

## **The War of Standards**

**The world may be multipolar in theory, but in reality, it is tripolar; split into three distinct blocks – with the USA, China and Europe each having global pretensions.**

**China's rise in terms of strength and power shouldn't make us forget however the age-old competition between Europe and the USA. Both the USA and Europe have not only dominated economically speaking, but they have also, year after year, imposed their codes and their concepts.**

**Even if many of us have worked hard to harmonise best practices in the HR sector, the American steamroller has more often than not been more effective. To take just one example, today we speak more about inclusion than about equal opportunities.**

**At a time when China is implanting itself along the silk road and entering into the debate, European companies must first react by not only balancing the make-up of their capital, but by also, now more than ever, looking for solutions. For example combining the firepower of the US-style "people review" which programmes career paths of key people, with the French-style GPEC (Forecasted Management of Jobs and Skills) to identify and prepare collective issues.**

**Everything which is the essence of the European model must be defended. The European HRD Circle had given a definition starting from the company and not the State, as well as the idea of the company as a work collective rather than a "welfare state". Every day, many of these European values are becoming more topical and need to be defended. Values such as the management of salary differences in a world where inequality is running riot and blocking many necessary developments, especially when faced with global warming, as well as the role of real social dialogue and unions, or work life balance, to name but a few.**

**Everyone wants to impose their point of view and the entity which defines the standards and the rules of the game is likely, in a competitive world, to be one of the winners. As an example, European pharmaceutical companies have struggled for a long time to raise quality standards in order to slow down the arrival of Indian competitors. Another example is that of Europe's definition of railway standards, which has greatly helped these industries to export.**

**All the private players, multinational companies, NGOs or rating agencies, as well as the public ones, national or international, want to impose their standards. There are far too many players and far too much “social washing”!**

**Welcome to the great war of standards, a war in which there will always be winners and losers.**

**The work of the 10th European HRD Circle (cf the Lisbon Forum) documented this war in detail.**

**In this game made up of essentially 3 players, social and environmental questions are asked differently but are now linked.**

**While the climate debate is a common one, the issues are different (social system, energy mix, etc).**

**For a long time, we thought that these standards would converge naturally in a world at peace. This is clearly not the case.**

**But companies have, as is often the case, a key role to play in exporting socially responsible practices both within themselves and to their subcontractors.**

**It will be able to do this in synergy with European progress in terms of non-financial ratings standards, but its role will remain irreplaceable.**

**Yves Barou**