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THE JOURNEY OF MULTI NATIONAL ENTERPRISES INTO BUSINESS AND HUMAN RIGHTS

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ABSTRACT

The topic of Business and Human Rights (BHR) is gaining its autonomy in the CSR debate because the implications of business activities on specific rights of individual and communities are becoming more and narrower. The scope of this work is to assess the real effectiveness of the United Nations Guiding Principles on Business and Human Rights (UNGPs, 2011), which represent the standard currently in place, in preventing human rights violations, by searching for a direct relation between human rights performances of Multi National Enterprises and their commitment to respect human rights according to the most relevant international standards in use, namely the UNGPs. This work highlights in practice the existence of a considerable, and growing, awareness on human rights in largest MNEs of the most developed countries, regardless of the industrial cluster they belong to.

Keywords: business, human rights, violation, UNGPs, salient issues.

INTRODUCTION

The topic of BHR is gaining its autonomy in the CSR debate because the implications of business activities on specific rights of individual and communities are becoming more and narrower. Since the second half of the XX century in fact, business have proven to be likely to impact on human rights enjoyment in several situations. The Bhopal disaster in India in the 80s, the killing of Ken Saro Wiwa in Nigeria in 90s, just to mention a few, were macroscopic examples of these implications. Business is likely to impact on civil and political rights, but also on economic, social and cultural rights. The recognition of “third-generation human rights” in a growing number of international declarations further expands the perimeter of BHR. Moreover, migration and climate change, phenomena that are only indirectly linked to business activities, are contributing to enlarge again this perimeter and to scale this topic to a higher magnitude.

The responses of governments and international organizations to these impacts have been nuanced over years and, only in 2001 with the approval of the United Nations Guiding Principles on Business and Human Rights (UNGPs), this subject landed to a clear definition, with the adoption of a standard to evaluate business behaviour. The UNGPs introduced a clear-cut approach to BHR, based on the duty of States to protect, the responsibility of business to respect and the right to access to remedy. This business responsibility then has been carefully declined in a number of principles, whose companies are requested to align to.

Today the UNGPs are still the standard in place and companies, especially multinational enterprises (MNEs), continue to declare their commitment to respect the UNGPs and to embed them in their processes. Nevertheless human rights violations directly linked to

business activities still happen in several contexts and MNEs are often involved. Therefore, the scope of this work is to assess the real effectiveness of UNGPs in preventing human rights violations, by searching for a direct relation between human rights performances of MNEs and their commitment to respect human rights according to the most relevant international standards in use, namely the UNGPs.

To this aim, this research compares allegations against MNEs, accused of human rights violations, with the extent to which MNEs have embedded the UNGPs in their processes. Two prominent sources of data have informed this analysis: the database of the Business and Human Rights Resource Centre, which collects the allegations of human rights violations and publishes the responses provided by companies, and the Corporate Human Rights Benchmark (CHRB), which assesses in detail the degree to which 100 MNEs comply with the UNGPs.

RESULTS AND CONCLUSIONS

This work highlights in practice the existence of a considerable, and growing, awareness on human rights in largest MNEs of the most developed countries, regardless of the industrial cluster they belong to and, quite often, resulting in a formal alignment to the international standards.

On the other hand, an empirical analysis shows that impacts of the operations of these MNEs on human rights of individual and communities are still severe, making slighter the gap with MNEs of emerging countries (such as BRICS).

Nevertheless, due to a wider exposition to NGOs campaigns and stakeholders requests, the response of largest MNEs to human rights breaches are becoming more and more effective, starting a virtuous circle likely to bring real improvements in the preventive measures to adopt. All of these factors are contributing to shape a BHR culture in the organization, both at governance and operational level, whose fruits will be a driver for additional changes.

Further analysis should monitor the occurrence trend of human rights performances in the same sample of MNEs, in order to verify the degree to which the same kinds of breaches tend to reduce over years.

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