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# BLUEWASH

This section provides different perspectives on the recent UN-business Global Compact.

## The Global Compact in action

*The last year of the 20th century has seen a constructive new relationship develop between the United Nations and business, with each side recognizing that their respective goals are mutually supporting. Peace, development, the rule of law and harmonious and constructive relations between nations are fundamental goals of the United Nations. Achievement of these goals enables business to expand and prosper. By creating wealth and jobs, by stimulating scientific and technical progress, and by constantly improving products under the stimulus of competition, companies help to defeat poverty and improve the quality of life. And poverty is the enemy of the humanitarian values espoused by the UN.*

*These complementary goals led the UN Secretary General, Kofi Annan, to propose a Global Compact between the UN and business to uphold a set of core values in the areas of human rights, labour standards and environmental practice. Formal business acceptance of Kofi Annan's challenge came in July when I led a delegation of world business leaders to confer with Mr Annan and the heads of United Nations agencies in Geneva. ICC (International Chamber of Commerce) has now decided to use its website to demonstrate how the private sector is fulfilling the compact through corporate examples.*

Adnan Kassar, President of ICC, on ICC website ([www.iccwbo.org/](http://www.iccwbo.org/))

## BAT campaigns against child labour in Brazil

Rio de Janeiro, 31 May 2000 – Thousands of rural families have joined a programme to combat child labour run by Souza Cruz SA, the Brazilian subsidiary of British American Tobacco (BAT).

The company aims by August to reach 42,000 small farmers who are tobacco leaf growers in the states of Rio Grande do Sul, Parana and Santa Catherina. Local Souza Cruz managers and technicians are helping to spread the message that young children be in school, not working in the fields.

The Future is Now programme, seeks to ensure that children under the age of 16 receive a proper education. It helps farmers to keep their children in school, supports rural schools, and runs an awareness campaign against child labour.

Souza Cruz operates in regions of southern Brazil where family labour is a traditional part of life on small holdings, many of them contracted to the BAT subsidiary. Letitia Sampaio, Manager for Corporate Social Responsibility, says: "The emphasis is on gentle. We point out that to allow under-age children to work in the fields is against the law." Mrs Sampaio, mother of two teenage children, adds: "We are looking for a change in the traditional way of doing things. Many of the small farming families think it is a good thing for their children to work and we have to show them that the children will have a better future if they are educated."

The programme has three stages – first, explaining the law and why children should get proper schooling, then a signed agreement and finally by 2003, incorporation of an undertaking not to use child labour in contracts with BAT. "We shall be saying that if they do not comply we will not buy from them," says Mrs Sampaio. With the support of Souza Cruz, an unprecedented agreement was signed in 1998 between the Brazilian Union of Tobacco Industries (Sindifumo) and the Association of Brazilian Tobacco Growers (Afubra), aimed at keeping children in schools.

In a statement on its child labour policy, BAT says that it does not employ children in any of its industrial operations. "We also seek to apply this commitment throughout the supply chain, from leaf growing and the provision of materials, to the distribution and sales of manufactured cigarettes, and to the recovery and disposal of waste materials."

taken from International Chamber of Commerce website ([www.iccwbo.org/](http://www.iccwbo.org/))

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## Letter from Citizens' Compact to the United Nations Secretary General

July 25, 2000

His Excellency Mr Kofi Annan  
Secretary General  
Room 3800  
United Nations, NY 10017

Mr Secretary General,

On July 20th, a number of us wrote asking you to re-assess the Global Compact and to join us in a "Citizens Compact." We are writing again today to express our shock upon learning the identities of the corporate partners for the Global Compact and our disappointment in the Guidelines for Cooperation Between the United Nations and the Business Community.

In the July 20th letter, we expressed concern that the UN is endorsing a specific vision of corporate-led globalization that is opposed by many sectors of civil society. We also suggested that the purely voluntary nature of the Global Compact may distract from the need for a legal framework to hold corporations accountable internationally. We wrote to you as individuals who care deeply about the United Nations and on behalf of organizations that have worked for years to strengthen and support it.

Now, after reviewing the July 17th Guidelines and the initial list of companies joining the Global Compact, we believe that the Global Compact and partnerships threaten the mission and integrity of the United Nations. Some of the companies in the partnership are simply inappropriate for partnerships with the United Nations.

Nike, one of the Global Compact partners and an international symbol of sweatshops and corporate greed, is the target of one of the most active global campaigns for corporate accountability. The company has made announcements of changes to its behavior only after enormous public pressure. It has also aggressively opposed the only union and human rights-group supported independent monitoring program – the Worker Rights Consortium (WRC).

CEO Phil Knight withdrew a \$30 million donation to the University of Oregon after the University joined the WRC. Nike also cut its multi-million dollar contracts with the University of Michigan and Brown University after they joined the WRC. Nike became a sweatshop not just through complicity in labor abuses but through active searching for countries with non-union labor, low wages, and low environmental standards for its manufacturing operations. This has made Nike a leader in the 'race to the bottom' – a trend that epitomizes the negative tendencies of corporate-led globalization.

Shell is a corporation with a history of complicity in human rights abuses, most infamously in Nigeria. Its operations there are also notorious for environmental contamination and double standards. Shell has adopted sophisticated rhetoric about its social responsibilities, but it has not shown understanding, let alone remorse, about its own role. For example, on its website, Shell posts a photograph of a pro-Ogoni rally, without acknowledging that the Ogoni people's protests have been against Shell itself.

BP Amoco is another company with sophisticated rhetoric on environmental and social issues. But their actions do not measure up. CEO John Browne admits that climate change is a problem for any oil company, yet his company continues to search for oil and gas even in remote and pristine regions, while investments in renewable energy are a pittance compared with the size of the corporation and its investments in ongoing fossil fuel exploration and production.

Rio Tinto Plc is a British mining corporation which has created so many environment, human rights, and development problems that a global network of trade unions, indigenous peoples, church groups, communities and activists has emerged to fight its abuses. For instance, the company stands accused of complicity in or direct violations of environmental, labor and human rights in Indonesia, Papua New Guinea, Philippines, Namibia, Madagascar, the United States and Australia, among others.

Novartis is engaged in an aggressive public relations and regulatory battle to force consumers

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and farmers to accept genetically engineered food, without full testing for potential harms and without full access to information. The behavior of Novartis in the area of genetically engineered foods is diametrically opposed to the precautionary principle, one of the principles of the Global Compact.

These are but a few of the corporate endorsers of the Global Compact whose historical and current core activities run counter to the spirit and the letter of the Compact itself. The Guidelines on Cooperation Between the United Nations and the Business Community which you issued on July 20th raise a further, related set of issues. These guidelines state that “business entities that are complicit in human rights abuses... are not eligible for partnership.” The inclusion of Shell in the Global Compact violates those guidelines.

The Guidelines also state that a “business entity may be authorized to use the name and emblem” of the United Nations. As the United Nations Development Programme has noted, when a company uses the UN logo, “a mutual image transfer inevitably takes place.” It is dismaying to contemplate such an image transfer between Nike, Shell, or Rio Tinto and the UN. The UN logo and the Nike swoosh do not belong together.

The Guidelines state that the use of the UN name may only be used when the “principal purpose is to show support for the purposes and activities of the UN...” This guideline does not take into account the modern practice of branding, by which a corporation sells its image as much as its manufactured products. Nike, one of the Global Compact partners, is a pioneer of modern branding. It is obvious that the use of the UN name and logo by corporations will be not only for short term profit but for the long term business goal of positive brand image. The UN must not become complicit in the positive branding of corporations that violate UN principles.

Given that there is no provision for monitoring a corporation’s record in abiding by UN principles, the Guidelines’ modalities for partnerships are quite susceptible to abuse. For example, a company with widespread labor or environmental violations may be able to join with the UN in a relatively minor cooperative project, and gain all the benefits of association with the UN without any responsibilities. The UN would have no way to determine whether the company, on balance, is contributing to UN goals or preventing their realization.

In short, Mr Secretary General, the Global Compact partnership and the Guidelines for Cooperation do not “ensure the integrity and independence” of the United Nations. They allow business entities with poor records to ‘bluewash’ their image by wrapping themselves in the flag of the United Nations. They favor corporate-driven globalization rather than the environment, human health, local communities, workers, farmers, women and the poor.

Again, we urge you to re-assess the Global Compact and its partners. We urge you to re-evaluate your overall approach to UN-corporate partnerships. The mission and integrity of the United Nations are at stake.

Sincerely,

*representatives of an international coalition of human rights and environmental groups*

taken from the Corporate Watch website ([www.corpwatch.org/](http://www.corpwatch.org/))

For a different perspective try the UN Global Compact Network ([www.unglobalcompact.org/](http://www.unglobalcompact.org/)).

illustration: Nadia Khastagir, from the  
Tangled Up in Blue report by  
TRAC/ CorpWatch (USA)



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## Press release from World Health Organisation

Press Release WHO/65

4 November 1999

### **NOWHERE TO RUN – NOWHERE TO HIDE WHO launches ground-breaking global campaign to counter tobacco industry deception**

Geneva/San Francisco – The United Nations' top health agency today launched an unprecedented global campaign to counter tobacco industry deception around the world.

Called "Tobacco Kills Don't Be Duped", the campaign brings together senior health and media activists from countries to join forces with tobacco industry whistle-blower Dr Jeffrey Wigand and California's anti-smoking programme to expose big tobacco's worldwide campaign of deception and lies.

"Every sleeping and waking hour from billboards, television screens, movies, radios and now the Internet, the tobacco industry beckons our children with messages that, whichever way you interpret them, say "give us this day your daily breath", said Dr Derek Yach, Head of World Health Organization's (WHO) Tobacco Initiative.

WHO Director-General, Dr Gro Harlem Brundtland, has called tobacco a communicated disease – through advertising. The Don't Be Duped campaign will strengthen the ability of broadcast and newspaper journalists and other communicators worldwide to sift facts from fiction about tobacco use, its spread and promotion.

Learning from California's successful counter-advertising campaigns and community-based actions, the campaign will make the case for health, enhance population health literacy, promote healthy choices, and most importantly, influence public policy so that robust tobacco control measures and strict regulation of the tobacco industry become a global reality.

"I know what the Tobacco Industry is like from the inside", said Dr Wigand at the launch of the WHO campaign. The former Brown and Williamson researcher turned whistle-blower whose life is portrayed in "Insider", a major Hollywood motion picture opening this week, added, "The tobacco industry has always had a wanton disregard for the truth; they've gotten away with it for decades in the United States and are still getting away with it in other countries. The impact of their lies is more death, disease and suffering."

Tobacco kills 11,000 people a day worldwide. By 2030, it will kill 10 million people a year, seventy percent of them in the developing world. "The United States should be trying to help other countries. Unfortunately, US tobacco companies are picking on developing countries to aggressively market their products – products they know will cause death and disease," said Helen Brown of the American Cancer Society, which supported the campaign launch. Developing countries are now the target of the tobacco industry's assault on global public health.

"In California you have blazed a trail. You have big tobacco on the run," Dr Yach said in a special session that linked the 20-century global health activists with 400 of California's top tobacco control leaders. "The Marlboro man is gone from here but he's running amok in other lands. Together we have to ensure that he has nowhere to run, nowhere to hide."

WHO's multi-pronged global campaign will build on hard evidence of what works in tobacco control. It will identify and disseminate success stories like California where a combination of community action and aggressive counter advertising has resulted in life and money saving public health policies. There are 700,000 fewer adult smokers. Lung and bronchus cancer rates have been reduced by more than 14 percent. For every dollar spent on tobacco control, there is a saving of \$3 in the cost of direct medical services for illness caused by smoking in California.

Globalization of marketing and trade in tobacco products means that all countries need to take strong action individually and together if their populations are to become tobacco-free in the long run. The WHO has begun work on the Framework Convention on Tobacco Control, the world's first public health treaty. Last week over 100 countries representing 93 percent of the

world's population met in Geneva and called for strong global action against tobacco to complement national legislation.

The Don't Be Duped campaign will do a country-by-country search of the Minnesota documents in a bid to identify, detail, report and make public information on the tobacco industry's subversion of science, economics and political processes at the local and regional level.

In a related development, the WHO is leading an UN-wide effort to ascertain the level of tobacco industry influence on global health and development policies. The health activists gathered in California will spend two days in closed door sessions with Dr Jeffrey to identify the best ways to get insider information to the outside and into the hands of the people power who can act decisively for public health.

For further information, journalists can contact Gregory Hartl, Office of Press and Public Relations, WHO, Geneva. Telephone 41 22) 791 4458. Fax (41 22) 791 4858. Email: hartlg@who.int.

taken from WHO website ([www.who.int/inf-pr-1999/en/](http://www.who.int/inf-pr-1999/en/))

illustration: Paul Normandia, from the Tangled Up in Blue report by TRAC/ CorpWatch (USA)



a colour version of this cartoon can be seen on the online version of this pack: [www.babymilkaction.org/spin](http://www.babymilkaction.org/spin)