

Challenging Corporate Power - Investment and Impunity in an era of crisis

(9 September 2013) [A broad range of social action groups](#) met to discuss the role transnational corporations play in the global economy and the impact their actions have on the working conditions and life of many millions in the European Parliament.

The groups discussed how corporate interests join hands with local elites to repress trade unions and strikes, to grab the land of small farmers, to whitewash damage done to the environment or to promote the privatisation of public services. International law often lacks the power to challenge these large companies while on the other hand Free Trade Agreements are building a legal frame that grants companies more and more power such as through investor protection against the state. Local communities find it difficult to bring these companies to trial in their countries. Corporate social responsibility guidance of international bodies is not enforceable and the CSR policies of companies themselves succumb to the economic and financial logic of the companies if seriously tested. These companies and their lobby organisations also seek to include in such Free Trade Agreements clauses which stipulate that once a sector is opened up for competition it can no longer be regulated back while the sections of Free Trade Agreements that deal with human and environmental rights are non-binding.

The conference considered therefore the idea of an international treaty to regulate the corporations and the possibility for an international court which could hear cases and issue binding verdicts and sanctions.

The Bolivian minister Juan Ramon Quintana explained how they had changed the situation to the benefit of the people in the country, how nationalization of key industries had been significant in redistributing wealth and how the government had to stand up against multinational companies and the governments of their home countries. The Venezuelan ambassador to the EU confirmed this and referred to the many attempts there had been to unsettle the Chavez government. Both underlined that an international treaty starting from the interests of people and an

international court to try cases against multinational companies would have been helpful.

The EPSU Deputy General Secretary moderated a panel which presented several cases of the behavior of multinational companies such as in the massacre at the [Lonmin PLc Platinum mine in Marakana](#) (South Africa), [the landgrabbing](#) taking place by US and other companies in Columbia, [the campaign for safety](#) for Bangladeshi workers following the collapse of the Rana Plaza building in Bangladesh that killed 1,132 workers and left thousands injured for life – the majority of them women and which were producing cloths for a broad range of globally active fashion companies, the bid of foreign investors to take-over the [Thessaloniki Water Company](#) against the wishes of the local community. The [lobbying of companies](#) in the European Union was explained with the example of the way in which companies seek [influence over the EU-US Trade negotiations](#). Other panelists explained the possibilities that already exists in international treaties that can be used [to take companies to court using extraterritorial obligations](#) that find their basis in existing international law.

The conference was organized by the Transnational Institute and the European Left party and included a panel discussion with MEPS from the European Greens and European Socialist Parties that are working together in the European Parliament to strengthen obligations for transnational companies in European law. The conference took place in the European Parliament on 5 September 2013.

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