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Round Table Regulation: How Sectoral Corporatism Makes Norway’s Offshore Petroleum Industry Safer
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Abstract

The blow-out on the Deepwater Horizon oil rig in April 2010 and the ensuing oil spill in the Gulf of Mexico drew strong public attention to the environment and safety standards in the offshore petroleum industry and their enforcement. While it quickly became clear that there were significant deficits in these regards in the U.S., Norway was repeatedly praised for the allegedly unparalleled level of safety in its offshore petroleum industry. A number of different characteristics of the Norwegian regulatory approach were advanced as being crucial to maintaining such a high level of safety. Based primarily on semistructured interviews with stakeholders in the Norwegian petroleum sector, this working paper demonstrates that certain features of Norway’s variety of capitalism go a long way toward explaining the safety performance of its oil and gas industry. The petroleum sector is characterized by the strong corporatist arrangements for which Norway has been known among students of political economy for a long time. These arrangements facilitate information exchange and consensus-based problem solving and they serve as arenas for strong labour unions to confront the industry with their claims and requests for safety improvements. As environmental and safety concerns often coincide, the unions play to a certain extent a watchdog role that is normally reserved for environmental NGOs. As most safety and environmental issues are dealt with in a “trialogue” between public authorities, industry organizations and trade unions, both environmental NGOs and statutory law play a limited role in the safety politics of the petroleum sector.

Zusammenfassung

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1. Introduction: Corporatism as a Possible Key to Offshore Safety

1.1. After Deepwater Horizon: Focus on Norway

On the 20th of April 2010, the blowout of the Macondo well in the Gulf of Mexico killed eleven workers on the Deepwater Horizon rig and caused the biggest oil spill in history (New York Times 2011), leading to enormous damages to nature and the livelihood of thousands of people living on the coast. Not even a year later, the catastrophe at the Fukushima nuclear power station offered yet another illustration of what it means to depend on High Risk Industries (HRI).

As in the case of nuclear energy, it might be possible to eliminate some of these industries. Other high risk industries, however, will still be needed for a long time to come, and the petroleum sector probably is one of them. What’s more, about a third of the global oil production is expected to take place offshore by the late 2020s (Mason 2011).

As far as the offshore petroleum sector is concerned, Norway is a country that seems to have done rather well in reducing the associated risks. In the aftermath of the Deepwater Horizon incident, Norway’s regulatory approach was hailed as the global gold standard for Health, Safety and Environment (HSE) in the offshore industry and subsequently an interest emerged in learning from Norway’s policies (Ånestad 2010; Reiss 2011; Eliassen 2011). The Norwegian authorities experienced a “media storm” (Petroleumstilsynet 2011: 17) of inquiries on the causes of the safety record on the Norwegian Continental Shelf (NCS).

There is significant interest in learning from Norway, but little certainty as to which factors of the Norwegian model of resource management truly contribute positively to safety on the Norwegian Continental Shelf. For instance, some journalists speculated that specific Norwegian regulations, such as the obligation to install acoustic backup triggers for blowout preventers would have prevented the Deepwater Horizon catastrophe if they had existed in the U. S (Gold, Casselman and Chazan 2010). This has been proven incorrect (Johansen 2010). Others claimed that the state involvement in the Norwegian petroleum industry, especially its majority ownership of Statoil, leads to safer production practices (Conason 2010). This seems rather implausible given the frequent near-accidents on Statoil rigs and the amount of public criticism of Statoil’s American style of management (Framtiden i våre hender 2011, Harbo and Gjerde 2010). Actually, it is rather puzzling that the massive involvement of the Norwegian state in the industry and its financial interest apparently did not jeopardize its regulatory performance (Hovden 2002: 75). In 2009, 27% of the Norwegian state’s revenues came from the petroleum sector (Statistisk sentralbyrå 2011), mainly through the 78% tax on earnings in the petroleum sector, direct participation in production joint ventures and the state’s 67% share in Statoil (Olje- og energidepartementet 2010: 21, 24).

While many factors may influence the safety level of the offshore petroleum industry, this thesis investigates the effects on offshore safety of a phenomenon that scholars of comparative politics would commonly associate with Norway: the strong corporatist patterns of its political system. As corporatist political systems are said to have a greater capacity for problem-solving than pluralist systems in a variety
of policy fields – among them environmental policy – this thesis hypothesizes that corporatist patterns in Norwegian politics contribute significantly and in a positive way to the safety level of the Norwegian offshore petroleum industry.

After outlining the state of current research related to this question and issues of method in the two following sections of the introduction, I will discuss the key ideas of corporatist theory relevant for this thesis, the link between corporatism and environmental policy performance and whether Norway can still be considered a corporatist country (2.). Afterwards, an analysis of the Norwegian system of safety regulation as a multi-level system will explain why the most important political interactions take place on a relatively low level of the polity (3.) Based mainly on qualitative interviews, I will then assess the extent to which the patterns of politics prevailing on this level are corporatist and how they contribute to offshore safety (4.) before concluding (5.).

1.2. State of Research: Corporatist Arrangements Matter – But Why?

The literature available on the role of corporatist patterns of politics in the Norwegian offshore industry is sparse. Most works related to safety issues in the Norwegian offshore industry and their regulation merely describe the regulatory system as it is laid out in the law, emphasizing details such as the wide-spread employment of performance-based rather than prescriptive requirements and of specific industry standards (e. g. Khorsandi 2010; Det Norske Veritas 2010).

However, some (comparative) studies also take into account the character of industrial relations in the Norwegian petroleum industry. In general, it is acknowledged that the system of corporatist-style tripartite cooperation between industry and labour unions is a key feature of the Norwegian system and that the labour unions helped to bring about important regulatory milestones (Beck et al. 1998, Moen and Blakstad 2010, Baram 2011). Although such arrangements also exist in other countries, they are most strongly developed in Norway (Ministry for Economic Development : 13). Based on qualitative interviews, Hart (2007) describes the system of tripartite collaboration as one that is based on cooperation and consensus-seeking (Hart 2007 : 28).

Unfortunately, all these works suffer from a central problem that this thesis will also have difficulties to overcome: to link the corporatist patterns of interaction found in the petroleum sector with a positive safety outcome. While there is agreement that tripartite collaboration does matter, there is little said about the manner in which it achieves results.
1.3. Method: Why This Study Does Not Explain Norway’s “High” Level of Safety

While the independent variable of this study – corporatism – will be operationalized in the following section – the dependent variable, i.e. offshore safety, is defined here as the extent of non-occurrence of events that are harmful to people, installations and the environment.

This broad understanding of safety makes sense for two reasons. First, there is no such thing as a clearly identifiable offshore safety policy domain in Norway. Instead, worker safety, occupational health and environmental issues are linked together in a policy field labelled “Health, Safety and Environment” (Helse, Sikkerhet, Miljø, HMS).

Second, different aspects of health, worker safety and environment overlap and influence each other. A measure that seeks to improve the sleep of the workers is not only beneficial to their health, but is also likely to improve their concentration during work, and thereby reduces the risk of both minor and major accidents harmful to the workers, the installations and the environment.

This study does not seek to explain what contributes to Norway’s high safety level, because it is difficult to know whether it actually is high. While I acknowledge that Norway enjoys a high reputation for its offshore safety, there are no reliable data that would allow a comparison of the offshore industry’s safety performance in different countries. Although The International Regulators’ Forum Global Offshore Safety, a loose network of the authorities responsible for offshore safety in nine countries, provides comparative statistics for eight of the participating countries (IRF 2009), there are considerable doubts as to the reliability of these figures. Data on offshore safety depend to a significant extent on self-reporting by the industry (CorporateWatch n.d.). Fearing sanctions and a loss of reputation, both companies and individual workers probably tend to underreport incidents (Int. 5).

What’s more, it should not be overlooked that serious incidents also occurred on the Norwegian Continental Shelf, such as the Bravo blow-out in 1977, the death of 123 rig workers when the Alexander L. Kielland capsized in 1980 or the leaking of 4,400 cubic meters of crude oil at the Staffjord A field in 2007 (Hammer et al. 2009: 618).

Therefore this is a not a comparative research project, but a theory-confirming single case study (Lijphart 1971: 692) with the humble aim of explaining how corporatist structures in Norway contribute positively to the overall safety level. I assume a causal chain beginning with corporatist arrangements that are effective in producing policy outputs such as regulations, industry standards, agreements on best practices and a shared safety culture, which in turn lead to corporate or individual behaviour that reduces the occurrence of harmful events.

This study also relies on secondary sources but is primarily based on 11 qualitative, semi-structured interviews. One of them is an expert interview with Prof. Dr. Knut Kaasen of the Scandinavian Institute for Maritime Law at the University of Oslo in order to better understand the Norwegian regulatory system, whereas the 10 other interviews were conducted with representatives of organizations supposed to have a stake in the offshore safety policy domain – labour unions, industry organizations, public authorities as well as an environmental NGO.
These interviewees were, with the exception of the environmental NGO, selected using the official member list of the Regulatory Forum, a key arena of tripartite collaboration in the offshore petroleum industry. Unfortunately, only one industry representative could be interviewed, leading to a slight overrepresentation of interviewees from labour unions and public authorities. The interviews were conducted personally in Oslo or on the phone, and lasted between 10 and 120 minutes. With a few exceptions, most of the interviews were taped and then transcribed.¹

¹ As for the in-text references, I refer to the interviews with numbers assigned to them in the list of interviews at the end of this working paper.
2. Corporatism: a Superior Model of Interest Mediation in Decline?

2.1. Employing the Concept of Corporatism as a Variety of Democracy and Capitalism

Corporatism is a concept that means different things to different authors – from an anti-liberal and anti-leftist political ideology close to fascism practiced in states such as Italy and Austria in the 1930s, to a political system that is dominated by “big business” and ignorant of the interests of unions and leftist parties (Katzenstein 1985: 32). Within the de-ideologized form of corporatism, one can distinguish an interest group school following Schmitter (1974) and a political economy school that is concerned with processes of cooperation between capital, labour and the state and its macroeconomic consequences (Christiansen et al. 2010: 25).

In this thesis, corporatism is understood in a way that combines elements of these two major schools. The main reason for this is that the processes of interest mediation on safety issues in the petroleum sector are both directed towards influencing the regulatory authorities and towards influencing industry behaviour. It is not only public regulations but also the industry’s best practices, safety projects and industry standards that have normative power in the sector.

This study essentially regards a corporatist system as a stable structure of interest mediation with privileged access for a limited number of actors to institutionalized bargaining fora, where they are recognized by the public authorities. These actors ideally include business and labour interests in an encompassing way and continually bargain with each other on the basis of an “ideology of social partnership” (Katzenstein 1985: 32) emphasizing consensus-seeking and cooperation.

2.2. Corporatism and the Environment, a Disputed Relationship

The earlier literature on corporatism focused on explaining the economic success of corporatist states in the world economy (Katzenstein 1985: 31). The positive post-war economic performance of the Scandinavian states was to a large extent explained by corporatist patterns of politics (Blom-Hansen 2000: 157): The consensus-oriented style of corporatism had lead to wage restraint and less strike activity, the creation of encompassing interest organizations aligned particular interests with the common good (Blom-Hansen 2000: 171).

But superior performance in policy sectors other than economic policy is also attributed to corporatist systems. Several authors find a positive relation between corporatism and environmental performance (Crepaz 1995; Jahn 1998; Scruggs 2001) in quantitative studies using corporatism scales on the independent and environmental performance indicators on the dependent variable. As Crepaz puts it, “the success or failure of environmental policies is intimately connected to whether the system of interest representation is consensual and accommodative (corporatism) or whether it is adversarial and competitive (pluralism)” (Crepaz 1995: 255). He finds that corporatist arrangements are negatively
correlated with air pollution levels. *Jahn* (1998 : 126) and *Scruggs* (2001 : 690) observe a similar relation for the 1980s (Jahn) and the 1980-1995 period (Scruggs), using highly aggregate indices of environmental performance as a dependent variable.

It is difficult to draw inferences from these studies about a relation between corporatism and environmental performance today, as the data used in these studies are quite old, reflecting both the corporatist arrangements and environmental challenges of the 1980s and early 1990s. What’s more, these studies deserve some methodological criticism, mainly because of their small number of observations (Neumayer 2003 : 208). Using pollution data up to 1999, *Neumayer* (2003) excludes a negative effect of corporatism, but cannot find a significant positive effect either. He therefore concludes: “It is probably a myth to believe that corporatism is good for the environment” (Neumayer 2003 : 219).

The proponents of the “corporatism is good for the environment”-hypothesis advance three arguments. First, the “communitarian culture” of corporatism and its capacity for consensus make it easier to achieve policies on contentious issues of environmental policy. Second, the encompassing peak organizations have a disciplining effect on individual interests aligning them with the general interest (Crepaz 1995 : 261-262). As these organizations are so encompassing, negative environmental externalities tend to affect their members as well (Scruggs 2001 : 687). Third, these peak organizations “have the authority and inclination to ensure that there is close monitoring and general compliance with environmental laws” (Scruggs 2001 : 687).

However, the arguments of the opposite side are equally plausible. Their main contention is that corporatist structures are only oriented towards material interests. Left-wing movements in general and labour unions in particular tend to be attached to the aim of economic growth, as they want the working class to continue reaping the monetary benefits from capitalism. This focus on materialist issues is deeply entrenched in corporatist structures, making the system unresponsive and slow when it comes to integrating new ecological considerations into the corporatist system (Neumayer 2003 : 204-206).

### 2.3. The Decline of Norwegian Corporatism, not its Disappearance

Despite different operationalizations of corporatism, Norway is repeatedly ranked as one of the most corporatist countries in the world (Lijphart and Crepaz 1991 : 239, Staroff 1999 : 180) However, (neo-)corporatism was said to be in decline during the 1990s (Molina and Rhodes 2002 : 306). Is this also true for Norway – can it still be considered a corporatist country today?

Not surprisingly, the views in the literature differ. Due to the decline of labour union membership, institutionalized bargaining arrangements and the rise of new interest groups, several authors already considered Norway to be a post-corporatist state in the early 1990s (Blom-Hansen 2000 : 171).

On the one hand, there has been a decline of the number of public commissions, committees, boards and councils appointed by the government and in which interest organizations are represented. This decline since the 1980s happened both in the preparation and implementation stages of policy making (Christiansen et al. 2010 : 31). On the other hand, the overall number of such committees is still relatively high compared with other countries (Klausen and Opedal 1999 : 186; Hilson 2008 : 75).
Others claim that a process of pluralisation mainly took place in the party system due to the rise of the right-wing Progress Party, whereas the system of organized interest representation has not changed significantly (Mjøset 2010: 42f.).

The system of wage negotiations is also still relatively coordinated and centralized, but company-level negotiations beside this system have become more significant since the 1980s (Fennefoss 2010: 92). At the same time, organized labour has become more fragmented. The quasi-monopoly of employee representation of the Landsorganisasjonen i Norge (LO) and the attached unions has been challenged by competing unions with a weaker affiliation to the Norwegian labour party. Since the 1950s, the share of workers organized in LO unions has decreased from about 50 percent to 27 percent in 2008, with the share of unorganized employees remaining relatively stable around 50 percent (Fennefoss 2010: 96).

However, the discussion on the best label for the Norwegian variety of democracy or capitalism – depending on the author’s concept of corporatism – neglects to a large extent the segmentation of Norwegian politics, that Rommetvedt (2007: 39) observes. Each segment – which is a term akin to policy domain – can be characterized by different patterns of interest representation. Therefore by placing emphasis on the process of pluralisation in a country as a whole, one neglects the fact that within a specific segment, “sectoral corporatism” – “a corporatist representation of interests (...) that is limited to specific sectors of the economy” (Lehmbruch 2003: 105) might still prevail.
3. The Norwegian Regulatory System, Performance-Based and Multi-Levelled

3.1. The Limited Role of Statutory Law

Understanding the Norwegian system of regulation is necessary in order to evaluate the role of corporatist arrangements. Regulation can be defined as “sustained and focused control exercised by a public agency over activities that are valued by a community” (Baldwin and Cave 1999: 2). The Norwegian state employs two regulatory strategies in the field of offshore safety: classic command and control through legal standards backed by sanctions and conferring protected rights through a liability regime (classification according to Baldwin and Cave 1999: 34f.).

The liability regime for the petroleum sector is specified in the Petroleum Act, the main piece of legislation for the sector. Section 7-3 of the Act imposes strict (i.e. regardless of fault) and unlimited liability for pollution damages on the operator, that is to say the company carrying out the day-to-day work on the installations. Although liability may in principle have a deterrent effect and thereby influence corporate behaviour to a certain extent, this is, in reality, strongly reduced due to the financial security provided by insurance (Baldwin and Cave 1999: 52).

The legal standards sanctioned in command-and-control manner are spread over different levels of hard and soft law. Least important in this regard is the level of statute. The Petroleum Act does not say much more on safety issues than that “The petroleum activities shall be conducted in such manner as to enable a high level of safety to be maintained (…)” (Section 9-1). More details can be found in a set of five regulations that are largely drafted by the Petroleum Safety Authority and adopted by government decree. However, even these regulations do not – with a few exceptions – mandate many specific safety requirements, and it would certainly be wrong to claim that their provisions are particularly strict. This is due to the employment of so called functional requirements (also: performance requirements, output standards) in the regulations. Such norms only require a certain result to be achieved by the industry but do not stipulate how this result is to be achieved (Hammer et al. 2009: 623). For example, section 15 of the Facilities Regulations prescribes that “chemicals and technical solutions shall be chosen that prevent harmful chemical influences on people and the environment, and which reduce the need for use of chemicals.”

3.2. Politics of Risk Within a Framework of Performance Requirements

Due to the use of functional requirements, the manner in which safe practices are established is largely left to the discretion of the industry. The Norwegian legislator considers this approach advantageous, as it grants a high degree of flexibility to the industry concerning the adopted solutions (Det Kongelige Arbeids- og Migrasjonsdepartement 2001: 25). Others argue that this approach fosters technological innovation, as functional requirements encourage the industry not to fall back on a standard solution
required by law but to develop safe and cost-effective measures themselves, striving for the best approach possible (Kaasen 2009: 86).

In reality, the freedom of the industry is restricted by so-called guidelines (veiledninger), official interpretations of the regulations. These guidelines are established by the Petroleum Safety Authority (Petroleumstilsynet, PSA), the central authority for safety regulation in the petroleum industry.

The PSA deals exclusively with safety issues, whereas resource management issues are dealt with by another authority, the Norwegian Petroleum Directorate (Oljedirektoratet, NPD). The NPD and the PSA were one single authority until 2004, when they were divided. Some authors point to the separation as crucial for the avoidance of conflicts of interest, whereas others attach minor importance to this (Ryggvik 2010: 77).

The guidelines established by the Petroleum Safety Authority often refer to industry standards as a suggestion for fulfilling the performance requirements of the regulations. While neither guidelines nor industry standards are legally binding and can therefore be considered soft law, there is the legal presumption that the performance requirements are fulfilled if the industry standards referred to in the guidelines are followed. Therefore, in reality, most companies follow the suggestions set forth by the guidelines (Kaasen 2009: 150).

Because of this multi-level system of safety rules, the politics of risk in the Norwegian offshore petroleum industry are detached from parliamentary politics. The statute and decrees only define a framework of goals to be achieved. The truly important debates revolve around the content of guidelines and industry standards as well as the definition of best practices. In the following section, it will be shown that the debates on this technical micro-level mainly take place through corporatist channels, and that this is beneficial for offshore safety.
4. Patterns of Corporatism and their Impact on Safety

4.1. The Many Corporatist Fora of the Petroleum Safety Policy Domain

Relying on information publicly available and on the interviews conducted, four significant institutionalized fora were identified in which industry organizations, labour unions and government representatives participate: The Safety Forum (Sikkerhetsforum), the Regulatory Forum (Regelverksforum), Working Together for Safety (Samarbeid for Sikkerhet, SfS) and the Petroleum Board of Standard Norge (Sektorstyre Petroleumsindustri). While even more committees exist that operate on a more technical level, these four fora were commonly mentioned as the most important ones.

These four fora, summed up under the umbrella term trepartssamarbeid – tripartite collaboration – have different mandates. The Safety Forum is officially described as the central arena of cooperation to “initiate, discuss and follow up relevant safety, emergency preparedness and working environment issues in the petroleum industry” (Petroleumstilsynet n. d. 4). The Safety Forum has the broadest mandate of all the different arenas, its participants are high-level representatives of their organizations.

The Regulatory Forum’s official purpose is to exchange information and discuss issues related to the development and implementation of the body of regulations (Petroleumstilsynet n. d. 3). Working together for Safety is a forum with several technical sub-committees that mainly work out recommendations to the industry based on best practices (Samarbeid for Sikkerhet n. d.). The Petroleum Board oversees the petroleum related standardization work done in the Norwegian standardization organization Standard Norge (Standard Norge n. d.).

These fora meet on a regular basis, e.g., nine times (Safety Forum) or four times (Regelverksforum) a year (Petroleumstilsynet n. d. 2, n. d. 3). Technical sub-committees meet as often as once a week (Int. 8).

The fora of tripartite collaboration do not have any legal decision making power (Int. 9). However, based on the consensus of the members (Int. 8), the fora give themselves an agenda of long-term priorities and projects to be developed. Samarbeid for Sikkerhet also adopts recommendations to the industry, the Petroleum Board approves NORSOK industry standards elaborated by expert groups (Samarbeid for Sikkerhet 2011).

4.2. Committee Membership: Moderate Industry Organizations, Numerous Unions

The participants in the different committees are largely the same in all committees. The public authorities are mainly represented by the Petroleum Safety Authority (Petroleumstilsynet, PSA), but also by other authorities such as the Climate and Pollution Agency, depending on the issues on the agenda. The employers are represented by the highly encompassing organisations Oljeindustriens Landsforening (OLF) and Rederiforbundet as well as Norsk Industri. Organized labour is more fragmented, with the major peak organisation LO and its member union Fellesforbundet, but also the independent unions Industri Energi, SAFE and De
Samarbeidende Organisasjoner (DSO) participating in the committees (Petroleumstilsynet n. d. 1; n. d 3; Samarbeid for Sikkerhet 2011).

The relatively centralized representation of the employers is considered advantageous by the other participants because it replaces the numerous positions of different companies (“You can get as many answers as the companies you ask” (Int. 9)) with aggregate positions worked out within the industry organisations. The industry organizations are also considered to have relatively moderate positions, whereas dialogue with individual companies is more difficult for the unions (Int. 5).

The more fragmented organization of labour is characterized by a mixture of co-operation and competition. The labour unions have different priorities with regard to safety issues, depending largely on their membership structure and mostly divide responsibilities. Each union specializes on working out a position related to its own priorities and the other labour unions usually support it (Int. 8).

On the other hand, the unions also have different opinions on some issues. For instance, there is no common position on the usefulness of performance based rules in general. While the SAFE and DSO unions are very critical of this kind of regulations, LO has a rather positive stance (Int. 5). What’s more, there has always been a history of competition for members between the unions – in contrast to other sectors of the Norwegian industry, LO never had a hegemonic position in the petroleum industry (Int. 3,5).

With safety issues being of high importance to the union members (Int. 5), this competition sometimes leads to infighting and public criticism of other unions, at times also in the domain of safety (Arnestad Salthe 2011). An example of this was the Gullfaks A incident in 2010, when representatives of the Lederne union called a representative of LO “a useful idiot for Statoil’s PR section” (Dagens Næringsliv 2010).

On the one hand, union representatives argue that the amount of competition weakens their position, as they do not always speak with one voice (Int. 5). On the other hand, this competition is also beneficial to the effectiveness of the system, because different labour unions bring in a variety of perspectives and their fragmentation avoids “capture” by the employer side – “it keeps us alerted” (Int. 5).

Despite conflicts, the corporatist arrangements are based on some shared fundamental values. All parties share an interest in the economic well-being of the industry and a common spirit of safety professionalism seems to have emerged within the tripartite system (Int. 8).

These shared values also make it possible for the labour unions to act as safety watchdogs and cooperate with the industry at the same time. In contrast, environmental NGOs are not part of the committees, and they also have very little contact with the industry as well as with the Petroleum Safety Authority (Int. 9), because they fundamentally oppose the petroleum industry. With the NGOs mostly portraying the industry as greedy liars (Hauge 2010), the employers find it difficult to have a trustful relationship with them (Int. 2).

The priority of environmental NGOs is not to influence the methods and practices of the offshore petroleum industry, but if and where it operates at all (Int. 4). NGOs campaign intensively against oil exploration around the Lofoten and in the Barents Sea, but they virtually do not take part at all in discussions
on safety regulation in the industry (Int. 1), also because they lack the technical expertise required to be
competent participants (Int. 9).
Instead, it is the labour unions that take over the function of environmentalist NGOs to a certain extent –
as long as their interest in the safety of the workers overlaps with the interest in environmental protection.
For instance, this is the case with regard to the prevention of blow-outs that could at the same time lead to
large oil spills and threaten the lives of rig workers (Int. 5). Beyond such overlapping concerns, the unions’
interest in environmental issues is limited (Int. 1).

4.3. Agenda-Setting and Information Exchange in an Atmosphere of Trust

One reason why corporatist arrangements contribute to the functioning of the Norwegian regulatory
model is that they serve as arenas for agenda-setting and information exchange. This is especially
highlighted by trade union representatives (Int. 3, 7) – “The most important thing is that we can bring in
the priorities that we as a union think are most important to make safety better” (Int. 3). The corporatist
fora allow the parties involved to confront the other side with issues that might be insufficiently
addressed. And even though the industry sometimes finds the claims of the unions exaggerated, they still
acknowledge them as stimulating reflection (Int. 2).
The unions especially put issues on the agenda of the tripartite committees that are “too big” to be
handled at the company level and that require a solution at a higher level (Int. 8). Currently, such issues
are language requirements for foreign workers (Int. 3, 7), the improvement of workers’ alertness by giving
them single cabins (the so-called samsoving debate) and qualification requirements for staff on mobile units
(Int. 1, 3, 8).
However, having put an issue on the agenda does not mean that it is resolved through the fora of tripartite
collaboration, and contentious issues are often discussed in the committees over a long period of time,
such as the issue of single sleeping cabins (Int. 3). “Most of the time we get agreements, but it could take
days, weeks, months, years maybe” (Int. 8). Nevertheless, through the tripartite fora, the unions are able to
keep up the pressure on the industry and the authorities.
Moreover, these fora are important for the exchange of information between the parties. It is especially
the labour unions that have at their disposal highly valuable information on the safety conditions on the
offshore installations because of their contact to the individual workers and a network of safety
representatives (verneombud) (Int. 3, 8, 10).
On all offshore installations, a safety representative must be elected by the employees according to the
Work Environment Act. The safety representative represents the workers’ interests with regard to safety
issues, and also has the right to stop dangerous work if necessary (Arbeidstilsynet n. d.). Whereas the latter
right is used only rarely (Int. 5), the safety representative has an important function as “a spokesman for
health and safety issues, an instrument in establishing systematic occupational health work, an early
warning system for safety issues and an ombudsman employing the right to halt dangerous work”
(Kvernberg Andersen, Torvatn and Forseth 2009 : 3039). The provisions of the Work Environment Act on
the safety representative are considered to be a cornerstone of the regulatory system (Baram 2011 : 2),
ensuring worker representation at the company level. The introduction of the Work Environment Act to the offshore industry was itself mainly a success of union pressure, against the strong opposition of the employers (Schiefloe 2010: 24; Ryggvik 1998: 73).

As most of the safety representatives are union members, they can report back to the unions, which in turn, forward this information to the authorities and feed them into the corporatist arenas (Int. 3, 5; Moen 2010: 5) – “In most of the issues, the reason we are taking it into Samarbeid for Sikkerhet and Sikkerhetsforum and Regelverksforum is because some of the workers have come to us and asked to us to make regulations on this” (Int. 7). The value of the information provided through the union’s channel is also acknowledged by the public authorities: “It is the workers offshore who got the finger on the pulse” (Int. 9).

A prerequisite for the intensive exchange of information is mutual trust between the parties, a feature of the system mentioned very often by the interviewees (Int. 5, 9). “Openness is important in order to learn from mistakes. You have to be able to share experiences with others. And you can only share these experiences with others if you have a system of confidence, where it will not harm you in any way” (Int. 9). A very important trust-building element is certainly the rather clement regulatory style of PSA, fining operators very seldom in the case of safety deficiencies – which is, on the other hand, criticized by the unions as a too soft stance (Int. 5).

4.4. Contributing to Safety through Project Elaboration and Discussion of Regulation

Through the exchange of opinions rather than of information, the corporatist arrangements contribute to an improvement of the safety norms contained in regulations drafted by the PSA, NORSOK industry standards and Samarbeid for Sikkerhet’s best practices. While the parties also make use of the official hearing rounds when the PSA drafts new regulations, industry, labour unions and the authorities find it advantageous to discuss contentious issues beforehand in the corporatist fora, in a less formal setting, with the opportunity to engage with the other side’s claims in an open multi-party discussion (Int. 9). This also makes it possible to sort out problems at a very early stage of the drafting process, so that the drafts pass the hearing rounds very smoothly, sometimes without any further comments by the parties (Int. 9).

The advantage of the corporatist arrangements is also visible when it comes to the elaboration of the so-called NORSOK industry standards in the Standard Norge standardization organization. Discussions on industry standards are even more technical than the discussions in the other arenas of tripartite collaboration and the participation is largely left to experts. Interviewees mentioned several standards where the participation of the unions was beneficial to the latter outcome, although union representatives were partly unsatisfied with the extent to which their ideas were taken into account by the industry (Int. 3, 5).

Beyond the NORSOK standards, the Working Together for Safety forum seeks to elaborate best practices that the industry is committed to follow without being obliged to do so. So far, the highly technical sub-committees of Working Together for Safety have developed 28 recommendations based on best practices
Although it is in no way mandatory to follow these recommendations, the industry usually does so because a certain social pressure has developed not to act against the spirit of the system (Int. 7).
But issues of offshore safety are not only dealt with through regulations or standards. There are a considerable number of projects going on that seek to develop solutions for specific Health, Safety and Environment issues. Some of these projects directly stem from the system of tripartite collaboration or benefit from it. Commonly mentioned projects are the noise, chemicals and the lifeboat projects (Int. 5, 9), which would probably not have been taken up by individual companies due to their massive costs. A main advantage of such a project-based approach is that solutions for emerging problems are sought before the regulatory body has to take authoritative measures.

4.5. Conflict and Concessions in a Robust and Appreciated System

A final reason why the system of corporatist arenas contributes positively to safety is that it is at the same time robust and has an intrinsic value, allowing the parties involved to take a conflict if necessary but facilitating concessions in critical moments.

Most interviewees emphasized the good working atmosphere in the committees. The relations between the parties are robust and endure despite conflicts and even occasional sharp criticism of each other in the media – “We agree to disagree” (Int. 2), “You (...) can have very strong opinions but there is a sort of good tone” (Int. 9), “It is a round table, not a square table” (Int. 8).

This robustness is crucial, as using the media to alert the public about critical safety issues is a strategy the unions strongly rely on to put pressure on the industry (Int. 3, 5).

All the parties employ a combination of confrontational and cooperative strategies – or, as Moen et al. (2010 : 6) put it, of “boxing and dancing”. However, the amount of conflict is restrained by a commitment to the tripartite collaboration as such, which is considered to have an intrinsic value – with basically everyone acknowledging that the system itself is good and important.

A breakdown of the tripartite collaboration would lead to extensive media coverage, with the functioning of the corporatist arrangements probably seen as an indicator for the integrity of the regulatory system as a whole. Knowing that the blame for a breakdown would probably be placed mainly on the industry (Int. 8), the unions use the threat to withdraw from tripartite collaboration in order to get concessions from the industry (Int. 3). “If we quit Samarbeid for Sikkerhet, it will go just right to the Storting [the Norwegian parliament]. And then they say: ‘Oh, what’s happening?’” (Int. 8).

On the other hand, the unions admit that this is a threat that they would probably never realize. What’s more, PSA is very engaged to keep the corporatist politics of risk at a low voltage – in situations of conflict, PSA often takes a moderating role (Int. 3, 5, 7, 8). “If the unions go a little bit high, they say, ok, cool down.” (Int. 8).
5. Conclusion: Strong Labour Unions Can Make High Risk Industries Safer

Whereas corporatism might generally be in decline in Norway, this is certainly not true for the petroleum sector and its numerous corporatist arrangements on safety issues. This thesis has shown that corporatist patterns of interest mediation dominate Norwegian offshore safety policy at the crucial micro level, where guidelines, industry standards and best practices are debated and safety projects are developed in cooperation between the industry, the labour unions and the authorities. Trust and consensus-seeking prevail in the arenas of tripartite collaboration, but this does not exclude sharp criticism and open conflicts. It is a robust system, encouraging concessions because a breakdown would not be accepted by the public.

This system is beneficial for the safety level of Norway’s offshore petroleum industry for three main reasons. The exchange of information improves the quality of the solutions adopted and it facilitates the monitoring function of the public authorities. The principle of consensus-seeking and cooperation makes it easier to adopt pro-active solutions based on projects and best practices rather than to wait for the regulator to impose a solution. Finally, the arenas of tripartite collaboration give the unions the opportunity to act as checks and balances to the industry and to directly argue against their claims.

This is especially important given the intensive use of functional requirements in Norway’s regulatory system. Even in the absence of corporatist arrangements, the public authorities would have to cooperate extensively with the industry and rely strongly on their good will. The PSA simply cannot always check whether the industry’s solutions to the prescribed goals really are as good as the industry claims – it is the unions that are able to obtain on-the-ground information on this from safety representatives on the rigs. Without the arenas of tripartite collaboration and therefore with an important element of labour union influence missing, the Norwegian authorities would be more prone to capture by the industry. May and Winter (1999) have demonstrated such an effect with the implementation of environmental regulation in Denmark that was pursued in (too) close cooperation with farmers’ organizations.

According to Sjøfjell (2009 : 18), the Norwegian labour unions are currently making progress towards including environmentalist goals in their agenda, providing a tentative answer to Beck’s question “what an ecological labour movement would really mean” (Beck 1999: 64). It is doubtful whether one may consider this case evidence for the reconciliation of labour and the environment. Although the labour unions in effect take the function of environmental watchdogs in corporatist arrangements, they only do so as long as workers’ safety and environmental concerns overlap.

Finally, one may take a warning and a recommendation away from this thesis. A warning against simply transplanting Norway’s body of regulation to another country without considering the intricate corporatist politics of risk unfolding within the regulatory framework. But also the recommendation to foster worker representation and labour unions in high risk industries – they have the potential to be the critical insiders that environmentalist groups can hardly be.
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Interviews

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