQ with ‘British pounds quoted in there’\(^{107}\). All interviewees agreed that workers received a guidance session on the code at some point in the last two years in line with changes made to it every two years. To ensure compliance of subsidiaries to the code, DrinkCorp HQ is said to conduct regular internal audits on various sections of the code in order to minimize the risks to the overall group. Like

\(^{107}\) Packaging Manager 5
all CoCs, DrinkCorp’s has aspects to do with individual and group behaviour, with a tiny minority of managerial staff critical to the success or failure of the code. Nonetheless, maltreatment implicitly alluded to earlier in the background chapter by Packaging Manager 7 describing ‘a sense of confined freedom’ draws attention to a failure in implementation.

On the face of it, DrinkCorp’s subsidiary is only subjected to internal audits, avoiding the scrutiny and possible fierce examination by external stakeholders. Unsurprisingly, breaches were identified in practice with close scrutiny within the subsidiary but more importantly, organisational processes or strategy pushed down by DrinkCorp global such as its stance on trade unions, inherently meant that DrinkCorp as an entity did not practice what they preached in public. Therefore, its code was merely used as an ‘instrument’ to project a fictional responsible entity, as there was no substance to the commitments it made to adhering to the fundamental rights at work.

6.3 CSR and Work Organisation

To provide enriched contextual information on the company examined, this section looks at the aforementioned adopted CSR initiatives in the context of the work organisation. It examines the CSR initiatives relating to employment that of the CoC declarations and its effect on working conditions; reviewing issues of occupational health and safety and remuneration. Understandably, declarations and in some cases enhanced commitments (TCAs) is located in literature as potentially having positive outcomes for workers in the aforementioned areas. Nonetheless, the subsequent sections detail that despite CSR initiatives being strongly reflected externally, the production process is very much disconnected from the language and rhetoric of CSR. Thus there was observed incidence of work intensification, occupational health and safety and monetary issues. New forms of work organisation specifically that of Just-In-Time (JIT) practices that fundamentally ushered in structural, organisational and technological reorganisation had
encouraged unfavourable employment outcomes (Marks and Chillas, 2014). This is because despite its promise of being a participative model, managerial control achieved through coercive discipline remained a part of the production process and work was effectively ‘pumped’ out of workers (ibid; Kenney and Florida, 1993).

### 6.3.1 DrinkCorp – Production Process and Coercive Labour Discipline

A contention could be made that the adoption of labour related CSR initiatives could led to better employment outcomes (Compa, 2008; Segal et al., 2003). However, despite the rhetoric of doing the ‘right thing’, for many years’ workers at its subsidiary in Ghana described suffering at the hands of an authoritarian managerial regime. Coercive and punishment-oriented labour disciplinary techniques were employed to ensure labour productivity; with the constant threat of dismissal or indeed through a ‘full attendance’ bonus system that penalised those workers who took leave for any reason:

> [Pre-2013] there were so many issues we were initially segregated and given quarterly bonuses as opposed to an annual bonus. This was unfairly distributed, [firstly] because of the seasonality of certain drinks and, [secondly because of the] conditions attached to it that excluded workers from the entire scheme if they missed out on the first quarter takings (Union Chairman 3)

Post-2013, when management fully implemented modern production systems, one that encouraged participation, it could have been a reasonable deduction that employment outcomes would improve, nonetheless, as in literature (Delbridge et al., 1992; Garrahan and Stewart, 1992; Marks and Chillas, 2014; Sewell and Wilkinson, 1992), a momentary presumption of improvement of workers’ working conditions, was unfounded. This is because within JIT/Total Quality Management (TQM) factory regimes surveillance and discipline is found to be endemic in the labour process (ibid). This is because behind the facade of employee involvement or empowerment, a JIT system tactically decentralises responsibility but at the same

---

108 Packaging Manager 6
time centralises strategic control (*ibid*). By encouraging workers at DrinkCorp to take up ‘ownership’ of their KPIs and maintaining quality in the production process, workers faced individual and collective sanctions such as the sack, or public humiliation for not meeting volume or quality targets. Moreover, with surveillance intensified, through better fault tracing managerial controlled was extended. Thus, overall whilst the JIT production regime in this case provided tools such as work flow simplification, statistical process control, process and quality meetings, which enhanced productivity at DrinkCorp, it arguably degraded conditions at the workplace.

*We went through a lot of manufacturing excellence protocols to change the mind-set of people, raise their capabilities up. We used protocols such as PPMS – Perfect Plant Management System initially and then we moved to Manufacturing Excellence, which is ITF Improvement Task Force that is a step higher than PPMS, now we are on rapid deployment.* (Packaging Manager 7)

In describing the ‘Manufacturing Excellence’ program above the Packaging Manager 7 and his other colleagues cited that with the acquisition of a rival in 2010, DrinkCorp instituted a restructuring process that left many workers redundant and simultaneously brought in a programs to boost performance. With the adoption of a TQM or lean management ethos through its application of JIT techniques in their ‘Perfect Plant Management System’; targeted at improving efficiency and reducing waste, for the first time in its history, shift working was introduced to workers. The working day was split into three shifts early, late and night—6am - 2pm– 2pm - 10pm, and 10pm – 6am, with a mandatory weekly rotation in the production or operations department, although straight day workers largely those in administrative and sales functions kept to their original times of 8am to 5pm from Monday to Friday. Moreover, the manufacturing labour process was reconfigured with the closure of two of the three lines in Achimota and a production site at Kaase in order to reduce ‘waste’: over production, surplus workers, excessive equipment and capacity. These configurations are very much synonymous with a JIT production system that claims to match the production process with the marketplace (Sewell and Wilkinson, 1992).
In line with the analysis of Sayer (1986) which understood MNEs as entities acting not only as the ‘bearers of market forces’ or new technologies, but as bearers of new social relations, the institution of the aforementioned system at Drinkcorp synonymous with the automobile industry exemplified this (Oliver and Wilkinson, 1992; Smith and Meiksins, 1995). JIT at DrinkCorp encompassed the reorganisation of the manufacturing labour process as well as its buyer and supplier relationships; however importantly it touched on the wider reconfiguration of practices regarding skills development, and management - labour relations. Subsequently, under this new system, workers were seemingly afforded a say on production issues\textsuperscript{109}, HR business partners that served as conduits for resolving workers’ grievances quickly at early stages, and lastly afforded workers some training opportunities. The Packaging Manager 6 commented that;

*It’s important to have a voice, because you need to have a say. With the system right now, our leaders listen to us more and we have directors who narrow down to our level and then they listen, and eventually they are take some of our views and put in little changes* (Packaging Manager 6)

The Packaging Manager 4 amongst all the other workers interviewed echoed that they can now ‘call out’ issues or behaviours that are not acceptable in the workplace. Generally, interviewees commented on performance improvements with issues of overproduction or waste removed as the JIT system allowed for the completion of the communication loop, that of top-down to bottom-up and better communication across the functional areas of production and marketing. For example:

*We had the same staff and the same equipment but just by changing how we manage our system we had a different result. By having structured meetings and having walk-about that focused on coaching. We get to ask a lot of questions and in those conversations the real issues come out.* (Demand Planner 12)

\textsuperscript{109} Although as in literature management, not workers controlled the process (Babson, 1993)
6.3.2 DrinkCorp – The Issue of Work Intensification

The production process of JIT which increased work intensification at DrinkCorp, was disconnected from the language and rhetoric of CSR. This is because in the drive to eradicate waste in the production process, in the form of surplus workers or excessive equipment capacity, workers at DrinkCorp suffered from work intensification resulting from reduced staffing levels. Post-merger in 2010, DrinkCorp made in excess of 500 workers redundant, whilst substantially downgrading standard employment contracts and pursuing numerical flexibility through the use of agencies that supplied temporary and part-time workers. The net effect of halving its workforce and utilising agency workers left surviving workers facing enormous pressures to rationalise the production line and to train agency staffs, increasing workloads and responsibility. Secondly, the full rollout of the JIT programme led to extreme intensification of work. This is because pressures put on workers on the shop floor and those in supervisory roles to continually identify areas of improvement, meant that workers were tasked in the intensification of their own labour. For example the innovation of shift working that allowed for a 24 hour operation was suggested by workers at the supervisory level. This had a marked impact on workers at DrinkCorp:

*We don’t get enough rest because sleeping at night and sleeping during the day is a completely different thing... Night is meant for sleep. So at least if you work night two or three days and then you go off. But sometimes you work Monday to Saturday night then on Sunday you go for afternoon shift. So sometimes you just get to the house, you bath and then you come back again.* (Operator 10)

Moreover, on the point of extreme intensification, workers were further involved in the intensification of their own labour through the monitoring of their output quality and those of their fellow colleagues at DrinkCorp (Marks and Chillas, 2014; Stephenson, 1996). This is because each working unit on shift, had group production and quality targets, with collective responsibility placed on its members for the attainment of such targets. This allowed for extreme work intensification to occur when late illness of a unit member was reported and no cover was found,
especially during night working when other members stepped in to cover for the
duration of the absence (Sewell and Wilkinson, 1992). As highlighted by the
Packaging Manager 5 earlier, the system created ‘a culture where accountability
starts from the shop floor all the way up’ a culture initially non-existent at
DrinkCorp, driving shop floor workers to tirelessly work towards set KPIs.

6.3.3 DrinkCorp – The Framework of Occupational Health and Safety

DrinkCorp’s CSR commitments to the UN’s Guiding Principles on Business and
Human Rights and the observance of the labour law in Ghana means that it also
observes it in the area of occupational health and Safety (OHS). The Labour Act 651
makes it obligatory for all employers to ‘ensure that every worker employed in
Ghana works under satisfactory, safe and healthy conditions’ (Labour Act, 2003 Act
651, Article 118(1)). However it was found that OHS was disconnected from the
language and rhetoric of CSR. This is exemplified below:

*The place we work in is very hot, there are heat extractors but they are not
sufficient. Our machines generate a lot of heat, when the line is running the
place is very hot.* (Operator 10)

*When we used to use three lines, the heat generated from those lines was so
hot that even one couldn’t withstand it with boxer-shorts. It was really hot.*
(Operator 11)

DrinkCorp’s workforce was segmented into two categories, the production
and non-production staff. The latter worked standard days of 8:30 – 5pm, Monday
to Friday and the former worked a shift system, that of morning, afternoon and
evening; 6am - 2pm, 2pm - 10pm, and 10pm – 6am respectively. Shift working at
DrinkCorp was a new development, and literature has found that shift working has
a negative impact on the health and well-being of workers, in light of possible
impacts on their personal and social life (Agyemang et al., 2014). For example,
unsocial hours potentially have adverse effects on family responsibilities and leisure
activities, whilst prolonged shift work especially that of night shift work could be
damaging to mental health (Young and Ogden, 2008 cited in, Agyemang et al.,
Causations were tied to tiredness resulting from a lack of adequate sleep due to alternating work schedule, one cited by the Operator below and its associated risks of harm.

We are running on a shift system, we work six days night shift, Monday to Saturday nights and there is no compensation or remuneration for that, this is very stressful for us. We don’t get enough rest; night should be designated for sleep. (Operator 10)

In addition to concerns of ‘in work’ safety, shift work presented challenges of ‘out of work’ safety. This is because, workers closing late at night faced disproportionate risks of crimes like robbery, and rape; ‘there are risks attached to working the shift system, where workers have to leave home very early to get in or close at odd times where they risk being robbed’\(^{110}\). This issue was gendered, having a disproportionate impact on women (Amuzu et al., 2010). Remarks from Packaging Manager 5 and the Demand Planner 12 below identified this issue:

So you run shift if you are in supply [production or operations department], so if you a woman [in supply] you work, close around 11pm and [will] have to go home alone... For people who come for late shifts, when you close at 10 and 11 there should be a company car that either takes you home or that takes you to the guest house (Packaging Manager 5)

Currently I work 8am – 5pm. [When I used to work shifts] at that time I didn’t have a car. So I picked cars and sometimes I got lifts from a colleague. With regards to safety it was a big concern. So I joined the [company] bus and had to get down because where I live is very far; with standard traffic 90 minutes to about 2 hours, without traffic 45 minutes. The bus didn’t go all the way to my route so get down somewhere around Lapaz that is busy. It was scary when I got to my junction and had to get down so I found ways around it. I don’t carry a bag at night if I was leaving very late I left my bags behind and sometimes I stayed over. (Demand Planner 12)

In preliminary discussions with some workers such as Maintenance Planner 9 it was touted that as part of its commitment to workers, the company provided transport in the form of ‘a bus for [shop floor workers] and a pool car driver in a pickup [SUV] car that take senior staff straight home’. However, it was found that the buses provided for transporting workers ‘does not take individuals home but rather to vantage points’ (Union Chairman 3). In this developing country context

\(^{110}\) Union Chairman 3
where owning a car is a ‘luxury’ and crime is rife, there is a disconnect in the language and rhetoric of CSR with specific regards to workers well-being.

6.3.4 DrinkCorp – The Impact of Reward and Compensation Programmes

In the area of both financial and non-financial rewards, workers interviewed alluded to substantial variations. On the whole they reported that all staffs enjoyed free staff dinners, are given some crates of drinks on a monthly basis, access to the club house, and transport. On the last point allocation was said to be varied. Essentially, junior staffs, that is, workers predominantly in the production department (mostly those in L7), faced a benefit system that was arbitrarily distributed, because the CA, that governed their relationship with the employer did not explicitly spell it out. Moreover on the monetary aspect of a staff bonus and a thirteenth month bonus schemes, interviewees cited that it disproportionately rewarded employees across the departmental divides and those higher up the hierarchy as it was calculated on the basic wage of employees. With regards to the monthly pay, workers at DrinkCorp enjoyed wages above the legal minimum of GHS 193.60111; however, in comparison to peers at other FMCG companies, workers were substantially paid less. Comparisons with Kasapreko was always made by interviewees in an effort to show the huge disparity but to some extent to demonstrate that a MNE of DrinkCorp’s standing should be leading the way in remuneration: ‘Kasapreko is far ahead of this place. In terms of pay they pay around 2000 getting to 3000 GHS for my role whilst, here I get paid 1,300 GHS per month’ (Operator 10).

Significantly, in the area of premiums for working unsocial hours, whilst the labour law does not identify night work, ILO convention 171 does recognise it as "all work which is performed during a period of not less than seven consecutive hours, including the interval from midnight to 5 a.m.". In the UK where DrinkCorp is headquartered, the ‘night period’ is 11pm to 6 am, with staff who regularly work at

111 Substantially less than living wages calculated at around 665 GHS for single adults and around 1720 GHS for typical families (Wage Indicator, 2018)
least 3 hours during the ‘night period’ classified as night workers. In recognition of
the fact that night work could potentially adversely impact the health of workers\textsuperscript{112},
the aforementioned ILO convention requires that workplace measures are put in
place, with consideration made for night premiums. Invariably, in the ideal sense,
to match up with DrinkCorp’s CSR commitments made ‘to do the right thing’ as
shop floor workers referred as ‘junior staffs’ had expectations of premiums being applied:

\begin{quote}
There are inconveniences; the junior staffs are running three shifts, morning,
afternoon and night with the operation being 24/7. You [DrinkCorp] have
inconvenienced staffs, so inconvenience allowances must be created. We are
told it is consolidated in our salaries, normally, we should be working
Monday to Friday, 8am to 5pm ideally [so] an inconvenience allowance must
be created to cater for this. (Union Chairman 3)
\end{quote}

6.4 DrinkCorp - The New Production System and Freedom of
Association

The JIT production system, which is organised around holding minimum inventories
and stocks as well as encouraging behaviours of product ownership amongst work
teams, pursues the ideal of producing instantaneously with impeccable quality and
minimum waste (Oliver and Wilkinson, 1989). This is inclusive of measures such as
inspection and routine maintenance checks, as well as flexible working practices
(\textit{ibid}). Workers at DrinkCorp freely admitted to the success of this system in raising
the quality of drinks, cutting production costs and contributing to growing revenues
post-merger. Potentially important to this success lay in the synchronisation of HR
strategies within this manufacturing setup, for example, through its use of practices
that encouraged commitment and flexibility; some job security and company
welfareism (\textit{ibid}: Delbridge et al, 1992).

\textsuperscript{112} ILO (2001) - there is a human cost to working at night, with effects on health, social and the
family life of workers recorded. Shift work especially has detrimental effects on the body clock and it
disrupts the sleep/wake cycle which could amount to diminished alertness, chronic fatigue,
excessive sleepiness, this is amongst other effects of gastric and cardiovascular diseases.
Literature on the JIT production system describes it as system culpable of extreme work intensification, and one that thrives on Greenfield sites as opposed to Brownfield sites. This was exemplified in cases where leading Japanese manufacturers (the proponents of this system) investing in Britain during the 80s chose to setup operations in Greenfield sites, that is those, without established union organisations (Delbridge et al., 1992). This is because they provided conditions where management was unlikely to face adversarial labour relations, problems with restrictive practices and resistance to change, evident in workplaces with established practices and vested interests (brownfield sites). In this case, DrinkCorp’s introduction of the JIT system implemented post-merger on a brownfield site, a site with an established union organisation (ICU of the TUC), opened it up to possible union resistance (ibid). However, in exercising the third of the three industrial relations options of; firstly accepting unionisation in its usual (multi-union) form; avoiding it altogether; or to accept unionisation but to utilise strategies to neutralise those consequences which, from a managerial perspective are negative, DrinkCorp successfully implemented JIT (Oliver and Wilkinson, 1989).

To neutralise the consequences of a trade union presence, that of the reluctance to adapt and stop the exercise of industrial action, DrinkCorp adopted tough managerial practices to limit the growth of the union within the firm, and also misinformed workers on their rights; these were echoed by the quotes from the Packaging Manager 7, and the Demand Planner 12 below:

Currently we have a junior union staffs union but the senior staffs, was broken up. (Packaging Manager 7)

I don’t think we can form a union, I think it was in the terms of the agreement that clearly stated that Senior Staff cannot be part of it. (Demand Planner 12)

DrinkCorp professes to promote and uphold the UN Guiding Principles on Business and Human Rights and communicates this well in its CoC, however a majority of the interviewees felt that fundamentally the firm did not believe in freedom of association, as it restricted the activity of the union (ICU). For

---

113 A union ever present in its supply-side operations or within its production department in formerly a state enterprise (pre-SAP)
example Operator 10 noted that ‘unions do not get the freedom to operate here’, referring specifically to their marginalisation in their role of channelling worker grievances and in their negotiations with management on working conditions, management made no effort to see them as partners and remained unilateral in their outlook; what they want is what they will do; they don’t meet us half way (Operator 10). In furtherance the Packaging Manager 7, highlighted that allowing unionisation was not high on the managerial agenda as several failed attempts to institute a senior staff association proved it, alleging that DrinkCorp fell short of upholding its commitment but also that of the labour law.

During the merger there was a senior staff association however because DrinkCorp was the majority shareholder in the merger and did not have such an association in its operations, it did not want it. DrinkCorp in fact does not want senior staff associations in its business…For example just after the merger there was a trial to insert one where the trade union congress even got involved, and four years ago there was another trial. (Packaging Manager 7)

These breaches were evident in managerial practices that saw the removal of key instigators calling for the unionisation of ‘senior staffs’ in the aftermath of the merger, a strategy situated in the noted practice of MNEs targeting and threatening union leadership at the firm level to undermine their collective efforts after mergers in Ghana (Ayentimi et al., 2019).

I was the vice president for PMSU… we started the process and the MOU for establishing the union … As it stands now we have a junior staff union, however efforts for a senior staff union have collapsed. What was done was that they saw us becoming vibrant and when we got to the level of attaining a bargaining certificate [for members in L6, senior staffs], the day before we attained the certificate, I was promoted, so by promotion I didn’t fall into the category where I could push for union issues again. They promoted some of us and those they thought they couldn’t promote they made them redundant through restructuring. Moreover, after I was promoted, the few members left, three in total were tactically gagged by being given an ultimatum to disassociate themselves from the PMSU in order to enjoy company-wide salary increments. (Packaging Manager 7)

DrinkCorp’s management relied heavily on outsourced labour, keeping a relatively small number of permanent workers, for example out of every 30 workers on a shift, five were permanent whilst the rest were sourced from outsourcing firms,
l’aine and Amaglo, moreover they employed HR Business Partners that were highly selective in their hiring practices and encouraged direct communications with workers. Through these measures, the firm continued to threaten the union leaders with redundancy. For example Maintenance Planner 9 spoke of HRM strategy displacing unions:

"I don’t think there should be a senior staff union in this company. The company has a legal department and HR responsible for the staff...To me I feel that since I have been here I have never heard of any senior staff complain. Fine, they might joke around it but there has not been any serious incident, because there is a process it is called a work day. When you have issues you can go to Speak Up [anonymous reporting]. Whilst work day, specifically tracks workers, the leave days, the salary, your goals etc. [If there is an issue], the HR team takes over and makes sure something is done. So why form a union, it is not necessary. (Maintenance Planner 9)"

Therefore aside from union suppression tactics referred to as ‘corridor tactics’\(^{114}\) by (Ayentimi et al., 2019, p. 2), DrinkCorp also employed a union substitution strategy\(^{115}\), through the use of HR business partners, who developed positive HR practices such as individual employee voice and involvement mechanisms which worked to reduce unionization (Fiorito, 2001). Workers now had ‘voice’ channels to top management and with ‘Gemba walk’ from the JIT program in this case coined the ‘walk about’, workers felt that their grievances were being listened to DrinkCorp effectively sought to use HR as a conduit, and a long term tool to fracture the traditional negotiating frameworks at the workplace. The quote above further illustrated this employer opposition to unions as it worked on changing the minds of its workers on the need for unions; ‘paying dues and attending lots of meetings’\(^{116}\), and positing HR business partners as effective tools in representing worker interests. The Packaging Manager 5 (below) added that this was a contributory factor to the break-up of the senior staff association;

“When I joined the business, I heard there was a union for senior staffs, I wanted to find out when they meet etc., but I was told that the union is not

\(^{114}\) Referring to the adoption of informal methods directed at employees and union leaders as ways of suppressing union bargaining power. Encompassing measures such as intimidation, victimisation, bribery and collusion of union or public officials (Ayentimi et al., 2019)

\(^{115}\) Systematically deploying the ‘fear stuff’ and the ‘sweet stuff’ in an effort to stop unionisation (Gall, 2001 cited in Dundon, 2002, p. 239)

\(^{116}\) Maintenance Planner 9
working. People were saying management had a role to play in breaking it up, by forming focus groups. This was done to relay concerns people in the L6 and L5 had, not just issues but also ideas to grow the business (Packaging Manager 5)

6.5 DrinkCorp - Union Response to Employment Practices and Outcomes

The local union at DrinkCorp, an affiliate to the ICU and the wider GTUC labour movement, as discussed above, operates in an enterprise where there is a certain degree of hostility towards collectivism or worker groups coalescing to protect their interests. Although this local union maintains its collective agreement (CA) it first secured with DrinkCorp in the late 90s, one referred to as a ‘constitution’ and a ‘bible’ by the Union Chairman 3, its relationship with management has drastically changed in recent decades. This is in light of falling membership due to job losses and the wider ramifications of the Labour Act of 2003 in breaking up the power of the GTUC. The Operator 11 and Union Secretary 2, in the quotes below coined the current position of the union vis-à-vis its power capacity, with managerial prerogative in ascendency;

[We] are not a radical trade union [we are] collaborative for now. This is because of the way and manner, the system has been redesigned with the threat of the third parties taking over. The labour Act of 2003 has [also] played a part in stifling the voice of trade unions. (Union Secretary 2)

They are our parents we have to agree with them when they state their negotiation position and cite that increments cannot be made due to financial reasons. If you disagree with your parents, sometimes it’s very disastrous. (Operator 11)

The subsection on the deficiencies in legal framework in the chapter on the state aligns with the comments made by the Union Secretary 2; as Act 651 has substantially subdued strike action, and encouraged managerial prerogative. Thus it is notwithstanding that the Operator 11 a unionised worker showed a degree of fear of management, a fear well founded in light of the fact that union leaders have faced dismissal when seeking more concessions from management;
Recently a secretary of the union locked horns with executives due to some issues in terms of the union, and suffered the treatment of being haggled and side-lined by management, as such he decided to resign; In effect, he was constructively dismissed, not fired outright. (Operator 8)

6.5.1 DrinkCorp - Selected Union Responses

The response from the union at DrinkCorp to managerial attitudes has been a muted one. This is in part due to the firm’s extensive use of outsourced labour and the threats it has on permanent workers. This is put plainly by the Union Secretary 2 below:

*For me as the union secretary, in my branch, Nkase we make sure workers do as management says, gone are the days of strikes [because] if we should go on strike right now they will replace us. If you go on strike now anywhere in Ghana, they will replace you because the third parties [employment agencies] are ready to do that and management is also ready to do that.* (Union Secretary 2)

The Union Secretary 2, spoke of the problem of employment agencies providing staff to companies like DrinkCorp and others in the country, attributing the problem to Act 651 and the enforcement agencies in allowing for the easy creation of these entities and the lack of oversight by the labour department and NLC in seeing to the stipulation that ‘a temporary worker who is employed by the same employer for a continuous period of six months and more shall be treated under this part as a permanent worker’ (Act 651, Section 75 (1)). Thus, allowing for prevalence of cases where ‘someone who has worked in [DrinkCorp] for more than 13 years is still a casual, should anything happen they will just ask him to go’ (Union Secretary 2), a prominent feature of labour management also identified by Akorsu and Cooke (2011) as clear violations of the law.

Nonetheless, in spite of the effects of the extensive use of outsourced labour in weakening the strength of the local union, worker resistance and conflict remains an enduring and endemic feature of the workplace as the union and the wider movement despite its weakened state, continues to respond to these challenges. For example through activities such as enhancing membership relations...
with May Day parades and regular union meetings to build internal union cohesion and solidarity: *workers Labour Day in Ghana which is every 1st of May, it is declared as a holiday and all employees gather for a celebration* (Union Secretary 1). It also responds, by attempting to tackle the critical issues, for example, about three years ago the local union at DrinkCorp tried to abolish the practice of the use of outsourced labour altogether ‘we wanted to sign a memorandum to get them to abolish this system but it did not work’ (Union Secretary 2). Moreover, in response to the extensive use of these third party firms, the local union also put efforts towards unionising those workers. Operator 8 highlights this below:

*There is currently no link with the trade union for contract workers. No [connection] because when I was a contract worker, I remember there was an issue with salary and we had in mind to form a union to fight... [At the time, 2002] we were roughly 300, so we decided to form a union and fight. So we delegated some people to be leaders and they went to the mother union [ICU]. They gave us guidelines to follow... in the end, I will say that after our actions [to unionise], out of the people who were present at the time of that action, currently this year, I am the only person left in the business. About five [of the key instigators] were dismissed, for the reason that we were forming the union against the policy of the business. (Operator 8)*

The Operator 8 above, referred to their efforts for recognition being unsuccessful. It was highlighted that DrinkCorp instructed the agency to break up the recognition attempt by dismissing key agitators. Moreover this example of union suppression was acknowledged as part of a wider practice by companies in the FMCG sector. Union Secretary 2 spoke of a ‘time Coca Cola casuals wanted to do that [unionise] and they dissolved [the contracts of] all those casuals’, a tactic that allowed them to re-employ those workers that were prepared to be compliant. Nonetheless, despite unsuccessful efforts to expand unionisation, the union recognised the significant power the JIT system afforded it, with regards the absence of stocks. The union identified this choke point of the system being acutely vulnerable to any form of disruption (such as high labour turnover, absence or strike action). An example of this is that of the Ford strike in the UK early part of 1988 (Delbridge et al., 1992), where workers identified choke points and pushed till they had considerable concessions. This power was identified by Union Chairman 3:
If you strike, management takes you seriously. We went on strike once and they listened to us and that is working. [However] we are also looking at the losses'. If we don’t produce for a day, [it amounts to] 3000 hectolitres of beer... [It] is not a joke. If one pallet is around 98 crates, thousand hectolitres is 80 pallets... The effect of strike is very significant. Striking should be a last resort. (Union Chairman 3)

The strike action the Union Chairman 3 referred to above was one over increased pay for workers coming in to work over the Christmas period in 2013. Workers in production department demanded increased rates for working over the festive season (public holidays) and also on the basis of parity where other colleagues were given the time off. However, management were not prepared to compensate workers until workers embarked on strike action which resulted in the signing of an MOU increasing rates. Another example of a successful stand against management’s unilateral actions was where the union leveraged on the agreed terms in their CA with DrinkCorp in pushing for the reinstatement or compensation for a worker who was sacked after being put on a performance improvement plan (PIP)\textsuperscript{117}. In collaboration with its mother union, the ICU, the case was forwarded to the NLC\textsuperscript{118}, where it ruled that PIP was a development outside the CA signed by the local union so as such, it could not be used as part of a dismissal process. The outcome was that the aggrieved worker was compensated; this serves as an example of the union leveraging on its CA and state machinery to successfully act on behalf of its member.

6.6 DrinkCorp – Summary

This case on DrinkCorp effectively examined research questions: RQ2 - In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?, RQ3 - Is freedom of association observed and acted upon in practice in the cases study MNEs? and RQ4 - In what way has the labour movement in Ghana...

\textsuperscript{117} PIP, a programme targeted at bringing workers from a state of underperformance to suitable state of performance through target setting over six months, with the applied threat of given the ‘exit’. (Union Chairman 3)

\textsuperscript{118} Local union executives were well educated by the ICU on the Labour Act (Union Secretary 2).
responded to the HRM and employee relations practices of the case study firms?, providing a view of an MNE professing to take CSR seriously with a CoC that highlights commitments to CLS. Substantially, the case paints the rhetoric and gives us the reality of employment outcomes at this workplace; one where workers are under the threat of dismissal and face degrading working conditions (perhaps if its EFA, was widened to a TCA covering operations in Africa, outcomes might have been different). The employer here had in place a union suppression and substitution strategy, the ‘fear stuff’ and the ‘sweet stuff’, stemming from its inherent opposition to unions (Gall, 2001 cited in Dundon, 2002, p. 239). This was quintessentially exemplified by the firing of unionised members. In this case unions have sought to respond by focusing on recruitment activities of employees and agency workers, and leveraging on its CA and that of state machinery to prevent further managerial encroachment on employment rights and conditions. The next case on SecuriCorp also attempts to answer the same research questions, an MNE within the same country context and market leadership position, although operating in a different industry. Crucially it provides us with CSR context that is different; one where a firm has a TCA a variant of CSR that promises better employment outcomes (Schömann et al., 2008). Effectively literature places these types of agreements as exemplars to some extent but this analysis unpicks the contradictions, tensions and problems with local implementation where the organisation allows a particular type of ‘freedom of association’, one in favour of essentially a business unionism approach.

6.7 Company Background - SecuriCorp and CSR

SecuriCorp is a British MNE operating in security services since its creation in 2004. It leads in the security sector by share and revenues, and has operations in over 110 countries, conducting operations through three divisions: secure solutions\(^{119}\), care...
and justice services\textsuperscript{120} and cash solutions\textsuperscript{121} to a diverse range of customers across six continents with over 610,000 employees. SecuriCorp could be described as an ‘ethnocentric’ or ‘global’ MNE (see Chapter 2 subsection 2.3.1 for an extensive explanation). It is the largest private employer in Africa, employing over 119,000 employees across 29 countries and the continent contributed in excess of £457 million to the group turnover of £7.4 billion in 2017. SecuriCorp entered the Ghanaian market in 2006 through the takeover of a large domestic security company. It has significant market leadership and employs around 6,235 people.

SecuriCorp has been one marred in controversy surrounding violations of labour standards across its operations. For example, UNI Global (a global trade union federation) historically complained of its practice of refusing trade union recognition in its Kenyan operations, where it refused to recognise the Kenya Guards and Allied Workers’ (KEGAWU) Union\textsuperscript{122}, in Uganda and in the Democratic Republic of Congo where it repeatedly refused to meet with the SYTHAC\textsuperscript{123}, after workers expressed interest in joining it. These violations were in spite of prevailing constitutional rights of association and also in breach of SecuriCorp’s ‘Business Ethics Policy’ and ‘Ethics Code’ which had a substantial section that tackled its commitments to CLS.

Significantly, SecuriCorp now possesses a TCA; one signed in 2008 following a global union campaign that commenced in 2006. This campaign proceeded from dispute in Indonesia where it refused to negotiate with a union and committed acts of anti-union discrimination and harassment, when lawful strike action was called in April 2005 by ASPEK Indonesia an affiliate of UNI Global; involving 600 workers. Leveraging on the power resource of the ILO Freedom of Association Committee, UNI Global communicated that SecuriCorp intimidated supporters of the strike by preventing its president from entering its premises, dismissing 238 union members

\textsuperscript{120} Specialised facility management and monitoring services to government agencies; prisoner escorting, tagging and monitoring systems, asylum services, and front or back office support functions for police

\textsuperscript{121} Armoured cash transportation, counterfeit detection, cash redistribution to banks and ATMs

\textsuperscript{122} Now known as Kenya National Private Security Workers Union (KNPSWU) as of July 2007

\textsuperscript{123} Syndicat National des Travailleurs de l’Hôtellerie, Alimentation, Commerce, Industries Diverses et des Secteurs Inter-Professionnel Socio-Economiques – the Union of Workers in the hotel, trade and security industry
and intimidating union members by calling their families and threatening civil lawsuits. This was in addition to other illegal acts of withholding workers’ pay, causing controversy that attracted critical media coverage in the UK, and mass demonstrations outside the British embassy in Jakarta. Seizing on the furore, UNI built a global campaign that forced SecuriCorp into signing a TCA. A campaign which drew on coalitional power\(^{124}\), with UNI Global affiliates, the U.S Service Employee International Union (SEIU) and the British General, Municipal, Boilermakers and Allied Trade Union (GMB) acting as critical constituents, in the case of the latter acting a ‘go between’ (McCallum, 2013 p.94). SEIU in collaboration with UNI were able to find leverage against SecuriCorp in terms of linking labour rights as human rights and showing substantial investors’ interest in the global north of SecuriCorp’s behaviour in the global south, and subsequently forcing it to sign an ‘Ethical Employment Partnership’, its TCA, with SEIU benefitting immediately from a complementary voluntary recognition agreement that bypassed strict U.S federal labour law around mixed or international unions (See McCallum, 2013, p.85 - 98).

In theory, by signing a TCA, the first of such an agreement between a British MNE and a global union federation, in 2008, SecuriCorp attempted to demonstrate good CSR credentials. The TCA directly references CLS and promises those rights to workers across its operations. It committed to ‘communicate to employees that they are entitled to a free choice over whether or not to join and become an active union’; to encourage ‘specific access arrangements for local unions to explain the benefits of joining and supporting the union’; to recognise ‘representative and legitimate unions’ and for both parties (SecuriCorp and UNI) to work with national affiliates and managers to enable good employer-employee relations where the freedom of association is exercised in a non-confrontational environment avoiding misunderstanding and minimising conflict. It is notable that SecuriCorp placed emphasis on developing constructive social dialogue in order to: ‘help avoid

\(^{124}\) See Brookes (2013) ‘coalitional power’ – expanding the scope of conflict by involving non labour actors
disruption to customer service or damage the reputation of [SecuriCorp]’ (SecuriCorp TCA, 2008).

The company further agreed to respect the OECD Guidelines for Multinational Enterprises, and other employment related matters. For example, in a section on employment standards, SecuriCorp committed to observing at least the ‘legal minimum standards set out in each country’ across its operations and stated that ‘over time’ the parties to the agreement will ‘wish to drive up terms and conditions for [SecuriCorp] employees’. This aspect of compliance to local laws and the desire to do better in the agreement, also, led to a commitment that ‘negotiated terms and conditions should provide at least a living wage while securing a work life balance for employees’. However, within the agreement, SecuriCorp effectively put in stipulations that could possibly lead to the subordination of CLS to local conditions in scenarios of intense competition which threatens its profitability and market leadership; in for example, markets where it is being undercut by its competitors that do not subscribe to such principles.

Significantly, SecuriCorp’s motivation for adopting CSR, focusing in on the labour component its TCA, is primarily based on the business case for CSR: that is, the long-term survival of a company, especially one that is in a highly competitive market, rests on the fair treatment of its workers (Fleming and Jones, 2013). Nonetheless, a sufficient argument can be made that SecuriCorp’s move towards this particular variant of CSR was in part due to the controversies and the global campaign highlighted earlier. Therefore, risk management was high on the agenda to mitigate against the risks of litigation, reputational damage and the loss of contracts. This is not withstanding its other efforts manage risk, in terms of citing commitments to the Voluntary Principles on Security and Human Rights in its ‘Business Ethics Policy’ as a response to other controversies on corporate human abuses. For example it has had controversies surrounding its record in running immigration detention, deportation and escort services in the UK\textsuperscript{125}. In the subsidiary in Ghana, 9 out of the 12 workers interviewed linked the motivation for

\textsuperscript{125} Although not limited to the UK, for example SecuriCorp runs controversial facilities such as the offshore asylum processing centre on Manus Island in Papua New Guinea
adopter CSR to profitability, with key phrases being that of ‘showing appreciation’\textsuperscript{126} to the needy, or to ‘repay the community’\textsuperscript{127} which in the long run affects business performance with the remaining three tying it firmly to a philanthropic exercise encouraged by the group, and operationalised in Ghana, in part, to gain legitimacy or the social licence to operate.

6.7 SecuriCorp - Implementation of CSR

SecuriCorp’s ‘Business Ethics Policy’ sets out that all its ethical business standards detailed in the document applied to all its businesses across the globe. It locates the role of senior managers as key to the diffusion and implementation of its code, policies and standards to workers; requiring their signature confirming compliance on an annual basis. With specific regards to implementation, the policy is widely diffused on SecuriCorp’s global intranet and corporate website, whilst all new staffs receive a copy as part of their employment contracts and existing staff are prompted with internal communication channels. The subsidiary is only subjected to internal audits, avoiding the scrutiny and possibly critical examination by external stakeholders. The TCA agreed in 2008 dealt with some implementation issues normally found in unilateral CoCs for example ensuring that managers supported the rights set out and communicated them to employees notwithstanding that the agreement also provided that all parties, SecuriCorp and UNI Global ‘jointly commit to publicise the agreement through the union membership and corporate structure respectively’. Secondly, it made provisions for a dispute resolution mechanism around the interpretation and application of the TCA, a typical industrial relations procedure, where initially disputes are addressed at a local level, working up to formal Review Meetings held twice a year or at Extraordinary Review Meetings and to a ‘neutral arbiter to find a mediated solution’ when necessary. Thirdly, the TCA made provision for a bi-annual meeting between

\textsuperscript{126} Senior Sales Executive 13
\textsuperscript{127} Account Manager 15
the parties to consider progress under the agreement under the aegis of the Review Meetings.

Workers in the subsidiary reported that at the point of entry all staff, were given training on SecuriCorp’s ‘Business Ethics Policy’ with varying emphasis placed on subject areas of bribery and corruption and that of health and safety on annual refresher training. As the Operations Clerk 17 put it ‘you strictly have to avoid bribery and corruption’, and also further acknowledging that the code of conduct is;

Reviewed periodically to suit evolving times, [currently] the emphasis has gone to safety, well of course, just like any other company we’ve had our fair share of issues with safety. I’m sure it’s got to do with the nature of our work; providing security services for people. If we put our employees in harm’s way, then what we have set out to do virtually collapses. (Operations Clerk 17)

It is important to note that the language of the ‘Business Ethics Policy’ was localised, especially in light of the transposing of bribery to lexicons used by organisational members in the subsidiary; ‘so I am not supposed to take appreciation from a customer for delivering a service’ (Accounts Manager 15). Admittedly, CSR audits were an appendage of group audits carried out by the group’s risk and compliance team. Significantly, despite the fact that SecuriCorp’s ‘Ethical Employment Partnership’ was one of the first TCA in the private security sector, participants interviewed had limited knowledge of its existence. This was a surprise finding in light of UNI’s reports on its affiliate UPSP leveraging on the agreement to attain a collective bargaining agreement, and better working conditions. Thus, despite being a feat of ‘conflict partnership’ (Fichter and Mccallum, 2015, p. S66), at the local level in Ghana, the implementation of the TCA was indicative of one borne out of a ‘social partnership approach’ (ibid). Locally in terms of implementation, the TCA displayed considerable failings in terms of information and consultation practices, training related to the TCA’s content and the utility of the TCA in challenging local employment practices or reporting abuses of standards (Sydow et al., 2014). Information on the TCA was only found on UNI’s website, while at SecuriCorp’s webpage the TCA was not specifically referenced as

---

128 Where unions involve other actors, utilising campaigning and mobilising strategies to put pressure on anti-union managements to bargain
it was over time replaced by the ‘Business Ethics Policy’, arguably a basic CSR statement (ibid).

6.8 SecuriCorp - CSR and the Work Organisation

The TCA at SecuriCorp and the effective communication of its CSR initiatives had a substantial impact on its external image. At its country of origin, the UK, SecuriCorp was selected as a constituent company of the FTSE4Good Index\textsuperscript{129} in 2017 and 2018, recognising its commitment to social responsibility and sustainable business practices. In Africa, SecuriCorp achieved top employer status from 2011 to 2016 by the Top Employers Institute\textsuperscript{130}. Whilst in Ghana, SecuriCorp it is part of the list of ‘Top 100 Employers’\textsuperscript{131} since 2012: as ‘labour practice is recognised as something that the industry and the people value much, and it gives the company a lot of credence’\textsuperscript{132}. The aforementioned awards are plaudits that provide initial perceptions of positive impacts of CSR, nonetheless, the subsequent sections below in looking at the production process in depth, reveal the true impact of CSR at the subsidiary.

6.8.1 SecuriCorp – The Issue of Work Intensification

SecuriCorp set out in its TCA that its terms and conditions of employment across the jurisdictions it operates in, will be at the very least be in congruence with the legal minimums set in those countries. However despite making these commitments for example on those relating to working time (legal maximum of 40 hours per week) and annual leave and holidays (legal minimum of 15 days paid), in Ghana workers interviewed spoke of experiences of work intensification. Excessive

\textsuperscript{129} A socially responsible investment (SRI) indicator developed by the FTSE Russell, part of the London Stock Exchange Group.

\textsuperscript{130} A global certification company recognising excellence in working conditions

\textsuperscript{131} A compilation initiated by the Ghana Investment Promotion Centre (GIPC) in 1998

\textsuperscript{132} Efficiency Manager 18
hours of work and the prevalence of non-access to annual leave were the experiences endured by workers, manifesting in the feature of the growing number of workers being absent without leave (AWOL). It was unearthed that most frontline workers (guards) worked long 12 hour shifts for 6 days a week, with a select few especially those in the extractive industry, that faced better working conditions at the insistence of SecuriCorp’s clients.\textsuperscript{133}

It was also suggested that in recent times the category of workers facing work intensification has broadened to capture office based staff. Stipulated working hours of 8am to 5pm has now been unofficially broadened to anytime between 7am and 9pm 5 days a week to cope with increasing workload emanating from staff shortages and as a cost-cutting reaction to growing competition in the market. However, other workers like the Senior Trainer 20 in operations have experienced a widening of their working week:

\textit{Apart from Sundays, I work up to Saturday. Initially, we didn’t come to work on Saturdays. But because of our new training schedule [proposed by new MD], we have to give them 10-hour refresher training… We’re supposed to cover a certain number of topics within a period for the guards to be competent. So we come to the training centre latest by 6 in the morning, we assemble ourselves at the parade grounds and then we also close by 5pm. (Senior Trainer 20)}

On the whole, there seems to be little respite for guards. This is because they typically find it difficult accessing annual leave. Guards have annual leave of up to 21 working days depending on their years of service however, with a cost minimisation strategy in place to improve profitability, ‘contracts’ are typically understaffed. The subsequent effect is that guards usually find it difficult to take their required leave, as operational team managers do not regularly approve leave requests as they face competing pressures of finding cover. Notably, wage pressures which will be discussed later on, also serve as pressures keeping workers at work, because taking annual leave means that workers are paid basic pay without allowances (such as the typical overtime of 4 hours). Thus, the usual outcome is that workers stay in work and give out their annual leave in exchange

\textsuperscript{133} Efficiency Manager 18, in the mining this is possibly linked to the bargaining outcomes of the GMWU in uplifting working conditions.

187
for amounts of less than GHS 10 per leave day or in the case of being denied leave, a growing number go absent without official leave (AWOL) risking unemployment. According to the Senior Trainer 20 the CA is clear on this:

_The CA has made it clear that if you miss work 5 days without permission, you are on AWOL (absence without official leave), it means automatically that you are on the way to losing the job. Some guards know this but they intentionally stay in the house for 5 days and come to work on the 6th day. So that has been a major issue on the ground._ (Senior Trainer 20)

Absence, AWOL on three occasions is said to also lead to a dismissal[^134], an unfair state of affairs given problems of working hours and the difficulty in taking annual leave. Notwithstanding other reported lapses in the treatment of guards where; _there are instances where we receive certain complaints from guard being marked absent when it was their off day_[^135] and in cases where guards could not meet the threshold required to be on sick leave, i.e. does not have an ‘excuse duty’[^136] (medical certificate) and does not give at least two hours’ notice. Substantial thresholds to guards in view of the fact that medical certificates to the standards required by SecuriCorp cost over a day’s pay.

6.8.2 SecuriCorp – The Framework of Occupational Health and Safety

SecuriCorp’s position on occupational safety and health, and the important issue of fair monetary rewards from hard work done, is made quite clear in its ‘Business Ethics Policy’ and reiterated in its annual reports. This is exemplified below:

_We expect all colleagues to uphold [SecuriCorp] values in whatever role they play. In return, our commitment is to provide meaningful work, fair reward and the opportunity to develop. Our employees often work in inherently hazardous environments and we equip and train our employees to ensure they are as safe as possible._ (SecuriCorp Integrated Report, 2017)

[^134]: Efficiency Manger 18
[^135]: Senior Trainer 20
[^136]: An excuse duty is a document from a doctor that says you were not well and so you needed two days to rest and stay at home (Efficiency Manager 18), effectively a doctor’s note.
At a cursory glance, SecuriCorp in its edicts, places a high priority on the health and safety of its workers\textsuperscript{137}, moreover the company has sought to work in accordance with the internationally recognised health and safety management standard OHSAS18001 for which the company was first certified in 2009. To risk manage, it has developed 12 ‘Golden Rules’\textsuperscript{138} of safety as part of its safety management system. Health and safety is included in the group internal audit, with implementation placed in the purview of health and safety managers across each subsidiary: those ‘competent person(s) have been appointed to assist the company in meeting its health and safety obligations’ (SecuriCorp Health and Safety Policy, 2015). Nonetheless, contrary to the edicts by SecuriCorp, the majority of participants interviewed indicated substantial breaches in the health and safety. It was promptly pointed out that the position of health and safety manager at the local subsidiary has been vacant for over six months; ‘we used to have [one]… we’ve not had somebody [to] replace him’\textsuperscript{139}, directly contravening SecuriCorp’s ‘Business Ethics Policy’, and compromising the implementation and monitoring of health and safety. Subsequent breaches in terms of the reactive attitudes of top management to H&S issues were identified, as interviewees spoke of dismissals linked to the non-provision of critical equipment and criticisms received in an audit.

Some officials from head office came around and some people were sacked because of health and safety. Some cars were not in good shape but were being used anyway and I’m sure management was aware but in [SecuriCorp], one thing they do a lot is shift blame. We had a health and safety department with just two people and later we had a health and safety committee which I was a part of. (Administrator 22)

The Administrator 22 above spoke of a managerial attitude towards health and safety that was mainly reactive; one where accountability was missing. The visitors from the head office delivered criticisms on the state of health and safety, with regard to the vehicle fleet and also criticisms of an un-kept canteen which was observed at a health and safety committee meeting, but not acted on. Noticeably,

\textsuperscript{137} For example, recognised with the ‘Swords of Honour’ in 2008: A prestigious award to ‘celebrate and reward those organisations that have reached the pinnacle of health, safety and environmental management’ (British Safety Council, 2018)

\textsuperscript{138} Covering ‘do and don’ts’: never using a phone while driving, wearing personal protective equipment (PPE) etc.

\textsuperscript{139} Operations Manager 21
the past tense was used to denote the presence of a health and safety department, and the subsequent feature of a committee dealing with those issues. Thus, unsurprisingly substantial concerns were expressed about the ambivalence of SecuriCorp to health and safety issues by 10 out of the 12 interviewed. For example in the area of the provision of critical equipment such as personal protective equipment (PPE), workers were usually under-equipped and it was the norm that orders were delayed for two to three months.140

*I know that sometimes they complain about their boots... Payable doesn't really have any power when it comes to payment; the power comes from the top. So if management says the uniforms should be bought in 2 months, payable cannot say otherwise.* (Administrator 22)

Mentioned in the beginning, OHS was explicitly emphasised in SecuriCorp’s Business Ethics Policy as their CSR approach covered priority areas of; OHS, human rights, anti-bribery and corruption. However, as evidenced above, SecuriCorp’s rhetoric of CSR was disconnected from the realities or processes occurring at the workplace. It was in contravention of its own policies but even more importantly it the OHS provisions under the Labour Act of 2003 (section 118 (e)) that specially stipulated the provision of functioning PPEs to workers.

6.8.3 SecuriCorp – The Impact of Reward and Compensation Programmes

SecuriCorp prides itself in paying its workers at least the minimum daily rate, paying the mandatory pension (SSNIT) and agreeing with the union in making a contribution to the voluntary provident fund141 in this case, to only its frontline workers in the landmark collective agreement of 2009. With pay calculated at GHS 1.10 per hour and overtime calculated at GHS 1.20 per hour, guards make an average of GHS 13.60 per day142. With a normal working week of 6 days, guards

---

140 Operations Manager 21
141 A total of 5%: worked out as 2% from the employee’s salary with the employer paying 3%, paid when the employee leaves employment at SecuriCorp (Africa Pay, 2020).
142 On the normal working hours of 12 hours (8hours paid basic and 4 hours overtime)
make at least GHS 81.60 a week and an estimated GHS 326.40 a month\(^{143}\). Effectively, frontline workers were forced to work an extra day, and accumulate overtime in order to take home these meagre figures which equate to around £52 per month\(^{144}\), while working for the biggest employer in Africa with profits of over £380 million worldwide. Notably, with guards’ seniority pay is implemented where there are ‘incremental jumps’ based on the years of service\(^ {145}\) and the pay package is also varied to some degree based on the clients they are working for. For example SecuriCorp offers special contracts with respect to better shift patterns\(^ {146}\) to guards working at mining companies as instructed by those clients and better pay: we have contract[s] with some of the mining companies, there are some special contracts that the client would require we pay a special rate for the guards\(^ {147}\). These special contracts are only for a select few at SecuriCorp, and although managers spoke of being an industry leader\(^ {148}\) in providing an adequate pay package for guards and upholding standards on fair remuneration, breaches noted above were prevalent not just amongst guards but also affected office based staff.

Office based staff worked beyond their stipulated contractual hours of 8am to 5pm, and do not receive any overtime pay, real pay increments or bonuses at year end. The Administrator 22 spoke of an organisation that apparently takes its workers for granted by not giving them bonuses, lying about its profitability and not providing real wage increments that at least match inflation.

I’ve been in SecuriCorp for almost 6 years and I’ve never gotten a bonus. ... The pay rise is 6-9% of your basic in a year... sometimes the money you’ll get as increment will be about 30 GHS for a whole year .... I feel I’m not being appreciated, I see the cash but when you go to ask they’ll say we didn’t make profits. (Administrator 22)

In view of practice above, there was a disconnect with the language and rhetoric of CSR around the vital issue of pay amongst other related issues. For

---

\(^{143}\) If workers strictly worked a 5 day working week with no overtime this would equate to GHS 176, earning well below the legal minimum of 193.60 GHS

\(^{144}\) Substantially less than living wages (Wage Indicator, 2018)

\(^{145}\) Three grades: 2-3, 3-4, 4-5 years of service

\(^{146}\) In contrast to doing a six-day run, guards do a four/three day run

\(^{147}\) Operations Clerk 17

\(^{148}\) Accounts Manager 15
example, the firm proudly boasted of health insurance provision nonetheless, similar to the corporate rhetoric of caring about the welfare of staff, the reality proved very different. This is because the health care scheme equated to individual cover and the cost of a doctors’ consultation of around GHS10-20$^{149}$.

6.9 SecuriCorp - The Ethical Employment Partnership and Freedom of Association

This section examines the third research question that asks whether freedom of association is observed and acted upon in practice in the case study MNEs. In light of this the flagship CSR policy, that of the Ethical Employment Partnership is further examined, with specific regard to freedom of association. In doing this, four features are picked up from the Ethical Employment Partnership. Firstly, it commits SecuriCorp to adhere to the CLS. Secondly, it makes particular reference to freedom of association when it mentions that its’ commitments include ‘the right of its employees to freedom of association and to be members of trade unions, and the right of unions to be recognised for the purposes of collective bargaining’. Thirdly, it provides substantial union rights by encouraging employees to become union affiliated, free from the threat or intimidation of management. Fourthly, the agreement is couched in the language of partnership. In particular terms where UNI and its affiliates, are to take ‘concrete steps to avoid risks of unofficial industrial action by its affiliates and will encourage affiliates to exhaust local dispute resolution procedures before engaging in industrial action’ (TCA, 2008).

At the subsidiary level in Ghana, Union of Private Security Personnel (UPSP), the union that represented guards at SecuriCorp had a variant of ‘informal partnership relationships’$^{150}$ (Oxenbridge and Brown, 2002, p. 264), with its executive team. This variant of partnership had informal relationships that were

$^{149}$ A meagre figure considering treatment normally is in excess of 150 GHS
$^{150}$ An option that possibly delivers on greater union rights than formalised partnership agreements (Oxenbridge and Brown, 2002)
backed up with relatively high levels of workforce unionisation however union rights appeared to be slowly eroded as the employer adopted ‘containing’ strategies akin to companies seeking to avoid unions in the long-term through the use of HRM techniques (ibid). A variant of partnership where the employer hide under its guise to work with a ‘chosen’ union partner, and picked or moulded compliant officials; as the local union Chairman put it:

_The union [UPSP] used management to train me, we went to Austin Gamey’s institute [Gamey and Gamey Academy of mediation], the union proposed to management to take me and five executives for a course at that institute, for us to understand labour issues, so that when we have those issues we don’t behave like other colleagues do._ (Union Chairman 23)

The local chairman above, talks of how union officials were trained and conditioned within this partnership type approach; by the use of the Gamey and Gamey Academy of mediation. This institute was founded by Austin Gamey a former Deputy Minister of Employment and Labour Relations in the Rawlings regime and a past president of the Institute of Human Resource Practitioners, one who fiercely criticises the use of strike action. This possibly demonstrates that SecuriCorp’s subsidiary pursued a policy of co-opting union representatives in order to develop a more compliant form of trade unionism. This policy was strengthened by reciprocity from the union (see Union Chairman 23 below) in efforts to continually expand into hitherto in a non-union sector.

_My role especially is to advise management and [give] advice to my workers. Management always thinks that unions are always about money because they think that anytime they see unions they are coming to talk about negotiations... Unions, we are not like that...Management are beginning to ask questions what is the union doing? What are they doing to support us...? I wake up as a leader and let them know that we have a lot to do for them._ (Union Chairman 23)

The firm’s efforts to constrain its union yielded results of a weak union. The quote from the Director 16 below shows an interesting view of its union in its engagement with government in contrast with its activities at the workplace.

_Trade Unions in Ghana are very powerful. It’s like I am contradicting myself because initially I said they weren’t doing much but when it comes to the real thing like government policies and how to take government to task they_
are very powerful. It is only when you descend down to the individual unions under the umbrella unions... That is where I don’t find them very efficient, in relation to labour. (Director 16)

When looking at the effect of the Ethical Employment Partnership and freedom of association in the subsidiary in Ghana, it is notable, that UPSP an affiliate of the local GFL and global UNI seemingly leveraged on the global campaign and the resulting TCA on the 11th of December 2008 to negotiate for better terms in its collective agreement with SecuriCorp on the 23rd of September 2009. However, interviews with the Local Union Chairman and his counterparts in management, and an interview with a key director at SecuriCorp, unearthed a finding that they had limited knowledge of the existence of a TCA. Nonetheless, the ‘spirit’ of the TCA seemed to have cascaded down from SecuriCorp global, in the form of the language of partnership, which weakened the local union. For example, union leaders became mindful of the effect of disruptions on the reputation of SecuriCorp.

[On Strike Action] Some of our workers always blame me for that. And I have told them on that one [that] unless I am not the chairman of [UPSP] in this company. You know we are service providers. We are not a manufacturing company, we sell human beings. There is a bank here, you should guard it. [If there is a strike and you] leave your post and come and join the strike... Do you think after the demonstration you will go and meet you job back there? Do you want the bank manager to protect the place for you? He will call for a different company, because he will not tolerate an undisciplined company. (Union Chairman 23)

However, in the relationship between the union and its members, it is notable that tensions between the union membership and the union leadership existed, despite the fact that the TCA existed in principle and ostensibly had supportive approaches for unions to exist. This is because union officials were closely monitored and constrained in their ability to enforce concessions won under their collective agreement with management and remain visible to workers; because of officials facing victimisation by managerial counterparts when asking for permission to carry out union tasks.

Anytime I am leaving my post to Accra I have to seek permission from somebody... what if the person says no? ...The only people who should know of my movement should be HR, other than that I will be victimised as a
leader... So here is the case I can’t move freely and union members complain that executives don’t visit them and tell them anything. (Union Chairman 23)

Currently as it stands now, the union has a good relationship with top management, but I don’t think that the members of the union are feeling their importance, because the communication between them and the members is far. Dissemination of meeting notes to guards take time and sometimes it might not even happen, only a few get to know the union activities. (Efficiency Manager 18)

The subsequent features of the TCA, giving employees the unrestricted right to be members of trade unions, free from the threat or intimidation of management, was unobserved when other categories of workers, that of, office based staff tried to access that right (in light of strategy to constrain collective bargaining at SecuriCorp). This is because there was an active managerial strategy of union avoidance for ‘office-based’ staff whilst management pursued a union capture or co-option policy with unionised frontline staff. The latter policy of co-option proved to be fruitful as without sufficient challenge posed to management, they have been allowed to flourish because management have an adept understanding that ‘trade unions are effective tools that every organisation needs to consider’\textsuperscript{151}, from the perspective of controlling grievances in the lower ranks ‘not allowing things to go off board’\textsuperscript{152}.

The call for unionisation of office based staff was made 4 years ago as disgruntled staff felt undermined as, ‘everything is about the guards’\textsuperscript{153}; comments made regards to the availability of training opportunities and a fair dispute resolution system in place for guards whilst the office staffs spoke about being left with nothing. Admittedly, interviewees stated that the company placed significant barriers to unionisation amongst this category of workers, especially with their attempts to unionise under a union affiliated with the radical GTUC. The tactics employed to break up the desire for unionisation amongst the office based staff was one of an agenda of mis-information by management on workers that had the right to the freedom, by firstly misinforming them on the numbers required to form one: there have been thoughts but the number is not that much and I don’t

\textsuperscript{151} Accounts Manager 15
\textsuperscript{152} Senior Sales Executive 13
\textsuperscript{153} Administrator 22
think anybody is interested and secondly by feeding the false message that legally frontline workers were allowed to unionise by categorising office based staff under section 79 (2) of the Labour Act of 2003, de facto, prohibiting them. Moreover, the agenda of management has been to emphasize the ‘costs’ of unionisation in terms of the burden of paying union dues and threat to the ‘close working relationship’ management have with staff if a more radical union was instituted. Nonetheless, workers interviewed in this category spoke of a possible ‘vacuum’ referring to the distance between staff and management, making it possible that another drive for unionization could happen again. This is because, ‘unions are good, if they were not good, we wouldn’t have called on them to address our grievances’, although some in management still saw the foreseeable future of managing without unions because; ‘they [non-frontline workers] don’t really have issues or there’s never been a situation where an officer would think that I need a union in this case’.

The evidence above suggests that freedom of association is restricted in practice at this firm with a TCA. Thus, despite allowing the formation of a union representing guards the company put in measures to weaken and control it, whilst it also worked on denying workers (office based stuff) their right of association to a union. In highlighting the plight of his workers (technicians) in a recent restructure an Operations Manager mentioned that managerial prerogative was heightened in almost all issues.

Right from the beginning of the year, there was a memo from the MD, saying that business was not going well .... So he is going to carry out some redundancies. I was made to quickly arrange guys who were going to go on redundancies ... it was hard. But if we had a union [it would have been] at least to the end of the first quarter. (Operations Manager 19)

---

154 Efficiency Manager 18
155 A worker whose function is normally considered as policy making, decision making, managerial, holding a position of trust, performing duties that are highly confidential in nature or an agent of a shareholder of an undertaking, may not form or join trade unions. Director 16 referred to this
156 Also identified in Ayentimi et al. (2019)
157 Payroll Officer 14
158 Efficiency Manager 18
The Operations Manager 19 above details a poorly timed (just after Christmas festivities) restructure that saw the number of technicians he supervised cut from 35 to 12 in the early weeks of 2017, an insensitive decision carried out by a newly appointed MD brought in at the end of the fourth quarter of 2016. He lamented that this poorly timed decision could have been abated with unions present, as management would have had to have a strong justifiable cause to effect a restructure or at the very least, the decision could have been left till the end of the first quarter of 2017 as it was ‘hard news delivered to workers right after Christmas’\textsuperscript{159}. This was inclusive of his assessment on the flow of information or lack thereof a forum for capturing the grievances of those workers and his assessment that managing without unions has been terrible for workers because: *sometimes even sitting in [this] position, you can clearly see what they are doing is totally wrong... [Wrong for the employees] yes and here’s a case where you can’t talk*\textsuperscript{160}.

6.10 SecuriCorp - Union Response to Employment Practices and Outcomes

The local union at SecuriCorp is a member of the UPSP and an affiliate member of the GFL, the country’s newest national union centre. Notably, it was founded to ‘inject new blood and competition into the union organisation to meet the challenges of the SAP’ (GFL Congress, 1999 cited in Konings, 2003, p. 459). Nonetheless, by admission from the local chairman, it is a body bearing the hallmarks of ‘partnership’, with a near-rejection of utilising strike action as a means of last resort, instead, finding ways of possibly delivering for its members through dialogue with employers and as a final resort, relying only on extensively utilising the NLC in reaching agreement with employers. In taking up this perspective to industrial relations, mirroring the debates about trade union renewal

\textsuperscript{159} Operations Manager 19
\textsuperscript{160} Operations Manager 19
strategies in the UK, UPSP from the onset substantially weakened its bargaining position. This is because its informal partnership agreement with SecuriCorp, benefitted the employer enormously and removed the potential benefit of union membership growth (Kelly, 1996; Martinez-Lucio and Stuart, 2002). UPSP was seemingly a covert ‘yellow’ union\(^{161}\), and with its association to the GFL, which was a business friendly union centre, to a large degree it was co-opted into managerial agendas and constrained. In light of looking at how the labour movement in Ghana has responded to the increasing presence of MNEs and their varying approaches to managing workers, UPSP’s response at SecuriCorp, was to pursue recognition and conclude a collective bargaining agreement. It managed that in 2009 and currently, out of 6,122 guards, 3674 (approximately 60%) of those workers belonged to the UPSP. However, in the absence of the desire to carryout industrial action and the effect of constraining managerial strategies such as decreasing facility time for union representatives, SecuriCorp strategically pursued a long term de-collectivising plan as evidenced by quotes from the Union Chairman 23 and the Efficiency Manager 18 in the previous section.

### 6.10.1 SecuriCorp - Selected Responses: coalition building

After signing a recognition agreement with SecuriCorp in November 2007 and concluding a CA two years after, UPSP then a potential affiliate of UNI Global, decided on partnering with it in order to leverage on its expertise and funding in its efforts to fully unionise the security sector in Ghana. For example, in the years 2013 and 2014 through its ‘organising blitz’\(^{162}\) in partnership with UNI Global\(^{163}\) recruited over 1853 new members. In efforts to rally guards around common issues at establishments such as SecuriCorp and at local companies like WESTEC

\(^{161}\) A worker organisation dominated or influenced by an employer and is therefore not an independent union

\(^{162}\) A five day recruitment exercise; focused on educating on the benefits of unionising and attracting new members; described as contact to its affiliates through a framework of educational projects, (Cotton and Royle, 2014), this GUF looked to promote activism and organising

\(^{163}\) Led by Senior Organiser Nigel Flanagan (UNI Global, 2014)
Security\textsuperscript{164}, these campaigns had wider support from UNI Global affiliates’ financial support from Finland (PAM and SASK), and expertise from the Europe; UK (GMB), Holland (FNV) and Denmark (VSL), as well as from the southern part of Africa, with the Namibian union (NATAU). Emboldened by support from its international partners, UPSP won further recognition battles at other establishments, however in recent years; its relationship with UNI Global has since fractured. The chairman elucidates below:

\textit{We had UNI GLOBAL; I think there is currently a little misunderstanding with our national general secretary (UPSP). They used to come and talk to us 3 times every year. They made me understand that before us, as private security workers can get proper salaries, there must be a strong union that represents all private security guards and falling under one umbrella, national union centre. (Union Chairman 23)}

Finally, in response to a strong MNE operating in an industry that is largely un-unionised, and in a context where the state institutional framework to encourage adherence to labour standards is absent, UPSP has chosen to be a compliant partner. The employer is aware of the regulatory environment, as Director 16 puts it:

\textit{Occasionally you need to have the labour department inspectorate division, talking to workers, talking to companies, checking their labour practises for fair labour practices. That is not happening in this country. They wait until something happens, then you go to them or you refer it to them... Just like the fire brigade, when you build a house. You don’t wait till there’s fire before they come. They have to come and check whether your exits are right, whether your extinguishers are right, whether you are properly covering your building and all that. So it means that you’re protected, the basic preventions are in place and this is what you don’t find with [the] labour [inspectorate]. (Director 16)}

Being a compliant partner has brought in benefits of union growth, some concessions in pay\textsuperscript{165}, encouraging SecuriCorp to pay into a provident fund, delivering on resolution to mundane issues such as organising replacements for torn guard uniforms and addressing some health and safety issues, such as hygiene

\textsuperscript{164} In 2013; levied criminal charges on the General Secretary of the UPSP alleging falsification of membership figures in their bid to discourage recognition and collective bargaining (UNI, 2013)

\textsuperscript{165} Recent concessions have been the disbursement of 50 GHS to all guards for the settlement of a back pay claim (Senior Trainer 20)
in the staff canteen as well as being able to deal with the employer in circumstances where members are at fault. For example:

*I believe that the trade union we have here is efficient. This is because I have seen things they have done, how they have a voice to actively support staff through problems with the employer. For instance, an employer disengages staff on rightful grounds for the breach of codes of conduct but the union wants the employer to put a human face and reach an amiable end. They help with reinstatement or getting some compensation that well is deserved, if all fails.* (Operations Clerk 17)

Last but not least, the union provides services such as access to an insurance scheme where deductions are made monthly from the salaries of guards to help them in times of marriage, the loss of a loved one or the birth of a child. Essentially, providing vital support for guards in ‘unforeseen circumstances’, where they would typically struggle to afford such changes on their current salary. Moreover, the union provides traditional support in terms of representation at disciplinary meetings and initial access to a lawyer on the occasion issues escalated to the NLC. However, on the latter point, the HR manager interviewed asserted that most guards usually head to the NLC, normally unsupported by the union.

### 6.11 SecuriCorp – Summary

This case on SecuriCorp effectively examined research questions: RQ2 - In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?, RQ3 - Is freedom of association observed and acted upon in practice in the cases study MNEs? and RQ4 - In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms?, providing a view of an MNE professing to take CSR seriously with a TCA that highlights significant commitments to CLS. Substantially, the case outlines the rhetoric and gives us the reality of employment outcomes at this workplace; one where implementation of the TCA has been limited owing to management’s reluctance to create awareness of its existence at the subsidiary level and to the
possible breakdown in the relationship between the UPSP and UNI Global. The translation of ‘freedom of association’ in this organisation to one that favour’s essentially a business unionism approach has had enormous impacts on workers (especially guards) in this para-military styled organisation. Following on from this section, is that of a discussion along thematic areas of the findings unearthed in the two cases.

6.12 Discussion – DrinkCorp and SecuriCorp

This discussion brings together the findings from the two cases examined in this chapter in a thematic form, largely based on the research questions (for summary of findings see table 6.1 below). Both cases examined presented varied forms of anti-unionism, defined as ‘a conscious deliberate decision to undermine and erode hypothetical, potential and actual workplace collective unionisation and union organisation’ (Dundon and Gall, 2013, p. 1). Thus the natural starting point of this discussion section will be that of aligning managerial approaches of both companies to the definition above, and then enumerating a summary of the findings based on the research questions as well as lightly touching on the findings working conditions. There is substantial evidence in both cases (DrinkCorp and SecuriCorp) of MNEs taking up varied approaches to managing workers largely falling within the classification of exploitative ‘traditionalist’ employers or taking up what (Dundon, 1999, p. 58) describes as ‘manipulative’ relationships with workers, where authoritarian management styles are used to instil fear and uncertainty in the workplace (ibid; Sisson, 1989). The cases point out that the undercurrent of the managerial strategy has been predominantly one of anti-unionism. Owing to ideological and instrumental motivations, these MNEs with headquarters (HQs) in the global north, predominantly enjoying institutional support for unitary managerialism have, unfortunately, passed on these practices of anti-unionism to its operations in the global south (ibid).
Thus, these MNEs emanating from the UK, emboldened at ‘home’ by the British state have located themselves in a ‘host’ Ghanaian institutional context that has departed from its post-independence commitment of strengthening the labour movement and that of growth facilitated by labour friendly legislation under the CPP & NRC governments in the early 1960s and 1970s, notwithstanding policies that focused on public sector spending on infrastructure, industrialization and social protection programs (Britwum and Martens, 2008). A substantial development attributable in part to the SAP policies adopted post-1970s; where economic mismanagement, saw the state surrender to the neoliberal policies of the Bretton Woods institutions. The subsequent effect of economic liberalization was the mass arrival of MNEs as Ghana became a suitable destination for FDI.

Findings from both cases in terms of the first research question on implementation of soft regulation in local subsidiaries, DrinkCorp’s ‘Code of Business Conduct’ and SecuriCorp’s ‘Business Ethics Policy’, and its substantial ‘Ethical Employment Partnership’ in their subsidiaries in Ghana, had defects in implementation. DrinkCorp’s unilateral (top-down) approach meant that it suffered from the classic defect of CoCs, in terms of being subject to only internal scrutiny, limiting it to a mere public relations tool (Frundt, 2004; Roman, 2004). Whilst SecuriCorp’s TCA, positively portrayed in some literature (Braun and Gearhart, 2004; Connor, 2004; Frenkel and Kim, 2004; Hale, 2004), in terms of its feature of allowing for external scrutiny from unions, was found to be limited as interviewees had little knowledge of its existence, as such it was merely an international public relations tool. This finding in particular is supported by literatures which acknowledge TCAs as largely underutilised or rarely used in meaningful ways, in this case attributable to SecuriCorp’s HQ possible reluctance to promote it across the firm (McCallum, 2013; Niforou, 2012). Moreover, the fractured relationship between the union, UPSP and UNI Global could have potentially affected its understanding of the existence of the TCA and how to leverage it for positive employment outcomes (Stevis and Fichter, 2011). Findings from the pilot study

166 The World Bank and the IMF prescribed SAP policies that led to public sector shrinkage, privatisation of critical industries, weakening of labour protections (Britwum and Martens, 2008)
167 Contrary to claims in literature of it being used by UPSP to gain recognition
examining a mining MNE ‘Glo-Gold’, supported McCallum (2013) and Niforou’s (2012) assessment of it being largely underutilised and largely unknown to senior managers at the subsidiary level, however in this case the local union GMWU had knowledge of its existence. However, when asked about its underutilisation at ‘Glo-Gold’ and the sector at large, the head of the GMWU (160905001) replied that: in our case we don’t need it, it won’t benefit us in any way [because] we are already up there. He went on to express its usefulness for other institutional contexts such as Tanzania where the MNE ‘Glo-Gold’ also operated as unions in the sector had sufficient hold of the industry: [In] Tanzania they need the IFA because that is the way, basic standards will follow but we [Ghanaian largescale mining sector] are big boys (ibid).

The findings above were very much supported by breaches identified in areas of coercive control, the intensification of work, occupational health and safety, and that of issues of remuneration. Thus, when examining CSR commitments, specifically that of adherence to core labour standards whether through CoCs or TCAs, it was unearthed that neither fully permeated down to into the day to day employment context. Substantially, the meso context, that of anti-unionism, and the nature of production and the labour process proved to be critical to understanding the depth to which CSR codes or TCA could permeate down. Nonetheless, some commonalities existed in the breaches at both firms for example in the areas of work intensification and coercive discipline; understaffing and a shift system that provided flexibility to the employers at the detriment to workers, whilst coercive discipline was predominantly highlighted at DrinkCorp, with workers coercively controlled by intense monitoring systems, punitive sanctions such as ‘full attendance’ bonus systems. However the para-military style of training of guards at SecuriCorp and punitive sanctions tied to being AWOL, also kept workers in check. Breaches were also observed in remuneration where at DrinkCorp no premiums were paid for working unsocial hours and huge wage disparity in like for like roles at competitors whilst at SecuriCorp, guards earned below the minimum wage, if they strictly worked the legal limit of 5 days a week with no overtime. Finally in the area

---

168 Senior Trainer 20
of occupational health and safety breaches such as ones on ventilation, working unsocial hours and workers immediate safety after work were observed at DrinkCorp. Whilst at SecuriCorp breaches such as a culture of overtime and other specific H&S in terms of the undersupply of critical PPEs to guards and absence of a H&S Manager or department for that matter, was found.

The interpretation of ‘freedom of association’ at these British firms which profess to have strong commitments to CSR, were very much in line with the Western European and North American pattern of union hostility and victimisation (Gall, 2013). Noticeably, the country context of a shift to neoliberalism where the state has utilised market conforming liberalisation to advance its developmental goals, there has been the weakening of the labour inspectorate and the inception of an investor friendly labour law in Ghana, which has strengthened managerial prerogative and emboldened them to implement practices that de-collectivise the labour process. In both cases managerial action was that of anti-unionism where they allowed unionisation in the lower ranks in part due to the presence of unions at the point of entry, however took a suppressive stance in the case of SecuriCorp, with regards to its efforts in restricting facility time of local union leaders, and also moved to reinforce control by shaping the union into a more acceptable form; via its choice of union partners and activities to mould compliant officials. Whilst management at DrinkCorp weakened its union by utilising agency workers and a ‘substitutionist’ policy; where it’s JIT system effectively used HR business partners as conduits to resolving workers’ grievances quickly. Nonetheless, both exemplified employers that acted aggressively and decisively in taking preventative anti-union actions in response to ‘union threat’; one which largely emanated from collective grievances amongst workers identified as ‘senior staffs’. In the case of DrinkCorp, this category of workers were first misinformed of their collective rights, key instigators were removed through promotion or dismissal when workers started the process of developing a collective worker organisation and finally, management maintained a large pool of outsourced labour, willing and ready to

169 Where there is the development of an independent collective worker organisation and action which reflects not only a development of collective worker consciousness, but also its ability to begin the process of prosecuting its aims and objectives - See Dundon and Gall (2013)
replace those workers still seeking unionisation. Whilst at SecuriCorp, management wholly adopted DrinkCorp’s first step of an agenda of mis-information; misinforming workers on the numbers required to form a union and feeding false messages on the type of workers allowed to unionise under the Labour Act of 2003.

The response by Ghanaian unions to employment conditions established by the MNEs examined was multifaceted, attributable to a fragmented labour front, with the two labour centres GTUC and GFL encouraging national union affiliates of the ICU and UPSP, to pursue revitalisation strategies. Notably out of the two labour centres, GFL was seemingly fixed in its stance on partnership whilst the GTUC focused on maintaining and expanding on membership, internal restructuring (improving leadership and rank-and-file contact) and political action\textsuperscript{170}, and defending concessions won under the CA in the face of repressive employers as evidenced at DrinkCorp. Here, little was attention paid to forming lasting c partnerships. ICU’s local executives at DrinkCorp were primary focused on improving worker management relations, recruitment, working conditions, negotiating and policing (monitoring and interpreting) their CAs, as exemplified in the case where the employer looked to further push the frontier of control when unilaterally instituting a PIP programme. Ultimately, CAs were the main instruments employed to protect their employment rights, with the NLC occasionally utilised to defend those gains. To that end local union executives were well educated by the ICU on the Labour Act\textsuperscript{171}. They were also occupied with recruiting members and enhancing membership relations to ensure the survival of their union; thus local executives pursued the avenues of expanding the coverage of their CAs and membership quality by attempting to unionise ‘senior staffs’ (Britwum, 2010). To enhance membership relations, local union executives rallied members to participate in May Day parades and union meetings to build internal union cohesion and solidarity. More so on the recruitment front, executives devoted efforts towards the unionisation of agency workers. Britwum (2010) highlighted that the ICU had membership servicing facilities such as a credit/loan scheme, social and

\textsuperscript{170} See Britwum (2010, p.116 - 122)
\textsuperscript{171} Union Secretary 2
welfare schemes covering funeral and some medical costs, whilst it is notable that strike action in terms of threats of protests to degrading working conditions, remained the very last pathway for local executives, as management was viewed as ‘parents’\(^\text{172}\). However, local executives were aware of the ‘choke’ points in the JIT system operated at DrinkCorp, and knew of the ramifications of strike action.

UPSP’s response at SecuriCorp was also that of a focus on improving worker management relations, recruitment, working conditions, negotiating and policing (monitoring and interpreting) their CAs, although on the latter point SecuriCorp actively restricted facility time of local executives. UPSP struck an ‘informal partnership’ with management and in doing so were allowed to recruit members during inductions and training events at SecuriCorp’s premises, as such had over 60% coverage of frontline workers, unlike ICU at DrinkCorp, UPSP made no efforts to unionise ‘senior staffs’. However they formed a cross border alliance (later becoming an affiliate) with the global union, UNI Global, one that signed an ‘Ethical Employment Partnership’ with SecuriCorp. In doing so, UPSP had benefited from expertise and funding that increased membership. Notably, executives relied on the CA and on their relationship with management to protect their employment rights, rarely taking matters to the NLC although, conspicuously individual members took matters to the NLC unsupported by UPSP; possibly adding to the sentiment of members not feeling the union’s importance\(^\text{173}\). The UPSP had surrendered the use of strike action and had chosen to be compliant partner within an industry that is largely un-unionised. It had similar membership servicing facilities.

\(^{172}\text{Operator 11}\)
\(^{173}\text{Efficiency Manager 18}\)
## Table 7.1 Summary of Findings from DrinkCorp and SecuriCorp

<table>
<thead>
<tr>
<th>International Private Regulations and implementation</th>
<th>DRINKCORP – [Brownfield Site]</th>
<th>SECURICORP - [Brownfield Site]</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ CoCs, EFA</td>
<td>✓ CoCs, TCA</td>
<td></td>
</tr>
<tr>
<td>✓ UN Global Compact</td>
<td>✓ UN Global Compact, Voluntary Principles on Security and Human Rights, UN Guiding Principles on Business and Human Rights</td>
<td></td>
</tr>
<tr>
<td>✓ Unilateral implementation and monitoring of standards with limited external scrutiny</td>
<td>✓ OECD MNE Guidelines</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Unilateral implementation, however joint monitoring of standards by UNI Global and its affiliates.</td>
<td></td>
</tr>
</tbody>
</table>

### Freedom of association, CSR commitment and practice

- CSR incongruent with managerial anti-union predisposition: specifically through the use of the ‘fear stuff’, the ‘sweet stuff’ and other anti-union practices such as selective recruitment. Moreover the use of JIT system saw the removal of ‘waste’ i.e. ‘excess’ workers and the debasement of working conditions. For example previously secure jobs are now insecure, and unsocial hour-working (aforementioned in and out of work safety issues this brings) as a result of the inception of shift work.
- Freedom of association limited to workers in the production team, represented by the ICU.
- Long term strategy of union avoidance – coercively disciplining the workforce, the utility of agency workers to victimize and threatened unionised workers, campaigns of misinformation on the costs of unionisation and the effect relationship with management.
- CSR incongruent with managerial anti-union predisposition: specifically through the use of the ‘tame stuff’, the ‘fatal stuff’ and other anti-union practices.
- Freedom of association limited to predominantly guards represented by UPSP a moderate union.
- Long term strategy of union avoidance – the utility of tactics such as restricting facility time, company sponsored training for reps in a ‘sensitisation’ exercise misinformation on workers’ rights (number required to form a union) and other related strategies to prevent unionisation amongst ‘senior staffs’ such as putting emphasis on the close working relationship management have with staff and potential for it to be jeopardized by a union.

### Organised labour’s response managerial approaches

- ICU of GTUC focused on defending concessions won under the CA
- Expanding CA coverage and membership quality; through attempts to unionise agency staffs and ‘senior staffs’.
- Attempts to reinvigorate internal and inter-union solidarity through participation in May Day parades and union meetings.
- UPSP of the GFL – described as taking an approach of ‘partnership’. With a focus on signing CAs and growing a union in predominantly ‘non-unionised’ sector.
- Utilising managerial support to train union reps
- Building coalitions with GUFs, i.e. UNI Global in attempts to benefit from knowledge and resource support necessary for recruitment. Notwithstanding the legitimising function of said link to GFL.
6.13 Chapter Conclusion

To conclude, the findings in this chapter were in line with literature (for example, Schömann et al., 2008) that identity CoCs as policies unilaterally imposed by MNE HQs, in this case with training provided to organisational members, specifically managerial staff. Despite the substantial credence given to TCAs in the literature, there was substantial evidence that the TCA in SecuriCorp remained largely unimplemented, with breaches or violations occurring at both companies identical and widespread. For example, both companies had an anti-unionism stance despite commitments made on CSR; allowing unionisation to a select group of workers but deploying a ‘constraining strategy’ to prevent long-term union growth, by working with a ‘chosen’ union partner (SecuriCorp) or running an extensive outsourcing program that threatened and dismissed instigators (workers and union reps) as well as utilising HR business partners strategically to remove the need for unionisation (DrinkCorp). Fundamentally, the rhetoric of CSR did not match up with the reality, at both subsidiaries: thus it was unearthed that labour standards whether through CSR codes or TCAs do not seem to permeate down to the day to day employment context. For example, at DrinkCorp and to some extent at SecuriCorp, it was found that new managerial practices accompanying its adopted Just In time (JIT) production process created a working environment that allowed for coercive labour discipline and work intensification in addition to concerns of occupational health and safety, and remuneration. Finally, the union reaction to seemingly increasing managerial prerogative at the workplace, and worsening working conditions in spite of the set of minimum standards or provisions and rhetoric from company statements, was one of a focus on strategies of recruitment and expanding membership servicing facilities, the UPSP at SecuriCorp and ICU at DrinkCorp. However, the former adopted a predominantly partnership orientation that moved it away from the language of ‘strike action’, although both formed substantial cross border alliances with global unions and benefitted from financial support and expertise.
CHAPTER SEVEN: ROSSINTO AND HILIGOLD

7.1 Chapter Introduction

This chapter follows the format of the previous chapter in exploring the research questions two to four across two cases. In this chapter two mining companies, Rossinto a company from North America and HiliGold a South African MNE are examined. Chapter four informed this thesis on the historic and contemporary importance of mining to the Ghanaian economy and its status as an established mining nation. It then provided an extensive description on the industry’s progress from predominantly state owned enterprises to one currently transformed with the proliferation of foreign mining MNEs after SAP policy drives focused on privatisation, divestiture and systematic regulatory reforms which have attracted FDI. In theory by virtue of the fact that this sector is historically significant to the labour movement; as it was the sector to carry out the country’s first industrial action in 1919 that paved the way for a series of subsequent strikes\textsuperscript{174}, notwithstanding its status as the sector that largely incepted joint negotiations between unions and employers\textsuperscript{175}, its strategic importance to the economy and the presence of key state mineral institutions that govern the sector\textsuperscript{176}; it could be sufficiently argued that ‘worst’ employment outcomes within this sector, could underscore a general trend.

On RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana? The study of these two mining MNEs found that through their CSR discourse, as with the previous firms studied, both firms implemented soft regulations across their operations by transposing commitments into CoCs and training employees at the start and during their

\textsuperscript{174} See Trachtman (1962); Tagoe and Torgbe (2012)
\textsuperscript{175} Trachtman (1962); the first ever industrial action in Ghana (Gold Coast) was taken by the miners in 1919
\textsuperscript{176} Examples include the EPA, MinCom; which possess institutional frameworks that for example encourage local content, Ghanaian participation and environmental protection (ICMM, 2015)
employment with the company. Notably, the choice of which international private regulation to subscribe to, was largely dependent on their perceived versions of what the investor community required and also dependent on industry learning (drawing lessons from past disasters). With regard to RQ3: Is freedom of association observed and acted upon in practice in the case study MNEs? In terms of managerial attitudes and practices towards ‘organised labour’, it was found that the mining industry was largely unionised by the GMWU of the TUC; however a new entrant that of the General Metal Manufacturing Workers Union (GEMM) of the GFL, an employer friendly union centre was the union of choice at Rossinto. Nonetheless both firms examined in this industry seemingly had anti-union predispositions to varying degrees, pursuing the long-term strategic goal of union removal. Finally in looking at RQ4: In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms? it was found that GEMM of the GFL disproportionately pursued partnership whilst the GMWU pursued a coined phrase of ‘radical enlightenment’, a nod to employing highly skilled officers to deliver on substantial collective bargaining gains, industry wide pay increases ‘Agenda $500’, the creation of a union to organise ‘senior staffs’ (previously untapped) whilst keeping the option to go on strikes very much alive.

The chapter is structured around the research questions, as such in each case there is a section on CSR implementation (RQ2), CSR and the work organisation which covers subsections of coercive labour discipline, work intensification, health and safety and that of remuneration, amongst other substantial headings looking at freedom of association (RQ3) and the trade union response to management practices (RQ4). The section on CSR and the work organisation attempted to further illuminate the occurring theme that the rhetoric of CSR does not seemingly match up with the reality at workplaces. Rhetoric, is captured in the beginning with the description of each company in terms of their global and African presence and describes their motives for and attempts at demonstrating CSR. This provides contextual information necessary for understanding the rhetoric of CSR, which will prove crucial when separating rhetoric from reality.
7.2 Company Background - Rossinto and CSR

Rossinto is a Canadian MNE incorporated in 1993 and headquartered in Toronto. It is the 5th largest gold mining company in the world in terms of production volumes with about 10 mines located in the Americas, West Africa and Russia. The African operations consist of a mine in Ghana and Mauritania. It employs around 8,850 people across its operations worldwide and in 2017 had revenues of $3.3 billion. Rossinto could be described as an ‘ethnocentric’ or ‘global’ MNE (see Chapter 2 subsection 2.3.1 for an extensive explanation). Rossinto entered the Ghanaian market in September 2010 after the acquisition of an Australian company that moved into Canadian listing in April 2004; having explored and developed a concession on the Bibiani District from 1996, with its first gold pour recorded in October 2005. The life of mine (LoM) is currently at 2020. The concession is located approximately 100 kilometres southwest of Kumasi, within the Bibiani gold belt, consisting of 11 deposits exploited by both open pit and underground mining methods. Rossinto employs 1,061 people and owns 90% of the mine, with the government of Ghana retaining 10% equity. Rossinto is the biggest part of a delegation of 14 Canadian mining companies operating in Ghana; a home country with the world’s largest gold mining company and a stock exchange home to more than half of the world’s public mining companies (Dashwood and Puplampu, 2010; TSX, 2016).

The company claims to pursue four core values: that of putting people first, a high-performance culture, rigorous financial discipline and outstanding corporate citizenship. Its strategy on corporate responsibility, which includes health and safety, environmental stewardship, business conduct and ethics is operationalised through its ‘Code of Business Conduct and Ethics’ and, its supplier standards of conduct. In line with most mining companies in the region, Rossinto has an

---

177 Currently it exploits two underground operations
178 As per Section 43(1) of the Minerals and Mining Act, 2006 (Act 703)
179 See, Kwakyewah and Idemudia (2017)
180 Covers four areas; zero harm, making a positive contribution to stakeholders, acting ethically and transparently, and continuous improvement
established trust fund\textsuperscript{181} for community development, with an additional company budget allocated for community projects set at $1.5 million yearly\textsuperscript{182}. Rossinto has contributed to the provision of education, health, training and sanitation infrastructure in recent years. Notable investment has been that of $8.4 million on malaria control\textsuperscript{183}. It has also made commitments to respecting internationally recognised human rights and is signatory to the UN Global Compact\textsuperscript{184}. It supports the Voluntary Principles for Security and Human Rights and utilises the UN Guiding Principles for Business and Human Rights. It has a ‘Code of Business Conduct and Ethics’ that set out all the principles of conduct and ethics that is to be applied to all its operations. Additionally, Rossinto was one of the first 14 initial companies that signed up to the International Cyanide Management Code (ICMC)\textsuperscript{185} in 2005 and it’s aligned to ISO 14001, the international standard for environmental management. To honour its commitments, since 2011 Rossinto has been recognised in the sustainability yearbook\textsuperscript{186} six times through the Dow Jones Sustainability Index (DJSI) either as an index constituent, a ‘Sector Mover’, or as ‘Bronze Class distinction’, with its latest ‘Industry Mover’ distinction received in the 2018 yearbook.

Nonetheless, it is noteworthy that despite Rossinto’s CSR commitment to upholding human rights and engaging in activities that enrich its host communities, its Brazilian and Ghanaian mines have been linked to abuses and environmental harm. For example, in Brazil, a report by the NGOs Above Ground and Justiça Global, identified that traditional communities, over a century ago, formed by former African slaves were expelled from their lands during its mine expansion, highlighting issues\textsuperscript{187} raised by Brazil’s federal public ministry. Similarly, in Ghana, the citizens and farmers of Sefwi complained of being driven off their lands, and raised issues around contamination of water sources. Finally, on the separate matter of

\textsuperscript{181} The company contributes $1.00 for every ounce produced into that trust fund, equivalent to yearly production figures, (around $250, 000) – Financial Controller 30
\textsuperscript{182} Financial Controller 30
\textsuperscript{183} Substantial reduction in the incidence rates, amongst its employees and wider community
\textsuperscript{184} 10 Principles covering areas of human rights, labour, environment and anti-corruption
\textsuperscript{185} Focus on the production, transport, storage, the use of cyanide and the decommissioning of cyanide facilities (Cyanide Code, 2018)
\textsuperscript{186} Run by RobecoSAM an asset manager specialised in sustainability investment in collaboration with the DJSI
\textsuperscript{187} The carcinogenic effects from a mine 500 metres away from residents
conducting business ethically, the U.S. Securities and Exchange Commission (SEC) and Rossinto came to an agreed settlement of $950,000 to clear civil charges levied at it for conduct across Africa, in relation to bribery.

Almost all interviewees at Rossinto spoke of CSR initiatives taken up by the company, primarily that of ones targeting the ‘external’, host communities. CSR is understood by many in terms of activities focused on uplifting people in the host communities. This is because with the presence of a mine, one that has potentially taken up farming land, members invariably expect resources to benefit the community. Staff at Rossinto also understood employment of the indigenous population as part of CSR, a core agenda of the company to improve the well-being of the community, and the society. Nonetheless, all interviewees identified that Rossinto pursued CSR to obtain the social licence to operate: social license simply means your operation has been accepted by the community. So, you can’t do things badly expecting to get the social license. This message is largely driven by an approach to CSR that relays the business case, where good business conduct in terms of safely guarding employees, care for the environment and being supportive to host countries and communities is tied to obtaining and maintaining a social licence to operate. A licence that is critical to current operations and future opportunities with regards to attracting investment from equity markets that are increasingly sensitive to ‘risk factors’ associated with environmental and social performance. In addition, attaining a social licence to operate is seen to be a vital exercise in protecting mines from the exercise of social power (violent protests) by members of host communities.

Across the mining industry as result of the need to carve out a ‘responsible company image’ in order to secure the licence to operate, CSR is widely practiced. Moreover, interviewees spoke of the role of regulatory actors such as MinCom and

---

188 IT Security 31
189 Chief Accountant 28
190 Superintendent Environment 26
191 Community and PR Officer 35
192 Political risks and other risks normally incidental to exploration, development and production of minerals
193 Chief Accountant 28
EPA, alongside other actors such as the Chamber of Mines in encouraging adoption. Another reason for the adoption of substantial CSR initiatives such as certification to the ICMC code, and the technical audits it entails, in terms of scrutiny on cyanide usage and spillage measures, is in part due to the investor community. As the Senior Environmental Officer 27 put it; *if an investor realizes that company A is certified to ICMC code, he is comfortable investing because it reduces the liabilities of potential lawsuits.* This is primarily because there has been press coverage on cyanide spillages, specifically of incidents of spills of the Tailings dam or the mineral processing waste which contain cyanide and other toxic substances leaking into local water bodies, and which has often led to the deaths of people\textsuperscript{194}.

### 7.2 Rossinto - Implementation of CSR

Rossinto’s ‘Code of Business Conduct and Ethics’ sets out all the principles of conduct and ethics that applied to all its operations, including suppliers. It focuses on substantial issues relating to the environment, health and safety and labour practices. Significantly, it made commitments to the UN Global Compact\textsuperscript{195}, the Universal Declaration of Human Rights as well as commitments to the Voluntary Principles for Security and Human Rights. With specific regards to implementation, the policy is widely diffused on Rossinto’s global intranet and corporate website, whilst all new staffs (mining and non-mining) receive a copy as part of their employment contracts and existing staff are prompted with internal communication channels at the subsidiary level. On the face of it the subsidiary is only subjected to internal audits with regards to its CoCs, avoiding the scrutiny and possible fierce examination by external stakeholders. Although, an interviewee cited an exception, for example, where a worker utilised Rossinto’s whistle blower policy to report bribery and corruption:

\textsuperscript{194} See (WISE, 2019) – documenting failures across the globe

\textsuperscript{195} Core Labour Standards (CLS) embedded
That was something that corporate did not take lightly. They went as far as contracting external legal counsel to come and do an investigation to really ascertain whether indeed the company has been involved in any bribery issues with government officials. (Financial Controller 30)

The Financial Controller 30 cites a case where the company was particularly exposed to repercussions from its NYSE listing, where management feared possible action by the SEC. Generally interviewees observed the pitfall in the implementation of CoCs, with regards to its monitoring and evaluation, where they placed more credence to implementation and compliance structures emanating from subscription to the standards of external organisations such as the International Cyanide Management Institute (ICMI). This is because the company surrenders its operations to these external auditors in exchange for certification to the ICMI, one sharply, differentiated from the CoCs or internationally recognised codes such as that of the ISO 14001 it professes to align itself to. This is exemplified below;

_We are signed on to the ICMC, It’s external, and you get auditors coming into your site to audit your facilities, your files, documentation... there is a difference. When you sign up to it, you will be held up to whatever commitment there is to comply with it but if you just adopt it, it’s a best practice. You won’t be penalized for not adhering to it. It is better signed up to than adopted, because if you adopt it, there is no urgency, no one will be cracking the whip on you for failing to do one or two things._ (Senior Environmental Officer 27)

7.3 CSR and the Work Organisation

This section examines Rossinto’s CoC declarations and its employment outcomes at the workplace. This is done to provide enriched contextual information on the company, and to highlight the disconnectedness of the rhetoric of CSR and production processes occurring at the work organisation. Fundamentally, cost cutting measures and changing employment practices such as the increasing

---

196 Superintendent Environment 26, Senior Environmental Officer 27, CI and Supply Chain Manager 34
incidence of fixed term contracts and use of outsourced labour has had impacts on creating a disciplined workforce and an intensified work environment, one of increasing workloads and stress. These facets of labour discipline and work intensification are examined alongside that of breaches in remuneration that of the denial of pension coverage for casual workers and occupational health and safety issues resulting from cost cutting measures. Essentially micro level workplace issues that contrast with Rossinto’s notable accolades from the U.S. National Institute for Occupational Safety and Health (NIOSH) and the U.S. National Mining Association (NMA) in the category of Mine Safety and Health (Technology Innovations Award) and from the Jantzi Research and Maclean’s magazine denoting it as one of Canada’s Top 50 Socially Responsible Corporations.

7.3.1 Rossinto - Production Process and Coercive Labour Discipline

The production process operating at Rossinto was explicitly identified by interviewees as driven by effects of ‘financialization’ which were said to have created a disciplined labour force\(^{197}\). Bowman’s (2018) work on financialization and the extractive industries contextualised its effect on mining companies; where mining companies now fully integrated with global capital markets compete fiercely in the stock exchanges of London, Toronto, Sydney and Johannesburg. This competition has profound effects on management strategy, where managers are mostly driven by shareholder returns. This drive for shareholder value has had implications for employment, work and the conditions of workers and at Rossinto, its impact on its choice to partially adopt the contract mining model as opposed to the owner mining one, had an impact in subjecting workers to intense managerial control. The contract mining model, one understood to be a strategic choice adopted by the owners of a mine to employ the services of specialist contractors to conduct some (in this case) or all of its operations in contrast to the traditional owner mining model where it undertakes all major mining operations using its own

\(^{197}\) Where the worker is forced to sell his labour to the capitalist under the perpetual threat of dismissal
equipment and personnel, subjects workers to atypical employment and intensified control, in a developing country context (with unemployment) or in a sector already under scrutiny.

_The culture of obeying the command structure works in the mines. It is like the military. There is no way someone under me could bypass me to see the HSC manager unless I have authorized it and the same thing also applies to me. So there is so much discipline. If work starts at 7am, you will hardly see anybody at the mine village._ (Senior Environmental Officer 27)

Interviewees cited that the production process at the mine before Rossinto took over in 2010 was one where the previous company practiced owner mining and predominantly focused on a surface mining, an operation that was highly labour intensive. However, in order to make the company attractive for acquisition in the latter part of its ownership, the predecessors of Rossinto became the originators of a now established industry practice of moving all staff from permanent contracts to fixed term contracts. All interviewees noted the industry’s move towards placing workers on fixed term contracts with Safety Superintendent noting industry learning, by citing that this widespread practice only occurred after Rossinto shared its positive experience with other gold mining companies in Ghana at one of the quarterly meetings organised by the Chamber of Mines. An example of industry learning or perhaps the dominance effect from a dominant MNE, influencing the ER strategies of its peers (Royle, 2006). Subsequently, for example, a large gold mining MNE at Obuasi provided a severance package of about $240 million to 6,500 workers and re-engaged only 2,000 workers on fixed term contracts in 2014. This coupled with Rossinto’s initial decision on entry in 2010 to fully implement the contract mining model by employing the services of specialist contractor to conduct all its mining operations and only maintaining a small head office to provide direction and control, meant

---

198 In doing this the company initially incurred the costs of severance (unilaterally defined) from dismissing the entire workforce but subsequently benefitted from placing workers on fixed term contracts of 2 to 3 years with unilaterally defined severance packages IT Security 31; Financial Controller 30; Chief Accountant 28.

199 To limit capital exposure as the contractor offered economies of scale via its access to specialist mining equipment and human resources (Interview Data; Rupprecht, 2015)

200 Superintendent Environment 26
that the bulk of its workforce were absorbed by a contractor that subjected them to substandard working conditions.

Despite returning partially to owner mining within 2013-14 with only a few core and non-core activities\(^{201}\) outsourced, in part due to increasing costs attributable to rising rents charged by its contractor\(^{202}\) and also to its intent to move away from surface mining to focusing on underground mining activities; where it believed it could leverage on its in-house expertise in efficiently appropriating profits, the bulk of its workforce still faced worsening conditions. This is because; out of the 1,061 it had as of the beginning of June 2017, 385 workers faced redundancy at the end of the June 2017 because of the shift to underground mining whilst all workers remained on fixed term contracts. The Financial Controller 30 below outlines uncertain futures faced by workers; possibly a strategic move by management to create a disciplining effect:

*We have a standard [fixed term] where most people or everybody gets either a two year contract or a three year contract. So if you have two years or three years then it’s a fixed term. When the term expires and you are lucky, it might be renewed.* (Financial Controller 30)

Thus as above, being fixed term has very little legal protection compared to permanent status in terms of protection against arbitrary dismissal, and redundancy pay. This is because, although the labour law (Act 651) allows for the hiring of fixed term contract workers for tasks of a permanent nature, it does not refer to any specific legal regime for the use of fixed-term contracts neither does it mention the maximum duration (including renewals) of the fixed term contracts\(^{203}\) (Africa Pay, 2018). This amongst the other points raised such as the case companies effect on disseminating questionable practices to other MNEs in the sector, encouraging drastic changes in employment practices in the industry, left little respite for workers even thinking of breaking free of the command structure at Rossinto and working elsewhere in the sector.

---

\(^{201}\) such as charging of explosives and blasting, weed control, transport, catering and cleaning services

\(^{202}\) Safety Superintendent 36

\(^{203}\) IT Security 31
The employment conditions at Rossinto, where the majority of their workforce is on fixed term contracts and the rest on relatively worse conditions in outsourced parts of its operation, were susceptible to work intensification owing to their status, the prevailing high performance culture and emphasis on pursuing financial discipline. Considerably, interviewees spoke of the effect of cost minimisation strategies, performance targets and their effect on working time and on health and safety (to be discussed in the next section). Safety Superintendent 36 spoke of daily ‘toolbox meetings’ that occurred from 7am – 7:30am, where the operations team led by the mine captain provided production reviews to senior management; where performance was compared to set KPIs. The effect of this scrutiny of performance and KPIs was manifested in workers being subjected to dire work pressures and stress. The plant worked 24 hours a day, seven days a week and workers generally worked continuously for 22 days and were given 8 days off with the work day split into day and night shifts for mine workers that perform 12 hour shifts, mandatory overtime of 4 hours, whilst most managerial staff are required to work from 7am – 5pm. However, interviewees’ spoke of the daily exertion of pressure, which occasionally affected break or rest periods, as the Financial Controller 30 and the Senior Financial Analyst 29 put it below:

In terms of the work an average day for me is always stressful because there are always a lot of things on hand... There are many instances where you go to the office and even forget that there is lunch. That’s normal for some of us...Formally the working time is supposed to be from 7am to 5pm. But most often it doesn’t work. [For example when] it’s a crush period and you have so many deliverables to give, you have to stay longer. Sometimes till 10pm. It’s all because of reporting [to the stock market]... [And] if you have a tight deadline where you have to do such a presentation you have to crush the night. (Financial Controller 30)

Normally we leave around 6. But when there is over pressure, [for example] last week I and my boss were leaving the office at 10:30pm. During these times we still have breaks but what happens is that we go for break, for

---

204 Financial Controller 30
example we go for lunch and if you have to work late we go for dinner and come back. (Senior Financial Analyst 29)

Noticeably, there was allotted break times for staff however, the effect of pressure had slightly different implications for the Financial Controller 30 and the Senior Financial Analyst 29 cited above, in terms of one entirely forgetting to utilise it and the other making use of it, nonetheless, both faced longer working hours.

Finally it is notable, that the drive for financial discipline and creating a high performance culture, is said to have been furthered intensified with the introduction of a new general manager in May 2017, who took cost cutting decisions in terms of redundancy, removing 50 ‘excess’ heavy duty vehicles from its fleet to save on costs, placing intense pressures on managerial staffs to earn their living by attending meetings irrespective of the times, for example for the first time in the mines history, senior managers went on night shifts: he is not accepting anything, he wants [them] to periodically find out what the issues are and solve them rather than wait for 12 hours. Notably, this push yielded enormous results, but arguably the detriment of workers; in the last two months, all the production KPIs on production tonnes, grades and recovery, all the targets are green. As at yesterday the production target was around 9,000 tonnes we are around 13-14,000 tonnes.

7.3.3 Rossinto – The Framework of Occupational Health and Safety

The company claims to pursue a value of putting people first, that of its workers that drive revenues and profitability. Nonetheless, it’s relentless pursuit of rigorous financial discipline and a high performance culture that has entailed the introduction of long working hours, and mining techniques that focused on cost cutting measures, placed workers at risk. Evidence in the forthcoming paragraph demonstrates that Rossinto had in effect focused on protecting its profitability. For example, in a bid to show stakeholders substantial improvements in health and

---

205 Safety Superintendent 36
206 Safety Superintendent 36
safety and possibly to maintain a credible image on the stock exchange, Rossinto made commitments to produce biennial CSR reports, specifically data tables that detail fatal injuries, major spills, lost time injury frequency rates (LTFIR) and total reportable injury frequency rates (TRIFR) based on 200,000 hours worked as per the format of occupational health and safety administration. However significant discrepancies were found between figures detailed in its 2013 report and subsequent data supplements in its ‘communication on progress’ report in 2014, which sufficiently suggest a manipulation of figures to show substantial improvements. For example its 2013 report showed a total fatality number of four persons from 2010-2012 and major spills of 28 in total between 2010 and 2013, this is contrasted to its report in 2014 that showed a total fatality number of one from 2010-2012 and only two major spills between 2010 and 2013. Subsequently, Rossinto’s reported figures of zero fatalities, zero major spills and substantial drops in LTFIR and TRIFR, is highly contested by civil society groups and NGOs such as WACAM, Oxfam and Third World Network.

Stemn (2018) found an increased incidence of fatalities in underground operations (18%), like that of Rossinto’s than in surface ones (13%). Notably the study also recorded more fatalities among contractors (29.8%) than operators (10.3%): with priority areas in terms of injuries and fatalities located in the use of machinery, hand tools, power haulage, and slip/fall of person and handling materials; with the hand/finger / thumbs being the most affected body part (ibid). Sadly, this was observed at the mine during a field visit on the 15th of June 2017, where there was an incident involving a miner who had crushed his left finger when carrying out the task of lifting and moving drilling rods, necessary for blasting. The Safety Superintendent 36 speaks of this: *there was slip when moving it and his hand was in the line of fire, it fell back and crushed his left ring finger.* An injury which could have been averted: if handles were made to lift and pull these rods, removing the need for workers to place their fingers in the line of fire (ibid).

---

207 CSR data tables were due in 2015 and 2017 as per the two year release commitment by Rossinto, however this is still pending or not made available on its website.
In looking at occupational health and safety in the Ghanaian mining sector, Amponsah-Tawiah et al.’s (2016) work which included data collected from Rossinto, attributed injuries and fatalities to the cumulative exposure to risk, frequent near misses, and equipment failure. With regards to the latter cost cutting limits investment in replacing equipment, as such when used, these machines pose a threat to the lives of workers. The Safety Superintendent 36 aligned with the findings of both Stemn (2018) and Amponsah-Tawiah et al. (2016) in recognising underground operations and process plant as the two key operational areas where incidents happen, with the majority happening at underground level as a result of the difficulty of tasks performed and that of cost cutting or budgetary constraints potentially impacting health and safety;

_The two key operational areas where incidents happen are the underground operations and the process plant... Most incidents happen underground, these are the areas where the toughest jobs are performed. The terrain is not normal it’s a restricted space and truck leave 20-30cm gaps; because of costs we can’t open it up too wide._ (Safety Superintendent 36)

7.3.4 Rossinto – The Impact of Reward and Compensation Programmes

Rossinto was in line with its competitors regarding its base pay, with the pay package comprising of non-monetary benefits such as health care coverage and additional monetary benefits resulting from meeting KPI’s that were tied directly to the mine’s performance. This was owed in part to an exercise of benchmarking and more importantly to the concessions won by the GMWU in its ‘Agenda $500’ in 2009; where its negotiation with employers effectively led to the upward adjustment of the industry’s minimum wage in 2008 to a target of $500 in 2012 from lows of $180, alongside a salary indexation clause.

---

208 For example accidents emanating from the haulage system is said to be the second greatest hazard on mines (Amponsah-Tawiah, et al., 2016).
209 A campaign for increased salaries and a salary indexation clause where salaries of members were to be determined in a dollar equivalence; effectively $500 was made the minimum pay at mines (Kalusopa et al., 2012)
210 Ibid
Nonetheless, there was some level of discontent on the seemingly unitary calculation of redundancy packages for ‘senior staffs’. In furtherance, this employer went contrary to its commitments to pursue the value of putting people first, as it kept a pool of about 100 workers on a casual basis\textsuperscript{211}, and denied them of a pension. In accordance with the labour law, the company is within its legal right to do so; however, its actions are morally questionable as per its commitments. Thus, Section 74 of Act 651, stipulates that a casual worker shall be given equal pay for work of equal value for each day worked; have access to any necessary medical facility made available to the workers generally by the employer; be entitled to be paid for overtime work by his or her employer in accordance with section 35; and be paid full minimum remuneration for each day on which the worker attends work. However, it does not seem to contain provisions regarding pension entitlements or health benefits for temporary and casual workers.

7.4 Rossinto - The Production System and Freedom of Association

Rossinto runs a production system based on lean management, that of; eliminating waste and creating value, which has created an ethos of continuous improvement and encouraged the utility of information systems and pull driven systems of JIT where, production is meticulously measured, and based on actual demand. An adjustment to a dynamic market (of oscillating prices), that has sought to keep the firm in a position of maintaining profitability regardless of declining prices.

At Rossinto waste was eliminated through the practice of preventative maintenance of vehicles and conveyors, a strategic supplier integration - a five year alliance with the world’s largest mining original equipment manufacturers (OEMs) to deliver on parts, services and machinery at a significant discount and the practice of extensively utilising information systems that captured and provided better access to information that of, tracked metrics such as safety, employee availability,
weekly development targets and utilisation of resources, and cycle completion times, which allowed for problem solving. This transformation was in part due to the Managing Director within the last couple of years that increased the involvement of the senior leadership and workers in driving process change and improvement; as workers were removed from ‘siloed’ departments to ones that fostered a collaborative mentality and debate, as well as encouraging them to share their tacit and explicit knowledge about work processes, in for example morning ‘toolbox’ meetings.

Literature on high performance systems identifies as critical, facets that encourage worker buy in, with proponents encouraging the development of complementary HR bundles which provide a degree of worker involvement in process improvement (Oliver and Wilkinson, 1989; Delbridge et al., 1992). These practices that encourage commitment through increased communication and involvement alongside other measures of company welfareism, potentially heightens the dependency of workers to a firm that continually seeks increased profits (ibid). Placed in a highly unionised sector, this production system is known to require a compliant workforce, and as such is not congruent with strong workers organisations. In the case of Rossinto, with the manufacturing principles of lean management, despite requiring Greenfield sites to thrive, found fertile grounds on a brownfield site where GEMM of the GFL have been compliant partners. A chosen union partner that has been incorporated in the logic of management; where employment, wages and working conditions, effectively workers’ interests is subordinated to generating shareholder value. This is notwithstanding Rossinto’s additional anti-union strategy of co-opting union leadership in order to maintain its predisposition to partnership and no strikes, by encouraging its ‘junior staffs’ to maintain their bargaining certificate with GEMM, de facto pitching it ahead of its rival union, Ghana Mine Workers Union (GMWU) of the TUC. This is inclusive of a concurrent strategy to limit the growth of unionisation within the firm, through encouraging the inception of a senior staff association (SSA) which meets annually

---

212 Term referring to shop floor workers
213 GEMM, was formed recently by a breakaway leader at the GMWU who was nearing retirement (Head of GMWU 52)
with management to discuss the conditions of service, in a bid to prevent the advance of Professional and Managerial Staff Union (PMSU) of the GMWU, a union body that seeks to completely organise ‘senior staffs’ in the large scale mining sector.

Significantly, the guaranteed rights of freedom of association under the Labour Act of 2003 and under Rossinto’s CoCs which aligns to CLS, has been transposed in-country to one where victimization and marginalisation is prevalent amongst workers covered by CAs (junior staffs) and those not covered by CAs (senior staffs); where workers are constrained in their right to freely associate with union organisations, through misinformation. This is because the over-riding perception of trade unions was somewhat negative in that they keep organisations on their toes and ‘if they pick you up it will affect your image and reputation which will deter investors’ (Community and PR Officer 35); this was inclusive of the view that ‘they can stop your production’ (Senior Financial Analyst 29) if not reined in and curbed, at Rossinto ‘it doesn’t happen that often because the senior staff association is not a unionised entity’ (Senior Financial Analyst 29). Fundamentally, the context of job insecurity highlighted by all interviewees, was one alluded to by the HR Training Superintendent 32, Senior Environmental Officer 27 and Superintendent Environment 26 below when referring to particular challenges faced by union representatives (junior staffs) and leaders of the SSA in properly representing their members, especially in instances of negotiations for better terms and conditions.

What I could say is that one of the issues could be job security. I think that sometimes, the right thing has to be done but... if they push too hard or they fight too maybe they will be tagged in a certain way that maybe if anything is happening to the organization they will drop them first. (HR Training Superintendent 32)

What members who have taken SSA executive positions have said is that if you become too vociferous and forceful then some of the management members could target you... [Management] wouldn’t want it [the negotiation] to be done in a particular fashion that appears too aggressive. (Senior Environmental Officer 27)
The barrier is that, if you are an executive member and you go for these negotiations, sometimes when it gets tough and you would step on toes, because you are representing an association. At times you may say something that will not go down well with management and you may be marked down. For example if Paul was rough and he didn’t talk nicely to management, Paul [in this sense] is not a good guy and because of the contract system [with the longest being 3 years], he could sacked at the end of the contract. (Superintendent Environment 26)

Employee representatives faced challenges of victimization and the threat of dismissal amongst other issues such as the marginalisation of powerful union representatives and tactics to implement to dissuade ‘senior staffs’ that sought to join a trade union.  With regards to the former point, the CI and Supply Chain Manager 34 spoke of an instance where a union representative was powerful and as such management at the company found it difficult to pass unitary decisions, in this case management found a strategy around that person, as he put it: normally you won’t dismiss that person but you give that person a role that will make him less a pain.  Whilst with regards to the latter point, for example ‘senior staffs’ understand that when it comes to negotiations trade unions in effect have a stronger bargaining power than an SSA because they have a bargaining certificate; thus although: the contract system has made them [the junior staff union] a bit toothless...by virtue of them being unionised, management cannot just do anything without them, [this is in contrast to] the SSA who do not have any teeth at all (Financial Controller 30).  Thus, in seeing their powerlessness, the previous chairman of the SSA mobilised his colleagues in an attempt to join the PMSU of the GMWU, an affiliate of the TUC, which ‘obviously management won’t allow some of us to join them’ (Financial Controller 30)\textsuperscript{214}.  As the Senior Environmental Officer 27 put it:

\begin{quote}
I think some of the management members did not like the idea of senior staff joining any of the trade unions. [They expressed this through] mails and correspondence. But, if the majority of members wanted to join a union, they could not have prevented us. (Senior Environmental Officer 27)
\end{quote}

The move for unionisation of the SSA failed as many members opted to stay as an association, after management ran a strategic campaign to dissuade members

\textsuperscript{214} Also echoed by Senior Financial Analyst 29
from joining the PMSU by pushing forward the messages of the good relationship management has with the SSA; thus joining a union ‘will disturb the industrial peace of the company’ and unnecessarily prolong annual negotiations (Superintendent Environment 26), this is inclusive of messages exemplified below that were propagated to discredit them:

From what I have seen since when I became part of management, the mother union are not really in touch with day to day activity or what is going on in the mines...At times it will compel management to take certain decisions, which may be inimical to the survival of the mine. Because they are not part of the mine and they don’t work here, for them they are interested in the monthly contributions... they sit in Accra, pay themselves fat salaries, attend all sort of meetings and they take per diems. (CI and Supply Chain Manager 34)

The most commonly cited reason of ‘high’ union dues, tied to perceptions of financial mismanagement by union heads, as propagated by top management is said to have ultimately stopped the move for unionisation. SSA dues were said to be paltry sums which were flat rates applied to all ‘senior staffs’ around GHC 40.00, whereas joining the PMSU could have meant increases as dues were based on 1% percent of the salaries of members. Members found this to be exorbitant, and retorted to the view that their own ‘executives could be able to sit down and do jaw-jaw and get a better deal from management than leaving our fate to the unions. So we backed down on that completely’ (Senior Environmental Officer 27).

Notably, in an interview with the head of the GMWU (160905001), the particular issues of complaints about membership fees were not mentioned, although there was significant correlation with the constraining hold top management has on ‘senior staffs’ about unionism. Workers were fundamentally scared of being dismissed.

[Rossinto] is a cheap mine, they are at the extreme. They want to join us but they are afraid because the HR manager there has constrained the process. The guys there are timid, we have been there, had a talk with them but because of the procured nature of the contract, they are afraid they will be fired. There have been instances where workers have been fired for joining quite recently a member who had a contract for 2 years had his contract ended unfairly but he had to be re-instated. The guys [at Rossinto] are really
shocking me, they have been tamed, we have tried to organise them many times but they fear that they will be dispensed with. (Head of GMWU 52)

7.5 Rossinto – Union Response to Employment Practices and Outcomes

There are two unions present at Rossinto representing ‘junior staffs’ that of the Ghana Mine Workers Union (GMWU) of the GTUC and that of GEMM of the GFL which currently holds the bargaining certificate for those workers. It possesses a binding CA with Rossinto that is opened up every year for negotiations on salaries, with the other conditions of service negotiated every three years. GEMM operates in an enterprise where there is hostility towards collectivism of a union kind, as some management would have liked the formation of associations as opposed to trade unions in negotiating with leaders (IR Officer 33). Regrettably for management, the mining industry is widely unionised, with the GMWU being the prominent union organisation in the sector; known to be tough when it comes to their dealings with management (Financial Controller 30), specifically with regards to their negotiation stance, as such management opted for unionisation of a compliant kind by choosing the GEMM of the GFL, a member of a business friendly union centre widely known to bear the hallmarks of partnership, with a near rejection of the use of strike action. The IR Officer 33 alluded to the GEMM being co-opted into managerial agendas: at times they can, condone and connive with management and you will not be there, but they will just be dancing to the tune of management (IR Officer 33). Subsequently, the GMWU recruited some members as members found the statement above to be true, thus, in March 2010 for example about 400 workers moved their membership from GEMM to the GMWU citing ‘a sharp contrast between they and members of GMWU as far as living conditions are concerned and that was largely due to the able performance of the leadership of the GMWU’ (GhanaWeb, 2010). In the case of ‘senior staffs’, management successfully installed an association, with subsequent attempts to unionise those workers met
with failure\textsuperscript{215}. Interestingly in looking at unionism workers of that category sought the membership with the PMSU of the GMWU. This entity has sought to heal the colonial legacy of the nation that saw ‘senior staffs’ and ‘junior staffs’ pitted against one another by the divide and rule policy pursed in labour relations by mining companies.

Notably, managerial prerogative was in the ascendancy at Rossinto as the power capacity of the union had significantly diminished in part due to the stance taken by the union and the shift in power attributed to the removal of workers from permanent status to fixed term contracts. This is in addition to the effect of measures such as the removal key instigators (for example members of SSA pushing for unionisation) under the guise of redundancy or outright dismissals, on the power capacity of workers and their representatives. For example, the Senior Environmental Officer 27 commented on the impeding redundancy of over 300 workers; it is not the best way to reduce [the] cost of production…. [Because] the salary of workers is less than 10% of the cost of production.

Finally, ‘senior staffs’ expressed discontent on the calculation of the severance package, and wanted an increment in the notice period in times of termination. Notably with the latter point, workers admitted that Rossinto went above the legal requirement of a two week notice period by providing a month’s notice. The SSA was used as a vehicle to deliver improvement in the areas highlighted through its meetings with management however interviewees expressed frustration on the lack of progress on those issues; possibly denoting why they went ‘union shopping’. This is amongst other reasons of access to power resources of a union with the ability to lobby the state to review fixed term contracts and the formation of rules regarding large scale retrenchments in the industry.

\footnotesize\textsuperscript{215} They utilised the ‘tame stuff’ and the ‘fear stuff’ to some extent to avoid unionisation (Gall’s, 2001 cited in Dundon, 2002, p. 239)
7.6 Rossinto - Summary

This case study highlighted a company that had a CoC with an embedded commitment to the UN Global Compact and one that had only one subscribed industry related standard, that of the ICMC. In line with RQ2 private CSR initiatives are mostly implemented through CoCs, with little efforts to subscribe to other standards that required ‘intrusive’ or external scrutiny but preferred ‘aligning’ to them. More importantly implementation and compliance was found to be inept in light of limited mechanisms for reporting employment breaches as workers could not go above their immediate superiors to report malpractice in most cases. This was widely evident in the section on CSR and work organisation which unearthed substantial breaches in health and safety, reward and compensation and issues of work intensification. The influence of financialization in terms of encouraging the pursuit of cost minimisation strategies, such as initially pursuing the contract mining model in a climate of relatively low gold prices to deliver on shareholder return, had been a contributory factor to the subordination of working conditions (all workers put on fixed term contracts). With regards to RQ3, freedom of association was found to be weak or restricted as workers were effectively assigned an employer friendly union GEMM and tactics of victimisation, dismissal and misinformation as well the installation of a SSA were employed to prevent unionisation amongst ‘senior staffs’. Effectively, amounting to Gall’s (2001 cited Dundon, 2002, p. 239) categorisation of management strategies or anti-union behaviour that borders on the use of the: ‘tame stuff’ and ‘fear stuff’. Finally in examining RQ4, that of the response of the unions to managerial initiatives, it was found that GEMM effectively worked with management whilst GMWU had failed attempts to unionise ‘senior staffs’.

The next section examines HiliGold; a company in the same industry, but a much earlier entrant, having assumed control of former state owned enterprises. This case presents a company purporting to be a trailblazer in rights and employment conditions. Nonetheless, despite possessing a CoC that encompasses substantial commitments and subscription to industry standards with established
reporting mechanisms, similar breaches were unearthed in terms of issues of control, health and safety, and pay. Substantially, the running theme of anti-unionism, in this case a strategic long term plan of utilising elements of its employee relations department and to some extent the justification of generating investor returns in a low gold price climate through cost minimising strategies in the use of the contract mining model and fixed term contracts, removed the well-established dialogue with the GMWU (present in the former state enterprise). The proceeding sections cover the implementation of CSR and its impact on work organisation, the production system and freedom of association, a section on the union response to the management practices and a summary.

7.7 Company Background - HiliGold and CSR

HiliGold is a South African MNE formed in 1998 from the assets of two historic South African (SA) companies and currently stands as one of the world’s largest unhedged gold producers and 8th on the lists of the largest gold mining companies in the world in terms of production volumes. It operates 7 mines in Australia, Ghana, Peru and SA. It employs in excess of 8,800 people globally and in 2017 had revenues of $2.8 billion. The Africa operations consist of an underground mine in the Mpumalanga region of SA216 and two mines in Ghana located in the Western region. They consist of; one surface mine situated in the historic mining town of Tarkwa (LoM at 2031) and another at Damang (LoM 2025). HiliGold could be described as a ‘geocentric’ or ‘transnational’ MNE (see Chapter 2 subsection 2.3.1 for an extensive explanation).

HiliGold entered the Ghanaian market in 1993 after the acquisition of the Tarkwa Mine (then an underground mine) from a state enterprise. Notably, within 3 years after acquisition it started surface mining operations in 1998. The firm attributes its current and long-term success to pursuing the goal of becoming a low-cost gold producer, where it maintains healthy cash flows in economic cycles in the

---

216 The second largest gold mine in SA (LoM of 2092)
gold mining industry, by pursuing a strategic objective of maximising total shareholder return sustainably through a focus on achieving ‘balanced scorecard’ (BSC) targets\textsuperscript{217} in areas of safe operational delivery, capital discipline, portfolio management and on social licence.

HiliGold’s annual reports indicate increasing efforts towards acting ethically and responsibly: it was a participant in the Johannesburg Stock Exchange (JSE) Social Responsibility Index at its inception in 2004. It received the recognition of ‘best performer’ within the index in 2011 and remained a constituent until its closure in 2014. The current index of the JSE, the FTSE/JSE Responsible Investment Index, has seen HiliGold included in the Top 30 Index since 2015. Internationally, in its first assessment by the Dow Jones Sustainability Index (DJSI)\textsuperscript{218} in 2011, it was ranked 4\textsuperscript{th} in the mining sector. This commitment has seemingly remained the same and maintaining a top five position in the Dow Jones Sustainability index by enhancing the social licence to operate through Environmental, social and governance (ESG) focused initiatives, has been a priority. To this end, HiliGold’s BSC targets which emanate from charters; investor relations, society and community charter, and employee charters make commitments to stakeholders. It has a social performance framework that aligns delivery with its commitment, for example it has a community investment strategy and plan, which includes shared value projects, community development projects, social and labour plan projects (SLP)\textsuperscript{219}, and foundations. In furtherance, HiliGold is signatory to external standards and principles in areas where it has made commitments. For example, it is signatory to the environmental management standard ISO 14001, the international cyanide management code and also signatory to the health and safety standard OHSAS 18001. Significantly for employees, group policies and guidelines, expressed in its CoCs, are in line with its commitment to the UN Global Compact. It also makes a commitment to human rights by explicitly referencing the UN Universal Declaration of Human Rights. It is noteworthy that, since its DJSI achievement in 2011 HiliGold

\textsuperscript{217} Performance targets; for example on safety, a target has been set for no fatalities
\textsuperscript{218} The DJSI is one of the most recognised measures of the sustainability performance
\textsuperscript{219} SLP – usually a legislative requirement under mining charters (e.g. in SA), by using the state’s power to grant or refuse the right to mine, companies forced to focus on host communities (Snyman et al., 2017).
has consistently been ranked among the top five mining companies on the Index (2011-2018). Nonetheless, despite the commitments made above, breaches by HiliGold have been widely reported. For example, controversially in 2010, HiliGold was involved in a case of bribery in SA when it made payments of about $210 million in a black economic empowerment (BEE)\textsuperscript{220} transaction as well its involvement (negligence in safety) in a $400 million class action settlement in March 2018, SA’s biggest class-action settlement, with law firms representing thousands of miners who contracted the fatal lung diseases silicosis and tuberculosis (Stoddard, 2018).

It is noteworthy that with the exception of the Vice President HR 38 that captured the welfare of employees\textsuperscript{221} in his understanding of CSR; ‘I will put it in three ways: we look at their financial well-being, their physical well-being and their spiritual well-being ... we have some non-denominational churches come annually to pray for the mine and for the employees’ (ibid). The remaining interviewees solely pointed to the work of HiliGold’s foundation and its initiatives in promoting socio-economic development in their host communities. This entity created in 2002, the first of its kind in Ghana, focused on community development as part of HiliGold’s commitment to its host communities; as of 2016, the foundation had about $2 million in reserves\textsuperscript{222}, having spent a reported sum of $36 million on various projects in its 16 host communities. Interviewees also pointed to employment opportunities; mainly fixed term contracts given to new graduates from the host communities as part of their CSR initiatives. However, Senior IR Officer 40 and Branch Union Secretary (16097003), employees from the host communities, captured the aforementioned initiatives as wholly inadequate: ‘I won’t say they have done enough, I have to be sincere’\textsuperscript{223}. In furtherance, the Branch Union Secretary (16097003) cited that despite its inadequacy, the initiatives taken up by

\textsuperscript{220} BEE a flagship African National Congress’ (ANC) policy aimed at redressing the inequalities left by white-minority rule that ended in 1994 by increasing black ownership of businesses and accelerating black representation in management (Fauconnier and Mathur-Helm, 2008; South African Mining Charter, 2018)

\textsuperscript{221} Superior pay and benefits, and extensive medical coverage (Vice President HR 38)

\textsuperscript{222} Community Affairs Officer 42

\textsuperscript{223} Senior IR Officer 40
HiliGold were better than nothing as he noted that it took a major spill for it to happen:

They were not doing anything but fortunately or unfortunately, maybe it’s an act of God, in 2001 they polluted our water bodies, cyanide went into our water bodies it wasn’t a small thing... it was from there that [HiliGold] started doing their corporate social responsibility. (Branch Union Secretary, 16097003)

HiliGold initially dealt with community requests on an ad-hoc basis and only set up a formalised structure of funding for community engagement and development after the spill. In 2001, dubbed the worst cyanide spillage disaster in Ghana at the time, villages in the Wassaw West District were hit by the spillage of mine wastewater (cyanide laced waste) that washed into River Asuman, as a result of a ruptured tailings dam. Interviewees spoke of measures to prevent these issues by seeking certification with credible international bodies that promote best practices; in order to internalise those practices, provide a degree of external scrutiny that allows operations to be locally and internationally compliant, and to help keep local activists away and also bolster investors’ confidence. The Vice President HR 38 made this clear:

Once you sign onto them you will be audited to make sure you comply. The best way is to check ourselves and to be both internationally and locally compliant, otherwise somebody can challenge us; NGOs like WACAM... they can flip you out and it can affect your share price. (Vice President HR 38)

When asked about the motivation for CSR initiatives, interviewees emphasised on the essential need for HiliGold to display good corporate citizenship. Doing so brings about benefits accrued from a good reputation, essentially the maintenance of the licence to operate. This is especially necessary for a sector that has had special attention paid to it by the media; MNEs in that sector portrayed as ‘rich companies coming from developed economies to operate in poor fragile markets’ like Ghana, where they are exploitative in terms of their treatment of workers and their lack of good environmental credentials.

224 Community Affairs Officer 42
HiliGold’s CoCs sets out the principles and values of; safety, integrity, respect, innovation, delivery and responsibility that supposedly informs decision making and guides behaviour at the company. It makes a commitment to ethical behaviour in the areas of its dealings with stakeholders, with commitments made to employees, of treating them fairly and respectfully, that's inclusive of others; ensuring environmental management, health and safety, and supplier compliance. Importantly, it commits to the principles of the Universal Declaration on Human Rights. To that end it has an attached human rights policy statement that cites that; ‘we respect human rights and are committed to respecting all the rights, dignity and freedoms of all’\(^\text{225}\). It is assumed that this is inclusive of the right of peaceful assembly and association, although this is not cited. Although captioned under ‘licence and reputation, human rights’, HiliGold’s 2017 Annual Report referred to the human rights policy statement embedded in the CoC which is aligned to the International Council on Mining and Metals (ICMM) principles on human rights and the UN’s Protect, Respect and Remedy framework. There are specific commitments to; not curtailing others’ enjoyment of human rights, to defending where possible, employees and third-party individuals and groups against human rights abuses, to taking positive action to facilitate the entrenchment and enjoyment of human rights. This policy statement also commits to upholding the highest standards of human rights within their workforce, which includes the CLS.

The implementation of CoC is very much in line with that of most MNEs where the policy is widely diffused on its global intranet and website, with all staffs receiving a hard copy as part of their employment contracts. This is supported by a compliance framework, which includes regular training and reporting mechanisms\(^\text{226}\) that ensures continued adherence to almost 1,500 statutes that apply to their operations; to provide employees and contractors with greater

\(^{225}\) HiliGold, revised Code of Conduct, 2017
\(^{226}\) Availability of confidential third party whistleblowing hotline or normal grievance mechanisms established at all operations to report breaches.
awareness and knowledge of the regulatory environments they operate in order to ensure compliance and accountability. On the face of it the subsidiary was subjected to internal audits in terms of its CoCs, whilst there was some external scrutiny, on the account of the firm being a signatory to the environmental management standard ISO 14001, the international cyanide management code and also that of the health and safety standard OHSAS 18001.

7.8 HiliGold – CSR and the Work Organisation

This section examines HiliGold’s CoC declarations and employment outcomes, in a bid to highlight the disconnectedness of the rhetoric of CSR and production processes occurring at the work organisation. Financialisation as in the previous case, in terms of generating pressures to maintain strict financial discipline in the contemporary age of oscillating gold prices had similar impacts on creating a disciplined workforce and an intensified work environment, one of increasing workloads and stress. These facets are highlighted alongside that of some issues in occupational health and safety as well as reward and compensation despite HiliGold relatively assuming an industry leading role. A look at these micro level workplace issues puts the firm’s CSR commitments in context.

7.8.1 HiliGold – Production Process and Coercive Labour Discipline

Tarkwa and Damang mines after being acquired by HiliGold in 1993 and 2002 respectively, also adopted lean management, a production process that involved the use of a coercively disciplined workforce. This was highlighted by the Union Secretary 37 who commented on the production process and the rapid change in fortunes of the Tarkwa mine following its acquisition. He explained that before acquisition the State enterprise that managed; the Tarkwa mine, Prestea (an
underground mine) and one at Dunkwa which was involved in dredging, had set them a combined monthly production target of 5000. However, this target was never met by the three operations combined, but was met by Tarkwa immediately after its acquisition with a significantly reduced workforce.

After pruning down the numbers from 3,200 to 1,200 on the 1st of July 1993 [in the month of acquisition], that same month by the 31st of July 1993, just a period of one month, [HiliGold] had the 5000 ounces with a 1,200 labour force... you can see the inefficiencies... they didn't come with any new equipment, nothing. (Union Secretary 37)

The Union Secretary 37 makes a significant point in the quote above, about a production process that was run by the state which did not tackle inefficiencies in his view of an inflated head count made up of relatives or friends (that of nepotism). Subsequently, this seemingly protected and created an undisciplined workforce which stifled productivity and profitability:

[Before the acquisition] you will find people lying down sleeping because his uncle is the mine captain or underground manager or something, so he doesn’t fear anybody. The supervisor will see him but cannot control him because he is a powerful man’s son or nephew. (Union Secretary 37)

Immediately after the acquisition, Tarkwa achieved a significant degree of labour discipline after management instituted a program of redundancy when it moved to the model of contract mining from 1993 to 2004. A model where a contractor, specialised in this case in underground mining, is appointed to undertake all of its major mining operations using its own equipment and personnel, of which some of HiliGold’s workers were absorbed. This model potentially created a disciplined and compliant workforce as the workforce was reduced and workers were subject to substantial changes in their conditions of employment. Rupprech’s (2015) article which examined the models of contract and owner mining outlined the substantial benefits of flexibility in terms of manpower and access to equipment when adopting the former, however rightly pointed out potential safety concerns or reputational damage arising from the use of that model. Thus, the cyanide spill in 2001 for example amongst other issues of rising fatalities on the mine and reputational concerns potentially caused it to return to owner mining in

---

227 Acquired and managed by mid-tier Canadian gold mining company with operations only in Ghana
2004. This is notwithstanding other reasons of attaining economies of scale; having resolved initial capital challenges on entry.

Nonetheless, regardless of the thinking behind the return to owner mining, management at HiliGold now had a compliant and disciplined workforce, having experienced substantial insecurity and very different working conditions compared to ones had under the state enterprise. Under owner mining, HiliGold returned workers to some degree of comfort by giving them permanent contracts with industry leading pay and working conditions, although the workforce had to accept huge divisions for the first time; where categories of fixed contract workers and casual workers, were created with substantially debased working conditions. Notwithstanding that in the early months of 2018, HiliGold pursued the contractor mining model again, citing the potential for economic gains, from utilising the expertise of a contractor; ‘given the escalating cost of labour in Ghana and the need to invest in new equipment and fleet’ (HiliGold Annual Report, 2017).

Unlike Tarkwa which was an established mining operation spanning decades, a brownfield site, the Damang operations were relatively new, largely a greenfield site, explored for the first time for purposes of commercial mining by an Australian company attracted to invest post-SAP. Workers were selectively recruited; nepotism largely had no place at this workplace and though they were given permanent contracts they were under authoritarian leaders that were willing to exercise their managerial prerogative and fired workers at will. Thus, largely the workforce at Damang was disciplined. More importantly, workers from the onset were told of a short LoM and encouraged to comply in fully exploiting minerals to production targets in order to justify further investment required for mine expansion. The subsequent move to contract mining in 2017, further entrenched labour discipline, as the contractor reduced the workforce and debased working conditions; of course a return to future owner mining could spell the removal of previous protections afforded workers.
7.8.2 HiliGold – The Issue of Work Intensification

It is important to re-emphasize that HiliGold’s business strategy, to maximise total shareholder return sustainably, is premised on four basic pillars: safe operational delivery, capital discipline, portfolio management, and licence and reputation. Relevant to this section is the first two pillars; where there are competing pressures of maintaining capital discipline, improving productivity and sustainably exploiting the ore. In Ghana, this has resulted in management initiatives targeting the reduction of costs; interviewees spoke of delayering and retrenchment exercises, although managerial staff such as HR Business Partner 41 couched it in language of removing inefficiencies ‘the middle belt is a bit choked’ referring to the category of mine superintendents. In an industry already typified by long working hours, the cumulative effect of the net loss in staffing and that of the long days, insufficient holidays created conditions of intensification. The remark from the HiliGold’s group CEO below relatively bolsters this point;

*I would like to express my sincere appreciation and gratitude to all the employees of [HiliGold]. We run a tight ship and this requires resilience, commitment and long hours from every member of the team.* (CEO Annual Report, 2017)

As the Senior IR Officer 40 also put it, ‘*it is a mining company; we do not run that 8 hours thing*’ acknowledging that like all mining operations it is a 24 hour operation. In the case of HiliGold workers work in 12 hour shifts, a morning and a night shift with a support team, ‘3 cycles’. Moreover, the HR Business Partner 41 cited insufficient holidays taken by regular staff that only had 17 days of leave days in a year, with 23 days allotted for management staff and 48 for senior management staff, whilst fixed term workers (contracts over 1 year) only had the legal minimum of 15 days; ‘*I think that to be honest with you, if you work 12 months continues, you should have 30 days rest…. [Because typically in] the first week you will still be bogged down with calls from work*.  

---

228 HR Business Partner 41
Notably, HiliGold’s operation (Tarkwa and Damang combined) is the second biggest producer in the group’s portfolio contributing 32% to the group’s production in 2017. Interestingly both have consistently met and exceeded production targets, even in Damang’s current state of expansion. Gold produced in 2017 at Damang was 144koz, 29% higher than its guidance of 120koz. Significantly, HiliGold Tarkwa operation stands as the ‘cash cow’ of the group, as the HR Business Partner 41 puts it; we are like the baby of the group. I mean when somebody says this thing is my baby they mean this thing is dear. More significantly in contextualising the point, the ER Manager 44 cites that:

Tarkwa is the cash cow. In the group we play a significant role. When Tarkwa coughs the group catches a cold. When we are not doing well it affect the group seriously because it is actually funding the operations in Darmang… [The rest of the world] they are doing well but if you look at the ounces that we pour and the contribution we make to the group, Tarkwa is strong. (ER Manager 44)

The operation at Tarkwa, the groups’ largest and most consistent producer for a number of years continually faces year-on-year pressures to meet and exceed significant production targets; largely driven by the effects of financialization. In the current context of a low gold price environment, workers have felt even more pressed to excel and invariably work long hours to achieve aims:

They all rely on Tarkwa so if Tarkwa is down, all those mines are down… When it comes to the money aspect it is Tarkwa. We are feeding all those guys. So they are always on us, pushing us. So that is the issue now because they rely a lot on Tarkwa. (Senior IR Officer 40)

7.8.3 HiliGold – The Framework of Occupational Health and Safety

HiliGold leads the Ghanaian mining industry in having less injuries and fatalities on its sites as they have made significant drives to embed a zero harm mind-set across its organisation and have put emphasis in its CoCs on meeting production targets by following mine plans that aligns with its strategic goal on ensuring safety. Safety

229 Producing 565 koz in 2017 in-line with its guidance
campaigns run throughout the year such as the “Take 5 Safety Awareness Campaign” which encourages workers to spend five minutes to assess work related risks, and wearing PPEs has improved safety. Moreover, Interviewees spoke about injury free days, referring to an injury-free challenge instituted at the Tarkwa mine in 2011, which has improved safety. At the end of 2017 for example, the mine operated for 232 days without any injury, a significant stride, having previously only met milestones of 100 and 150 injury free days. The Branch Union Executive 43 cited below, spoke of a radical improvement in safety over recent years, attributing it to an increased focus on driving home the message of zero harm and strict enforcement:

They [senior management] have made everybody to understand that your life is more important than the mine ...They've put a lot of safety measures in place it has been there for a long time but the strictness and the awareness, started about 2/3 years, [with regards to] the punishment attached to it if you flout any safety rule it is very costly so workers are very careful. (Union Executive 43)

The Vice President HR 38 attributed the tremendous progress made in the aspects of safety to health and safety regulations driven from the company’s value of safety being non-negotiable and the renewed emphasis from the group’s CEO. Thus, senior management at Tarkwa now perform unannounced inspections because the safety statistics presented monthly and quarterly to the board and CEO now receives special scrutiny. More importantly, safety is now a key performance indicator thus; when you do well, you are to improve upon it. The Vice President HR 38 also referred to the regulator and its ability to shut down mines that do not have rigorous safety.

Nonetheless, on this topic of a renewed focus on safety at HiliGold especially at Tarkwa, a sufficient argument could be made that, the protections afforded workers in the CA agreed by their union, significantly made death or injury leading to incapacitation a ‘significant’ cost to the business. The ER Manager 44 cited the CA clause which mentions that ‘in the case of retirement on grounds of occupational ill health, the affected employee shall be paid 72 months basic salary

230 Vice President HR 38
and in the terms of workmen compensation law established’. This clause that was not properly couched with a grading system or a sliding scale, is said to have left it open to abuse\textsuperscript{231} and rendered it a substantial cost to the business. This is because workers with occupational illnesses such as lower back issues, hearing and vision impairments, and the silicosis could bring legitimate cases against HiliGold for this ‘generous’ package which pays 6 years of an employees’ basic, the legally mandated workman compensation, including the other benefits given to all employees leaving the organisation, e.g. provident fund\textsuperscript{232}. Thus, safety has been an area of renewed focus including the activation of an occupational health department to carry out active health monitoring to militate against this\textsuperscript{233}.

Finally it is notable that in industry comparable measures of TRIFR where in HiliGold’s case TRIFR was measured as the number of work-related injuries for every one million ‘man-hours’ worked, Tarkwa’s was at 0.18 with only three reportable injuries, an industry leading figure\textsuperscript{234}. This is despite a fatality involving a contractor killed by falling scaffolding equipment at its warehouse\textsuperscript{235}, whilst Damang’s was 1.19 in 2017. These revelations indicate the length at which leading firms such as HiliGold work on extenuating serious breaches to their positive message meeting or exceeding CSR commitments.

7.8.4 HiliGold – The Impact of Reward and Compensation Programmes

Interviewees spoke of ‘Agenda $500’ initiated by the GMWU to uplift basic pay in 2009 and their subsequent industry leading adjustments throughout the years. According to the Head of GMWU 52 the minimum pay which is typically earned by a manual labourer at this company stands at around $600 (the equivalent of 30000

\textsuperscript{231} Some employees put in fictitious claims before retrenchment, opting for this substantial package as opposed a retrenchment package (HR Unit Manager 39)

\textsuperscript{232} Senior IR Officer 40

\textsuperscript{233} HR Unit Manager 39

\textsuperscript{234} Best Mine award based on accident statistics - jointly awarded by MinCom and the Chamber of Mines

\textsuperscript{235} Adding to a fatality in 2015 of a spotter at Tarkwa struck and fatally injured by a dump truck when it reversed after dumping its load of material (Senior IR Officer 40; Annual Report, 2015)
More importantly, HiliGold’s additional bonus scheme related directly to mine performance was comparatively generous:

*We have an attractive bonus; we pay more bonuses than anybody else in the industry. So at the end of the year our employees are happy....Since I joined in 2014, they’ve [Tarkwa] had 6 months, 7 months and 7 months. 7 months of your basic salary [is calculated] as bonus at the end of the year. This year Darmang is heading towards 10 to 11 months.* (Vice President HR 38)

The Head of GMWU 52 highlighted that this remuneration philosophy had come of age, that of being target driven, as such it ‘is not free money’, thus are inducements truly deserved. These inducements were amongst others such as a provident fund paid out on dismissal, redundancy or retirement, whilst HiliGold market leads in non-monetary benefits such as medical coverage for workers their spouse and up to six children, transport (shuttle bus and company car sharing to neighbouring towns), food provision (Christmas hamper), and rent allowances. For example with the latter the company was the first-mover in this area, the company pays employees 39% of their basic salary as rent allowances.

Nonetheless all interviewees cited significant differences with regards to the base pay and fringe benefits enjoyed by workers categorised under ‘fixed term workers’ and ‘contractors’ or ‘contract labour’. The Union Executive 43 described conditions of fixed term workers as akin to ‘modern day slavery’, whilst further delineating or contextualising the conditions endured by fixed term workers as even better than that of contractors. Compared to permanent employees, fixed term workers were entitled to a limited package of fringe benefits, e.g. medical coverage limited only to the worker, limited access to the shuttle bus and had entitlement to bonus payments. The gulf was further widened when contract labour was examined. For example with contract security workers, permanent workers take home 3000 GHS whilst the contract security worker takes home 800 GHS (Union Executive 43). The Senior IR Officer 40 highlighted that despite having a HR manager in charge of contracts, where the role requires monitoring contractors, workers under contractors ‘contract labour’ were paid at rates of $200 or 1000 GHS, although most fell within the range of 100 – 1300 GHS whilst as at 2013, the lowest

---

236 Four bags of rice, cooking oil, biscuits (Senior IR Officer 40)
paid permanent employee had $520 as base pay\textsuperscript{237}. Moreover there have been widespread violations of minimum wage and pension regulations (Union Executive 43), the quote below exemplifies this:

\begin{quote}
Some of them their conditions are very bad, [typical pay for example is] 200 GHS a month, it is very bad. It is below the minimum wage yes, [and] ... Some do not pay SSNIT contributions for their staff... [After a series of meetings we found out that] some of them were not providing health insurance cards and transportation. (HR Business Partner 41)
\end{quote}

7.9 HiliGold - The New Production System and Freedom of Association

During the gold boom period (2009 – 2012), HiliGold’s production system was one largely based on consistently increasing production capacity and generating huge volumes of gold, for example up until 2012, HiliGold had set an ambitious targets of producing 5 million gold equivalent ounces in production or in development, annually. This drive was complemented with a large capital investment in equipment, storage facilities and on labour to aggressively increase productivity, critical at the time was increasing the total tonnes mined (a focus on quantity moved as opposed to quality of gold bearing ore). This production drive is contrasted with HiliGold’s recent (2017) efforts to build the ‘mine of the future’ that is leaner; premised on automation, utilizing integrated digital data platforms where mining is advanced by harnessing and leveraging on ‘big data’\textsuperscript{238}, utilizing remote machine operation, and virtual reality to reduce mining waste. This lean approach is inclusive of decisions to forge partnerships with OEMs to deliver on automation and technologies such as remote pillar mining and raise boring in underground mines for example, leading to substantial decreases in workforce size.

On entry HiliGold had inherited a brownfield site where freedom of association was embedded in principle and the workplace, was heavily unionized.

\textsuperscript{237} A rate substantially increased in 2017 in line with CPI inflation calculations.
\textsuperscript{238} Data captured from various sources, digitized, analyzed and leveraged for outcomes. E.g. real time data gathered on geological mapping and design, fleet tracking and operator safety, could improve outcomes on costs and safety.
Salient on freedom of association and unionization, the Union Executive 43 below spoke of HiliGold’s initial anti-unionism predisposition and as such management engaged in union avoidance strategies; for example forming work councils where selected departmental representatives met to discuss issues of employee welfare. HiliGold cleverly brought workers onside to achieve production targets but debased pay and fringe benefits as noted below and to a large degree denied them, participative rights.

It has been topsy-turvy. It hasn’t been smooth but nowadays it’s okay... When they came it wasn’t easy. They even had their own way of collapsing the union totally. You ask how? They came in 93 July, August, I was employed in October and what they said was that they were not interested in any trade unionism so they will form councils. So in a way when they began it was very good so the workers bought into it and .... When they [GMWU] came we drove them out and said we didn’t need any union. We literally beat them so later we got to know that these people are fooling us. We practiced that council for 3 or 4 years, 93 to 97 [and] we saw that no, it wasn’t good for us. They were not even giving us over time [pay for example]... so some of us who saw it earlier went to Accra secretly and started talking to our big bosses [GMWU leadership]. (Union Executive 43)

Subsequently, post 1997 to around 2012 is said to have been a period of an acceptance of unionism at HiliGold as senior management saw the strength of unions in the mining industry and the benefits of unionism, when examining the success a global competitor at Obuasi, then industry leaders. Crucially, the introduction of localization, a mining regulation encouraging local content, where some expatriate personnel were replaced by Ghanaian personnel, is said to have substantially helped develop HiliGold’s relationship with the union. For example, in 2009 HiliGold at the request of the GMWU made the Branch Secretary role a paid one, transferring a practice from SA where its operations has 7 full time NUM officers and also mimicking Obuasi that had two full time GMWU officers. Nonetheless, this relationship was only deepened after a 10 day strike action in 2013, in support of senior personnel that were Ghanaian nationals, most notably

---

239 GMWU staged successful strike actions against HiliGold in the 90s and in 2010 (ER Manager 44)
240 Passed in 2012 – the Minerals and Mining (General) Regulations LI 2173 introduced local content policies; proposals with respect to the recruitment of expatriates, employment and training of Ghanaians towards the eventual replacement of expatriate personnel by Ghanaian personnel and preference for local products
the current Executive Vice President (EVP), who at the time was being victimized, sidelined and then sacked by his superiors who were expatriates in reaction to MinCom’s call for localization. His subsequent reinstatement and promotion to EVP saw a deepening in the relationship, as the unions were now seen as integral, allowed to unionize 95% of the workforce and fully consulted on all matters regarding employee welfare. Although, management had limited unionization amongst ‘fixed term’ employees, and significantly, with the recent drive to build the ‘mine of the future’ in line with the Group’s CEO’s wishes, relations with the GMWU increasingly became acrimonious in 2016-2017. This is because the ‘foundational phase’ of the strategy scheduled to be completed by 2019, saw the strategic long-term removal of unions as both operations were moved to the contract mining model, where contractors are known to be anti-union; with ‘difficult’ workers made redundant and workers working conditions debased as they were allotted fixed term contracts.

7.10 HiliGold – Union Response to Employment Practices and Outcomes

The GMWU is the only constituent of ‘organised labour’ at HiliGold, where ‘junior staffs’ are represented by the ‘Branch union’ and ‘senior staffs’ are represented by the PMSU. It has a CA with HiliGold that is opened up every two year for negotiations on salaries, with the other conditions of service negotiated every three years. GMWU operates in an enterprise where there is some appreciation of collectivism of a union kind, in light of potential benefits attained from a body that ensures a stable work environment needed for business sustainability241; although it has strategically taken steps to reduce union strength (coverage), mould compliant collective representatives and weaken workers ability to go on strike. For example from a peak of 95% coverage of the workforce in 2012, coverage fell to 85% in 2017. Post 2013 HiliGold sought to mould compliant collective

241 HR Business Partner 41
representatives by instituting an employment relations department separate to the largely administrative HR function, with significant reporting lines directly to the Vice President HR and EVP, a department tasked with engaging with the unions. Subsequently channels for picking up grievances, operational challenges and disseminating information on company performance were created as unions were now met on a weekly, monthly and quarterly basis by members of the senior management team; so through that we are able to resolve things. In addition members of the ER team practiced ‘management by walking about’, being visibly present across critical parts of the operations in ‘sectional visitations’ for example at the heavy mining equipment section (HME); When you go to them you wear their uniform, they see you there with them, they like it... that you don’t sit in the ivory tower and look down on them. Finally, by also making the Branch Union Secretary role a paid one for example, amongst other examples of co-sponsored trips to ILO conferences and regional meets with NUM in SA, management brought the union ‘onside’. The Union Secretary underlines this clearly by outlining that he is there to ‘carry out the agendas of management’; effectively he remains silent in suggesting redundancies however ‘the union is always there to assist management to be efficient or to be prudent in terms of productivity’.

It is notable that despite possessing a reputation of being a ‘radical union’, GMWU disposition towards HiliGold post 2012 to 2017 was more cooperative responding to the overtures of ‘partnership’ extended by senior management. The HR Unit Manager quoted below highlights the benefits of ‘listening’ in light of getting buy in from the union and its effect on industrial peace; moreover he alludes to a union composition that has changed, a highly educated and technical

---

242 Vice President HR 38
243 ER Manager 44
244 Essentially at locations such as the maintenance workshop
245 ER Manager 44
union leadership\textsuperscript{246} that have considerable power but significantly believe in dialogue.

\textit{They felt they didn’t have a voice. We didn’t want to listen to them ... [but now] the union has really come on board in helping us manage the mine. That is why I said if we are able to get them on board in certain decision making, it helps us. Now the union that we have is not the old time union who will be banging tables. (HR Unit Manager 39)}

The head of the GMWU (160905001) described the relationship with HiliGold as a ‘quasi partnership’ acknowledging drastic changes as managements have decided to engage in good faith, albeit a few bad faith relationships that still exist. As such he described the union as taking an approach of ‘enlightened radicalism’: \textit{in other words you are not just radical but you have knowledge and you don’t just shout for shouting sake} (Head GMWU, 160905001).

The GMWU and PMSU have continuously focused on pushing management for above inflationary wage increases, after successfully encouraging HiliGold to fully adopt ‘Agenda $500’, amongst other aforementioned industry leading benefits secured for permanent employees. Moreover being a vocal proponent of ‘localisation’ amongst other issues such as championing calls for safety, made the GMWU relevant and allowed it to have substantial members across both categories (senior and junior staffs). Nonetheless, with regards to responding to the plight of fixed term employees, management is apparently ‘thwarting’ its efforts to organise them\textsuperscript{247}. For example, targeting workers carrying out their national service at firm, who typically given fixed term contracts has proved unsuccessful as management actively sought to remove trade union members through the non-renewal of contracts. Nevertheless, the union continued to push to close the gaps between fixed term and permanent employees.

Finally, in responding to redundancy, 2012 to 2017 saw the union journey from confrontation to collaboration as the union to some extent sympathized with the challenges facing the industry after slumps in gold prices. Thus it utilised some

\textsuperscript{246} The Branch Union Secretary supposedly has a Masters in industrial relations, and the head of the PMSU is a senior geologist (HR Unit Manager 39)

\textsuperscript{247} (Branch Union Secretary, 16097003)
of its political resources in helping the company secure a development agreement with the Ghanaian government for both its mines where they had a 2.5% reduction in corporate tax, and a sliding scale royalty based on the gold price introduced, currently at 3% as opposed the flat rate of 5%, effective as of March 2016 and set for a period of about 15 years. Hence a decision by HiliGold to make redundant 2,150 employees at its Tarkwa operations by adopting the contract mining model, announced at the end of 2017, was met with threats of strikes at both operations, sympathy strikes by other mine workers and a general strike. The GMWU has since then leveraged on its affiliations with the GTUC, regional unions such as NUM, and the global union IndustriALL, for solidarity in building an international campaign to document and report on the firm’s ‘disregard of workers’ rights’ at the stock exchanges where the company is listed.

7.11 HiliGold – Summary

In line with answering the research questions: RQ2 - In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?, RQ3 - Is freedom of association observed and acted upon in practice in the cases study MNEs? and RQ4 - In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms?, this case buttressed findings already unearthed in the previous cases in that MNEs by and large carry soft regulations across their operations through commitments subsumed in CoCs. Nonetheless the case showed a variated approach to implementation in that unlike the previous case, reporting mechanisms were comprehensive and workers could break the chain of command in doing so. More importantly, the firms’ subscription to external industry standards signalled its readiness to ensure proper implementation. The rhetoric of CSR or indeed the promise of good behaviour and employment conditions in the times of high gold prices seemingly observed, however in the contemporary times of low gold prices, it was polarised. Strategically union presence and power was ebbed away by the inception of an ER
department, that actively worked on changing the perceptions workers had of management, by employing methods that improved communication such as team briefings, monthly newsletters or durbars as well as ‘management by walking about’, which allowed them to listen and directly address employee concerns. These measures were inclusive of the strategic move to a contract mining model that placed all workers on fixed term contracts, degraded their once industry leading employment conditions and effectively reduced trade union power. The initial union response to employer advances to pursue a coined phrase of ‘radical enlightenment’, where they recruited highly educated officers to change face of unionism from those ‘banging tables’²⁴⁸, as well pursing the unionisation of ‘senior staffs’, coalition building (NUM) and ‘Agenda $500’. However, the return of employer hostility has seen the union adopt a combative stance and leveraging on all its affiliations.

7.12 Discussion – Rossinto and HiliGold

This chapter examined two cases, Rossinto and HiliGold gold mining companies purposely to tackle research questions; RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana? RQ3: Is freedom of association observed and acted upon in practice in the case study MNEs? RQ4: In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms? When examining RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana? It was found that these MNEs carried private regulations across its operations through CoCs, which could potentially have an impact on employment standards insofar as they cited commitments to CLS and other international standards (for summary of findings see table 7.1 below). The stance adopted in terms of either ‘aligning’ or ‘subscribing to’ those international standards proved crucial with regards to discerning commitments to proper implementation. For example, out of the two,

²⁴⁸ HR Unit Manager 39
HiliGold subscribed to more international standards in the areas of health and safety and environmental standards. It was evidenced that being a signatory to external international standards meant scrutiny; enhanced audits and invariably proper care taken for implementation and adherence. Notwithstanding this finding, there were still observed breaches in areas of coercive discipline, work intensification, health and safety as well as pay and reward, although in the continuum of severity, out of the two firms Rossinto proved to be a bad employer in those aspects.

In examining RQ3; is freedom of association observed and acted upon in practice in the case study MNEs? It was found that ILO Conventions were not explicitly cited although CLS largely promoted by the UN Global Compact and normally framed under human rights were emphasised in CoCs. Nonetheless, in practice, freedom of association was not entirely observed, when situated in an organisational context of pressures to maintain financial discipline, the inception of lean management techniques and a preference to effectively manage without unions (utilising SSAs and work councils). In the case of Rossinto despite being in an industry where unions are relatively strong, it largely avoided traditional unionism, by virtue of operating in the largely Greenfield site; strategically choosing a compliant union partner, coercively disciplining workers and inducing insecurity in a previously ‘secured’ sector. HiliGold reneged on previous commitments to freedom of association, in the context of oscillating gold prices, resorting to its initial policy on entry of removing union influence by utilising response ER teams to detect and resolve issues, in order to build the ‘mine of the future’, one where conflict is managed and labour costs substantially reduced. To a large degree Rossinto typified the actions of British and North American companies in terms of its union hostility and tactics of victimisation (Gall, 2013), whilst HiliGold’s approach to ‘employee centred’ CSR prior to its 2017 approach to move to the contract mining model, was one that was tempered and one with a better understanding of organised labour’s special role in Ghana. In terms of labour’s role in the struggle for independence (as exemplified with its home union, NUM), and the marked effect a collaborative
union could have on productivity as demonstrated by unionisation at Obuasi on entry.

Finally, in looking at the labour movement’s response to these MNEs in line with RQ4: how has the labour movement in Ghana responded to the increasing presence of MNEs and their varying approaches to managing workers? The response from unions was found to be a multifaceted one attributable varied managerial strategies deployed by an exploitative ‘traditionalist’ employer or one that is ‘manipulative’ (Dundon, 1999, p. 58; Sisson, 1989) reflected at Rossinto and different ‘sophisticated paternalist’ (Sisson, 1989) approach deployed at HiliGold. Moreover, varied responses were owed to a fragmented labour front, with the two labour centres GTUC and GFL encouraging national union affiliates of the GMWU and GEMM, to largely adopt the dichotomies of what the Head of GMWU termed as ‘enlightened radicalism’ or partnership. At HiliGold, the GMWU worked on forming a highly educated and technical leadership team that worked tirelessly in creating the PMSU to organise ‘senior staffs’ across the industry, the first of its kind and also leveraged on its regional networks or meets with the National Union of Mineworkers (NUM) in SA to enhance its bargaining power. For example learning from NUM, it arranged a successful campaign of ‘Agenda $500’ to index wages and fixed minimum wages in the industry at $500 (Britwum, 2010). Moreover it focused some efforts on closing the wage gaps between fixed term and permanent workers as it noticed the industry trend towards the former category. This is inclusive of the use of its political resources to help deliver tax and royalty reductions at HiliGold and the strategic use of strike action to help keep its members in their relatively conducive working conditions. GEMM at Rossinto largely adopted a business friendly union approach and pursued partnership to gain a foothold in the mining industry and grow membership, helping management deliver changes with minimal opposition.
Table 7.1 Summary of Findings from Rossinto and HiliGold

<table>
<thead>
<tr>
<th>International Private Regulations and implementation</th>
<th>ROSSINTO [Relatively New Site]</th>
<th>HILIGOLD - [Brownfield Site]</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ CoCs</td>
<td>✓ CoCs</td>
<td></td>
</tr>
<tr>
<td>✓ UN Global Compact</td>
<td>✓ UN Global Compact, ICMM</td>
<td></td>
</tr>
<tr>
<td>✓ IMC Code</td>
<td>principles, OHSAS 18001</td>
<td></td>
</tr>
<tr>
<td>✓ Unilateral implementation and monitoring of standards with limited external scrutiny</td>
<td>✓ ICMC Code, ISO 14001</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Unilateral implementation and monitoring of standards with relatively more external scrutiny</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Freedom of association, CSR commitment and practice</th>
<th>ROSSINTO [Relatively New Site]</th>
<th>HILIGOLD - [Brownfield Site]</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ CSR incongruent with managerial anti-union predisposition. Subsequently, lean management saw the debasement of working conditions, workers now predominantly fixed term and insecure</td>
<td>✓ CSR incongruent with managerial anti-union predisposition. Subsequent ambitions of creating the ‘mine of the future’ saw the gradual erosion of industry leading working conditions</td>
<td></td>
</tr>
<tr>
<td>✓ Freedom curtailed by the inception of compliant union partners, the GEMM and an SSA</td>
<td>✓ Freedom initially curtailed by the inception of work councils, although GMWU later unionised both senior and ‘junior staffs’</td>
<td></td>
</tr>
<tr>
<td>✓ Long term strategy of union avoidance – coercively disciplining the workforce, the utility of tactics such as co-option, victimization, dismissal and campaigns of misinformation</td>
<td>✓ Long term strategy of union avoidance – coercively disciplining the workforce, the utility of tactics such as co-option that of a ‘paid position’ of branch secretary, dismissal and a responsive ER team to remove unions.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organised labour’s response managerial approaches</th>
<th>ROSSINTO [Relatively New Site]</th>
<th>HILIGOLD - [Brownfield Site]</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ GEMM of the GFL – business friendly union, pursuing partnership at Rossinto to gain a foothold in the mining industry and grow membership.</td>
<td>✓ GMWU of the TUC – described as taking an approach of ‘enlightened radicalism’</td>
<td></td>
</tr>
<tr>
<td>✓ The strike option has never been exercised at Rossinto.</td>
<td>✓ Formed a highly educated and technical leadership team to be strong in CA negotiations. Strikes used effectively to deter managerial advances</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Organised successful campaigns such as ‘Agenda $500’ to uprate industry pay and created the PMSU</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Use of its political resources to help deliver tax and royalty reductions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Renewed efforts to close wage gaps between fixed term and permanent workers, as well as organise the former.</td>
<td></td>
</tr>
</tbody>
</table>
Chapter Conclusion

This chapter like the previous one examined: RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana? RQ3: Is freedom of association observed and acted upon in practice in the case study MNEs? RQ4: In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms? The themes that addressed RQ2 were consistent with the previous chapter in that, international private regulations were embodied in the CoCs of MNEs and carried across their operations, and to varying degrees lacked proper implementation, owing to breaches found. Nonetheless, on the continuum of implementation, ‘better’ implementation was evident at HiliGold, where the company subscribed to international standards in areas of health and safety and exposed itself to external scrutiny. Moreover, CLS such as freedom of association seemingly received the same interpretation at the firms examined, though enacted at different times, possibly attributable to supposed financial pressures and changing production techniques. The anti-union disposition identified at both establishments bred varied tactics of victimization and dismissal of union affiliated workers and reps, tactics to co-opt and capture union officials manifested in paid branch secretary position at HiliGold for example and tactics to undermine union power through the shift to a contract mining model; which has significant implications in shifting workers from ‘secure’ permanent contracts to ‘unsecure’ fixed term ones. Last but not the least, union reactions were mirrored on the predisposition of the two labour centres GTUC and GFL to partnership or ‘enlightened radicalism’ as coined by the head of the GMWU.
CHAPTER EIGHT: DISCUSSION

8.1 Chapter Introduction

The aim of this chapter is to pull together the key discussions that were had within the parts analysing the findings from the cases and link them to the broader literature discussed in chapter 2. This thesis in terms of its overarching objective, set out to look at; the Application of International Labour Standards and Private Regulation in Subsidiaries of Multinational Enterprises in Ghana: ramifications for organised labour and workers. The objective of the thesis was to contribute to firstly, addressing the growing need for research into MNEs operating in the African developing country context in terms of their industrial relations policies and practices, and secondly to bridge the conventional business management and employment relations’ understandings of labour standards and corporate social responsibility in a developing country context widely cited as a success case of reform. Finally, adding to the latter objective, the thesis sought to provide an ER perspective of CSR in the growing research area of Transnational Company Agreements (TCAs), responding directly to Niforou’s (2013) call for further research on TCAs in terms of their implications for local practice and employment outcomes in developing countries. The core research questions are summarised below and the format of this chapter will be directly based on those questions in themed discussions. The chapter will first start by discussing the overarching objective.

Core research questions:

1) How are the employment practices in the four MNE case studies mediated by the national industrial relations system in Ghana?

2) In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?
3) Is freedom of association observed and acted upon in practice in the case study MNEs?

4) In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms?

The chapter on the state and the subsequent chapters examining the four MNEs provide an account of empirical evidence, and allows for useful discussion of the overarching objective of the thesis. In looking at the instruments of the ILO which in this thesis has been classed as the main purveyor of international regulations on employment matters to constituents of its member states and MNEs, the thesis takes into account the regulatory infrastructure in Ghana and the practices of MNEs in strategic parts of the economy. It finds that a soft or minimalist regulatory approach encouraged in the country to be deeply damaging to organised labour and workers in general.

Literature examining the inception and the transformation of the ILO (Alston, 2004; Standing, 2008) describe an organisation focused on reforming capitalism promoting European ideals of national welfare capitalism, through conventions that were intended to create minimum labour standards in member countries. It also locates a weakening of the ILO in terms of its role in standard setting after decolonization and membership expansion which included the addition of the USA (and its dominant neoliberal world view) and many developing countries that sought flexible standard setting. Significantly literature (Alston, 2004; Royle, 2010) charted that this dilution and the subsequent overbearing influence from the USA (including appointments in senior positions), culminated in concessions such as the abandoning of long held positions on private employment services for example and the shift in its role more towards that of a development agency rather than a standard setter (*ibid*). Thus, in contemporary times the ILO has focused on the development of the CLS, the 1998 Declaration on Fundamental Principles and Rights at Work, which takes an individual rights and promotional soft law approach (*ibid*). Royle (2010, p. 259) largely adjudges the 1998 Declaration as a pragmatic response by the ILO in the face of the dominant neo-liberal protagonists in
consecutive US governments and lobbyists from MNEs that have shaped the global system of economic governance, ‘pushing it towards promotional principles and away from legally binding conventions’.

This thesis has found that this pragmatism has had profound impacts on the Ghanaian state’s willingness to develop and maintain a strong infrastructure of laws, monitoring and enforcement agencies, as well as punitive sanctions to deter unscrupulous employers. In effect the new orthodoxy of a soft or minimalist regulatory approach has seen a reduced role for government and has enabled MNEs to colonise (to varying degrees) the monitoring and enforcement of standards, exercising discursive power through the use of the language of corporate social responsibility. Significantly the soft regulatory measures have largely failed in upgrading employment standards in Ghana (chapter five). More importantly, MNEs that have also been party to the framing of this policy agenda and the framings of CSR, and have been active participants in the undermining of employment standards, and invariably the position of organised labour and workers.

8.2 RQ1: How are the employment practices in the four MNE case studies mediated by the national industrial relations system in Ghana?

The national industrial relations system, which encompasses actors such as the state and the other parties to the employment relationship including employers and their associations as well as workers and their representatives were examined in relation to this research question. Nonetheless in answering this research question the state and its role takes centre stage. The state here is understood to have a multiplicity of meanings on ‘one level the state can be seen as a set of institutions comprising, inter alia, mechanisms of public governance, social and economic management, coercive forces, public enterprises and non-departmental

249 As there are consumer led initiatives
public bodies; a varied and varying set of institutions – some directly democratically accountability in liberal democratic contexts, some not’ (Martinez-Lucio and Mackenzie, 2018, p. 157). Although, the understanding of the state in literature surpasses just the concept of it as a set of institutions usually depicted as acting in concert (for example as an apparatus of the capitalist mode of production) to one where there is a degree of credence afforded to the thoughts of competing and divergent agendas by sub units occurring within said apparatus. To sufficiently address this research question, the thesis employed a framework that examined the macro-level institutions set up to govern employment relations at the micro-level. In their writings on the state and employment relations, Martinez-Lucio and Mackenzie (2018, p. 157) emphasise the ‘continuity and change in the politics of regulation’. The section on Ghana’s Political Economy (in chapter four), which provided country context in terms of charting the country’s move from a socialist orientation in the immediate aftermath of colonization under the Nkrumah regime to a marketised regime with the introduction of SAP in the early 1980s and that of the chapter on the state (chapter five), which examined labour legislation and labour market institutions allows for an informed discussion on this research question.

There is a presumption that over the years post-independence the role and approach of the Ghanaian state like most European states in the post- second world war era fundamentally changed in terms of the ‘politics of regulation’. In matters of employment, the Ghanaian state intervened in redressing the balance of power between capital and labour by emboldening unions (that had been instrumental in the struggle for independence) through the inception of legislation encouraging collective bargaining, and supportive public institutions as well as including them within public decision – making processes. Notably, the political imperatives as much as the economic ones that in part led to the toppling of the colonial government necessitated this approach to include and contain subordinate classes; albeit this post-liberal form of ‘interest intermediation’ (Schmitter, 1974 cited in,
ibid: 159) increasingly turned authoritarian towards the end of the Nkrumah regime. The liberal democratic system of Employment Relations which was founded on the independence of unions and systems of open collective bargaining legally underpinned by the state and supported by indirect wages in terms of health and educational benefits, have to some extent remained intact.

Viewed from a multiplicity of dimensions from its role as an employer, establishing procedural regulation and delivering on welfare interventions, the contemporary age of SAP (which saw the privatisation of state enterprises and the shrinking of public sector organisations) and the inception of the neoliberal agenda, has seen the state withdraw from the ‘active’ regulation of employment, reduced its role as an employer and limited its social interventions; essentially working constructively to promote the interests of capital. Chapter five which examined labour laws, the IR institutions and actors involved in the regulatory regime found that on the surface the state through its role as a rule maker had complied with some of the basic ILO edicts and ILS by providing a ‘floor of rights’ to workers in the formal sector and their representatives through juridification albeit when sufficiently analysed, it turned out to be weakly enforced. This is because the Labour Law (Act 651) effectively constrained the power of unions, left in place archaic regulations on occupational health and safety, and excluded 80% of the workforce who are in the informal sector. On the latter point, this significant figure of workers in the informal sector which on the whole is unprotected largely expanded in part from the state’s withdrawal from its role as an employer in many sectors of the economy during the SAP years. Act 651, turned out to be weak in aspects of compensation and sanctions, and largely ineffectual or unimplemented owing to the gross underinvestment in institutions responsible for promoting compliance. This is symptomatic of contemporary debates around the role of the state, regulation and employment, exemplified by the quote below from the OECD promoting ‘best practice principles’ i.e. market ideals, in enforcement and inspections:

---

250 In terms of their control of social actors; the state sought to manage the inclusion of unions and to a large extent undermined their autonomy and action as unions leaders were courted and incorporated.
Promoting compliance and enforcing rules should be left to market forces, private sector, civil society actions and courts where it is possible and efficient: inspections and enforcement cannot be everywhere and address everything, and there are many other ways to achieve regulatory objectives. (OECD, 2014, p. 23)

In Ghana like many African countries that participated in SAP and continue to receive financial support from the Bretton Woods Institutions (the World Bank and IMF), governments face enormous pressures to have light touch regulatory systems, and reduced public sectors. Institutions that have facilitated the development of the market system, encouraged the retreat of the state in spheres of regulation and economic management; ideological shifts introduced and cemented by SAP. Thus compared to previously assuming an ‘enabler’ role in terms of making sufficient investments in staff and infrastructure in the creation and maintenance of agencies and departments in administering and enforcing labour standards, to protect workers and root out unscrupulous management practices, the state has largely retreated. This is because the contemporary thoughts on economic sustainability has been put in terms of reduced spending on public administration and regulatory enforcement activities, essentially removing ‘obstacles’ to business growth. This was largely exemplified in gross under investment in the labour market instructions covered in this study (see: chapter 5.5) in areas of infrastructure, and human resources, demonstrating a contemporary context where those institutions responsible for monitoring and enforcing employment standards are woefully funded and are fragmented.

Significantly the paradigm shift that occurred in the 1980s, where neoliberal protagonists acting through the IMF and World Bank, introduced largely unreversed reforms and has reduced and weakened the role of the state (see: chapter four). This imperative has for the most part given room to soft regulatory approaches, the increasing use of ‘soft law’ – that of the use of official guidelines, instructive letters, resolutions, recommendations which call for particular behaviour or steps to be taken, but are not covered by procedural safeguards and requirements applicable for formal regulation (OECD, 2010). More importantly by leaving ‘gaps’ in legislation or systemically ‘easing’ implementation and monitoring, the Ghanaian state has
enabled a soft regulatory approach. Thus in the Ghanaian institutional context of relatively weak forms of coercion, there is some reliance on MNEs through their commitments to CSR or internationally recognised standards to ‘self-regulate’ and transform the practices firms within the industries they operate.

8.3 RQ2: In what ways are private CSR initiatives (including TCAs) implemented in the case study MNEs in Ghana?

Existing literature in organisational studies document MNEs as carriers of private regulations, at a time of increased attempts to signal responsible business conduct. In this thesis interest was placed on private regulations around CLS prescribed by the ILO to its member states and also incorporated on the transnational level by organs such as the OECD in its guidelines specifically to multinational enterprises and that of the UN Global Compact (see: chapter two). These principles amongst others have become part of the policies and practices of MNEs, most notably through their declared CoCs. The typical approach of these organisations have been to act unilaterally in formulating, implementing and communicating adherence, however literature has located the development of multi-stakeholder perspectives or joint initiatives with NGOs and or trade unions to formulation, possible implementation and communication of adherence: for example in initiatives such as ICMS and TCAs (Egels-Zandén, 2009; Utting, 2002).

All the MNEs examined carried international private regulations across their operations through CoCs. These cited commitments to CLS, whilst some were also underpinned by ICMS and TCA, which in theory could mean better implementation and outcomes. The top down approach to implementation of international private regulation was the most prevalent. This includes that of SecuriCorp with a TCA, which stipulated the role of implementation to be in purview of the employer. Moreover local unions had limited knowledge of the existence of the TCA and therefore could not utilise the extensive complaints procedure afforded them under agreement in ensuring monitoring and adherence. This is notwithstanding its
positive effect on the creation of ‘informal partnership relationships’: which allowed for relatively high levels of unionisation in a predominantly un-unionised sector.

Significantly, the MNEs examined were typically ambivalent on international private regulatory commitments that came with the added apparatus of external monitoring. To tackle this three out the four MNEs either aligned themselves to these commitments or in the case of the security MNE also retain control over implementation and to a large degree monitoring. This was contrasted with HiliGold that adopted quite a number of labour related ICMS that left relatively ample space for external actors to monitor and ensure compliance, albeit also retaining control over implementation. In CSR literature the recent plethora of approaches involving stakeholder approaches and initiatives seek to restrain capital and its potential abuse of power, yet this arguably has had varying degrees of success. The various motivations attached to the MNEs uptake of international private regulations, which may or may not include organisational scandals, as in HiliGold for example, has significant impacts on their willingness to be monitored by an external actor, which could be a litmus test of credible implementation.

8.4 RQ3: Is freedom of association observed and acted upon in practice in the case study MNEs?

The comparison between the cases examined unearthed crucial findings. The common theme running through all the cases was that of managerial action at the firm level being predominantly disconnected from their general CSR commitments. The MNEs looked at had unionisation amongst ‘junior staffs’ owing in part to the prevalence of unions in the sector (particularly in mining and manufacturing pre-SAP respectively) or indeed due to successful global campaigns as in the case of SecuriCorp; one which resulted in a TCA. Nonetheless, unionisation amongst ‘senior staffs’ for example workers classed as supervisors, were predominantly not allowed to unionise barring those at HiliGold, as they were deemed to be privy to sensitive
information. Managerial disposition to unionisation was predominantly anti-union in nature even at HiliGold, a company which at the time of fieldwork had strong ties with the GMWU across all work groups (junior and senior staffs) at their Tarkwa mine (see table 8.1 below).
The management at these MNEs subtly used terms professing mutual gains and social partnership encased in their declarations on CSR with regards to their approach to labour relations but in practice did not like the prospect of unionisation. For example as in literature like that of Gall and McKay (2001) the employers examined on the whole utilised ‘suppressionist’ and ‘substitutionist’ strategies, amongst other undermining or constraining strategies. For the former, strategy designed to curtail the growth of unions were that of MNEs restricting facility time, specifically preventing union officers from being active in dealing with members’ issues and organising meetings, removal or marginalisation of unions and their reps

<table>
<thead>
<tr>
<th>DrinkCorp</th>
<th>SecuriCorp</th>
</tr>
</thead>
<tbody>
<tr>
<td>- The utility of ‘fear stuff’ - dismissal of key instigators calling for unionisation of ‘senior staffs’, and the ‘sweet stuff’ – the use of HR business partners as voice conduits, focus groups and practices such as the ‘walk about’ to detect grievances early. A long term strategy of weakening union</td>
<td>- The utility of ‘tame stuff’ - recognising the UPSP of the GFL, a moderate union and the ‘fatal stuff’ - the refusal to recognise the union formed to protect ‘senior staffs’</td>
</tr>
<tr>
<td>- Other anti – union activities: selective recruitment and utility of agency workers to dilute membership, misinformation on the costs of unionisation and the ‘hassle’ of meetings</td>
<td>- Other anti – union activities: restricting facility time, payment of training to ‘sensitise’ reps, misinformation on workers’ rights (who can be unionised and number required to form one), and strategies to prevent unionisation amongst ‘senior staffs’ by putting emphasis on the close working relationship management have with staff alluding to the ‘risk’ of it being jeopardized by a union</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HiliGold</th>
<th>Rossinto</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Contrasting utility of ‘harm stuff’ on entry, by-passing or marginalising collective voice through the use of work councils. Subsequent recognition of union post 1997, marked by the inception of paid full time officer role in 2009 and a further deepening in the relationship post the 2013 strike where coverage was increased. However the current approach is that of the ‘sweet stuff’ – where attempting to use an ER team and industry leading packages to decrease desire for unionism</td>
<td>- The utility of ‘tame stuff’ – recognising GEMM of the GFL, a moderate union and the creation of a managerial controlled senior staff association as well as the deployment of ‘fear stuff’ - blatantly intimidating ‘senior staffs’ looking to join the PMSU of the GTUC</td>
</tr>
<tr>
<td>- Other anti-union activities; double breasting, strategic use of fixed term contracts and subcontracting</td>
<td>- Other anti-union activities; strategic use of fixed term contracts and subcontracting, marginalising powerful union reps, avoiding unionisation by placing emphasis on not ‘disturb[ing] the industrial peace’, misinformation on the costs of unionisation i.e. union dues</td>
</tr>
</tbody>
</table>
by utilising restructuring exercises (Ayentimi et al., 2019), and the ‘sensitisation’ of union reps through methods such as sponsored training or payment of their salaries (for example the full time officer role in HiliGold). Moreover, these firms also engaged in the use of suppression tactics in their oral warnings about the threat of unionisation amongst ‘senor staffs’ in terms of its implications on ‘disturb[ing] the industrial peace’ and highlighted supposed financial disincentives for joining a union (Ayentimi et al., 2019). Whilst management also engaged in substitutionist strategies in their various establishments where unionisation was reluctantly agreed for ‘junior staffs’ and in cases where recognition was being sought amongst a different category of workers ‘senior staffs’ in order to negate its concession in the long-term or supplant the union role. Examples of this included the strategic use of the HR function which encouraged direct communications with workers and actively sought out grievances using ‘walk about’ and focus groups. Notably, one out of the four MNEs examined (Rossinto) strategically encouraged the establishment of a senior staff association in a successful attempt at stemming the call for unionisation.

An interesting finding was that managers in these MNEs were not ideologically opposed to unions or in effect espousing the ‘evil stuff’ (Roy, 1980 cited in Dundon, 2002, p. 239), that is unions viewed as ‘reds under the beds’, however they practiced hybrid forms of union avoidance strategies in their given contexts. The table above (table 9.1) which shows the various managerial approaches taken up in the four MNEs examined; utilising language from Roy (1980) and Gall (2001) cited in Dundon, (2002), demonstrates to some extent that these employers were largely anti-union. It also demonstrates that in the main the three MNEs emanating from Western European and North American countries (LME contexts) on a continuum of weak, moderate to strong anti-union strains or disposition, significantly lent towards the latter; as they were relatively aggressive in their efforts to displace unions and restrict their growth. Moreover, those three MNEs seemingly were more strategic or sophisticated and made conscious efforts to remove unions although they adopted multiple tactics (at times contradictory) to

251 Superintendent Environment 26 at Rossinto
address unionisation. The South African MNE studied had a moderate anti-union disposition, taking an opportunistic, haphazard, ad hoc, largely varied and uneven combination of approaches to combating union organising. As with work by Lévesque et al. (2015), the ‘country of origin effects’ (Ferner, 1997) on practices at this host country in the subsidiary level were seemingly strong. This is because the subsidiary industrial relations practices were largely shaped by the lead firm in the home country, this is despite the fact that the local mine managing directors especially those at HiliGold owing to the subsidiary’s position within the wider MNE group wielded enormous power and could potentially positively affect the local IR policy.

Arguably, the prevailing employment relations practices certainly had ‘country of origin effects’ however this was seemingly intertwined with the language of ‘global best practices’. Thus rather than the country of origin ideas becoming supposedly ‘supplanted by global repertoires’ as suggested by Hayden and Edwards, 2001, Pudelko and Harzing, 2007 and Brewster et al, 2008 (cited in, Almond and Menéndez, 2013, p. 42), in these cases they went to supplement it. Significantly, through their use of their ‘discursive power’ in terms of the framing of ‘best practices’, subsumed within the rhetoric of CSR, these MNEs for the most part operationalised home country anti-union predispositions. For example through the production regime of JIT, a manufacturing industry best practice at DrinkCorp or the industry best practice of the contractor mining model (subcontracting) (at HiliGold and Rossinto) and security sectors practice of military-styled management, these MNEs leveraged on these linguistic levers to deliver on their varied interpretations of ‘freedom of association’.

Findings from the study (as above) provided substantial evidence that ‘freedom of association’ captured in the CSR discourse of MNEs in terms of their CoCs or wider arrangement of TCAs remained particularly silent in the practices of MNEs emanating from Western Europe and North American (LME contexts). Moreover it is important to note that the adoption of CoCs, TCA and/ complimented with ICMS, have little bearing on the observance of ‘freedom of association’. This is because the company SecuriCorp which possessed a TCA had
similar employment outcomes for workers and their representatives as with those MNEs with CoCs. For example, as Rockson (2016) found Anglogold Ashanti, a mining MNE with a TCA unlike the mining cases observed in this study practiced double breasting, and the use of the contractor mining model, that significantly marginalised labour and their representatives. The insufficient differentiation between CoCs and TCA as observed here, potentially supplements the view in literature that see TCAs as purely a ‘bureaucratic formality’ (Mccallum, 2011, p. 163), which does little to advance workers interests. This is because despite helping the local union in securing an important collective agreement that encouraged the growth of UPSP within the company and across the industry (Africa Pay, 2020; UNI Global, 2014), the TCA largely created a ‘partnership’, a veneer of an unbalanced regulatory relationship where the basic power asymmetries were wholly preserved. On the whole MNEs are presumably not suitable conduits for delivering on employment standards in the area of ‘freedom of association’ as expressed in ILO conventions 87 and 98, despite the rhetoric of CSR in all its varied forms. Moreover, through their strong ties and influence in employer associations, for example in the Chamber of Mines (in the case of the mining sector), these mining MNEs promulgated the industry learning of anti-union strategies where as SecuriCorp through APSOG discussed the possibility of being classified under ‘state security’ in order to remain largely non-unionised.

8.5 RQ4: In what way has the labour movement in Ghana responded to the HRM and employee relations practices of the case study firms?

MNEs became a feature of the Ghanaian economy almost three decades after independence. Arguably they are now a central institution in the country, having emerged from the country’s enthusiastic implementation of SAP in the 1980s. The ‘simplification’ of the regulatory environment, in the form of tax exemptions and a weakening of labour laws or actors for example and mass privatisation of public enterprises have been contributory factors to their increasing presence in Ghana.
The modality of the MNE examined in this study is that of a parent company with subsidiaries operating in host environments. However other forms exist in Ghana where the MNE has a positioned executive headquarters in its country of origin with purely production facilities located in Ghana or indeed where the MNE through its HQ oversees a diverse conglomeration that covers many different countries and industries.

To suitably tackle this research question it is important to first acknowledge the varying approaches taken by managers at the MNEs examined to ‘managing’ them. There is understanding that there is an element of choice which might essentially be more or less constrained (by philosophies and policies from the lead firm); in the way local managers at the MNEs choose to treat their workers. The concern here (from an employee relations perspective) was largely to document how management chose to respond to the existence of unions in terms of whether to oppose or support them on entry into the local market. More importantly since the style of managing workers could to some extent be ‘redefined in light of changing needs and experience’ (Purcell, 1987, p. 535) or in some cases radically altered as a result of a new coalition of managers or owners (resulting from takeovers or after the privatization of public enterprises), long serving organisational members were asked to recount possible ‘stylistic’ changes. For the MNEs studied (as discussed in the previous section) there was a particular underlying business policy of anti-unionism which had varying impacts on how they managed their workers and their representatives. Management in all but one of the MNEs (DrinkCorp, SecuriCorp and Rossinto) examined were largely exploitative ‘traditionalist’ employers or ones that engaged in, to varying degrees, in ‘manipulative’ relationships with workers, in their use of authoritarian management styles to seeking to instil fear and uncertainty in the workplace (Sisson, 1989; Dundon, 1999, p. 58). Arguably, practices diffused from their ‘parent’ since they largely fell into the categories of ethnocentric or global MNEs (Perlmutter, 1969; Bartlett and Ghoshal, 1989). Whilst HiliGold deployed a ‘sophisticated paternalist’ approach (Sisson, 1989) or to some degree placed emphasis on ‘partnership’ (Dundon, 1999, p. 58), possibly owing to its geocentric or transnational form, albeit
radically redefined in recent times, the organisation was moving away from consultative styles of managing workers to attempts to ‘regain’ control.

The study generally found that these MNEs oversaw workplaces where there were questionable practices of coercive labour discipline; where increasingly new forms of control emanating from JIT factory regimes were utilised as a means of disciplining employees (Wilkinson and Willmott, 1995). This was inclusive of other questionable practices in safety and health; non provision of critical safety equipment, in and out of work safety concerns from working unsocial hours, and in the intensification of work; long work days and mandatory overtime, short staffing increasing work pressures, and problems in accessing leave. In reward and compensation, there were also issues with one of the MNE barely paying minimum wages, not paying premiums for unsocial working, not paying pensions of casual workers, and paying substantially below local competitors, which somewhat contradicts literature like that of Brown et al. (2003) for example which see MNEs as largely paying higher wages and providing better working conditions than their local counterparts in developing countries.

Overall contemporary conditions at those MNEs examined featured uncertainty and varying degrees of precarity brought in part by the inception of repressive managerial tactics aimed at silencing unions and delivering on flexibility. These MNEs to a large extent achieved those goals a variety of fora, that is controlling employer associations which lobbied the government to provide a conducive host environment (shaping the host context) and within the industry and enterprise utilising the practice of whipsawing to threaten union and other actors. For example in the mining cases informal whipsawing which is the use of ‘staged’ market competition to attain concessions from workers and their representatives deemed as necessary for investment however without the explicit use of threats, were identified (Almond and Menéndez, 2013; Greer and Hauptmeier, 2015). Workers at HiliGold at the Damang mine and those at Rossinto suffered at the hands of management that pursued a strategic choice of utilising the language of ‘LoM’, ‘all-in sustaining costs’ amongst other ‘KPIs’ to force concessions from workers and organised labour; reluctantly accepting fixed term contracts and mass
subcontracting (this is despite the fact that gold deposits are largely locationally fixed). At DrinkCorp workers were also forced to accept measures of ‘restructuring’; shift working and use of agency workers in exchange for continued investment in the two facilities in Accra and Kumasi as opposed to increased investments in other regional subsidiaries, for example those in Nigeria which could also serve the Ghanaian market.

Table 8. 2 Trade Union Responses at Case Companies

<table>
<thead>
<tr>
<th>DrinkCorp</th>
<th>SecuriCorp</th>
</tr>
</thead>
<tbody>
<tr>
<td>- ICU of GTUC focused on defending concessions won under the CA</td>
<td></td>
</tr>
<tr>
<td>- Expanding CA coverage and membership quality; through attempts to unionise agency staffs and ‘senior staffs’</td>
<td></td>
</tr>
<tr>
<td>- Attempts to reinvigorate internal and inter-union solidarity through participation in May Day parades and union meetings.</td>
<td></td>
</tr>
<tr>
<td>- UPSP of the GFL – described as taking an approach of ‘partnership’. With a focus on signing CAs and growing a union in predominantly ‘non-unionised’ sector.</td>
<td></td>
</tr>
<tr>
<td>- Utilising managerial support to train union reps</td>
<td></td>
</tr>
<tr>
<td>- Building coalitions with GUFs, i.e. UNI Global in attempts to benefit from knowledge and resource support necessary for recruitment. Notwithstanding the legitimising function of said link to GFL</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HiliGold</th>
<th>Rossinto</th>
</tr>
</thead>
<tbody>
<tr>
<td>- GMWU of the TUC – described as taking an approach of ‘enlightened radicalism’</td>
<td></td>
</tr>
<tr>
<td>- Formed a highly educated and technical leadership team to be strong in CA negotiations. Strikes used effectively to deter managerial advances</td>
<td></td>
</tr>
<tr>
<td>- Organised successful campaigns such as ‘Agenda $500’ to uprate industry pay and created the PMSU</td>
<td></td>
</tr>
<tr>
<td>- Use of its political resources to help deliver tax and royalty reductions</td>
<td></td>
</tr>
<tr>
<td>- Renewed efforts to close wage gaps between fixed term and permanent workers, as well as organise the former.</td>
<td></td>
</tr>
<tr>
<td>- Links with NUM and IndustriALL</td>
<td></td>
</tr>
<tr>
<td>- GEMM of the GFL – business friendly union, pursuing partnership at Rossinto to gain a foothold in the mining industry and grow membership.</td>
<td></td>
</tr>
<tr>
<td>- The strike option has never been exercised at Rossinto.</td>
<td></td>
</tr>
</tbody>
</table>

Organised labour in the case of the two labour centres, the GTUC and GFL, and their affiliated unions of the ICU, UPSP, GEMM and the GMWU connected to the firms examined in this study, broadly had differing responses to the managerial orientations discussed above. The unions connected to the GFL, the UPSP and the GEMM took a partnership approach. Partnership in this sense was ‘informal’ in
nature allowing unions to gain entry into the workplace, sign collective agreement and grow the union. In the case of UPSP at SecuriCorp, the signing of the TCA in 2008 alongside the union’s nature of being ‘employer friendly’ made it the union of choice in a predominantly non-unionised sector, for an employer responding to a global campaign on working conditions. GEMM at Rossinto had a similar orientation, delivering a message of willingness to cooperate with employers enabled the GFL to gained a foothold at Rossinto in the predominantly GMWU unionised mining sector. Notably, literature for example Reilly (2001) points out that unions’ in most parts are not monoliths where workplace representatives or stewards neatly follow edicts of national leadership who might have given support to this approach. However in this case with support of company sponsored training for reps, the leadership worked on ‘sensitising’ them. The outcome of this approach was that employees were seemingly suspicious about the union and the union became ‘locked in’ the managerial agenda; where union officers are co-opted into decision making processes to satisfy employer objectives, which consequently lead to poorer terms and conditions of employment (Kelly, 2004; Reilly, 2001). In the global context of existential threats to the survival of unions, with the majority of them confronted with contemporary challenges of membership and financial decline, this approach by GFL amongst other strategies is often termed as union renewal. Moreover its links with UNI Global and the ITUC also ensured survival or renewal as GFL and its affiliates benefitted from support from this GUF in terms of educational support (Cotton and Royle, 2014), exemplified by the ‘organising blitz’ which led a recruitment drive at UPSP bringing in over 1853 new members (UNI Global, 2014) and notably from the legitimising function, this connection provided, from the perspective of its members.

The GTUC on the other hand concentrated on organising, internal restructuring and political action (Britwum, 2010). This labour centre placed significant emphasis on a membership power dimension, encouraging its affiliate national unions to focus on expanding and enhancing membership (capturing different category workers) and placing little emphasis on pursuing partnerships to expand their influence. Affiliates like GMWU described taking an approach of
‘enlightened radicalism’ where they recruited highly educated officers to change the face of unionism from that of ‘bang(ing) on tables’ to one pursing ‘quasi partnership’. Here the union put enormous resources and efforts towards the acquisition of membership, in ‘old’ and ‘new’ workplaces, expanding on the category of workers they represented in terms of unionising ‘senior staffs’, and attempts to unionise agency staffs and workers in the informal sector (Britwum, 2010; Frege and Kelly, 2003). This was in addition to a focus on defending concessions won under the CA, occasionally utilising the lever of the NLC to defend those gains and the use of strike activity to defend workers’ conditions and on occasions extract concessions from management (Darlington, 2010). Union officials understood the importance of capacity building amongst reps and of strike action, in terms of the need to be open to the possibilities of open conflict and struggle with employers, especially MNEs in critical industries like mining and manufacturing in order to increase labour market or political power, as opposed to indulging purely in partnership and compromise or indeed more accommodative forms of unionism (ibid; Frege and Kelly, 2003). For example in describing the experience of the RMT union in the UK in its application of an organising model, Darlington (2009) provided clear evidence of its effectiveness in delivering gains in CAs, membership growth and the development of strong workplace union organisations (ibid; Darlington, 2010).

The GTUC over the years of its existence has developed substantial international links. For example links with the Organisation of Trade Unions of West Africa (OTUWA), the Organisation of African Trade Union Unity (OATUU) and the International Trade Union Confederation. These provided its affiliates with regional and international levers to draw on to support their struggles, in times of hostility where they have a platform to gain exposure to a broader range of experience and strategies (Croucher and Cotton, 2008). For example GMWU’s regional connection and active meets with NUM in SA (an affiliate of the Congress of South African Trade Unions, COSATU), the main union at HiliGold’s lead mines in SA allowed for information exchange about the MNE which potentially enhanced unions’ bargaining power (Frege and Kelly, 2003). For example, learning from its
counterparts in SA (which leads in setting minimum wages for mineworkers in the large scale mine sector), GMWU successfully launched ‘Agenda $500’ in 2009 to index wages (for the first time) and attempt to fix minimum wages: a programme to ensure that no miner in Ghana within the large scale mining sector earns below $500 by the end of 2012 (Kalusopa et al., 2012). This is notwithstanding its other connections with IndustriALL that enhanced its ability to facilitate the mobilization of members in attempts at creating a campaign about HiliGold to vocalise its disregard of workers’ rights at international stock exchanges, despite its initial efforts of mobilizing its power resources to convince government officials to deliver tax and royalty reductions.

Finally, it is worth noting that the responses devised by these unions to the increasing presence of MNEs were very much in the context of macro factors such as the behaviour of a less proactive state in emboldening it (as noted in Chapter 5 and 9.2). Moreover these unions faced significant challenges with respect to dwindling union finances post-SAP (privatisation and reforms), owing to the decline in membership and in collective bargaining coverage across both the public and private sectors (Britwum, 2010). Thus, the constraining factors in taking legal strike action (see chapter 5.2.1), weak state agencies and inadequate union finances take a toll on the range of activities or responses unions can undertake.

8.6 Chapter Conclusion

This chapter worked to pull together the key discussions had in the chapters preceding it and linked them to the broader literature covered in the literature review chapter. It was themed along the lines of addressing the overarching objective of the thesis and the subsequent research questions. The chapter first provided a view that the soft regulatory approach encouraged in Ghana is detrimental to organised labour and workers. Taking into account the weakened instrument of the ILO described in the literature (Royle, 2010; Standing, 2008; Alston, 2004) and the developments within national regulatory infrastructure and
outcomes of MNEs operating with CSR strategies, the industrial relations system was found to be inept in upgrading standards and strengthening actors such as organised labour. The subsequent research questions RQ1 to RQ4, went to enhance this position. In addressing RQ1, examining the IR system, the state was found to have enabled a soft regulatory approach, through its activities in weakening that country’s labour laws, by constraining the power of trade unions, excluding 80% of the workforce from employment protection, failing to update archaic regulations on occupational health and safety, withdrawing from monitoring and enforcement activities, amongst other reasons. Reasons for this are owed to a paradigmatic shift away from a socially administered economy to a more marketised system borne out of its dealings with its ‘development partners’. In RQ2 on the implementation of private CSR initiatives (including TCAs) in the case study MNEs in Ghana, here MNEs mostly carried private regulations in the format of CoCs that are unilaterally formulated, implemented and communicated. The few MNEs utilising ICMS and/ TCA, in theory meant better implementation and monitoring (with regards to the introduction of an external actor), however only the latter proved true with ICMS as external actors were relatively afforded space to monitor despite MNEs ultimately retaining control over implementation.

When addressing the subsequent RQ3 and RQ4 that examined the observance of the ‘freedom of association’ ILO conventions (87 and 98) in the case of MNEs, and the responses of the union movement to employer practices, on the former discussion centred on the fact that managerial action, mainly exploitative and anti-union in its deposition at the firm level was predominantly disconnected from their CSR commitments. This is because they drew on the repertoires of ‘best practices’ and practice at their ‘home’ countries, with the three MNEs originating from Western European and North American (LME contexts) displaying more repressive forms of anti-unionism. Possessing a TCA served as a ‘bureaucratic formality’ (McCallum, 2011, p. 163), doing little to advance employment standards as the observed MNE strategically chose an employer friendly union and like all the organisations observed, employed strategies such as restricting facility time and the strategic use of company sponsored training for reps to constrain it. The TCA was
rarely formally leveraged as exemplified by findings of the pilot study (a mining MNE), even in circumstances where the local union (GMWU) knew of its existence, though informally at UPSP it was leveraged for a CA. Finally on the latter question (RQ4), the chapter documents a multiplicity of responses by the GTUC and their affiliates, and that of the GFL and their affiliates, in contexts of varied employer approaches to managing the workforce. Here employers that predominantly engaged in exploitative or ‘manipulative’ relationships with workers (Dundon, 1999, p. 58), with HiliGold being the only exception in deploying a ‘sophisticated paternalist’ approach (Sisson, 1989) were met with renewal strategies based on a membership power dimension (at the GTUC) and those focused on partnership (at the GFL) as well as the leveraging of international levers, that achieved varied ‘success’.
CHAPTER NINE: CONCLUSIONS

This thesis was written to convey a narrative that the international system underwent a reconfiguration in the 1980s with the ascent of neoliberalism. Multinational Enterprises and supranational regulatory institutions like the ILO alongside the Bretton Woods Institutions, have witnessed profound changes in terms of their importance and have become important determinants in the outcome of employment standards in nation states. It presents a view that the Ghanaian state in their interactions with actors in the supranational levels have worked on the premise that FDI from MNEs constitute the ‘engines of growth’ (UNCTAD, 1992) and is essential. Largely at the behest of those actors, successive governments have interpreted the path to development as one that involves the pursuit of neoliberal policies of privatisation and deregulation to encourage growth. In the area of employment standards, the construct of interactions with national and supranational bodies; there have been successful efforts to constrain actors such as trade unions and bodies of the state once formed to create, monitor and enforce those standards (an effect occurring at both levels, at the nation state and supranational level). Here the thesis demonstrates that there has been a substantive move towards soft or private regulatory approaches. Moreover, in an examination of four MNEs now seen as potential purveyors or carriers of employment standards to developing country contexts, in their use of international private regulation (in the CSR discourse), the thesis demonstrated the realities faced by workers in those firms in terms of their working conditions and those faced by their representatives. Nonetheless, it does this by also making a substantial contribution to the ongoing debates around union revitalisation strategies and transnational unionism.

On the substantial issue of contribution, this thesis makes significant contributions in the broad areas of research into the operations of MNEs in a developing country context and that of contributing to literature that further scrutinises the field of CSR in light of the growth of TCAs that supposedly repositions trade unions in contemporary discussions. The thesis first and foremost,
highlights that the behaviour of MNEs widely written about by authors in the International Human Resource Management field (for example, Almond and Menéndez, 2013); in terms of the deployment of anti-union strategies, and practices of whipsawing amongst many others, remain consistent in this African developing country context. A context that has been substantially altered, where the initial steps taken by a nationalist government in the early years of independence to work in concert with ‘organised labour’ its partner in the struggle for independence in developing a significant framework for a socially administered economy with a worker conscious has been upended by contemporary drives towards neoliberalism. Here, the contemporary context largely located in the 1980s with the inception of SAP from development partners notably, the IMF and the World Bank, set a liberalisation agenda to encourage FDI; especially the proliferation of MNEs posited as ‘agents’ of development. Thus this contemporary ‘developmental’ state, where the state acting in ‘concert’ with its development partners have contoured a once socially administered country borne out of the compromises reached with organised labour to one now significantly marketised and largely typified by a move toward creating spaces for soft regulatory approaches. Creating a context of ‘weakened’ labour laws, monitoring and enforcement activities, and an emboldened actor in the form the MNE, owing to the ‘fracturing’ of organised labour, has had significant implications on the employment conditions of workers.

Secondly, it makes a four-fold contribution to literature considering the ILO’s labour standards in terms of its shift to ‘promotional’ principles (Royle, 2010), and its reflection on the neoliberal policy in Ghana and the permeation of CSR approaches. Here it is unearthed that the ILOs approach in addition to the significant pressures exerted by development partners, has encouraged the development of ‘reductionist’ labour laws that have ‘fractured’ organised labour through instrumental interpretations of freedom of association, left in place archaic regulations on occupational health and safety, maintained a lax sanction regime

---

252 Where before the 1992 constitution and the subsequent passage of the labour Act of 2003, the Ghana Trades Union Congress (the only national labour centre at the time) had the power over the certification and affiliation of unions
and excluded 80% of the workforce from employment protections. This is in addition to the state’s ‘strategic’ withdrawal from effective monitoring and enforcement. The second contribution is in its comparison of strategies deployed by the GFL and the GTUC which emphasise a ‘fractured’ labour movement in Ghana (Akorsu, 2010; Britwum, 2010) but crucially provides empirical evidence of it in terms of their contrasting approaches to unionism.

The third contribution relates to the area of TCAs and the wider literature on CSR where MNEs have engaged in referencing the ILO’s core labour standards. Here the thesis contributes to this growing research area where Fichter et al. (2012) for example, argues that TCAs promulgated by some global unions as good private regulatory initiatives (Telljohann et al, 2009) have significant potential to create and strengthen employment standards within MNEs as trade unions are ‘re-introduced’ into the workplace. In this study it was found that TCAs largely led to positive outcomes of the signing of a collective agreement at an MNE observed; the voluntary contribution of the employer to a scheme paid out to employees leaving employment and substantially the growth of the union (within the MNE and across the sector) in a largely non-unionised security sector, with the support of its affiliate global union (UNI Global, 2014; Africa Pay, 2020). Although in this case whilst the employer switched its stance from blatantly refusing to recognise a union to doing so, it effectively employed a strategy of damage limitations in the aftermath of a global campaign to insert a TCA by choosing to recognise a moderate union (an employer friendly union). By virtue of the choice to ‘partner’ with this union, alongside engaging in strategies of constraining this actor, and overly enthusiastic union reps by promoting company sponsored training with institutions that ‘sensitised’ them on collaborative forms of unionism and restricting facility time, notwithstanding its other efforts crush the endeavours of administrative staff looking to unionise and wider sectoral efforts, the TCA did little to improve employment outcomes. This case supported the thinking that TCAs could be leveraged informally, despite management and unions little knowledge of its existence. This is in addition to another substantial point which sets out that in the rare case that a local union with sufficient power resources in terms of its hold on
the sector has knowledge of its existence; a TCA is considered basic. Finally in examining the nature of work at these firms, the study highlighted that facets of ‘country of origin’, ‘best practices’ as well as contemporary managerial developments detailed in the waves of labour process theory (Marks and Chillas, 2014) significantly affected workplace employments outcomes, that is the reality of CSR as opposed to the rhetoric of CSR.

To conclude, the main lesson learnt from this study is that new forms of soft or private regulation must be researched in terms of their context, structure and their underlying politics. Especially, as on the whole MNEs seem to be distorting and not necessarily enhancing the question of labour standards even when they engage with CSR. Thus, this hegemonic practice forms part of an elite agenda to put a ‘human face’ to the expropriation of profits serving up short term palliatives at best and concealing concrete managerial practices (identified by writers on labour process theory) that undermine labour standards. There remains room in literature for research on MNEs and the effects of international private regulation on countries beyond North America and Europe, there are many more countries like Ghana ‘out there’ which will provide researchers with some rich experiences and complex ironies. On a final point, taking up an employment relations approach of examining the macro, meso and micro level allow for an informed piece of work; in this case the macro and meso level institutional pressures that are exerted on or experienced at organisational levels, the scope afforded for actor agency (MNEs) and the micro level organisational outcomes.
REFERENCES


292


Smith, N. C. (2003). 'Corporate social responsibility: whether or how?', California management review, 45(4), pp. 52-76.


Appendices

Appendix 1: Total Participants

<table>
<thead>
<tr>
<th>Organisations</th>
<th>Number Sampled</th>
<th>Number Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>DrinkCorp</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>SecuriCorp</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>HiliGold</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Rossinto</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>Mount Gold</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Glo-Gold</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>WACAM</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Third World Network</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Oxfam</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Centre for Constitutional Order</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Chamber of Mines</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Ghana Trades Union Congress</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Ghana Mine Workers Union</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Ghana Federation of Labour</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>National Labour Commission</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Labour Department</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Environmental Protection Agency</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Minerals Commission</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>75</td>
<td>71</td>
</tr>
</tbody>
</table>
## Appendix 2: Participants Breakdown

<table>
<thead>
<tr>
<th>Title</th>
<th>Age Group</th>
<th>Tenure Group (years)</th>
<th>Gender</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technician/Union Secretary</td>
<td>35 - 44</td>
<td>10 - 15</td>
<td>Male</td>
<td>Union Secretary 1</td>
</tr>
<tr>
<td>Technician/Union secretary</td>
<td>35 - 44</td>
<td>10 - 15</td>
<td>Male</td>
<td>Union Secretary 2</td>
</tr>
<tr>
<td>Technician/ Union Chairman</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Union Chairman 3</td>
</tr>
<tr>
<td>Shift Packaging Manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Packaging Manager 4</td>
</tr>
<tr>
<td>Shift Packaging Manager</td>
<td>25 - 34</td>
<td>0 - 5</td>
<td>Female</td>
<td>Packaging Manager 5</td>
</tr>
<tr>
<td>Shift Packaging Manager</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Packaging Manager 6</td>
</tr>
<tr>
<td>Shift Packaging Manager</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Packaging Manager 7</td>
</tr>
<tr>
<td>Filler Operator</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Operator 8</td>
</tr>
<tr>
<td>Maintenance planner</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Maintenance Planner 9</td>
</tr>
<tr>
<td>Operator</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Operator 10</td>
</tr>
<tr>
<td>Technician</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Operator 11</td>
</tr>
<tr>
<td>Demand Planner</td>
<td>25 - 34</td>
<td>0 - 5</td>
<td>Female</td>
<td>Demand Planner 12</td>
</tr>
<tr>
<td>Title</td>
<td>Age Group</td>
<td>Tenure Group (years)</td>
<td>Gender</td>
<td>Code</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-----------</td>
<td>----------------------</td>
<td>--------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Senior Sales executive</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Female</td>
<td>Senior Sales Executive 13</td>
</tr>
<tr>
<td>Payroll officer</td>
<td>25 - 34</td>
<td>5 - 10</td>
<td>Male</td>
<td>Payroll Officer 14</td>
</tr>
<tr>
<td>Accounts Manager</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Accounts Manager 15</td>
</tr>
<tr>
<td>Director (Legal)</td>
<td>55 - 64</td>
<td>10 - 15</td>
<td>Male</td>
<td>Director 16</td>
</tr>
<tr>
<td>Operations Clerk</td>
<td>25 - 34</td>
<td>0 - 5</td>
<td>Male</td>
<td>Operations Clerk 17</td>
</tr>
<tr>
<td>Labour Efficiency manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Efficiency Manager 18</td>
</tr>
<tr>
<td>Electronics Operations Manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Operations Manager 19</td>
</tr>
<tr>
<td>Senior Trainer</td>
<td>45 - 54</td>
<td>0 - 5</td>
<td>Male</td>
<td>Senior Trainer 20</td>
</tr>
<tr>
<td>Alarm Services Manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Operations Manager 21</td>
</tr>
<tr>
<td>Credit control administrator</td>
<td>25 - 34</td>
<td>5 - 10</td>
<td>Female</td>
<td>Administrator 22</td>
</tr>
<tr>
<td>Chairman of union/Guard</td>
<td>45 - 54</td>
<td>10 - 15</td>
<td>Male</td>
<td>Union Chairman 23</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>55 - 64</td>
<td>10 - 15</td>
<td>Male</td>
<td>Finance Manager 24</td>
</tr>
<tr>
<td>HR Manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Female</td>
<td>HR Manager 25</td>
</tr>
<tr>
<td>Title</td>
<td>Age Group</td>
<td>Tenure Group (years)</td>
<td>Gender</td>
<td>Code</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>-----------</td>
<td>----------------------</td>
<td>--------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>Environmental Superintendent</td>
<td>55 - 64</td>
<td>15 - 20</td>
<td>Male</td>
<td>Superintendent Environment 26</td>
</tr>
<tr>
<td>Senior Environmental Officer</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Senior Environmental Officer 27</td>
</tr>
<tr>
<td>Chief Accountant</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Chief Accountant 28</td>
</tr>
<tr>
<td>Senior Financial Analyst</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Senior Financial Analyst 29</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>45 - 54</td>
<td>5 - 10</td>
<td>Male</td>
<td>Financial Controller 30</td>
</tr>
<tr>
<td>IT security and infrastructure lead</td>
<td>25 - 34</td>
<td>5 - 10</td>
<td>Male</td>
<td>IT Security 31</td>
</tr>
<tr>
<td>HR Training superintendent</td>
<td>45 - 54</td>
<td>0 - 5</td>
<td>Male</td>
<td>HR Training Superintendent 32</td>
</tr>
<tr>
<td>Industrial Relations officer</td>
<td>35 - 44</td>
<td>15 - 20</td>
<td>Male</td>
<td>IR Officer 33</td>
</tr>
<tr>
<td>Manager Continuous Improvement and Supply Chain</td>
<td>45 - 54</td>
<td>5 - 10</td>
<td>Male</td>
<td>CI and Supply Chain Manager 34</td>
</tr>
<tr>
<td>Community and PR officer</td>
<td>45 - 54</td>
<td>5 - 10</td>
<td>Male</td>
<td>Community and PR Officer 35</td>
</tr>
<tr>
<td>Safety Superintendent</td>
<td>55 - 64</td>
<td>10 - 15</td>
<td>Male</td>
<td>Safety Superintendent 36</td>
</tr>
<tr>
<td>Title</td>
<td>Age Group</td>
<td>Tenure Group (years)</td>
<td>Gender</td>
<td>Code</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-----------</td>
<td>----------------------</td>
<td>--------</td>
<td>--------------------</td>
</tr>
<tr>
<td>Union Secretary (full time)</td>
<td>55 - 64</td>
<td>20 - 25</td>
<td>Male</td>
<td>Union Secretary 37</td>
</tr>
<tr>
<td>Vice President Human Resource West Africa</td>
<td>45 - 54</td>
<td>0 - 5</td>
<td>Male</td>
<td>Vice President HR 38</td>
</tr>
<tr>
<td>HR Unit manager</td>
<td>35 - 44</td>
<td>10 - 15</td>
<td>Male</td>
<td>HR Unit Manager 39</td>
</tr>
<tr>
<td>Senior Industrial Relations Officer</td>
<td>25 - 34</td>
<td>0 - 5</td>
<td>Male</td>
<td>Senior IR Officer 40</td>
</tr>
<tr>
<td>HR Business Partner</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>HR Business Partner 41</td>
</tr>
<tr>
<td>Community Affairs Officer</td>
<td>45 - 54</td>
<td>0 - 5</td>
<td>Female</td>
<td>Community Affairs Officer 42</td>
</tr>
<tr>
<td>Security Supervisor/Union Executive</td>
<td>45 - 54</td>
<td>20 - 25</td>
<td>Male</td>
<td>Union Executive 43</td>
</tr>
<tr>
<td>Employee Relations Manager</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>ER Manager 44</td>
</tr>
<tr>
<td>Title</td>
<td>Age Group</td>
<td>Tenure Group (years)</td>
<td>Gender</td>
<td>Code</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-----------</td>
<td>----------------------</td>
<td>--------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Support Services Manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Male</td>
<td>Support Services Manager 45</td>
</tr>
<tr>
<td>External Relations Officer</td>
<td>35 - 44</td>
<td>10 - 15</td>
<td>Male</td>
<td>External Relations Officer 46</td>
</tr>
<tr>
<td>Talent Manager</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Female</td>
<td>Talent Manager 47</td>
</tr>
<tr>
<td>Administration Assistant</td>
<td>35 - 44</td>
<td>5 - 10</td>
<td>Female</td>
<td>Assistant Administrator 48</td>
</tr>
<tr>
<td>Barge Clerk</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Female</td>
<td>Barge Clerk 49</td>
</tr>
<tr>
<td>Security Supervisor</td>
<td>35 - 44</td>
<td>0 - 5</td>
<td>Male</td>
<td>Security Supervisor 50</td>
</tr>
<tr>
<td>PMSU Secretary / Protocol Officer</td>
<td>45 - 54</td>
<td>10 - 15</td>
<td>Male</td>
<td>PMSU Secretary 51</td>
</tr>
</tbody>
</table>

**State Bodies, Unions, NGOs and Pilot Company**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Title</th>
<th>Age Group</th>
<th>Tenure Group</th>
<th>Gender</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization</td>
<td>Position</td>
<td>Age Range</td>
<td>Gender</td>
<td>Role</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>----------</td>
<td>-----------</td>
<td>--------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td><strong>GMWU</strong></td>
<td>Head of GMWU</td>
<td>55 - 64</td>
<td>Male</td>
<td>Head of GMWU 52</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Head of Training</td>
<td>35 - 44</td>
<td>Female</td>
<td>Head of Training 53</td>
<td></td>
</tr>
<tr>
<td><strong>GTUC</strong></td>
<td>Director of Research</td>
<td>35 - 44</td>
<td>Male</td>
<td>Research Director 54</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Industrial Relations Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>IR Officer 55</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director Industrial Relations</td>
<td>55 - 64</td>
<td>Male</td>
<td>IR Director 56</td>
<td></td>
</tr>
<tr>
<td><strong>Labour Department</strong></td>
<td>Legal Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Legal Officer 57</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employment Information Branch Officer</td>
<td>45 - 54</td>
<td>Male</td>
<td>EIB Officer 58</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Industrial Relations Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>IR Officer 59</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Administration Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Department Administrator 60</td>
<td></td>
</tr>
<tr>
<td><strong>EPA</strong></td>
<td>Mining Unit Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Mining Unit Officer 61</td>
<td></td>
</tr>
<tr>
<td><strong>Chamber of Mines</strong></td>
<td>Senior Research Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Senior Research Officer 62</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director</td>
<td>45 - 54</td>
<td>Female</td>
<td>Director 63</td>
<td></td>
</tr>
<tr>
<td><strong>Minerals Commission</strong></td>
<td>Corporate Affairs Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Corporate Affairs Officer 64</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monitoring and Evaluation Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Monitoring and Evaluation Officer 65</td>
<td></td>
</tr>
<tr>
<td><strong>Centre for Constitutional Order</strong></td>
<td>Officer</td>
<td>35 - 44</td>
<td>Male</td>
<td>Officer 66</td>
<td></td>
</tr>
<tr>
<td><strong>Glo Gold</strong></td>
<td>Tax Manager</td>
<td>35 - 44</td>
<td>Male</td>
<td>Tax Manager 67</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HR Director</td>
<td>55 - 64</td>
<td>Male</td>
<td>HR Director 68</td>
<td></td>
</tr>
<tr>
<td><strong>Oxfam</strong></td>
<td>Campaigns Officer</td>
<td>35 - 5</td>
<td>Male</td>
<td>Campaigns Officer</td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 3: ILO Conventions ratified by Ghana

<table>
<thead>
<tr>
<th>No.</th>
<th>ILO Convention</th>
<th>Ratified</th>
</tr>
</thead>
<tbody>
<tr>
<td>C. 001</td>
<td>Hours of Work (Industry) Convention, 1919</td>
<td>19.06.1973</td>
</tr>
<tr>
<td>C. 011</td>
<td>Right of Association (Agriculture) Convention, 1921</td>
<td>14.03.1968</td>
</tr>
<tr>
<td>C. 014</td>
<td>Weekly Rest (Industry) Convention, 1921</td>
<td>19.06.1973</td>
</tr>
<tr>
<td>C. 019</td>
<td>Equality of Treatment (Accident Compensation) Convention, 1925</td>
<td>20.05.1957</td>
</tr>
<tr>
<td>C. 026</td>
<td>Minimum Wage-Fixing Machinery Convention, 1928</td>
<td>02.07.1959</td>
</tr>
<tr>
<td>C. 029</td>
<td>Forced Labour Convention, 1930</td>
<td>20.05.1957</td>
</tr>
<tr>
<td>C. 030</td>
<td>Hours of Work (Commerce and Offices) Convention, 1930</td>
<td>19.06.1973</td>
</tr>
<tr>
<td>C. 045</td>
<td>Underground Work (Women) Convention, 1935</td>
<td>20.05.1957</td>
</tr>
<tr>
<td>C. 081</td>
<td>Labour Inspection Convention, 1947</td>
<td>02.07.1959</td>
</tr>
<tr>
<td>C. 087</td>
<td>Freedom of Association and Protection of the Right to Organise Convention, 1948</td>
<td>02.06.1965</td>
</tr>
<tr>
<td>C. 088</td>
<td>Employment Service Convention, 1948</td>
<td>04.04.1961</td>
</tr>
<tr>
<td>C. 089</td>
<td>Night Work (Women) Convention (Revised), 1948</td>
<td>02.07.1959</td>
</tr>
<tr>
<td>C. 090</td>
<td>Night Work of Young Persons (Industry) Convention (Revised), 1948</td>
<td>04.04.1961</td>
</tr>
<tr>
<td>C. 094</td>
<td>Labour Clauses (Public Contracts) Convention, 1949</td>
<td>04.04.1961</td>
</tr>
<tr>
<td>C. 096</td>
<td>Fee-Charging Employment Agencies Convention (Revised), 1949 Has accepted the provisions of Part II</td>
<td>21.08.1973</td>
</tr>
<tr>
<td>C. 098</td>
<td>Right to Organise and Collective Bargaining Convention, 1949</td>
<td>02.07.1959</td>
</tr>
<tr>
<td>No.</td>
<td>Convention Description</td>
<td>Date of Ratification</td>
</tr>
<tr>
<td>------</td>
<td>-------------------------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>C. 100</td>
<td>Equal Remuneration Convention, 1951</td>
<td>14.03.1968</td>
</tr>
<tr>
<td>C. 106</td>
<td>Weekly Rest (Commerce and Offices) Convention, 1957</td>
<td>15.12.1958</td>
</tr>
<tr>
<td>C. 111</td>
<td>Discrimination (Employment and Occupation) Convention, 1958</td>
<td>04.04.1961</td>
</tr>
<tr>
<td>C. 115</td>
<td>Radiation Protection Convention, 1960</td>
<td>07.11.1961</td>
</tr>
<tr>
<td>C. 116</td>
<td>Final Articles Revision Convention, 1961</td>
<td>27.08.1963</td>
</tr>
<tr>
<td>C. 117</td>
<td>Social Policy (Basic Aims and Standards) Convention, 1962 (No. 117)</td>
<td>18.06.1964</td>
</tr>
<tr>
<td>C. 119</td>
<td>Guarding of Machinery Convention, 1963 (No. 119)</td>
<td>18.03.1965</td>
</tr>
<tr>
<td>C. 120</td>
<td>Hygiene (Commerce and Offices) Convention, 1964</td>
<td>21.11.1966</td>
</tr>
<tr>
<td>C. 148</td>
<td>Working Environment (Air Pollution, Noise and Vibration) Convention, 1977 (No. 148)</td>
<td>27.05.1986</td>
</tr>
<tr>
<td>C. 103</td>
<td>Maternity Protection Convention (Revised), 1952</td>
<td>27.05.1986</td>
</tr>
<tr>
<td>C. 149</td>
<td>Nursing Personnel Convention, 1977</td>
<td>27.05.1986</td>
</tr>
<tr>
<td>C. 150</td>
<td>Labour Administration Convention, 1978</td>
<td>27.05.1986</td>
</tr>
<tr>
<td>C. 151</td>
<td>Labour Relations (Public Service) Convention, 1978</td>
<td>27.05.1986</td>
</tr>
<tr>
<td>C. 182</td>
<td>Worst Forms of Child Labour Convention, 1999</td>
<td>13.06.2000</td>
</tr>
<tr>
<td>C. 138</td>
<td>Minimum Age Convention, 1973</td>
<td>06.06.2011</td>
</tr>
<tr>
<td>C. 144</td>
<td>Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)</td>
<td>06.06.2011</td>
</tr>
<tr>
<td>C. 184</td>
<td>Safety and Health in Agriculture Convention, 2001</td>
<td>06.06.2011</td>
</tr>
</tbody>
</table>

Source: ILO, 2020