

Detailed Contents

<i>Acknowledgments</i>	xvii
Introduction	1

PART I CONTEXT AND CHALLENGES: INTERNATIONAL LAW, CORPORATE LAW, AND RESPONSIBILITY FOR HUMAN RIGHTS RISKS

1. International Law, Corporate Law, and Governance Gaps	17
Introduction	17
I. International Law	18
A. The Position of the “Legal Person” in International Law: Sovereign Powers and Privileges	18
B. Sources of International Law: State Conduct, Conventions, Custom, and Common Principles	19
1. <i>Conventions</i>	19
2. <i>Custom and State Conduct</i>	20
C. Others in International Law: Empire, Global Business Enterprise, and Economic Influence	20
D. Economic Globalization and Business Enterprises	24
II. Public International Human Rights Law and Private Corporate Actors	25
A. International Human Rights Instruments and Institutions	27
B. Human Rights Abuses Involving Corporate Actors	29
C. Corporate Complicity in International Human Rights Violations	30
1. <i>Corporate Contributions to Compromising Civil Rights, Political Rights, and Human Security</i>	32
2. <i>Corporate Complicity in Violations of Socioeconomic Rights</i>	36
3. <i>Corporate Complicity in Violating the Cultural Rights of Indigenous Peoples</i>	37
4. <i>Corporate Complicity in Labor Rights Violations</i>	39
5. <i>Climate Change Concerns, Environmental Challenges, and Corporate Conduct</i>	43
III. Corporate Law	46
A. The Purpose of the Corporate Person and Shareholder Primacy	47
B. Corporate Social Responsibility	51
IV. Corporate Accountability for Human Rights Violations	55

X DETAILED CONTENTS

A. Alien Tort Statute Litigation	56
B. The Limits of Litigation	58
V. Incorporating Rights	59
2. Global Policy Initiatives to Regulate Business Responsibility and Human Rights	63
Introduction	63
I. A Chronology of Conceptual Development	65
A. The UN Commission on Transnational Corporations and Draft UN Code of Conduct on Transnational Corporations	66
1. <i>Substantive Content of the Code</i>	67
2. <i>Commentary on the Code</i>	68
B. The OECD Guidelines for Multinational Enterprises	69
1. <i>Substantive Contents of the OECD Guidelines</i>	70
2. <i>Commentary on the OECD Guidelines</i>	71
C. The UN Global Compact	72
1. <i>Substantive Content of the Global Compact</i>	73
2. <i>Commentary on the Global Compact</i>	74
D. The UN Draft Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights	74
1. <i>Substantive Content of the UN Draft Norms</i>	76
2. <i>Commentary on the UN Draft Norms and Critical Assessments</i>	79
II. An Emerging Conceptual Consensus	81
A. The UN Guiding Principles Process	81
1. <i>The Mandate</i>	82
2. <i>The Framework</i>	84
B. The UN Guiding Principles on Business and Human Rights	84
1. <i>Substantive Content of the Guiding Principles</i>	84
a. The State Duty to Protect Human Rights	85
b. The Corporate Responsibility to Respect Human Rights	86
2. <i>Commentary on the Guiding Principles and Critical Assessments</i>	89
III. Putting Principles into Practice	90
A. The Work of the UN Working Group on Business and Human Rights	91
B. Promoting Principles: The UN Forum on Business and Human Rights	92
IV. Continuity and Change: Accounting for Accountability	96
A. Treaty Talks	99
B. The Zero Draft	101
V. Incorporating Rights	103
3. Human Rights Conflicts and the Creation of Corporate Responsibility Collaborations	105
Introduction	105

I. Conflict: Rights and Risks	106
A. Civil and Political Rights: Freedom of Expression, Public Participation, and the Internet Communications Technology Industry	106
1. <i>Risks to Rights</i>	109
B. Labor Rights: Slavery and Forced Labor in Agriculture, Apparel, and Consumer Electronics	112
1. <i>Risks to Rights</i>	113
C. Human Security, Socioeconomic, and Cultural Rights: Corruption, Conflict, and the Extractives and Forestry Industries	114
1. <i>Risks to Rights</i>	114
II. Communication and Collaboration: From Stakeholder Engagement to Structured Initiatives	115
A. What Are MSIs?	115
B. MSI Features	116
C. MSIs as a Corporate Responsibility Resource	117
III. Commitments and Compliance: Multistakeholder Initiatives to Promote Responsibility and Protect Rights	118
A. The Fair Labor Association	118
1. <i>FLA Mission and Membership</i>	119
2. <i>FLA Substantive Policy Commitments and Procedures</i>	120
3. <i>FLA Structure and Governance</i>	121
B. The Voluntary Principles on Security and Human Rights	122
1. <i>Voluntary Principles Mission and Membership</i>	124
2. <i>Voluntary Principles Substantive Policy Commitments and Procedures</i>	124
a. Risk Assessment	125
b. Relationships with Security Service Providers: Public Sector	127
c. Relationships with Security Service Providers: Private Sector	128
3. <i>Voluntary Principles Structure and Governance</i>	129
C. The Global Network Initiative	130
1. <i>GNI Mission and Membership</i>	131
2. <i>GNI Substantive Policy Commitments and Procedures</i>	132
3. <i>GNI Structure and Governance</i>	133
IV. Change: MSIs as Instruments and Institutions of Global Governance	134
A. MSI Debates: Assessing the Efficacy and Impacts of MSIs	134
B. Structural Dynamics of Securing Human Rights through MSIs	135
1. <i>Obstacles and Opportunities</i>	135
a. Efficacy of the FLA: Obstacles and Opportunities	135
b. Efficacy of the Voluntary Principles on Security: Obstacles and Opportunities	136
c. Efficacy of the GNI: Obstacles and Opportunities	138

C. Making the Most of MSI Strategies	141
V. Incorporating Rights	141

PART II CHANGE: HUMAN RIGHTS,
CORPORATE RESPONSIBILITY CODES, AND
COMPLIANCE WITH COMMITMENTS

4. Information and Accountability: Regulating the Corporate Social Responsibility to Respect Human Rights through Ranking and Reporting	147
Introduction	147
I. The Primary Elements of Indicators	148
A. Indicator Definitions	148
B. Indicator Debates	150
C. Dynamics of Indicator Creation	151
II. The UN Guiding Principles on Business and Human Rights: Assessing and Reporting Risks	151
A. Human Rights Risk Assessment	152
B. Reporting Risks to Human Rights	153
C. Indicators and Information: Reporting Initiatives	154
III. Business and Human Rights Indicators: Ranking Respect for Rights	155
A. The Corporate Human Rights Benchmark Initiative: Preventing Abuses	156
B. KnowTheChain: Monitoring Modern Slavery	161
C. Ranking Digital Rights Corporate Accountability Index: Protecting Expression and Access to Information	169
D. The Access to Medicines Index: Promoting Health	175
E. The Oxfam Scorecards: Behind the Brands and Barcodes	180
F. Enough! Demand the Supply: Companies Ranked by Progress on Conflict Minerals	184
IV. Principles in Practice: Reporting and Ranking Respect for Rights	188
A. Indicator Initiatives: Opportunities and Challenges	189
1. <i>Creation and Coordination</i>	189
2. <i>Competition</i>	191
3. <i>Information Inputs and Outcomes</i>	191
4. <i>Contestation by Corporate Actors</i>	192
5. <i>Cooperation: Shareholders and Stakeholders</i>	193
6. <i>Interaction and Influence: Alignment with Law and Policy</i>	194
7. <i>Institutional Interactions: Advancing Authoritative Rights Reporting</i>	194
B. Indicator Initiatives: Criticisms and Concerns	196
V. Incorporating Rights	197

5. Competition, Choice, and Change: Activist Investors and Concerned Consumers as Ethical Enforcement Agents	201
Introduction	201
I. Ethical Investors as Human Rights Enforcement Agents	202
A. Shareholder Primacy: Protection and Power	202
1. <i>Information as Protection for Shareholders: Disclosure</i>	203
2. <i>Intervention as Protection for Shareholders: Derivative Litigation</i>	204
B. Socially Responsible Investors and Social Change:	
The Purpose of Ethical Investment	205
1. <i>Ethical Investing: Origins and Evolution</i>	206
2. <i>Ethical Investing: The Process, the Players, and Progress</i>	207
C. Shareholder Advocacy: Shareholder Proposals to Protect Rights	210
1. <i>The Shareholder Proposal Process and Proxy Statements</i>	210
2. <i>Shareholder Advocacy in Selected Industry Sectors:</i>	
<i>Activity and Efficacy</i>	214
a. Agriculture, Food, and Beverage Sector	
Shareholder Proposals	215
i. Coca-Cola Shareholder Resolutions Related to Human Rights	215
ii. PepsiCo Shareholder Resolutions Related to Human Rights	218
b. Apparel and Footwear Sector Shareholder Proposals	219
i. Gap Shareholder Resolutions Related to Human Rights	219
ii. Nike Shareholder Resolutions Related to Human Rights	221
c. Extractives Sector Shareholder Proposals	223
i. ExxonMobil Shareholder Resolutions Related to Human Rights and the Environment	223
ii. Chevron Shareholder Resolutions Related to Human Rights and the Environment	225
d. Internet Communications Technology Sector Shareholder Proposals	228
i. Google (Alphabet) Shareholder Resolutions Related to Human Rights	228
ii. Apple Shareholder Resolutions Related to Human Rights	230
3. <i>Comparing Investor Concerns across Industry Sectors</i>	232
4. <i>Protecting Shareholder Voice to Promote Change</i>	233
II. Global Policy Initiatives: Information Access to Advance Respect for Human Rights	234
A. UN Guiding Principles on Responsible Investment	234
B. The Global Reporting Initiative	235
III. Government Regulation: Information Access to Advance Respect for Human Rights	237
A. Capital Markets: Material Information and Mandatory Reporting	238

1. <i>Leveraging Securities Law to Promote Corporate Social Responsibility and to Protect Human Rights</i>	239
a. Curbing Conflict and Section 1502	240
b. Combating Corruption and Section 1504	242
2. <i>Emerging Mandatory Nonfinancial Reporting Requirements and Human Rights: Incorporating Moral Concerns</i>	244
B. Integrated Reporting and Investment Performance	247
IV. Ethical Consumption to Advance Respect for Rights	249
A. Public Institutions: Government Procurement Initiatives to Promote Rights Protection	249
B. Powerful Purchasers: Strategic Sourcing to Reduce Rights Risks	251
C. Private Individuals: Certification, Choice, and the Concerned Connected Consumer	252
V. Incorporating Rights	256
6. From Voluntary to Obligatory: Corporate Reporting and Codes of Conduct to Promote Respect for Human Rights	259
Introduction	259
I. Policy Commitments and Public Reporting to Promote Human Rights	261
A. Policy Commitments: The UN Guiding Principles on Business and Human Rights	262
1. <i>Corporate Codes of Conduct as Policy Commitments</i>	263
B. Communication: The UN Guiding Principles on Business and Human Rights	263
1. <i>Public Sustainability and Social Responsibility Reporting</i>	264
II. Rights and Responsibility Rhetoric in Corporate Reporting	265
A. Research Design	265
1. <i>Data Selection</i>	267
2. <i>Data Collection</i>	268
3. <i>Data Analysis</i>	268
B. Human Rights Challenges and Corporate Responsibility Reporting	270
1. <i>Agriculture, Food, and Beverage</i>	270
a. PepsiCo Human Rights Challenges	270
i. Content Change: Human Rights and CSR Reports	271
ii. Conduct Change: PepsiCo Before and After Human Rights Challenges	277
2. <i>The Apparel Industry Sector and Human Rights</i>	278
a. Adidas and Human Rights Challenges	278
i. Content Change: Adidas Before and After Human Rights Challenges	279
ii. Conduct Change: Adidas Before and After Human Rights Challenges	285
3. <i>The Extractives Industry Sector and Human Rights</i>	286

a. ExxonMobil and Human Rights Challenges and Communications	286
i. Content Change: ExxonMobil Before and After Abuse Allegations	287
ii. Conduct Change: ExxonMobil Before and After Crisis Incidents	291
4. <i>The Technology Sector and Human Rights</i>	295
a. Microsoft and Human Rights Challenges	296
i. Content Change: Microsoft Before and After Human Rights Challenges	296
ii. Conduct Change: Microsoft Before and After Human Rights Challenges	300
C. Consistency with Global Standards and Contrasts between Competitors	304
D. Remaining Challenges: Access to Remedy and Sustaining Reforms	305
III. Codes of Conduct as Policy Commitments: From Voluntary to Obligatory	305
A. Codes of Conduct and Corporate Social Responsibility	306
B. International Codes and Corporate Responsibility	307
C. Industry Sector Instruments and Individual Company Codes	308
1. <i>The Voluntary Principles on Security and Human Rights as Obligatory</i>	308
a. Selected Self-Regulation Instruments: Shell	310
2. <i>The Fair Labor Association Workplace Code of Conduct and Compliance Benchmarks</i>	312
a. Selected Self-Regulation Instruments: Nike	313
3. <i>The Fair Food Code of Conduct</i>	314
a. Selected Self-Regulation Instruments: McDonald's	316
4. <i>The Responsible Business Alliance</i>	318
a. Selected Self-Regulation Instruments: Apple	319
IV. From Voluntary to Obligatory: The Risks and Rewards of Conduct Codes and Corporate Reporting	321
A. The Rewards and Risks of Codes and Corporate Reporting	321
B. From Voluntary to Obligatory: Strengthening Soft Standards	323
V. Incorporating Rights	323
Conclusion	325
<i>Epilogue</i>	333
<i>Appendix A: Selected Sustainability Reports</i>	341
<i>Appendix B: Selected Codes of Conduct</i>	351
<i>Selected References</i>	357
<i>Index</i>	373