# **CSR and Inequality** (SLIDE 1)

# **1. Introduction**

Thank you for inviting me to speak at your conference. It is indeed a great honour. Apart from brief visits to Colombia and Venezuela when I worked with BP 10 years ago and a day trip into Mexico on a Greyhound bus tour of the USA 40 years ago, I have very little direct knowledge and experience of South America. I am aware from discussions in other events like this that the so called BRIC countries, of which Brazil is the 'B', are rapidly coming to the forefront in their contribution to debates about and solutions to global issues of growth, sustainability, poverty reduction and human rights – and the positive contribution that companies can make to these issues. I can only hope that the BRIC countries do a better job than the so-called developed Northern countries have managed so far. I am also aware of the great work that ETHOS is doing to promote the responsible contribution of business towards these issues. I expect to learn a great deal from this conference.

What I hope, in return, I can bring to this forum is the long experience of a boundary worker; someone whose career has moved from public sector to private sector to nongovernment organisation (NGO), with a continuing academic association throughout. In each case, as a teacher of economics, a deputy principal of a high school, community affairs manager for BP, Director of the Corporate Citizenship Unit at Warwick University Business School and now Chair of Amnesty's UK Business Group and the Business and Human Rights Resource Centre, I have worked largely on the boundary of the organisation. I have tried to promote understanding, communication and joint actions between firstly schools and business, then between BP and its community stakeholders and more recently between business schools and companies and between NGOs, especially Amnesty International, and companies.

I believe passionately that the urgent global issues facing us all right now, (SLIDE 2 PUBLIC INTEREST ISSUES FACING COMPANIES) including stepping up the fight against poverty, achieving education for all and environmental sustainability, all of which have direct impact on our topic today of 'inequality', can only be addressed by effective collaboration between these vital actors: governments, companies, NGOs, academics, teachers and all other interested groups in society. I also believe that business, and its main organisational construct – companies, are a vital part of the solution, not just part of the problem. And <u>that</u> solution is not about what a company does with its profits once it has made them but <u>how</u> a company makes its profits in the first place. I go along wholeheartedly with J.F.Rischard's thesis propounded in his book 'High Noon; 20 global problems and 20 years to solve them' (published 4 years ago – so we have only got 16 years left!) (SLIDE 3, 20 GLOBAL PROBLES) which concludes that we need a new system of what he calls Global Issue Networks of expertise and trusted authority which cut across sectoral and national boundaries.

# 2. Inequality & CSR

First, we need definitions of 'inequality' and 'CSR' - today's topic. For inequality I can do no better than article one of the 1948 United Nations Declaration of Human Rights ( the UDHR) which states that 'All people are equal'. That does not mean that

we are all the same or that we should all have equal incomes or life-styles. It does mean, again in the words of the UDHR, that everyone has the right to, for instance, fair and equal treatment, equality before the law, freedom from slavery, torture, arbitrary arrest, etc., freedom of belief, opinion and assembly, and access to education and work, including the freedom to choose work, equal pay, sufficient wages to ensure an existence worthy of human dignity, and the right to join a trade union. I would also include the right to a clean and sustainable environment on this list. Inequality exists within a country, therefore, where significant numbers of its citizens, even if a relatively small minority, do not have these things, while the rest do. Globally, inequality exists between those countries where most of its citizens enjoy all these rights and those countries where relatively few enjoy these rights.

My definition of corporate social responsibility is the acceptance by a company that the way it runs its core business has wider impacts on society than just the money value of its products, services and incomes streams that it creates, coupled with a willingness to understand and manage those impacts effectively as part of its normal business operations. Let me repeat that: CSR is the acceptance by a company that the way it runs its core business has wider impacts on society than just the money value of its products, services and incomes streams that it creates, coupled with a willingness to understand and manage those impacts effectively as part of its normal business operations. Almost by definition, this implies a company being prepared to go further in managing these impacts than it needs to, simply to comply with the conventional market requirements of its business. This requires companies both to take a sophisticated, long term view of their business interest and to be clear about what they stand for as ethical organisations. Is this too much to expect? I hope not, although there is plenty of evidence to suggest that it may be.

These wider impacts are what economists refer to as 'externalities'. They are costs and benefits the company imposes on or gives to society that do not appear in conventional profit and loss accounts or balance sheets. They include such things as a company's environmental 'footprint', the wider social value of its product or service, the impacts on local communities of its employment practices, its ethical business practices and its ability to have a positive influence on human rights, poverty and alleviation of suffering.

They are all public interest issues affecting communities and society as a whole. They are issues that are properly the concern of governments. Where government is effective such costs and benefits can be 'internalised' into company accounting through financial incentives and penalties, taxation, and laws with fines for non-adherence. Sometimes public pressure through media, consumers, and NGOs can also create reputation advantage and therefore a 'business case' for companies internalising these costs. Indeed, a representative government that genuinely looked after the public interest backed up by a well informed and alert civil society would seem to be a preferred way of making sure that companies do act in the overall public interest.

Unfortunately too often government is not effective in dealing with these matters and civil society is too ill-informed and weak to make sufficient fuss. Indeed, governments may well give the need to regulate for these business 'externalities' a lower priority than responding to the lobbying of large companies to minimise

regulation and taxation in order that the companies can compete on level terms in international markets. Globalisation of markets and the perceived imperatives of promoting national competitiveness have reduced the power of all national governments to regulate for other public interest matters, even if they wanted to. In addition in far too many countries government is so weak and corrupt that companies have a virtual free hand. And there are no international agencies with sufficient autonomous power to provide the regulation that global markets need if they are to operate in the genuine interests of everyone.

So we are left with CSR. Corporate Social Responsibility: a company accepting its de facto role in the governance of environmental and human rights issues.

#### **4.** (So does that mean that-)

## CSR = participation in the governance of public issues?

Yes, companies are involved in public issues' governance, whether we like it or not. For instance: (SLIDE 4 REPEAT OF SLIDE 2)

- Should a company accept, and if so how can it take on board, the costs of taking a precautionary approach to global warming?
- How strongly should an agro-chemicals company push the development of its business in genetically modified crops?
- Should a pharmaceutical company provide life-saving drugs to poor countries at marginal cost and if so, how can it recoup its sunk research costs and finance ongoing research?
- Should an international bank actively pursue evidence of money laundering?
- Should such a bank include environmental and human rights audits in its prelending risk analysis?
- Indeed, how should any company evaluate human rights issues in preinvestment impact assessments in relation to the potential revenue streams?
- How should a company manage conflicting interests of a national government with those of an indigenous community?
- When in a country with very different customs, should it pursue its global corporate policy (e.g. on bribery, freedom of association or equal opportunities which is in itself a governance statement) or go along with accepted local practices?
- Should it, indeed, go in or not go in to, stay in or pull out of a state with a corrupt and human rights abusing government?
- How is a company supposed to choose between the livelihood needs of its local employees and the wider implications of complicity with such a government?
- Should a company sell a product or provide a service to a government or other user which it knows is likely to be used to abuse human rights?
- Should it raise awkward issues with host governments, even to the point of risking a lucrative contract?
- How should it manage relationships with state security forces during internal conflict?

And so on, and so on.... These are all public interest governance decisions, in other words, decisions which affect profoundly the interests of large numbers of people, not just those of the company itself. It can be no one's preferred option that companies are

left to make these decisions on their own. Companies are not set up to act as governance agents nor do they have the legitimacy to make public interest decisions. The Economist was quite right when it argued in its survey of CSR in January 2005 that "As a general rule, correcting market failure is best left to government. Business cannot be trusted to get it right. Settling such questions (as global warming) exceeds the competence and proper remit of private enterprise." It goes on "The proper guardians of the public interest are governments, which are accountable to all citizens. It is the job of elected politicians to set goals for regulators, to deal with externalities, to mediate among different interests, to attend to the demands of social justice, to provide public goods and collect the taxes to pay for them, to establish collective priorities where that is necessary and appropriate, and to organise resources accordingly. The proper business of business is business."

Of course! But what is the alternative? Most national governments can't or won't do enough under present circumstances. To wait for environmental or human rights disasters to strike to such an extent that governments are finally woken up to their responsibilities, individually and collectively, would seem a high risk strategy. It may be too late by then. It may already be too late, but at least we should try to do all we can to make things as good or least bad as possible right now. That requires understanding where the power to make a difference lies and doing all we can to influence that power to work effectively.

## 5. Understanding the power of companies

As I have already suggested a significant amount of that power now lies with companies, particularly large national and international ones. Over the last ten years some have reluctantly begun to acknowledge it and been more open about how they use it. But many more companies are still in denial or defensive mode. (SEE CENTRE OF REPEATED SLIDE 2) Focussing on human rights, which I know most about, what power and influence do companies have to protect, promote and even fulfil human rights? – something that has to date traditionally and rightly been seen as the responsibility of governments. Then having identified the impact that companies can have, how do we persuade them to recognise and use this power responsibly? How do we persuade them to take actions that often go beyond what appears to be in their immediate business self-interest? How do we persuade companies to recognise their potential as global problem solvers and actively to get involved in problem-solving partnerships?

Firstly we all, including companies themselves, need to understand the impact they can have on human rights? This depends on their sphere of activity, control and influence. Company impact on human rights can be seen as four closely inter-related layers (SLIDE 5 COMPANY SPHERES OF INFLUENCE); a company's core operations, its impact on communities around its operations, its influence on the behaviour of its suppliers and contractors and finally its influence on government ministers, officials and agencies.

The core layer, over which companies have direct control is their own operations. This covers all the labour rights as defined in the ILO conventions, including health and safety issues. Looking after its own people in a manner compatible with human rights principles is the absolute minimum society should expect of a company. Irrespective of whether or not a company is operating within an effective system of government, not to do so would constitute a direct abuse of human rights by the company. For example, it may be quite acceptable for a multinational company to locate a new plant in an area of cheaper labour, enabling that area to compete on the world market on the basis of its comparative advantage. However it would be quite unacceptable for that company to exploit the situation by paying wages below subsistence levels or requiring high levels of overtime and therefore family neglect or by permitting lower levels of environmental, health and safety provision than those considered proper in countries where regulations are stronger.

The core layer also includes the provision of the company's product or service. How that product is produced or service is provided and who ultimately benefits from it is at the heart of the value the company creates for society – its fundamental purpose, if you like. Sustainable access to vital products and services by the poor is perhaps the key objective of anyone trying to combat the worst aspects of inequality. Companies providing often recently privatised essentials like water and energy have particular responsibilities here. But so too do pharmaceutical companies, banks, IT and telecommunication companies and many consumer goods companies to name just a few. Recent good stories about the 2 rupee, 18 gram soap bar produced by Hindustan Lever, the sprouting mobile phone small businesses in African villages and, of course, the pioneering work of the Grameen Bank are all indications of what can be done within a sustainable business model. If companies fail to understand the importance of their products and services for sustainable development and do not actively seek ways of enabling the poorest sectors of society to have access to them, they are, in my opinion, effectively abusing human rights.

The second layer of human rights responsibility is understanding and taking full account of a company's impact on the communities affected by its operations. This can be the impact of the initial construction phase on land use and infrastructure development as well as the ongoing impact of the production process on the environment and quality of life of those in the affected communities. Managing this impact properly often involves intense, sensitive and prolonged engagement with groups representing a range of interests. In the jargon this is called 'stakeholder engagement'. It is easily said but far from easy to do. Beware those who dismiss this as a 'soft' issue and therefore not worthy of the same attention as the so-called 'hard' metrics which determine profit and loss. 'Hard' may equate with measurable and 'soft' with intangible – but 'soft' does not equate with 'easy' – quite the opposite. Identifying genuine stakeholders, meeting with them in an even-handed way, discovering their legitimate concerns and then factoring these into pre-investment risk analyses requires great skill and patience. It is time-consuming and costly. But it must be done if a company is serious about not doing harm and not abusing human rights. Companies should take as thorough an approach to such stakeholder engagement as they do with all their other business activities, be transparent in all their dealings and be accountable for the decisions they take. That is a big ask – but a necessary one.

Stakeholder interests, of course, often conflict, and in poorer, less developed areas are also often not backed by clear legal rights, for instance to land tenure. Companies may also find themselves pulled between the interests of a national government and those of local indigenous people. It is only fair to recognise the difficulties facing companies in these situations and the hard choices that have to be made. I would like to see companies being more transparent about these choices, for instance between the development of a national resource like an oil field or a dam and the conservation of a habitat or a traditional way of life; being open about potential revenues, the social and environmental costs and how, if the project goes ahead these will be properly compensated. It is part of a company's ongoing responsibilities, once its operations are up and running, to do all it can to ensure that compensation agreements, made between the company, government agencies and local community groups, are carried out and, if necessary reviewed, and to lobby a government on behalf of the local communities for their fair share of public revenues arising from the operations.

I would also assert that if a company pre-investment risk analysis showed too high a cost to a local community, it should not go ahead with the project. Too often pre-investment risk analysis is used to determine the social and environmental costs which will need to be factored into a project's critical path development plan but rarely to determine the fundamental decision as to whether or not the project should go ahead at all. For example, if a proposed new soft drinks bottling plant was likely seriously to deplete water supplies such that it endangered the livelihoods of local subsistence farmers, the company should decide to look elsewhere. And in a situation of conflict or civil war, that a company should postpone any development that is likely to become a focus of violence and therefore cause further loss of life until such time as the prospects of peace are more favourable – a hard decision indeed, especially if the dominant power in the country wants the revenue from the project to fund its side of the conflict and threatens to offer the contract instead to a company with less human rights concerns. Perhaps we will return to these difficult issues in question time!

The third level of human rights impact concerns a company's business partners, suppliers, contractors and customers. A Company needs to understand its sphere of influence; that is the relative strength of its brand and position in the supply chain and its ability to influence the behaviour of others within it. This could be at the raw material extraction or growing stage, the manufacturing and processing stage, the retail stage or, in the case of the financial services industry, influence through lending and investment policy. A company needs to ask 'are we one of the main names in the chain?'. If so, companies with such influence should use it by communicating their human rights policies and procedures to business partners and insisting that all contracts reflect the same commitments to human rights as they hold. For instance, a pesticide producer is responsible for ensuring as far as possible that its distributors provide effective health and safety instruction to the end-users. A sportswear retail chain is responsible for monitoring the conditions of work in the factories from which it sources, even if these run into thousands, and for working with the owners of these factories to work out solutions to problems they find. A bank is responsible for ensuring that its client businesses are in compliance with its own stated environmental and human rights principles.

The fourth level of human rights impact is perhaps the hardest for some companies to accept. This concerns a company's interaction with governments. A company should be aware that its very presence gives economic and implicit moral support to a host government. It should recognise that it has the power to influence government ministers and officials and should use this power wisely and effectively. A company can be deemed to be complicit in the human rights abuses committed by a government

or its agents unless it does all within its own capabilities and sphere of influence to prevent them or put them right. It should ask itself:

- Are its products being used to abuse the human rights of dissident groups?
- Are its revenues being misappropriated by corrupt ministers?
- Is the company complying with a law that itself abuses international human rights?
- Is the company indirectly benefiting from inhumane pacification measures of the state security forces?
- Does its own contract with the government have clauses within it that in any way constrain the human rights of those affected by its operations?

If the answer to any of these questions is 'yes, the company should, at very least, raise the issues of concern at meetings with ministers and officials, making it clear that the company is aware of state actions abusing human rights and explaining that these are inconsistent with the companies' own business principles. When negotiating agreements with host governments, companies should ensure that nothing in the agreement is inconsistent with the government's human rights obligations. Companies should work with other groups that may influence a government's human rights conduct, such as NGOs, other companies in their sector and other possible sources of pressure. And when all else fails, companies should have the courage to go public on the international commitments which the government of that country will have made and which it is transgressing.

### 6. Influencing and engaging corporate power

So what can we do help persuade companies to manage their impacts on human rights, and therefore inequality, better? I would love to be able to say let us create a world made up of internationally collaborating, representative governments that could hold companies to account through strong internal regulations backed up by equally strong international law and enforcement institutions. I still think that we should try to work towards this vision but not rely on it happening anytime soon. In the meantime, and that may well mean decades, I believe we – that is those of us who in the words of the Bruntland report in 1987 want to promote 'development which meets the needs of the present without compromising the abilities of future generations to meet their own needs' – we need to do four things. (SLIDE 6 ENGAGING CORPORATE POWER)

First, we need to give recognition to the de facto governance role that companies have, that is the governance role they have in reality, in influencing many key public interest issues and press for greater public accountability for their performance of that role. Secondly, we need to do all we can to make market forces take more account of environmental and social issues, in other words strengthen the business case for greater corporate social responsibility. Thirdly, recognising that the business case alone will never be enough, we need to put pressure on the personal ethics of business leaders, managers and staff so that they can bring their innate desire to achieve self respect and the good opinion of their families, friends and peers to influence their companies to be responsible. Finally, and partly as a tactic in making a success of points two and three, we need to be much more ready to praise and engage with companies when they do good things, not just stand at the side and criticise and condemn when they do bad things.

Kofi Annan has done all he can to take the lead on the first of these. In calling for a 'Global Compact' for companies in 1999, in which they agree to comply with nine, now ten, key principles, (SLIDE 7 GLOBAL COMPACT PRINCIPLES) he bravely took the risk of departing from the UN mandate which denies it any authority over non-state actors. He directly addressed leaders of the world's largest companies by saying '*The UN needs business. We need it as an advocate for international co-operation, a promoter of investment, trade, and open markets. We need it as a doer and mover to promote development by investing in and transferring technology to developing countries. The UN needs business as a partner in the dialogue on economic, social and related issues. Non-states have to play their civic part because with growing power and reach comes growing responsibility'.* 

The Global Compact now has over 2,500 participating companies in some 90 countries. Some are doing well, but sadly far too many of them are participants in name only, enjoying the PR cache of UN approval without doing anything concrete about it – a syndrome known as 'bluewash' – and a cause of much cynicism within the NGO community. As many of you will know, a related initiative connected to the UN Commission on Human Rights developed a set of norms for transnational corporations and other enterprises with regard to human rights, which attempted to spell out in some detail what complying with the UN Declaration of Human Rights (and indeed the Global Compact's principles) by companies would mean in practice. It was much heralded by human rights NGOs. Unfortunately, instead of treating this initiative as a useful first step in creating the basis for greater accountability of companies for their performance on human rights and related issues, an unholy alliance of opposition to the Norms was created. National governments opposed the Norms on the grounds that the UN had no business trying to regulate for non-state actors and indeed that the Norms somehow might give states with bad human rights records a stronger excuse to do nothing – i.e. leave it to the companies. The International Chamber of Commerce, other business associations and many companies opposed them on the grounds that this would threaten the introduction of unnecessary and, very probably, bad law. Even the Trade Unions opposed them, I can only imagine because of their fear that the NGOs promoting the Norms might intrude on their traditional monopoly of the right to represent labour and other social issues with companies.

At least this unfortunate apparent standoff between most environmental and human rights NGOs and national governments, business associations and trade unions has increased interest in the issue of business and human rights. It has helped to bring this important issue to the forefront and raise the level of debate. The UN Secretary General has appointed a 'Special Representative' to, among other things, identify and clarify standards of corporate responsibility and accountability for companies with regard to human rights. The Special Representative has the unenviable task of reconciling on the one hand the Neanderthals who cannot or will not accept the reality of current governance needs and on the other some of the more unrealistic demands of some NGOs who believe it is simply a matter of creating new, enforceable regulations. I can only hope that by the end of this process – hopefully by April next year – we will at least have a set of UN-endorsed human rights principles or standards setting out society's expectations of business human rights performance and against which companies can be held to account in the court of public opinion.

(SLIDE 8 REPEAT OF SLIDE 6) The second thing we need to do is to make the market more sensitive to environmental and human rights issues; basically to make it more costly for companies to do harm and more beneficial to them if they make positive contributions. The main business driver for social responsibility, for large companies anyway, is reputation. That can be reputation among investors, thanks to the burgeoning social responsible investment industry and initiatives like FTSE4GOOD. It can be reputation among customers, thanks to the work of the ethical trading initiative, many fair trade schemes and consumer campaigns and boycotts. It could also be among the procurement managers of government agencies and departments, but this huge potential influence for good that governments still have has been very slow in materialising. Most importantly, perhaps, is a company's reputation among its own people, chiefly its own employees but also others who work with it or care about it. This can be hugely important for morale, motivation, employee recruitment and retention.

The best way we can influence the reputation market is to do all we can to raise the level of information about company environmental and human rights performance – good and bad – so that more informed judgements can be made and appropriate actions can be taken by NGOs and others. Just as internet technology has fuelled the communication capabilities of global business so is it fuelling the information exchange necessary to keep tabs on company activities. One example, of course, is www. business-humanrights.org, of which I have the honour to be Chair of Trustees and about which I will be happy to talk more later. Suffice it to say for now that this is the leading web site on business and human rights, covering, amongst much else besides, the activities of nearly 3000 companies worldwide, striving for a balanced approach to providing information on the human rights performance of companies – good as well as bad. All of us in civil society and, I believe all good companies, have an interest in levelling the information playing field so that good practice is endorsed and bad practice criticised. This site is an example of what can be done with relatively modest resources plus a great deal of dedicated personal commitment of those involved.

The third way of influencing corporate behaviour is by recognising that companies are made up of and run by people not much different from other people in society. Difficult as this may be for people working in the public or not for profit sectors to imagine, most people working in companies, at least most of them who I have met, actually take pride in and get a sense of achievement from their work and most certainly do not want to feel that their decisions or actions somehow contribute to environmental damage or human rights abuses. Many would be genuinely horrified if they were accused of being complicit in such wrong doing. So why do they do it? Are they simply ignorant of the consequences of their actions? Is it somehow that they get 'de-individualised' as they step across the company threshold? Are they frightened for their jobs and therefore their family's immediate livelihood and security? Whatever the reasons may be, raising the level of information about what companies are doing can only help to get questions asked internally as well as externally. As with good traffic law, we need to deny the excuse of ignorance. We need to demand policies and specific accountabilities for seeing that they are carried out. We need to name and then shame or praise in equal measure as appropriate. NGOs are getting quite good at naming and shaming, although still desperately lack information on specifics to do

even more – hence the need for <u>www.business-humanrights.org</u> ! On the other hand, NGOs find praise rather harder to give – perhaps because they don't think it much deserved but more probably because they are reluctant to be accused by their members or NGO colleagues of 'going soft on companies'. Yet, as any good teacher and most psychologists will tell you, people respond more positively to praise than they do to criticism. Business people are no different!

That is really my final point. All of us who reckon that we have got a contribution to make in addressing these issues, many of which are covered by the general heading 'inequality', as I defined it earlier, need to recognise and value the contribution of others in other sectors, particularly between companies and NGOs. That requires us to understand and develop a degree of trust in each other. This was the main conclusion of the joint report between Oxfam and Unilever entitled 'Unilever in Indonesia'. When they started on this joint venture neither party had any real understanding of what the other's real motives and mission were. At the end, while still retaining many differences, they at least understood better each other's position and capabilities and, therefore, potential for joint solution seeking. Greenpeace has also recently started to work in partnership with companies on specific projects, while the WWF has been doing it for a long time and were major contributors to the development of the Forestry and Marine Stewardship Councils. These are brave moves, particularly for campaigning NGOs who risk incurring the wrath of their less enlightened core supporters as well as the ridicule of the media should the companies with which they are associated be shown to be failing in some aspect of their environmental or human rights performance – which they probably will be!. Nevertheless this has got to be the way forward. NGOs, at least those not entirely opposed to globalisation and the market economy, need to increase their readiness to engage with companies in genuine solution seeking and be supportive of good practice, while at the same time retaining their watch-dog and whistle-blowing roles. This requires leadership, thinking out of the box, and a readiness to take risks with their reputation for the sake of making progress on environmental and human rights issues.

Combating inequality requires much increased levels of effective governance. This requires companies and NGOs, as well as government agencies and anyone else who may be able to help, such as academics, educators, and all enlightened and willing individuals and groups in society to connect with each other as official or unofficial agents of governance so that they can collaborate and work in the same direction. Somehow we need to create what Rischard calls 'Issue Networks' at both local and global level – networks of people and organisations with genuine expertise and influence to make a significant contribution to solving the problems.

As a start, I would like to propose the creation of a Global Business and Human Rights Foundation and Network, led by trusted global actors of the calibre of Kofi Annan, when he retires from the UN, Mary Robinson and Amartya Sen, and made up of individuals, who are experts and opinion leaders, with knowledge and experience of dealing with business and human rights issues. These may be individuals from companies, NGOs, other civil society groups, government agencies, UN agencies, the ILO, the IFC and so on – there as individuals in their own right, not specifically as representatives of the organisations they work for. The task of the Foundation and Network would be firstly to reiterate and build on Kofi Annan's 1999 recognition of the growing public issue governance power of non-state actors and call for greater accountability for their exercise of that power. Secondly it needs to promote, provide expertise and give credibility to the new accountability mechanisms so that good performance can by rewarded and bad performance punished by the court of public opinion. Thirdly it needs to champion and broker joint problem solving actions, particularly between companies, NGOs and appropriate government agencies. Finally it needs to help the world to understand the potential of these creative partnerships, create increased expectations of good performance by them and to hold these key actors to account for delivering it.

Chris Marsden June 2006