

Treaty to regulate transnational corporations: Jeremy Corbyn has made a huge commitment against corporate power

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In his speech to the United Nations last Friday [1], Jeremy Corbyn gave a timely boost to the long-standing global campaign to tackle corporate power [2]. He pledged that the next Labour government in Britain will actively support the efforts of the UN Human Rights Council to create a legally binding treaty to regulate transnational corporations.

The campaign for this treaty is part of a long struggle to tackle the anti-democratic power of corporations [3], which has been going on for many decades. This latest phase started in 2013 when the government of Ecuador called at the UN, on behalf of 85 countries, for international laws to regulate transnational companies (TNCs). The following year the UN Human Rights Council set up a working group to explore what such a law or treaty would look like, and it has been meeting ever since.

The treaty moved a step closer to becoming a reality in October after the latest tense week-long meeting in Geneva. More than 200 representatives from social movements, trade unions, and global campaign groups, from over 80 countries, including victims of human rights abuses by corporations, mobilised for the meeting (technically known as the 'open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights'). By the end of the week, attempts by rich countries to scupper the process had failed, meaning it can move on to discussions over the actual text of a treaty next year.

The UK's role

Corbyn's support is a positive development for several reasons, which are interconnected with each other. First, the UK will play a powerful role in the next stage of the process. It is now one of the seven regional members of the UN Human Rights Council from western Europe, part of the 47-member Council elected by the UN General Assembly. The UK took on this responsibility this year with a mandate until 2019. Together with the US, the UK will hold this position for the next three years, which are the most crucial years in the process of the development of the treaty.

Second, the role of the UK, as a part of and independently from the European Union, in the elaboration of a draft treaty in advance of the next session of the intergovernmental working group could offer positive consultative relations with UK campaign groups and human rights defenders. Plus, strong Labour Party interest in the process could pressure the current UK government to be

less obstructive in the process than it has been so far.

Third and most important, the UK's membership of the UN Human Rights Council is coinciding with the process of Britain's departure from the European Union. The crucial decision in last year's referendum by the British people to leave the European Union means that the country is now facing big challenges and a unique opportunity to rethink Britain's role in the world. In developing that new role, what the UK does in the United Nations systems will be a good indicator of where the country is going and in turn what kind of world it wants to help shape.

A boost to the campaign

Corbyn's support for the process of the binding treaty is a great boost to the campaign and an assurance of the UK Labour Party's commitment to "ensure that the powerful uphold and respect international rules and international law." In his acknowledgement of "the growing concentration of unaccountable wealth and power in the hands of a tiny corporate elite, a system many call neoliberalism, which has sharply increased inequality, marginalisation, insecurity and anger across the world", he also emphasised that his party "must act against the global scandal of tax dodging and trade mis-invoicing that robs developing countries and is draining resources from our own public services."

All these commitments echo Global Justice Now's position to make TNCs responsible for their violations against the communities and poor sectors in the global South, workers everywhere, as well as the eco-systems that support life on this planet. Apart from their human rights and environmental violations, TNCs are also abusing their role in the current trade and financial regimes that are taking away people's dignity and reducing the majority into mere consumers of services.

As we outline in our Controlling Corporations briefing on the treaty [4], it is absolutely vital to challenge and reduce the current power of TNCs. The binding treaty on TNCs offers more protection to people and the environment compared to current voluntary mechanisms and processes that are very limited and full of loopholes. The elements of the future treaty are also broader than what is covered by the existing UN Guiding Principles on Business and Human Rights, wherein TNCs are in charge of monitoring their own responsibilities.

The UK's expressed position during the plenary discussion on the elements of the UN Treaty in last October's meeting in Geneva emphasised UK contributions and engagement in the Business and Human Rights process, the commitment to extend help to human rights defenders and help countries where there are limits to efforts that can be done to promote and defend the interests of human rights victims and defenders. With the UK's increased role in the process (as a member of the UN Human Rights Council), we expect stronger commitments to ensure that the UK will not undermine the vital process to develop the treaty.

Global Justice Now is ready and will look forward to invest time and expertise in consultation with all political parties to gather support for this process and push for the UK government to support the UN Treaty process. We need and want a UK that is a future champion on multilateralism and promotion of human rights.

Dorothy Grace Guerrero, 15 December 2017

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<http://www.globaljustice.org.uk/blog/2017/dec/15/jeremy-corbyn-has-made-huge-commitment-against-corporate-power>

Footnotes

[1] <http://press.labour.org.uk/post/168322341969/jeremy-corbyn-speech-at-the-united-nations-general-assembly>

[2] ESSF (article), [United Nations Meeting: Time to stop big corporations from ruling the world](#).

[3] ESSF (article 42699), [United Nations: The long and winding road to a binding corporate treaty](#).

[4] http://www.globaljustice.org.uk/sites/default/files/files/resources/controlling_corporations_briefing.pdf