

PART II

DECENTRALISATION AND SPECIALISATION OF LABOUR AND EMPLOYER ASSOCIATIONS: EMERGING NEGOTIATION PARADIGMS

Entrepreneur Associations and Trade Unions

Towards a Merging of the Labour Policy Agenda?

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Since the 1960s, large corporations and firms throughout the world have taken up the challenge of attempting to combine corporate success and social responsibility. Indeed, over time, it has become clearer how solidarity principles can be conjoined with business success (Carroll, 1999: 268-295). From this integration, there emerges a more complex image of companies, a sum of the different components of their actions. The form and nature of relationships developed between various social actors also play a role. In other words, the imperatives of financial profit, of defining the ‘right price’ and of offering a quality product are no longer the sole guarantees of success. In evaluating a company’s performance, its social conduct also comes into play.

Companies have long operated essentially according to the logic of productivity and profitability, while their social responsibility remained hidden or subordinated to this logic: should profits be threatened, social progress would be too. In fact, in the eyes of businesses, social issues were solely limited to how much they paid their workers, how much money they made, and how much they produced. However, international experience indicates that this perspective is changing: because of the profound transformations within today’s working world and the crisis scenario that has accompanied ever-stiffer competition, many companies are now turning to the public for support in overcoming their competitors.

With this in mind, the purpose of this paper is to detect how local, foreign and multinational companies operating in the state of Rio de Janeiro (Brazil) have become involved in different spheres of the social agenda. The idea is to explore new corporate concerns and the changes in firms’ behaviour that promote citizenship inside and outside the workplace. The sections below provide a more detailed analysis of the issue. The first section deals with the development of the concept of

Social Responsibility based on American background reference; in fact, most of the theoretical debate and practicing managers quote this original source. The second section examines how Brazilian business associations and organisations internalize social responsibility concerns, focusing in particular on the widespread and divergent opinions about it. The third section investigates companies' social practices. Finally, the fourth section reviews the local trade unions' opinions about the current social responsibility in companies located in the state of Rio de Janeiro.

Firms and American Society: “Nevertheless, it Does Move”¹

We use this exclamation of Galileo's as a metaphor, so as to study how firms in the United States have been pressured into relinquishing their isolation and finally becoming part of their social context in order to reorganize a guideline for their economic strategy (Morgan, 1980). This change has also produced a concept: that of Corporate Social Responsibility (CSR). CSR serves three purposes: to enforce legal obligations; to perform voluntary social programmes; and, to introduce ethical belief while sharing the quest for economic benefits. The concept was first introduced when corporate economic power threatened to increase its autonomy. Indeed, in 1920-1930, two hundred of the largest firms in the USA controlled roughly 50 percent of the nation's corporate wealth (Berle and Mean, 1968: 33).

According to Kaufman, Zacharias and Karson (1995), the debate on the modern corporation introduces the issue of managers' legitimacy and of corporate autonomy government. Already, some concerns had been raised: corporate size would result in substantial power or monopoly; corporate deep pockets would corrupt democratic electoral and legislative processes; and, corporate managerial autonomy could lead to managerial opportunism and produce a possible erosion of traditional private propriety. Thus, the debate has been open since 1920-1930.

The post-war period should be seen as a long period during which legislative efforts to involve corporations in regulatory measures were reoriented following pressures to introduce social issues from the movements inside and outside corporations. Four references can be mentioned as examples. First, the civil rights movement shows us how political pressure has economic consequences and can transform firms' behaviour through the consumer's influence (Vogel, 1978). The Kodak case and the boycotts of Pepsi-Cola, Gulf and Sun Oil were responsible

¹ In 1633, Galileo Galilei was tried by the Inquisition and made to abjure all his beliefs and writings. As he arose from his knees, he exclaimed “sotto voce”: “E pur si muove (nevertheless, it does move)”; cf. *New Illustrated Colombia Encyclopedia*, 1979, Vol. 9, p. 2, 596.

for introducing better conditions for black employees. Second, the Vietnam antiwar movement challenged, among others, AT&T and Dow's business to publicly refuse to supply the Defence Department with military material while the USA was at war. Third, a number of religious groups and American partisan movements pressured American companies, such as IBM and Polaroid, regarding their activities in other countries. Thus, for example, the corporate activism initiated by the action of church movements in favour of suspending bank loans and withdrawing investments in South Africa. Lastly, the campaign against old GM social performance and the introduction of the code of investor conduct by Yale University ("University. The ethical investor: Universities and corporate responsibility", 1972) are two of the results in this field contributing to a change in management mentality. All of these actions are in favour of introducing social and ethical accountability into economic strategy (Vogel, 1978: 99).

Hence, Corporate Social Responsibility has become a concept that expresses the philosophical point of view in corporate accountability in the United States since the 1960s. It tries to admit the importance of social issues in corporate governance and conduct. Because of that, its focus also introduces a politicisation of the shareholders' investor role. Finally, Galileo's exclamation "e pur si muove" (nevertheless, it does move) suggests that, like the earth moving alongside the other planets in the solar system, the firm is seen as an institution that abandons its isolation and becomes part of the social context.

Business Associations and the Debate on Social Responsibility in Brazil

In Brazil, business associations and institutions have demonstrated an ability to reach their members regarding product and management innovations (Diniz *et al.*, 2000). This vitality in terms of seeking out innovative sources and resources so as to promote member participation suggests that these institutions constitute a great arena for perceiving if the social responsibility debate is receiving the entrepreneurs' attention.²

The study of the attitudes of employers' associative entities towards social responsibility was carried out taking into account the different segments of the Brazilian business class.³ The development of the social

² See Levaggi, V., *Organizaciones de empleadores en America Latina. Reflexiones desde el cono Sur*. Equipo Técnico Multidisciplinario, No. 93, Oficina Internacional del Trabajo/International Labour Organisation, ILO, Chile, 1999. See also Martinelli, A., *L'Azione collettiva degli imprenditori*, Ed. Di Comunità, Milano, 1994.

³ I use the results of the research carried out among Brazilian firm associations during 1999. The team conducted interviews with over 50 business associations and trade unions. I thank Gian Mario Giuliani, Regina Morel and Elina Pessanha, and the re-

agenda requires the opening up of new channels of dialogue between businesses and society, channels going beyond the classic functions of employers' organisations and which are related to the challenges of modernisation, technological innovation and administrative management.

The associations, whose vocation is to promote collective employer action, have performed certain functions and roles. The changes that have occurred during the last two decades – economic liberalisation, structural reforms, market reorganizing due to globalisation – have stimulated employers to rethink their models of production, their management styles and the forms of institutional regulation.

We consider the associations and organisations of employers as vehicles or privileged intermediates in the relations between employers, society and the State.⁴ As “open systems”, employers' entities participate in the control of economic, social and political relations through their capacity to regulate.⁵

The analysis of objectives, and of the modalities and effects of actions of representation, show how today companies' associations aim to influence (by debating, interpreting and evaluating) the public policies affecting their members: monetary, fiscal, labour, industrial, foreign trade, communications, the environment, scientific research, etc. The associative entities are involved in collective decision-making, interfering in and/or influencing government proposals, including the defining of proposals concerning the sphere of industrial relations and the processes of negotiation between trade unions and employers. Further, as it is in the interest of these organisations to influence investment so as to develop the capacity to innovate and to strengthen the autonomy of the companies they represent, their actions have a direct repercussion on workers, shareholders and consumers, thereby conditioning the welfare of the collective.⁶ The complexity of these actions demonstrates their dual character: they are politically regulated actions and, at the same

searchers Cristina Nobrega and Keyla Oliveira who have integrated the team during this period. This study, *Social Responsibility in Brazilian Firms Associations*, UFRJ/PPGSA, was supported in part by IBASE and the Ford Foundation.

⁴ I am drawing on a specific strand of the literature of Political Science and Sociology, which has replaced the traditional study of employers' organisations with a new focus on the channels of transmission of interests and demands. See the contributions of the Joint Committee on Western Europe, affiliated to the Science Research Council and to the American Council of Learned Societies (Martinelli, 1994).

⁵ See the contributions of Galbraith, 1976; Pfeffer, 1981; Burns and Stalker, 1961; quoted in Martinelli, 1994.

⁶ In this sense, Lindblom states: “In every system based on private enterprise... employers become a type of public employee and perform, in a broad view of their roles, public functions”, Lindblom, 1977, p. 181. See Martinelli, *op. cit.*, p. 87.

time, actions that can exert a political influence on the societies in which they operate. This dual character gives these associations an extremely important role.

All of the interviewed associations' leaders answered the main question: "How do you suggest managing the link between economic success and improving firms' social performance and development?"

In the concept of social responsibility, one encounters the reciprocal links between: the distribution of rights and obligations, the acknowledgement of public and private attitudes, the limits of the collective and individual spheres, and the general diffusion of welfare and the concentration of wealth and privilege (Preston and Post, 1981). I feel it is important to map the corporate initiatives by collecting information on programme trajectories and by reconstructing the decision-making process, enforcement mechanisms and company evaluation of results.

The employers' dominant social position is based on the individualistic and competitive nature of their economic actions and their power of investment. Therefore, it is important to understand how associations consider themselves as agents available for re-establishing the reciprocity between rights and obligations, thus redefining themselves in the pursuit of social solidarity. Different moments of national life have shown that the range of attitudes leading to the aggregation of interests can be quite broad and that, on the associations' part, the proposals for collective action can be heterogeneous.

Attitudes and Institutional Practices: Business Organisations' Actions

The range of possible attitudes related to social responsibility can vary from ignorance, through disinterest, to understanding and even to intellectual interest and/or action. For this reason, in order to facilitate the analysis, I have characterized the various responses of our interviews in relation to certain basic elements. The first is certain employer organisations' acknowledgement that dealing with social questions is pertinent to their prerogatives. The second criterion is the business organisations' willingness to allocate resources (material and financial, or in terms of knowledge and organisational experience) to social interventions. Finally, the third element corresponds to these entities' inclination to enlarge the range of social actors available to participate in these proposals and initiatives.

Using these elements, I drew up a typology of attitudes. This should be seen neither as a classification with a valuing connotation, nor as a comparison between "who does" and "who does not". The principal concern is to characterize the diverse discursive and argumentative matrices in order to show how there can be different forms of thinking

about social responsibility. During the period the interviews were carried out,⁷ the national agenda was occupied by the debate on the implementation of social policies, in particular those aimed at reducing the levels of extreme poverty and social inequality in Brazil.⁸ The principal public institutions (federal government, national congress, political parties) fomented the debate that reverberated in public opinion. In our opinion, this raised the level of awareness of our interviewees to at least a level of reflection.

The organisations studied present significant differences in terms of their grasp and the institutional grounding of the social responsibility issue. All of the associations' chairmen proposed some type of solution for social problems, but not all of them shared the same perception of the relevance of the question to the objectives and aims of their associates, nor showed the same willingness to allocate resources so as to promote concrete actions, in pursuit of a social responsibility permitting the interaction of different social actors. The programmes made by firms' associations provide the means to organize a typology that systemizes the diversity of purposes and goals of these programmes.

a) Cooperative Actions

The perception that urgent social problems exist and that these are relevant to firms' activities has caused some associations to take the initiative behind co-operative actions, which engage its member-firms in a dialogue with public agencies. The associations are willing to act and allocate resources and energy together with public agencies (whether local, state, or national) and other institutions so as to implement programmes directed at specific segments of society. A few firms participate with a special monthly amount, sponsoring part of the social programmes defined by the associations. A few such examples include:

◆ The Union of Employers of Building and Construction of Rio de Janeiro, which set up a course for the unemployed "*To teach (people) to read is to construct*", in cooperation with SESI, the Department of Education and the Roberto Marinho Foundation. It also created the Building and Construction Firms Social Work Department (SECONCI), which for over a decade has provided health and educational assistance, and has also developed an alternative food programme for workers.

⁷ Between 1999 and 2001, 60 directors and chairmen of associations were interviewed in five Brazilian states (Rio de Janeiro, Ceará, Rio Grande do Sul, Minas Gerais and São Paulo).

⁸ In this respect, the proposal made in August 1999 by Senator Antônio Carlos Magalhães to create an Anti-Poverty Fund should be taken into account. See also *Map of Brazilian Poverty*, source PNAD, 1997, developed by IPEA, in *O Globo*, August 1999.

- ◆ Since 1993, the American Chamber of Commerce in Rio de Janeiro and São Paulo runs the “Quality in Education Programme”, in cooperation with the respective municipal secretaries of education. In 1984, the American Chamber of São Paulo started the “ECO Prize”, which rewards, on a national level, the businesses accomplishing the most with respect to social activities.
- ◆ FIDES, in São Paulo, runs a social programme in *favelas* together with the J. Bosco Foundation, and also organizes meetings between bishops and employers with the support of the Adenauer Foundation from Germany.
- ◆ Inspired by the Constitution and the Statute for Children and Adolescents, as well as by United Nations recommendations, the Brazilian Toy Industry Association (ABRINQ) in São Paulo has developed nine projects for children. These include: the “*Vaccination Campaign*” and the “*Fight against Dehydration*” in partnership with the National Department of Health; the “*Guardianship Project*”, aimed at fostering children in substitute families; and the programme “*Mayor-Children*” which offers subsidies to mayors who adopt child care as one of their administration’s priorities.
- ◆ The Industrial Federation of São Paulo State (FIESP) carried out the *National Campaign for the Prevention of Work-Related Accidents* in conjunction with the National Department of Labour.
- ◆ The Commercial Association of Minas Gerais has organized activities in the area of *environmental preservation* with the Department of the Environment and IBAMA.
- ◆ In 1989, the Association of Young Employers of Ceará started, together with other groups, a series of weekly meetings of the “*Co-operation Pact*” promoting debates with various groups in the city of Fortaleza on different social issues in their State. It also organized the “*Re-socialisation of Prisoners Forum*” and the “*School Performance Prize*”, specifically aimed at public schools.

b) Combining Ethics and Economics

The admission that firms also have a social function has led a few associations to propose actions aimed at inducing businesses to re-examine the basis of fundamental moral and ethical principles linked to good economic performance and respect for institutional rules. Several basic concepts, such as “Social Management”, “Social Responsibility” or “Employer Citizenship”, have been elaborated as intellectual references by firm associations. In addition, debates on “Social Exclusion” have been organized, with the explicit purpose of reaffirming the firm’s centrality as an actor capable of taking up the challenge of strategically combining economic performance and social commitment. The objec-

tive is to stimulate debate among the membership. Various educational activities have been undertaken to encourage new stances among managers that internalize fundamental moral principles, such as actually applying obligatory legal regulations and policies, understanding that tax evasion to be wrong and respecting labour and environment legislation.

- ◆ The Association of Christian Business Directors of Rio de Janeiro, has promoted seminars, issued documents, and produced studies centred on its proposal for “*Social Management*”. It also participates in forums, organizes debates and engages the media (press and television).
- ◆ The Industrial Federation of Minas Gerais created the “*Employer Citizenship Group*” to promote new initiatives that might become the standard bearers of a new business ethic.
- ◆ The Employers’ National Think-Tank (PNBE) in São Paulo promotes press reports, seminars and employer forums regarding the relationship between structural adjustment and the struggle against social exclusion.
- ◆ The Brazilian Association of the Fine Chemical Industry and the Brazilian Association of the Chemical Industry, both of which are employers’ associations in this sector, have adopted the guidelines of the “*Programa de atuação responsável*”, the Brazilian version of the “*Responsible Care Program*”, aimed at environmental management. Its goal is to propagate the adoption of codes of conduct, managerial practices, guidelines and indicators related to the environment and occupational health.

c) The Priority is Economic

In contrast with the proposals described above, there are business associations that are convinced that enterprises have primarily economic aims, which are currently being challenged by problems of international and regional adjustment. Their actions seek to prioritize, in a time of crisis, the reestablishment of sectorial competition, before undertaking any involvement, action or investment external to their economic mission.

The concern of promoting enterprise efficacy and efficiency is placed above any and all actions in the social sphere. For a few business associations, initiatives in the social area involve additional costs to enterprises; consequently, they are to be avoided, or postponed, until the sector, in crisis, has once again achieved equilibrium. In all five States covered by the survey, one observes in these organisations, preoccupied almost exclusively with the defence of employers’ interests, an absence of plans and programmes oriented to a social agenda. This is especially

common among firm associations in the economic sectors most affected by international competition. The urgent need to reorganize the technological apparatus and reconstitute the market results in imposing a priority that relegates the management of human resources, the preservation of the environment and the interaction between the social and institutional spheres to a minor concern. Among the entities which predominantly adopted this attitude we find the Union of Fruit Producers of Ceará; the Association of Brazilian Software and Computer Service Companies; the Association of the Textile Industry of Ceará; the Footwear Industry Union of São Paulo; the Union of the Clothing Industry of Rio Grande do Sul; the Union of the Rice Industry of Rio Grande do Sul; the Brazil-Argentina Chamber of Commerce; the Agricultural Federation of Rio Grande do Sul; and, the Agricultural Federation of Ceará.

d) A Personal Option among Managers

Another group of associations does not intend to adopt direct institutional involvement as an employers' group. However, the directors stress the initiatives and individual programmes of their members, which have a certain tradition in taking initiatives inside and outside their company. These practices are often referred to as being "personal options of business managers". The latter are managers/owners who are individually engaged in philanthropic activities, operating as partners with NGOs or responding to the demands of local communities (for instance, the neighbourhood or the parish). Some association directors consider that the adoption of initiatives aimed at coordinating and/or proposing institutional action by the organisation itself could have the effect of inhibiting, or impeding, the individual actions already underway. In other words, they believe that instead of stimulating such actions, "guidance from above" could have the opposite effect. Through their directors, these associations demonstrate an attitude of restrictive representation, relying on their ability to rapidly mobilize all of their members, but wanting to remain the 'spokesperson' of mainly economic interests. This attitude, which sometimes contradicts the initiatives of important firms, is characteristic of several associations in different States. One finds it in the Association of Supermarkets of Rio de Janeiro and Minas Gerais, in the Industrial Federation of Rio Grande do Sul, in the Association of Christian Directors of Minas Gerais, in the Brazil-Argentina Chamber of Commerce, and in the Association of Banks of Ceará.

According to the Federation of Banking Institutions of São Paulo (FEBABRAN), many banks already have their own projects underway, often through foundations. For example, Bradesco Bank has set up its own foundation, which provides schools for the families of employees

and involves more than 98,000 children; Itaú Bank operates a programme for the renovation of public schools, distributing educational material for the training of teachers, etc. Similarly, according to the Commercial Association of São Paulo, several of its members support the ‘CAMPI’ project, aimed at training ‘boy scouts’, and which is concerned with training and accompanying the insertion of young people in the labour market and supervising their performance.

e) When there Are Positive Externalities

Several associations’ directors stated that their institutions have established a clear separation between public and private social responsibility. For them, the promotion of education and health is the responsibility of the State, not the firm, as employers are agents of economic promotion. Even when they agree with the idea that higher education levels are strategic factors for companies’ development, they expect the State to fulfil its obligation of providing basic public education. Therefore, a few associations become promoters of debates and initiatives only when such actions result in positive externalities or in comparative advantages for firms. The only other factor mentioned as an important public commitment relevant to employer objectives, is the preservation of the environment, which, consequently, should be a part of the associations’ discussion. It is interesting to note that this group comprises associations that were formed with the objective of organizing and defending a broad range of interests and includes the newer generations of employers.

For example, the directors of the Association of Young Employers of the State of Rio de Janeiro said that this entity is preoccupied with monitoring the technological choices necessary to preserve the quality of the environment. The commitment is permanent, since a member of the board always represents this organisation in forums related to this issue, such as the Employers’ Council for Sustainable Development and the American Council of Commerce. The other members of this group include the Association of Young Employers of Minas Gerais and of Rio Grande do Sul; the Liberal Institute and the Institute of Employer Studies of Rio Grande do Sul; and, the Association of Young Employers, and the Institute of Liberal Studies, both from Rio de Janeiro.

f) Public Security

Several entities have a clear perception of the relevance of the question of violence, and consequently are willing to act in relation to public security, allocating resources and abilities to deal with the gravity of the situation. The security issue is considered as important, given that it poses a threat for the actual life of employers, puts companies’ installations at risk, and, at times, inhibits the firms’ proper functioning even to

the point of putting their actual survival at risk. Many different ways of intervening have been proposed. Leaving aside the initiatives involving private self-defence, it is worth mentioning those involving a broader strategy dealing with some of the social causes and/or proposing policies of a more collective or institutional scope, namely:

- ◆ Among its 19 employer-councils, the Commercial Association of Rio de Janeiro has one specifically concerned with public security. Between 1993 and 1997, this institution ran the programme “*My Neighbourhood, My Police Station*”, which re-equipped 34 local police stations. It also sent the public authorities (the President of the Republic, National Congress, and the Judiciary) a written proposal for the reformulation of the Police Academy School’s curriculum, and also suggested establishing a permanent campaign on the evils of *drug use*.
- ◆ The Federation of Employers’ Association of Rio Grande do Sul (FEDERASUL) has promoted the programme “*Pescar*” (Fishing) concerning the professional training of young people in situations of risk, which is based on the idea that professionalisation contributes to reducing the risks of social marginalisation.
- ◆ The Federation of Industries of the State of Rio de Janeiro (FIRJAN) has contributed to various initiatives of the Viva Rio movement against violence.

g) Medium- and Long-Term Aims

Various firms’ associations, as employers, saw other types of problems as being relevant to the business world, because of the seriousness of their social impact and the urgent need for solutions. Among them were the issues of unemployment and professional training, racial discrimination in the workplace, and the still common practice of child labour. These are considered as challenges that not only require action on their part, but which also call for new stances and attitudes towards economic action. They are understood as issues affecting several of the important values of employer culture. Their solutions, however, cannot be found in partial or short-term solutions, but only through medium- and long-term initiatives.

Several associations have made these themes their flagship activities and, because of their participation in national and international organisations, have reinforced their mediation capacities with employers and public authorities. In some cases, proposals for joint action between employers’ organisations and those of workers have seen the light, in the wake of various international experiences, such as those presented at the ILO’s Second Enterprise Forum in 1999. Some examples include:

- ◆ Through its Foundation, the Brazilian Toy Industry Association (ABRINQ) has implemented specific actions, such as the programme

“*The Company: The Children’s Friend*”, initiated in response to the ILO’s 138th convention and UNICEF recommendations. It has also developed and signed different *Sectorial Pacts*: in 1996, for instance, with producers of the alcohol sector, citrus growers, car manufacturers and producers in the footwear sector. In these cases, the National Departments of Labour, Justice and Industry were also involved.

- ◆ The Italy-Brazil Chamber of Commerce is drafting a bilateral cooperation agreement with planning and professional training institutions in areas of recent deindustrialisation (the areas of the Greater São Paulo ABC cities and Greater Milan), investing in the search for solutions and for adult workers’ professional retraining.

- ◆ The Association of Businesswomen and Professionals of Porto Alegre (BPW/POA) has set up the *Popular Entrepreneurial Prize* as an incentive for low-income women entrepreneurs to improve their enterprises. Also in this state can be cited the Employers Union, and the Brother José Otão Foundation.

Within this group of preoccupations, one should mention certain interventions aimed at long-term solutions, namely a series of declarations signed by associations up to 1999, i.e. against sexual and racial discrimination, against child labour, in favour of the incorporation of physically disabled workers. For example:

- ◆ The Industrial Federation of São Paulo (FIESP) recently signed a declaration with the Inter-American Union Institute for Racial Equality (INSPIR) against racial discrimination in the workplace.

- ◆ Through its Social and Labour Policy representative, the Union of Building Firms (SINDUSCON) is a member of the network promoted by the Brazilian Council of the Building Industry (CBIC), called “*Building is the Solution*”. This is a national movement of employers and workers which, according to its founding declaration, proposes to unite forces around a national agenda of action aimed at *employment generation policies*, by implementing housing and infra-structural programmes. The initiative was justified due to “*the serious situation of the growing unemployment rate and the population’s deteriorating quality of life*” (SINDUSCON, 1999: 121).

Firms and Social Responsibility

International literature suggests that companies are motivated to engage themselves in social issues in new ways, which take into account the progress made in broader spheres of collective life and, above all, the progress resulting from the enlargement of democratic relations and the dissemination of information, which make consumers more watchful. According to the European Commission’s paper “*Démocratie et*

Créativité”,⁹ many companies have learnt to recognize the power of the media, as well as the new attitude expressed by the public at large and by consumers in particular. Therefore, firms devise policies aimed at shaping their image so that it reflects their contribution to updating internal codes, promoting social and cultural progress, and protecting the environment. This also reveals that companies are redefining their human resource policies and accepting trade unions as valid discussion partners. Some examples of innovative policies highlight the different forms that companies adopt so as to introduce citizenship in the workplace: the introduction of human resource-management mechanisms to overcome racial and sexual segregation; the adoption of non-discriminatory treatment; the institution of training programmes to promote equal opportunities for career advancement; and promoting a reconciliation of work with family responsibilities so as to improve employees’ living conditions for both men and women.

Our object is to bring to light the ways in which companies in the State of Rio de Janeiro combine financial goals (profit and performance) with the adoption of ‘good conduct’ practices toward their employees and their community. Since 1997, and in response to an IBASE-sponsored campaign, certain companies now draft and publish a Social Report. This initiative is one of the signs of a new corporate culture that addresses social responsibility.

Our study covers twelve firms, located in the State of Rio de Janeiro and operating in different sectors: building and construction; the chemical and pharmaceutical industries; metallurgy; publishing; the textile sector; the food industry; oil industries, and supermarket services. These firms are national and international companies.

All the companies’ directors we interviewed answered the basic question: “What does your firm do towards social development inside and outside the company?”. The question was motivated by the assumption that economic success has an effect on social relations. It is known that the reason of a company’s existence resides in a combination of different objectives: to offer products and services, and to produce profits and distribute dividends. Such objectives refer more appropriately to a market society’s productive aims. But the reasons for a company’s performance can go beyond mere economic objectives. Socially legitimate reasons can include a firm as source of employment and as a space where workers can find dignity.¹⁰ I suggest that companies have a

⁹ See Atelier No. 3, *Solidarité des Entreprises*, Commission Européenne, DG XII, 1996.

¹⁰ I refer to the definition of “decent work” proposed by the International Labour Organisation (ILO), concerned about diffusing dignity in labour relations, in collabo-

different conception of social responsibility. This diversity is related to the economic sector, the companies' product and the consumer market's proximity, more than to the relations with civil society. The economic sector is one of the most important references for perceiving the context in which firms identify their concern and worry about social responsibility. In fact, during the interviews, it was clear that chemical, pharmaceutical and oil industries introduced the debate about environmental issues because of international agreements about responsible care (Giuliani, 2001). Metallurgical firms, building and construction, publishing and textile industries have focused the debate on the importance of work processes and labour-force training, due to technological modernisation. Supermarket services appear particularly concerned about the consumer market, whose influence orients their external policies. These prior concerns show that every sector identifies its own link with society, and then defines the sphere of their relationship with it.

The companies' product also has a number of implications for the management's perception of, and practices regarding, social responsibility. Managers select the forms of interaction with customers, employees, suppliers and domestic competitors, with whom they have direct contact. However, they are not constantly related with governments, consumer advocates, environmentalists, media, local communities and other groups. Some companies have selected their social programmes in relation with their product's image. These firms think about social needs by reacting to public opinion. For example, as a pharmaceutical firm's products are linked to health-related issues, the company might organize a social programme improving or introducing health services for the external community. However, these services are not always available for the company's workers. On the other side, since factories are exposed to public view, in the building and construction industry companies are worried about accidents and injuries, which are immediately visible and could damage their brand name. Similarly, in the case of supermarkets, the proximity of consumers stimulates firms to implement social programmes that can be used as an efficient vehicle of propaganda among its clients; one supermarket, for instance, is partner of the recycling waste programme, advertising this programme on its bags as well as with leaflets distributed in its stores.

Other firms (especially in the metallurgical, oil, textile, building and construction sectors) combine social policies with other special activities related to their productivity strategy. Indeed, new policies centre on cutting costs and expanding efficiency. Therefore, the purpose of social

ration with segments of employers, unions and government institutions. See ILO, *Decent Work*, 87th Meeting, Geneva, 1999.

responsibility becomes a support for managing industrial reorganisation. A few companies (in the sectors of publishing, textiles, and building and construction) have introduced professional training programmes related to technological modernisation. Only in the case of one building and construction firm, is the social activity part of agreements resulting from negotiations with the local trade union.

Companies belonging to the oil, chemical and food sectors adopted programmes oriented towards human resource policies and internal climate. For example, these firms are interested in improving women's participation in managerial staff and, over the last year, introduced a special policy in gender diversity (even if limited to white-collar occupations) as a part of their international policy. In other sectors (metallurgical, pharmaceutical and supermarkets), some firms have introduced temporary AIDS programmes in response to employees' needs. Finally, a few companies (essentially in the oil and metallurgical sector) have introduced unpaid jobs in the community for white-collar employees in their administrative centres.

Some firms (publishing, metallurgical, textile, building and construction) also take into consideration the community's demands. Generally, the community is represented by local organisations (associations, NGOs, churches or individuals) in search of specific support (e.g. equipment) or social work (such as literacy courses, part-time after-school activities for children, or sponsoring municipal schools and hospitals).

All these activities suggest that companies practice social responsibility through voluntary programmes that are strictly related to their strategic interests. In fact, the elements that generally define companies' social commitment are: their product, consumers market and concern with their internal climate. Only in few cases (supermarkets, textile and food industries) is the company's social performance defined in response to community needs as a philanthropic action.

Brazilian Trade Unions and Corporate Social Responsibility

From the perspective of Corporate Social Responsibility, trade union participation stands out on two counts: the degree of openness of the institutional dialogue between firms and society, and the breadth of sectoral and local variations in employers' care of workers (who should normally be the direct beneficiaries of companies' social policies).

As agents of representation, Brazilian trade unions have historically played the role of enforcing the exercise of rights on the shop floor, based on confrontation tactics rather than a dialogical approach with employers. Complex processes introduced by industrial reorganisation

and modernisation have since changed companies. According to employers, new policies are centred on cutting costs, increasing productivity and expanding efficiency. Hence, in the midst of these profound transformations, corporate social responsibility (CSR) became one of the strategies in Brazil for managing these changes. However, as trade unions report, this has had repercussions for the workers: flexibility, an expansion of strategies such as “just in time” (JIT) and “total quality control” (TQT) and, finally, the lessening of labour rights regulation. Our concern is to enlarge the significance of this remodelling process and to report the opinion prevailing among trade unions about CSR. I suggest that, even if they recognize this approach’s positive aspect, trade unions consider that, so far, its use has not reversed local companies’ purposes and practices.¹¹

According to trade unions, the CSR approach demands that firms modify their role beyond the classic expectations related to paternalism in the past. Indeed, throughout the history of Brazilian society, employers used to play a paternalistic role so as to protect their interests. For example, the industrialisation process at the beginning of the 20th century was sustained by employer actions aimed at the “domestication” of the emerging working class through the Company Town and Cottage System models, or the so-called “working class city”. Later, employers were compelled to interact between employees and public authorities introducing regulatory roles. As a result, during the Vargas period and its ensuing social pact, labour legislation was implemented introducing the first regulation of employers’ responsibilities towards the workforce. Finally, in the last Constitution (drawn up in 1988), firms were obliged to modify their actions regarding internal and external partnerships, developing and increasing innovations in their social role and offering human dignity and new rights to employees. However, this period exposed the intensity of the disputes and rifts between employers’ and workers’ demands. According to the trade unions, this last national agreement highlights how difficult it was to force employers to modify their range of paternalistic attitudes.

Nowadays, the demands formulated by civilian associations, NGOs and, recently, also by national and local agencies of the State, suggest that firms and employers should embody a new social role. The introduction of social responsibility and stakeholder relations, such as busi-

¹¹ This affirmation is based on the results of the research carried out in the State of Rio de Janeiro among local trade unions. In particular, I shall refer to two cases in this paper: the Building and Construction Industry Trade Union and the Metallurgy Trade Union. Here, I would like to thank Cristina Nobrega and Keyla Oliveira who integrated the team on this part of the research. This study was supported in part by FAPERJ and CNPq, the National Centre of Investigation, during 2000-2002.

ness contributions, suggests it is necessary to enlarge the partnership so as to include suppliers, clients, consumers, workers and the community. Indeed, according to trade unions' leaders, the CSR approach implies the introduction of new values, both inside the firm (in respect to workers and white-collar employees' rights) and outside it (with suppliers, clients and community demands). For them, social responsibility should redefine and thus renovate business goals. One of these goals is that the tension caused by conflicting interests should be resolved through negotiations and be regulated by collective agreements.¹² During the 1990s, there were only a few cases that showed this business attitude. For example, the initiatives of the Sectorial Councils (between 1992 and 1993 and between 1995 and 1996) provided moments of institutional opening for three-party negotiating in respect to defining targets and performance in the automobile and the chemical sectors. Therefore, trade unions know that collective agreements with employers do not need to have a precedent in terms of a national legacy.

The following trade unions' opinions illustrate two different conceptions of corporate social responsibility. According to the findings of our survey among local trade unions, the leaders in the Building and Construction Industry consider that corporate responsibility has shrunk on a number of issues.¹³ It should be noted that the first agreement concerning social issues – the Social Programme in the Building Industry (SECONCI/RJ) – was signed in 1988 as part of the local bargain. This programme focused on providing different types of care for workers on the shop floor and was organized and administrated by employers. It included medical and dental care, an audiometric service and a few social programmes (a literacy course, professional training and a nutrition programme) targeted exclusively at workers. Although positively evaluated, these services are considered limited in purpose and restricted in terms of results. In fact, the trade union argues that this kind of service has a reduced the impact among workers and does not address the issue of assistance to their families.¹⁴ In addition, considering the shop

¹² The ILO's Second Enterprise Forum, held in 1999, arose from preoccupations such as these. An example of an initiative of this type is that of the agreement between the Danone firm and the European Union of Food Workers and Connected Trades (SET UITA) See the *Convention Groupe DANONE and UITA* signed by the president of the company and the Secretary General of the European Union of Food Workers and Connected Trades in September 1999.

¹³ According to the secretariat of the Building and Construction Trade Union, in 2002 approximately 36,000 of the 100,000 workers in the city of Rio de Janeiro were trade union members, an appreciable increase considering that trade union associations only represented 27.76% of the workers in 1991.

¹⁴ The leader explains that the workers' actual profile changed a few decades ago. Nowadays, individual immigrant workers are not representative of the workforce. In

floor's reorganisation, the high turnover of labour and the large periods of unemployment faced by workers, this programme is very selective. Indeed, the trade union's criticism stresses that the programme concerns only a small proportion of workers, namely white-collar employees – but not the bricklayers, who are the most important part of the workforce in this sector. To overcome the limits of this employer programme, the trade union has started a similar one of its own, which can be utilized by workers and their relatives even after the cessation of job relations. Moreover, the disregard shown by firms regarding the application of labour rights has motivated the trade union to monitor cases of injuries, a service it ensures since 1996, and which includes a daily supervision by technical experts. Finally, the local agreement between the trade union, the State and employers led to the creation, in 2000, of the Prior Conciliation Committee (*Comissão de Conciliação Prévia*) with the explicit power to find solutions regarding workers' rights, thus reducing the delay of Justice.¹⁵

The metallurgic trade union's assessment of how corporate social responsibility is interpreted among companies suggests new references, namely that employers' actions in this regard can be dispersed and heterogeneous. As an example of this, activists in the metallurgy sector compare two corporate cultures that present a stark contrast in employers' practices: on the one hand, an old American company that has been located in the region for many years and, on the other, a German firm that recently opened a plant in the same region. These two cases highlight how company social responsibility acts and manages work demands in opposite ways. Using the motto of social responsibility, the first firm has, since 1993, organized different social programmes: in the community (municipal school and hospital, and social and sport activities for children) as well as for white-collar employees at its administrative centre (unpaid jobs and AIDS programme). In contrast, this firm neither has a partnership on the shop floor, nor with the local trade union. Also, for many years, it used to demand that the business association's lawyer negotiate the annual agreement, without the managers' presence. Hence, the activists explain their special interest in the debate with the firm: “the company does not open the door to the trade union”. In opposition, the second company, without using this motto, since early 1990 when it opened its factory, has solicited a partnership with the

fact, workers in this special sector have their permanent residence in Rio de Janeiro and live in nuclear families.

¹⁵ According to available data, during the first nine months of its existence, this Committee solved 68% of among more than 3,000 cases. Without this mediation, these cases should follow the traditional route of going before labour justice. See *Gazeta Mercantil*, 05/03/2002.

trade union. Moreover, it has accepted the constitution of a trade union committee on the shop floor, while the annual negotiations take into account the technical advice of trade union activists.

In conclusion, trade unions tend to emphasize the gap between business rhetoric and practices. Considering the long tradition of maltreating workers in these important sectors, leaders recognize that few achievements have been reached in terms of labour protection. However, they consider the business motto of corporate social responsibility as still being uncertain. According to them, even if it could signal a change of approach in companies' labour policies, to date it has proved to be an inadequate slogan for differentiating companies' practices.

Conclusions

The analysis has given an accurate picture of the place of social responsibility in the national and regional business environment in Brazil. The conception of social responsibility in American literature and the interviews with Brazilian firms' associations constitutes a useful reference in perceiving how companies in Rio de Janeiro approach the issue. Moreover, the opinion of the trade unions located in Rio de Janeiro helps understand how strongly this issue rebounds on balancing power relations and on the equitable distribution of benefits.

The confrontation of these different opinions suggests that, in the national environment, there are ongoing changes. The business associations offer to their members different options on managing the advantages of introducing social responsibility in their firms. The strong impact of the production's restructuring in terms of systems and markets has given a great emphasis to programmes, actions, projects, petitions and meetings in the business field. Business associations express their concern about social responsibility by collecting data, evaluating programmes, debating and broadcasting initiatives coherent with this perspective. They thus improve the quality and quantity of available information and invest in communication through seminars and exchanges, which offer important clues regarding the social agenda. They also manage institutional social programmes, generally directed at equipping schools, training workers and organizing basic education for the population. Most of these programmes are carried out through a partnership with local and regional State agencies. Furthermore, many of these programmes have been an integral part of associations' activities since the 1990s.

Therefore, the proposal of pushing employers' strategies in a direction that combines the economic success of firms with their commitment to social development, is neither an unknown formula to business, nor an attitude created by fashion. The typology that I presented, and that

systemizes the diversity of associations' purposes and goals, shows that some associations are more directly engaged in the social responsibility perspective. For example, the associations classified in the categories of "Cooperative Actions", "Combining Ethics and Economics", and "Medium- and Long-Term Aims" invest in social actions. The research also shows that this attitude is present in a few companies in Rio de Janeiro. In fact, some companies (metallurgical, oil, textile, building and construction) found their practices in Cooperative Actions, acting in partnership with local State agencies and concentrating their actions in the educational and health areas. Concerning the firms from Rio de Janeiro, I found that the concept of "social responsibility" as understood by the associations (i.e. "Combining Ethics and Economics") is put into practice only in a few cases, in particular by oil, metallurgical and chemical companies.

Associations adopt the concept of social responsibility from different perspectives. Several actors contribute to this diversity: the press, international organisations, NGOs and their campaigns, researchers, local and State executive powers.

On the other hand, firms have different backgrounds. In multinational firms, suggestions about social responsibility programmes originate in the extension of the mother-company's international policy to its local factories. The survey suggests that when firms wish to finance some programme, they prefer training programmes and indirect assistance to people outside the labour market, rather than initiatives destined at workers inside their factories. For example, among the twelve firms of our survey, not one of them mentioned an explicit intention to perform according to the International Labour Organisation's conventions, which include the promotion of human rights, labour standards and the analysis of environmental impact. None of them, either, made any reference to "good practices", or to affirmative action on gender or racial concerns, even though business associations had referred to this kind of convention.

The research also identifies an ambiguous relation between belief and behaviour. A few firm associations, even though they recognized the seriousness of social problems (such as unemployment or environmental degradation), find it very difficult to adopt the social responsibility belief and practices. Because of that, there is a huge distance between "what should be done" and "what can be done". This resigned attitude is present among the associations classified in the categories: "The Priority is Economic", and "When There are Positive Externalities".

Among the firms consulted during our survey, no two presented similar arguments. It is possible that three of them (a supermarket, a tyre producer and a clothing industry, which – it should be noted – inter-

rupted their collaboration in our research after the very first meeting) are among the firms that cannot include social responsibility in their business strategy.

The analysis of employer organisations revealed a varied range of conceptions of social responsibility. However, it was clearly obvious that this engagement goes on in a selective manner, and business organisations orient their member firms in different ways. The different conceptions, methods and strategies for action generated by associations, turn social responsibility into a concept that is “disputed” by ideological and political concerns. It is as yet impossible to establish a general consensus on what social responsibility actually means. What is significant, however, is the growing on-going movement in Brazil, which is placing the interests, proposals and values of economic agents face to face with the demands, needs, expectations and aspirations of different social sectors, which expect some form of benefits from these economic agents’ actions.

On the contrary, the research among companies revealed a predominant pragmatism in the attitude of companies that undertake voluntary initiatives in social areas. Firms’ concerns and motivations are strictly related to four elements: the economic sector, the company’s product, the proximity of a consumer’s market, and its relations with civilian society. The characteristics of the sector in which firms operate impose technological challenges, which in turn serve to indicate the social areas in which they could invest, generally prioritizing the challenges related with their current constraints. On the one hand, firms are worried about technological reorganisation, organisational performance, and quality of the social climate, above all in their administrative centre. These are the keys that trigger investments in social programmes aimed at increasing workforce productivity and white-collar employees’ motivations. On the other hand, consumer expectations and the value of brands are also keys that can motivate firms to back social programmes directed at people outside the workplace. Sometimes the ideas come from community demands with firms generally assuming the role of sponsors or integrating institutional partnerships.

The absence of interactions with trade unions show that firms are rigorously selective in whom they consider as social actors. This therefore suggests that “social responsibility” is more of a business point of view than the result of a dialogue between social partners. It is a business interpretation of social demands that especially neglects the trade union agenda.

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Territorialised Industrial Policies and New Spatial Division of Labour

What is at Stake for Socio-economic Actors?

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Introduction¹

A constant reshaping of firms (mergers, corporate restructuring, outsourcing, etc.) is presently taking place, against a background of increasing internationalisation characterised, in developed countries, by the threat of relocation abroad and the call for a “compulsory” reduction of labour costs and constraints. Therefore, both national economic policies and national normative frameworks for labour relations are strongly challenged. In this context, the territorial level seems to be called upon to bring new opportunities in terms of both industrial dynamics and economic and social governance. For the past few years in France, public authorities’ tendency to rehabilitate the notion of industrial policy, at both the national and the regional level, has explicitly targeted the territorial dimension, especially through the *pôles de compétitivité* programme. This policy reveals many of the current changes in the relationship between productive requirements, labour division and territorial organisation.

The aim of this paper is to highlight what really is at stake in this upgrading of the territorial level. Examining the new French industrial policy will bring us some lessons on the positioning of the different territories concerned. We shall then try to specify what this means in terms of productive, organisational and institutional dynamics, in order to shed light on some of the challenges these developments represent for socio-economic actors, and especially trade unions.

¹ We particularly thank Mireille Breton and Marianne Georgopoulos for their valuable assistance in mastering the English language.

From a Functional to a Territorial Division of Labour?

Analysing French industrial policy in the light of the theoretical notions it mobilises may help define the way in which new productive organisations are reshaping their relation to space.

French Industrial Policy: from Territorial Productive Systems to Market-pulled Clusters

For the last few years, territorial – and especially regional – authorities in France have applied themselves to nurturing a financial and organisational improvement of territorial resources. The logic behind this is: we cannot resist globalisation and the power of the market, but we can help our region adapt itself in order to ensure a good positioning in global competition, for instance by introducing clusters of activities and/or firm networks. At the national level (where, in the 1970s, the creation of *technopôles* had been promoted in a few areas), the Datar² decided, in 1998, to develop Local Productive Systems (LPSs) and Industrial Districts (IDs), over a hundred of them being identified. Lastly, during the September 2004 Ciadt³ meeting, the French government, referring to the European Lisbon Process relative to the “knowledge economy”, decided to promote a selective choice of *pôles de compétitivité* (competitiveness poles), whose selection was made public in July 2005.

All these notions mobilised by public actors are well known to Regional Science researchers. Thus, it is interesting to examine more thoroughly what it means to shift from one to another as regards the reality of the industrial policies these can relate to. We do not intend to review the works analysing these notions, preferring instead to briefly present the elements allowing one to grasp the change of logic in which the most recent decisions have taken place, compared with what prevailed previously, namely:

- . creating *technopôles* aimed at boosting synergies (at least theoretically) between research, training and production in the long run and opening up the fields of innovation likely to nurture the industrial fabric;
- . supporting Local Productive Systems and Industrial Districts aimed at accelerating the specialisation of the greatest number of territories according to their industrial capabilities, inducing both endogenous and exogenous development;
- . promoting competitiveness poles refers, in a fuzzy way, to several notions. First, it relates to the *technopole* idea of research-training-

² A state office for Territorial Planning and Regional Action.

³ Inter-ministerial Comity for Territorial Development and Planning.

production synergies but in a reduced way (temporary set up, focalised targets of innovation, etc.). Second, the highly selective choice of a few territories where public financial and organisational investments are to be concentrated tends to draw a competitiveness pole towards the reality and logic of either a joint laboratory (temporarily created between a large company and a public research centre), or an industrial pilot (temporarily created to manage the shift from an innovative project to an industrial process). Third, it refers to the notion of Local Productive System, but both the selectivity related to the actors and the indistinctness related to the geographical scale refer more, in fact, to the notion of cluster.⁴

This helps us understand why the more pliant notion of cluster is used nowadays so frequently, as its definition can range from almost referring to an Industrial District (Porter, 1998⁵) to indicating a loose network of firms with no precise geographical scale. If it is true that all these approaches stress the leading role of firms in the governance of these different spatial configurations, the (implicit) aim of an Industrial District was endogenous development in the long run, whereas the (explicit) aim of a “firm network” is to match the market changes “on the fly”. The contradiction being, when speaking of competitiveness poles, that large corporations are to be the key-actors, whereas filling the scientific and technologic gaps requires high, risky and long-term funding and non-market coordination that only public intervention can ensure (Boyer, Dehove, Plihon, 2004; Beffa, 2005).

Thus, such a change marks a shift from an industrial policy aimed at fostering long-lived productive systems to a policy targeted at upholding short-lived firm networks, by selectively backing choices that are pulled by both the market and the strategy of multinational corporations.

Territorial Rating and Changes in the Division of Labour

These developments lead to a stronger differentiation of the industrial landscape, with a *de facto* rating of territories according to the interest they represent for leading companies:

. first-rate “territories of excellence” with an international/national label, that will be supported by the new public policy: in fact, they are most often territories that have been able, and for a long time, to nurture a dynamics of productive innovation, such as the technopolitan arias of

⁴ It is symptomatic that the English version of the French government’s website translates *pôles* by “clusters”!

⁵ “A geographic concentration of interconnected companies, specialised suppliers, service providers, firms in related industries and associated institutions (universities...), in fields that compete but also cooperate” (pp. 197-198).

Grenoble and Toulouse. We shall see whether such a policy can consolidate their dynamics or if it tends to favour a limited part of their potentialities;

- . second-rate “territories of excellence” with a national and/or regional label, that will emerge or consolidate their position through public support, whether they originate – or not – in existing forms of territorial organisation (Local Productive Systems / Industrial Districts), with the same question as above;

- . third-rate “non-labelled” but dynamic territories, such as urban or regional diversified productive areas or, at a more local scale, big sites of extended corporations (with sub-contractors, utilities, etc.);

- . fourth-rate traditional Local Productive Systems, Industrial Districts and, more generally, regional or local industrial areas, which are unable to meet the new productive and financial requirements; they depend strongly on public support and on the various mechanisms created to this purpose by the French government (“territory contract”, “site contract”, tax exemptions, etc.).

Of course, reality is much more complex and, quite frequently, several of these situations get regionally or locally entangled. However, we believe that the criteria linked to the “labelled cases” can teach us something about the characteristics of the whole process, even if things differ according to the story and dynamics of each of these territories.

Several official reports that helped the French government define the competitiveness poles policy shed light on this evolution. In his report, Blanc (2004) stresses the role of the innovation factor in international competition and states that the scientific and economic systems can no longer be organised on a national basis: “today, information networks are global, but knowledge networks must be conceived in the perimeter of people’s daily return trips, on foot or by car”. This reference to proximity and to the interactive relations between productive firms, research centres and clients runs throughout the report. At the same time, Blanc explains that what made the force of the Industrial District (“a post-artisan model which, today, is partially threatened”), i.e. “the proximity and short distance between conceptive and productive agents”, is “no longer sufficient” and that the “winning areas” are those where “global player corporations” emerge.

Another report, by Fontagné and Lorenzi (2004), calls for a greater selectivity and focus in public funding (“too scattered, till now”) and promotes the cluster logic in these terms: more than the capability of an area to offer synergies between R&D, production and adaptation to the local market, “it’s the tendency [of such a complex] towards a limited field of knowledge application that guarantees success”. But this report is also interesting in what it tells us about the specialisation of territories

in terms of their relation to both innovation and time, by distinguishing two main types: the great complexes of large European firms and research potential that need to be promoted in a short-term logic (“behind each research project there must be a concrete industrial application”) and in a restricted range of sectors (“high technologies, energy, environment, transport, etc.”); and, “at the other extremity of the spectrum, the medium industrial and social term”, referring to “regional scale, SMEs, clusters, *bassins d’emploi*”.⁶

According to Morvan (2004), we are going to pass “from a somewhat casual distribution of firms on the territory, related to the needs of a functional division of tasks between them, to a more polarised distribution around blocks of knowledge and capabilities, necessarily extremely localised, and around functions that are well integrated thanks to interface structures that improve the circulation of information among actors”. These polarised areas are combining with “a new interregional and international labour organisation, through networks that are structuring an open space economy”. Further, one should not, according to this author, oppose endogenous and exogenous types of development, nor excellence and equity as “percolation effects” can exist between “territories of excellence” and the other ones.

Thus, we can retain the idea that there is a shift from a functional labour division, with a vertical differentiation of productive segments that led to a certain rating of territories, to a territorial one, with a horizontal differentiation of localised blocks of capabilities that leads to a different territorial rating. However, it is necessary to specify what this means in terms of productive, organisational and institutional dynamics.

A Contradictory Requirement of Territorialised Capabilities

The ongoing changes in the relations between industrial dynamics and territorial forms are to be apprehended through two contradictory tendencies regarding the mobilisation of resources: we can identify a call for the systemic construction of complete sets (“blocks”) of productive capabilities, but, at the same time, this trend is permanently challenged by the dominating presence of competition and cost criteria. Thus, it both opens up and closes off opportunities for the resources concerned, for territorial authorities, SMEs and workers.

⁶ A French concept for local employment policies (lit. “employment basins”).

Towards the Mobilisation of Complete Sets of Productive Capabilities?

Today, leading corporations do not simply need to mobilise material resources and a workforce, but also a complete set of capabilities. And these sets are composed of several levels of elements that interact in a systemic way:

- . technical know-how regarding products and processes;
- . organisational know-how regarding the division and coordination of tasks throughout the process of conception, production and distribution, this process being increasingly divided up among several actors;
- . institutional know-how regarding the normative context in which the two other levels are embedded, which can be referred to as the governance notion (i.e. the system of powers and rules that presides over such a setting).

Most of all, these capabilities have to be permanently adapted to match the changing requirements of large extended firms, and our past research enables us to observe that there is a connection between the adaptation trends related respectively to workers, SMEs and territories, whose evolutions are supposed to be going on at the same pace.

Concerning workers, we showed that a new employment model is emerging (Perrat, 2004). Drawn by the constitution of a high-skilled category of professionals acting in a para-salarial way, it spreads the idea among all employees that it is compulsory to involve oneself in both the productive ends and their risks, and to privately and permanently ensure one's capability and "employability".

In the same way, territories are called to permanently ensure their competitiveness, their attractiveness and their adaptability to circumstantial and structural changes. Hence, what is valid for a worker is also applicable for a territory. Furthermore, the latter appears to be the best place to ensure the permanent upgrading of workers' skills and employability in all their dimensions: since the recent decentralisation laws, regional authorities have clearly been in charge of the strategic decisions regarding vocational training, and increasingly intervene in the institutional aspects of employment (new forms of contracts combining mobility, flexibility and elements of security; promotion of territorial social dialogue, etc.); as for the local level (*bassin d'emploi*), it is tending to become the appropriate place to ensure the provisional management of both employment and capabilities, and to help SMEs join this dynamic, including its institutional aspects (local instances of social dialogue and/or labour negotiations).

Finally, by analysing the new employment model, we have indicated the type of labour market segmentation it may bear according to the manner in which workers integrate:

- . the “new professional” model (Gazier, 2003), with the aforementioned para-salarial characteristics,
- . the traditional model of qualified and relatively protected employees with long-term contracts,
- . or what could be called a “non-labelled” model, with short-term contracts, little protection and few benefits.

Furthermore, what we previously said about the new industrial policy could mean that there is a link between the tendency to specialise and rate territories and the tendency to specialise and rate employment forms.

But if the territorial level’s role in these processes is to be further analysed, it is relatively clear that it needs to be approached essentially with respect to time, as territorial proximity (i.e. the whole systemic set of geographical, technical, organisational and institutional proximities) is strongly required for a change to occur, either punctually (productive and/or innovative “leaps forward”) or more permanently (incremental adaptation of technical and human capabilities, provisional management of employment, organisational evolution of firm networks, institutional upgrading of governance rules, etc.). And that reality opens the way to several contradictions.

A Contradictory Mix of Market and Non-market Criteria

A territory cannot be reduced to the way it carries out operative functions “for others”, i.e. the way in which it helps large firms mobilise complete and permanently adapted sets of capabilities; it has to work – at least partly – for itself (*per se*) and in a – relatively – lasting manner. This is especially true when the very firms’ logic contains a lot of contradictory tendencies.

First, it is uncertain that the officially highly praised relationship between innovation and geographical proximity is entirely true, as several studies demonstrate that such a relationship is far more complex (Lung, 1997).

Second, it can be observed that territories are asked both to specialise in precise fields of activities (several official reports stress that French productive and territorial systems are not specialised enough) and to be versatile enough to continuously adapt themselves to strategic economic changes (Viet, 2003).

Above all, what we have observed through recent studies,⁷ especially in the aerospace sector in the Aquitaine region, is that when trustworthy, non-market, relationships are called in to ensure the full mobilisation of the workforce, SMEs and territories in common projects implemented with manufacturing integrators, such relationships are said to hamper the upgrading of the productivity and competitiveness of these very potentials. Thus, a report of the Regional Chamber of Industry and Commerce of Aquitaine⁸ states that:

. there is a development of alliances between suppliers in order to present a more complete and high-level offer to leading integrative firms wishing to establish partnership and co-productive relations, and these networks can often be made to work better by territorial authorities;

. there is a trend towards “marketisation”, through a coding of the criteria of relations, this coding being systematic and centred around commercial services;

. a basic requirement is that of shifting from relations (inside the firm, but also between parts suppliers and integrators) that were built over time and upon non-market criteria (“trust relationships in which know-how was the main bargaining element”) to relationships in which “prices and productive conditions become the main factors of contracting”;

. this is also true in territorial terms: territories are called to play the Local Productive System card, “the geographical proximity of the partners ensuring flexibility and reactivity”; but at the same time, the report observes that “the advantage of LPSs does not particularly reside in price-competitiveness”, upon which large integrators’ new requirements now focus; therefore, it weakens “the industrial culture that had been historically built in certain productive areas”, where the contracting between partners was “essentially of a non-market type, the main factor being a cutting-edge and locally-developed know-how”.

These contradictions may explain both the praise and distrust of the Industrial District that permeates many official reports: indeed, the notion proves useful when promoting certain particular aspects of actors’ interrelations, such as cooperation and common rules among employers, or the “porosity” between the statute of employee and that of employer (Perrat, 2001); however, at the same time, IDs are also consid-

⁷ These studies were carried out in the form of a “action-research” with trade unionists, through a research contract with the Cgt union and the Ires (Institute for Economic and Social Research).

⁸ *Diagnostic industriel 2003 – Les entreprises de sous-traitance du secteur aéronautique-spatial-défense en Aquitaine*, Chambre Régionale de Commerce et d’Industrie d’Aquitaine, 2004.

ered outdated as regards their productive and territorial purposes of endogenous and perennial development (see Blanc, 2004).⁹ Actually, we could say that large corporations would like territories to combine both the advantages of the two polar notions of Industrial District and cluster.

What Manoeuvring Margins for Territorial Development?

The most contradictory aspect of this development is that the complete sets of capabilities are asked to work as territorialised systems, because of the coherence that has to be organised between the different levels of proximity (technical, organisational, institutional), when the keys of their development and durability lie elsewhere, i.e. in the large corporations that control the integration of the various productive sets that are supplanting (or completing) the traditional value chains.

For the territories where such productive sets exist (and for their actors), the main question is: what margins do they have to manage these capabilities as a system of their own? One of the possible answers could reside in the manner in which the “externality relationship” is mobilised. This notion expresses the need for a dominant actor to establish a relationship with other actors, which is no longer a hierarchical relation but one that offers these actors a margin of autonomy so that they might implement their productive and innovative capabilities (Perrat, 1997). More precisely, we could say it expresses a transfer of both sides of the entrepreneur’s statute: involvement in production, innovation and profit improvement and involvement in the resulting risks. This also happens within the new employment relationship (on the shop floor, in the factory and within the whole corporate system), within the partnerships established between integrators and suppliers, within the territorial system of actors and within the inter-territorial system of relations (between European, national, regional and local authorities, especially through the “subsidiarity” logic and “project-oriented” policies), so that we can speak of a fractal-type diffusion of this externality relationship.

When that relationship is at work, and even if it remains a non-symmetrical one, it opens up possibilities for the actors concerned to manage their development for themselves, at least partially. But the contradiction is that when that relationship is strongly required in a productive logic way, it is also constantly challenged by the financial logic, which aims at short-term results and which balances the advantages and constraints of territorial potentials, in real time and on the most global scale, according to those criteria.

⁹ Similarly, according to *L’Usine Nouvelle* (2005/04/28), Italy’s feeble growth in recent years calls into question its industrial model based on Industrial Districts.

In this context, territorial actors have to try to “square the circle” by nurturing sets of capabilities which can both be pertinent for companies’ profit aims and able to ensure a durable territorial development. This means, for instance, not to simply ensure the launching of new products or processes, but also to have an important share in the subsequent productive processes. It is just such a complex environment that socio-economic actors, and especially trade unions, have to deal with.

New Opportunities and Constraints for Socio-economic Actors

In order to shed light on these transformations and on what is at stake for socio-economic actors, we believe it is necessary to stress the link between the changes in both productive and territorial organisations and the changes in the employment relationship, as opposed to viewing employment conditions as a mere social fallout from economic strategies.

A More Individual, Local and Autonomous Employment Relationship

For the last few years, the whole French legislative and normative labour system has been challenged by the strategy of employers aimed at individualising, localising and autonomising the employment relationship. On the workplace level, the individualisation trend is on the increase in terms of wage policy and career prospects, as proved by the management’s periodic control of the employee and the definition of individual projects and objectives. At the institutional level, employers exert strong pressures on authorities to dismantle the existing legal framework that guarantees a hierarchical link between the different levels of collective rules (the Labour Code at the national and inter-professional levels being improved by Collective Agreements at the level of professional branches, which can then be eventually improved by Company Agreements at the firm level). The explicit aim of employers’ organisations is to invert this hierarchy and to obtain both the primacy of the Company Agreement and the autonomy of its negotiating.¹⁰

In a previous study (Perrat, 2004), we insisted on the vocational training policy as a key-vector for the transformation of the whole set of employment norms. The Law for Lifelong Vocational Training and Social Dialogue,¹¹ that refers to the European recommendations on these issues, makes the building and validating of capabilities the basis of the employee’s professional security: it offers the employee new rights in

¹⁰ See the numerous declarations and reports by the Medef (the main employers’ organisation) representatives that express this strategic target.

¹¹ Passed in May 2004.

terms of vocational training, and even a certain transferability of these rights (in the case of dismissal, for instance). At the same time, it points out that she/he must use these rights – more than the traditional collective ones – to ensure her/his own labour protection, by continuously increasing, adapting and promoting her/his “employability”, with an implicit reference to the human capital theory (Becker, 1964). Further, this same Law introduces a link with the negotiation issues by enabling the Company Agreement (under certain conditions, but for the very first time in France) to go against the established professional and general agreements.

This process is currently being implemented at the level of large firms. For instance, Messier-Dowty (a Snecma subsidiary), a constructor of landing gears for planes and helicopters, signed several agreements with its unions (in January and April 2005) strongly connecting the development of individual capabilities, vocational training planning (including the new legal measures which, in theory at least, promote individual prospects) and career progression with the development of non-wage incomes, linked with the firm’s results.¹² This verifies the fact that the “new professional” model is actually reshaping the employment relationship, at least as regards its strategic perspective.

Similarly, one can observe that in many activities (automotive, chemicals, aerospace, etc.), the leading integrators try to impose the same process among their suppliers, at least their direct ones. The territorial level thus appears as the right one for these SMEs to adapt to this complex change as, individually, they would be unable to attain this objective on their own.

Lastly, the complex context of both high unemployment and a lack of qualified labour incite regional and local authorities to involve themselves in the nurturing of new employment and training mechanisms. Favouring an individual treatment of these issues, their aim is not only a quantitative and qualitative adjustment of labour markets (for instance, relating to a sector of activity on a given territory, thanks to procedures – such as *Contrats d’Étude Prospective* or *Contrats d’Objectifs* – that attempt to coordinate the development of different vocational training modes), but also a better diffusion of the new employment model by linking vocational training, employability and professional security (several regional authorities are experimenting with different forms of labour contracts that can match this target).

Thus, what is at stake on the territorial field is a whole range of adaptations that include firms’ productive and innovative capabilities as regards employment management, vocational training and labour norms

¹² *Liaisons Sociales*, 2005/05/12.

as well, which leads us to the issues of collective bargaining and/or social dialogue.

Territory as a New Social Bargaining Place?

Collective bargaining is “a rule-making process” marked by “voluntary negotiations between employers or employers’ organisations and workers’ organisations, with a view to the regulation of terms and conditions by collective agreements”.¹³ The places of such a process used to be the national level, the sector level and the company level. What we said about the individualisation of the employment relationship implies that collective bargaining tends to wane in the face of a varied set of inter-individual agreements (formal or tacit). The reduction of firms’ size contributes to the same evolution, as in most cases trade unions are absent within SMEs. Nevertheless, companies claim to be the key-place for collective agreements, in order to react speedily to global competition and manage their individualised wage and employment policies. Thus, the number of firms’ agreements is on the increase and the sectorial level tends to lose ground before the onset of industrial relations’ decentralisation, even though several new laws have strengthened its abilities, especially in the key-issue of vocational training. Consequently, territories ought to become key-places for collective bargaining, which at present is not yet the case.

In fact, there is a double process at work regarding labour agreements (Jobert, 2004). On the one hand, traditional collective bargaining is weakly taking place at the regional or local levels, either in activities long used to it (metal-mechanics, building-trade, etc.) or through new mechanisms, punctually (site agreements) or more durably (regional or local/inter-professional or professional joint arenas¹⁴). On the other hand though, a large set of non-classical forms of agreement is rapidly developing at these levels, in particular as regards regional planning for vocational training, local mechanisms of ongoing economic changes, the organisation of “social time”, etc.

The main tendency of this new trend is to marginalise collective bargaining in its classic form and to favour either consultation (“an advisory process in which one party seeks the advice of the other, but retains the power of unilateral decision-making”¹⁵) or social dialogue (i.e. “the process in which actors inform each other of their intentions and capaci-

¹³ *Industrial Relations in Europe*, European Commission, Employment & Social Affairs, p. 29.

¹⁴ The Law for Lifelong Vocational Training and Social Dialogue (May 2004) promotes the creation of such arenas for social partners and gives employees new rights to participate in them.

¹⁵ *Industrial Relations in Europe*, *op. cit.*, p. 29.

ties, elaborate and exchange information provided to them and clarify and explain their assumptions and expectations [thus preparing the ground] for joint problem-solving, collective bargaining or unilateral decision-making”¹⁶). Indeed, one of the facts that favours such a shift is that these agreements mobilise a great number of different actors: public authorities, public and private training centres’ managers, public and private job agencies’ managers, members of numerous associations for labour insertion, etc., “none of the levers being in the hands of a single actor” (Edouard, 2005).

In a configuration such as this, the place for social partners is profoundly called to question: they become actors among others and tend to lose their specificity through the common search of “good practices” capable of solving the problems encountered. Besides, regional authorities most often ask either social partners as a whole, or trade unions as a whole, to elaborate common answers and proposals regarding economic and social development issues, so that the specificities of each social partner and of each trade union organisation become blurred.

Another problem for both employers’ and employees’ organisations is that of being able to ensure a presence in all these new arenas, whether these are circumstantial or more permanent, as they have difficulty situating themselves in such a prolific and ever-shifting setting. Furthermore, they are obliged to face the challenge of organising the best connection between what is at stake in these places and their other fields of activity, i.e. not simply delegating these missions to individual “specialists” to carry out.

An Agenda for Unionists... and for Researchers

We thus observe that, though the individualisation trend tends to exclude trade unions from employment management, they are recalled on the scene by the territorialisation trend, for the main reason that these problems’ complexity cannot be addressed without a more collective governance. Consequently, it opens up new scopes for their activity. Indeed, whereas in the traditional Industrial Districts they were rejected from industrial relations, they can now actually prove to be key actors in the new territorial organisations.¹⁷

However, at the same time, they are forced to face great challenges, for this shift to the territorial level carries a decisive change in the employment relationship: on the one hand, it fuels the diffusion of the

¹⁶ *Id.*

¹⁷ Indeed, in many a difficult situation, employers have had to more or less resign themselves to the fact that unions could reopen the individual and collective prospects, boost local governance and bring back public and private investments.

new employment model while, on the other, it fuels a surpassing of the labour relationship itself (Perrat, 2004) through the fusion it tends to bring about between market and non-market activities, between work-time and other social times, between productive decisions and societal ones (sustainable development, consumption choices, firms' social responsibility, etc.).

Another complex issue for unions is the fact that the territorial level is the easiest place for osmosis to take place between public and private actors and mechanisms. This is the case, for instance, in the current restructuring of employment and unemployment management (see the new French mechanism of "Houses for Employment"), or in the geographical redistribution of healthcare potentials. For unionists, there is a contradictory challenge: they must intervene so as to preserve the interests of all employees, both public and private ones; they must sustain criteria enforcing the role of public orientations in the strategic evolution of the mechanisms concerned; and, they must worry about the best services offered to users and, if need be, reach an agreement with their representatives.

In any case, the individualisation and localisation trends of the employment relationship are pushing trade unions to reformulate their targets and reorganise themselves towards both more generality and more territoriality: they try to foster rights and guarantees that secure individual trajectories and prospects for workers (see the Cgt's demand regarding an "employee statute" and a "professional social security"), merge their professional branches¹⁸ and extend their territorial presence. There is even a debate at present to know whether it might be pertinent to favour the territorial scope instead of the professional one and whether, for workers, territorial identity is possibly supplanting professional identity (Pruvost, 2005).¹⁹ In order to shed light on this complex context, we would like to point out certain leads that might take this analysis further and which call to question both unionists and researchers.

Who Decides?

Faced with either the employability target put to workers or the attractiveness target put to territories, one must ask the question: who actually decides on what employability or attractiveness should be? According to which and whose criteria and interests? From within the

¹⁸ See the creation of Ver.Di, in Germany, covering all activities related to the sector of services.

¹⁹ Referring to the tendency of current employment policies to "fix" the workforce on a territory (with the exception of the higher echelons), instead of promoting mobility as happened during the previous period.

labour relationship, from the territorial system or from an external point of view? This brings us back to the complex issue of evaluating the manoeuvring margins for the actors concerned but, with relation to trade unions, it also calls up the need to assess the characteristics of governance rules and the way their production and evolution are organised: individual and/or local agreements (explicit or tacit), collective bargaining, consultation, social dialogue, etc. Eventually, unions would be forced to demand the creation of real bargaining arenas whenever a governance process takes.

The Crucial Link between Economic and Social Issues

Another aspect of the previous question is to call into question the usual dichotomy existing between economic and social issues, and especially between industrial decisions and the way workers, activities and territories are expected to adapt themselves. This is true for the rights and guarantees that need to be ensured in order to secure workers' individual trajectories, which cannot be uncoupled from the rights related to employers' strategies (productive investments, closing down or relocation of an activity, etc.). It is also true for the nurturing and promotion of territorial complexes of activities and capabilities, for instance French competitiveness poles. A characteristic of these mechanisms is that trade unions are rarely approached to participate in their elaboration and implementation, but are requested to facilitate the handling of their social aspects, especially as regards the provisional management of employment and capabilities. But it is crucial for them to claim they are associated to both, and this is legitimate, considering the systemic setting of productive, organisational and normative capabilities this mechanism mobilises. To this one must add a further difficulty, linked to the aforementioned fact that the governance of these mechanisms is almost exclusively a private one: the content of their projects is marked with the seal of confidentiality.

From Generality to Materiality

In a previous work (Perrat, 2002), we stressed labour's two main characteristics: i.e. its "materiality", meaning the way it becomes embodied in concrete productive operations and processes, and its "institutionality", or the way it is embodied in normative and social relationships. We believe that one way of shedding light on the complexity of the industrial relations that seem to push unions to more and more generality would be to explore the different expressions of this "materiality":

. What about professional identity? Isn't there a new distribution of capabilities, classifications and jobs? For instance, the aforementioned Messier-Dowty agreements target the establishment of a reference panel

of capabilities structured around ten “families of jobs”; is there a general trend pushing job to take over a greater part of the role played to date by branches? In his report, Edouard (2005) advances that the outsourcing trend challenges “the continuous search for professional identities that professional sectors and branches can define and give life to, such as labour communities and places for carrying out collective projects”. And if he insists on the role that branches need to continue playing in defining professional identity, he calls for more partnership between branches and other territorial actors in order to master these complex evolutions.

. Regarding workforce mobility: does it exist essentially within the firms? Within the firms’ networks? The sectors? The territories? According to a governmental institute (Insee), “most of the employment re-allocations going on each year take place within each sector rather than between sectors”.²⁰

. About sectors: how can we evaluate the dominance of the new employment model? What about the segmentation between high-skilled professionals (with non-pay incentives), “rank-and-file” employees, temporary and agency workers, etc.? What proportion of workers (category by category) does it concern? With which segmentation of firms (main integrators, first rank suppliers, second rank suppliers, subcontractors, etc.)? What difference between sectors’ productive models? between large companies’ productive models? The Gerpisa²¹ work-programme (Freyssenet, Lung, 2003) teaches us that we cannot simply oppose productive and financial logic to appreciate the scope of the externality relationship (and therefore the manoeuvring margins of the actors concerned): it is important to identify where a specific firm is located amidst a large panel of models that combine a profit strategy in different ways (whose choice depends on the international, national and sectorial conditions of consumption, incomes, labour markets, rivals’ strategies, etc.) and a governance compromise, the latter combining a product policy, a productive organisation and a labour relation, also in different ways.

. On territory: what about the real synergies mobilised by a “territory of excellence” mechanism? Which resources are to be integrated in this process? Which are not? Which type of specialisation of the productive, organisational and normative set of capabilities is at work? With which type of spatial division of labour? For instance, we might think that the new relationships between main integrators and suppliers (i.e. the shift from traditional subcontracting to outsourcing and “modularisation” –

²⁰ *Les Échos*, 2005/05/16.

²¹ Groupe d’Études et de Recherches Permanent sur l’Industrie et les Salariés de l’Automobile.

Frigant, 2005), combined with the reduction of the number of parts in each finished good, tend to enforce the horizontal and territorial distribution of capabilities, instead of the vertical segmentation induced by traditional subcontracting relations. But what about the real suppliers or subcontractors' pattern on the territory, i.e. which spatial concretisation of the productive models mentioned above? And which spaces for trade unions' interventions? For collective bargaining and/or social dialogue pertaining to these different models?

Conclusion

The new French industrial policy is to be taken as a revealing factor for a wider movement of significant bearing. In a context of individualisation, localisation and autonomisation of the employment relationship, it highlights the new specific part played by the couple regional level (for strategic positioning) / local level (for field achievement) in issues connecting industrial reshaping, employment management reshaping and territorial forms reshaping. Of course, we must take care not to over-evaluate the French case. Reality may differ from one country to another, especially relating to the role played by the local level.

An issue that needs to be studied more thoroughly concerns the international aspects of labour division: does what stands for territorial differentiation in developed countries also stand at the global scale? Though the division into productive segments according to labour costs continues to be predominant, the rise of countries like China or India begins to strongly question not only this distribution, but even the one based on the high-range / low-range distinction. If we are moving towards a relative equivalence of delivered goods, would not the differentiation criteria pass to the manner in which the different productive "packages" (sets of capabilities) are composed throughout the world, i.e. to the manner in which they combine their technical, organisational and institutional components, favouring either a low-wage and less regulated workforce (in terms of time, protection, autonomy, etc.) or the high productivity of para-salarial professionals and adapted rules of employment governance, so as to in any case offer investors the profitability they are looking for?

Further, in France itself this local level is still in a largely experimental stage: the relevant scale has not been entirely defined and it seems that social actors both acknowledge the necessity of regional and local bargaining places and are afraid of their unpredictable consequences: the Medef does not want to give a bargaining mandate to its local representatives, but is trying to master all those new arenas; trade-unions call for the creation of such arenas, but distrust the internal problems it could introduce into their organisation as well as the possible bargaining

differentiation between territories and workers that could result from such an evolution.

Nevertheless, we think that the new productive models cannot function without certain territorial requirements. The development of skills cannot be entirely individualised and demands a part of organisational and institutional governance. The same remark can be made concerning employment management: from the employers' point of view in a context where there is a shortage of high-skilled workers, and from the employees' point of view in a context of high unemployment and an unstable labour market. Is it not compulsory to mobilise local resources and actors in order to address the challenges of resolving the issues at stake? And if what we said is true about vocational training being a key-vector of the employment relationship's transformation, does not the territorialisation trend of training policies (and not only in France) imply that it is that very relationship as a whole that is concerned by such a process?

So, if what we observed actually foments a real trend towards territorially-built solutions and mechanisms, it seems that social partners are acquiring new spaces for their interventions and relationships, at the same time that their traditional spaces of negotiation (inside the firms and branches) are shrinking. The main issue is that of the pertinent collective bargaining places, knowing that one of the stumbling blocks regarding their implementation is the link that needs to be established between industrial strategies and their structural social components and not only with their social repercussions.

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