

Chapter 36

Civil Society and Market Transformation.

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Encounters with business and the market have been woven throughout the history of civil society for at least 300 years, but the pace and intensity of these encounters has increased dramatically since the fall of the Berlin Wall and the birth of Corporate Social Responsibility in the late 1980s and early 1990s. Some see markets and civil society as natural allies, mutually-dependent and working together to resolve social problems. Others see them as necessary antagonists, creating change out of conflict to avoid the co-optation that might strip them of their distinctive strengths and values. And a large and emerging middle ground finds inspiration in combining elements from both these views, celebrating the birth of new institutions that can no longer be categorized as belonging to one sector or the other. Can and does civil society transform markets, and if so how and to what long-term effect?

This chapter answers these questions by exploring three levels of effects of contemporary forms of civil society action on the behaviour of market actors, and evaluating their social, environmental and economic impacts. The *tactical* level of action concerns itself with the specific results of such efforts; such as a campaign against a corporation; the *strategic* level asks whether a more ambitious agenda and potential for change has been sacrificed in return for less substantive tactical successes; and the *systemic* level explores whether the underlying conditions

for civil society action on market transformation are themselves shifting in the light of experience and broader global changes. If so, what are the implications of this shift? These three levels of action are woven through the analysis that follows, which begins by setting the debate in context and explaining the rise of ‘civil regulation’, and then provides a brief summary of civil society’s impact. Sections Three and Four explore new economic and geopolitical developments that complicate and enrich the encounter between civil society and the market, and Section Five concludes by re-evaluating the results of these encounters in the light of these new developments.

1. Civil Society and the Market.

Civil society has always sought to influence markets and re-shape their impact (Korten 1995). Contemporary experience should be appreciated in that context, but it must also be explored for its specific forms and outcomes (Zadek 2007). Since the late 1980s, the landscape of civil society engagement with business has been transformed, with many more, and more diverse, civil society actors, more extensive and intimate engagement between what historically were often oppositional forces, and more complex civil society strategies and tactics to affect the drivers of change, from traditional public pressure through to co-design with business, and even co-investment and co-production of innovative products and processes with potential for more benign societal impacts. Changing geopolitics are playing an increasingly important role, with the growing presence of civil society and business actors from the South mixed with the voices of their governments and underlying political cultures and institutional arrangements.

If ever there was a field of practice in rapid flux, it is the relationship between civil society and markets. With this flux have come profound disagreements over strategic options and their consequences. The professionalization of large parts of civil society has brought with it, not only pragmatic compromises necessary to satisfy their need for resources, but also new patterns of social identity among practitioners and in their politics, values and lifestyles (Chambers 1993; Said 1996). Multi-billion dollar programs to address health and education, for example, can only be accessed or mobilised if engagement with business is preferred to tackling the more profound challenges that concern ownership, governance and the institutionalised objectives of profit. And even where deals are struck and new standards set, old battle-lines are re-opened when basic rights have to be renegotiated in the light of new cadres of businesses that emerge from political cultures unafraid to reshape priorities or even fundamental norms as enshrined in international conventions.

‘Whether or not to engage’ with business is no longer a useful question. Engagement covers a diverse range of options, and non-engagement is an increasingly-implausible proposition given the inter-dependence of civil society actions with market-based technologies, communications pathways, and sources of expertise and resources (Elkington and Hartigan 2009). ‘Autonomy’ must be an objective requirement of engagement, but it can no longer be synonymous with complete independence or other framing conceptions of purity of approach or community. The sheer range of these approaches belies comprehensive treatment in a chapter of this length. Therefore, the emerging - and contentious - roles of civil society as market actors themselves through procurement, ownership and social enterprise, and their adoption of ‘business-like’ institutional arrangements, processes and cultures, are not considered here

(Edwards 2010). My focus is on the successes and failures of civil society's attempts to shape markets through what has been called 'civil regulation' (Zadek 2007).

2. The Successes and Failures of 'Civil Regulation.'

'Civil regulation', the capacity of civil society to change market rules through direct pressure rather than the traditional route of lobbying for statutory changes, was born out of a particular moment in corporate development and broader political history (Vogel 2006). Neoliberal economic policies implemented during the 1980s undermined the social contract between business and Western societies, a fragmentation that was reinforced because the feared counterpoint of the Soviet Union could no longer be invoked (Gray 2000). At the same time, a rapid shift in the locus of economic value from production up the value chain towards the brand, marked out a period of remarkable success for Northern-based corporations across global markets, driven in particular by the ethos of privatisation that opened markets up and at the same time further fractured the underlying social contract that was mediated by the State. Simultaneously, the rise of the Internet and the capacity of relatively resource-poor civil society organisations to mobilise media-friendly action was matched by the emergence of the first generation of multinational NGOs such as Oxfam and the World Fund for Nature, which mirrored the rise of their corporate counter-parts as had labour unions in the early development of industrial capitalism.

Civil regulation has largely relied on corporations' sense of brand vulnerability, which perhaps ironically increases in highly-concentrated, oligopolistic markets¹. In the second half of the 1990s, businesses increasingly yielded to civil society demands before stiffening their position because of concerns about brand damage and associated financial losses. Campaigning was founded on several iconic cases, including Shell's reversal of its decision to sink the Brent Spa Oil Platform in the North Sea in the face of a media-savvy Greenpeace campaign, and the anti-Nike sweatshop campaigns that, to some, demonstrated all that was wrong with globalisation and capitalism in general (Zadek 2004). In some instances real damage was done by these actions, reinforcing the view for a time that campaigns of almost any form were a potentially-lethal force. However, over the years this simplistic view has eroded with more experience of what does and does not count in practice, and as important, how best to inoculate the corporation against the force of civil society action. Nike still faces a steady stream of actions by anti-sweatshop campaigners, yet no longer reacts with the same fear that marked their earlier responses. Today, BP, once a leading corporate advocate of sustainability, feels it can walk away from civil society-business coalitions such as the "US Climate Action Partnership" despite this being a "significant blow for the campaign to bring in carbon dioxide emissions controls in the US," with little fear of redress from civil society.²

Several changes underpin this shift in behaviour. Through experience, businesses have learnt to distinguish where real brand threats exist. Competitive pressures have intensified, making it harder for businesses to make changes that, even in the short term, disadvantage them in the marketplace. And new, less campaign-vulnerable business leaders are emerging in the

¹ Ironic in the sense that conventional economics says that it is these markets in which consumer surplus is most effectively captured by rent-seeking business, and yet they have proved most vulnerable to civil regulation and have been the location of most modern innovation in the role of civil society in shaping changes in business behaviour.

² Financial Times: 16th February 2010 (<http://blogs.ft.com/energy-source/2010/02/16/conocos-leave-from-uscap-underlines-congress-failure-to-act/>)

South, a point I return to below. The most significant change, however, has been the development of closer relationships between business and civil society. Across many fields, their relationship has evolved from their traditional roles as ‘poachers and gamekeepers’ to one of ‘uncomfortable bedfellows’. The World Wide Fund for Nature has led the way in creating global partnerships with individual corporations, including high-profile agreements with The Coca Cola Company and the French cement giant, Lafarge³. Labour activists have joined with their erstwhile corporate targets in forming international, multi-company initiatives such as the Ethical Trading Initiative and the Fair Labour Association⁴. Human rights activists and anti-corruption groups have joined forces with mining companies in the Extractive Industries Transparency Initiative and the Voluntary Principles on Security and Human Rights⁵. And health activists sit together with the world’s largest pharmaceutical companies through the Global Alliance for Vaccines Initiative and other multi-billion dollar partnerships designed to deliver health services to poor communities⁶.

Today, there are hundreds of initiatives that together have created a ‘soft governance web,’ spread across every market and issue from nanotechnology to fish⁷. These initiatives have sought to reshape markets by blending voluntary rules for business to follow, public and private finance, and the combined competencies of civil society, business and government in delivering innovative designs and implementation practices. Some of these initiatives have achieved significant market penetration. The Marine Stewardship Council, for example, covers ten per cent of the global wild fish catch, and the Equator Principles cover more than eighty per cent of

³ http://wwf.panda.org/what_we_do/how_we_work/businesses/corporate_support/business_partners

⁴ <http://www.isealalliance.org/>

⁵ <http://www.voluntaryprinciples.org/>

⁶ <http://www.gavialliance.org/>

⁷ See www.iseal.org and Slaughter (2000)

cross-border project investments.⁸ Such collaborative ventures have influenced the broader political narrative about public policy and international development. For example, President Lula of Brazil signalled a new contract with business as part of his election campaigns' attempts to bridge the traditional gap between the Working Party's historical constituencies and business, especially financial capital (Zadek 2006).

Civil society has and does transform how business is done, of that there is no doubt. Just as black South Africans boycotted white businesses during Apartheid, so Chinese consumers vilified and abandoned French-owned shops, at least temporarily, when French President Sarkozy met with the Dalai Lama in December 2008⁹. Nestle, Nike, McDonalds and Shell have joined a long list of global businesses that have visibly yielded to the perceived threat of damage to their cherished brand values created by targeted campaigns by community groups, environmental and human rights organisations, and labour unions. Such actions have clearly made a difference. Greater corporate transparency, new codes of conduct, a mainstream profession of social auditing that was considered exotic in the 1990s¹⁰, and collaboratively-developed standards on everything from sustainable forestry to Internet privacy have shaped corporate practices and improved the lot of workers in global supply chains, communities located around mining operations, indigenous groups protecting their bio-homes, and endangered species from whales to tree frogs.¹¹ It is no longer possible to be a Western mainstream consumer brand and not commit to labour and environmental standards down one's global supply chain, just as it would be tough for any major Western financial institution funding major infrastructure projects not to sign up to the Equator Principles. In such senses, the basis on which business is done has

⁸ Litovsky et al (2008)

⁹ <http://www.dalailama.com/news/post/287-sarkozy-defies-china-with-dalai-lama-talks>

¹⁰ See cases of early path-breaking cases in Zadek et al (1997)

¹¹ See a review in Rochlin, Zadek and Forstater (2008) and Zadek (2008)

been transformed, not merely the behaviour of specific businesses that have been targeted by public campaigns. Progress has clearly been made through these new forms of collaborative governance (Slaughter 2005).

However, the disappointments have also been visible and troubling. An early casualty was the Global Alliance for Workers and Communities, which was closed down in 2004 after its main sponsors, the International Youth Foundation, Nike, Gap and the World Bank, accepted that the initiative had failed to gain traction amongst the business, activist or development communities¹². Far more disturbing was the effective collapse in 2006 of the much-vaunted Atlanta Agreement to secure ‘child free’ stitching of leather footballs in Sialkot, Pakistan. This turn of events was startling to many, if only because of the high-profile engagement of many international players in brokering and implementing the deal, notably the ILO, the Save the Children Fund, and the international labor movement. More generally, these new forms of collaborative governance, at least in their initial formulation, have succeeded in overcoming old impasses, but have only rarely generated the level of transformational change required to address the challenges at stake. Even those that addressed the roles of governments have had limited impact to date. This is obvious when it comes to corruption. Many anti-corruption initiatives have emerged under pressure from civil society, governments and sometimes business itself, including the Extractive Industry Transparency Initiative (EITI), the World Economic Forum-sponsored Partnership Against Corruption Initiative (PACI) and initiatives driven by single institutions such as Transparency International and the Soros-backed Revenue Watch Institute¹³.

¹² Radovich (2006)

¹³ <http://www.unglobalcompact.org/aboutthegc/thetenprinciples/anti-corruption.html>

But corruption continues unabated. In Nigeria alone an estimated US\$400 billion in oil revenues since the 1960s has been stolen by politicians and civil servants¹⁴.

Hence, one can also conclude that civil society has failed to transform the basis on which markets function, particularly the ways in which businesses profit from externalising costs onto the shoulders of others. After two decades of global action on business accountability, the financial sector was still able to impose history's largest-ever exercise in 'taxation without representation' during the crisis of 2009, destroying trillions of dollars of wealth in the process, accumulating trillions more in public debt, and putting tens of millions of people out of work. Despite the weight of public anger that resulted, the US Government failed to impose meaningful regulation on those who caused these problems, thus accelerating an underlying shift of power from the North Atlantic to Asia and the Pacific. Similarly, a global climate deal was not forged in Copenhagen in 2010, mostly as a result of the actions of several thousand corporate lobbyists in Washington DC who successfully buried what might have been the last opportunity for concerted action on climate management, in exchange for a few additional percentage points in share values and short-term profits (Gore 2008). Corporate capture of the regulatory process, at least in the USA, is self-evident, rendering virtually irrelevant any theory that conceives of the State as effective gamekeeper.

In each of these cases, civil society was actively engaged, but proved largely irrelevant in practice. It is true that organisations such as CERES that represent many civil society organisations and progressive businesses in the USA have succeeded in persuading the Securities and Exchange Commission to mandate that companies report publicly on material climate

¹⁴ <http://www.financialpost.com/news-sectors/energy/story.html?id=1856051>

risks.¹⁵ But while this is a significant milestone in the evolution of corporate disclosure and the place of the environment in risk management, the evidence from earlier, comparable developments in UK Company Law is that such successes do not readily translate into substantive changes in performance. The global climate negotiations themselves were certainly amplified, but arguably weakened by, the incoherence of civil society either as a serious professional lobbying force or as a street-level platform for protest.

3. The Rise of New Actors.

Realigning business responsibilities in society is never easy. Old ways are deeply embedded in the fabric of markets and the psychology of those who create and lead them. But such ‘old ways’ are now themselves subject to a different challenge that threatens to overturn the terms of the debate about civil society and market transformation. That challenge is provided by a new cadre of emerging economic and political powerhouses, notably (and perhaps in order of importance) China, India, Brazil, Russia and South Africa.

Existing global businesses complain that emerging-economy businesses are competing unfairly by ignoring social and environmental standards. Emerging economy businesses and governments in turn accuse the international media of bias, and argue that sustainability standards institutionalise an uneven playing field in favour of European and North American firms. Since such standards emerge in most cases from the threat or actuality of destructive actions against business by civil society organisations, the perception in the South is that they are

¹⁵ SECURITIES AND EXCHANGE COMMISSION 17 CFR PARTS 211, 231 and 241 [Release Nos. 33-9106; 34-61469; FR-82] Commission Guidance Regarding Disclosure Related to Climate Change (www.sec.gov/rules/interp/2010/33-9106.pdf)

in effect policed by Northern NGOs on behalf of multinationals in the North. The good news is that responsible leadership is far from being the preserve of the Northern business community. The Brazilian body-care innovator, Natura, for example, the Indian conglomerate Tata, and South Africa's mining giant Anglo American are among a growing number of iconic emerging-economy companies that match or exceed sustainability benchmarks set by the best practices of their Northern counterparts. The 'Global 100', a prestigious ranking of the world's one hundred most sustainable, publicly-listed companies includes twelve emerging-economy companies in its list for 2010, up from zero in 2005.¹⁶

Leveraging such exemplary practices to the mainstream of the market requires generally-accepted standards, the same challenge that drove campaigning NGOs to engage in the development of the first generation of sustainability standards in the 1990s. In this second round, the role of civil society in advancing such standards will be key, but this time faced by the growing importance of business communities in emerging economies. Civil society actors in Brazil and South Africa, for example, have extensive experience in sustainability standards. Post-Apartheid, South Africa has developed many voluntary social compacts between businesses, labour, civil society and government, mainly focused on black empowerment, but also dealing with pervasive social and economic challenges such as HIV/AIDS. Similarly, Argentina and Brazil has advanced a raft of voluntary sustainability standards such as the 'Sustainable Soya Roundtable'¹⁷.

Elsewhere the challenge for civil society is both greater and different. China, in particular, will be hugely influential for the next generation of business standards in international markets (Brautigam 2010). As one senior executive of a North American company based in

¹⁶ <http://www.global100.org/>

¹⁷ <http://www.responsiblesoy.org/>

Shanghai commented in 2010, “China is developing 10,000 new standards with every intention of placing them at the heart of tomorrow’s global markets – the question is not whether these standards will be influential, but rather what will be in them”¹⁸. Yet unlike in Brazil and South Africa, Chinese businesses and the Chinese Government are both inexperienced in, and in the main resistant to, engaging with civil society actors in the development of such standards, let alone in their stewardship. There are exceptions: for example some Chinese companies have signed up to existing civil society-business partnership standards such as the Forest Stewardship Council and the Global Reporting Initiative, and China is an active participant in the development of ISO’s ‘social responsibility’ standard (SR 26000). Yet as long as domestic experience of collaboration is weak, it is hard to imagine engagement with civil society becoming core to how China does business internationally.

Civil society’s role in transforming markets is therefore further challenged by the growing economic power of the South. A new generation of global businesses may be less inclined to respond to civil regulation, especially if their domestic constituents (both governments and consumers) are less engaged or are actively disassociated with such issues. On the other hand, these profound geopolitical changes empower civil society to engage with a growing middle class in emerging economies in order to increase their interest and willingness to respond to the ethics of consumerism and employment choices. Recent public opinion polls of Chinese citizens indicate the rise there of the ‘ethical consumer.’ Some 98 per cent of respondents to one independent survey said they were likely to be more loyal and motivated as employees if the company demonstrated a strong commitment to social responsibility, and 81 per cent said they felt their choices as consumers could affect company behaviour¹⁹.

¹⁸ Personal discussion

¹⁹ <http://www.nationalgeographic.com/greendex/>

4. Beyond the Business Case.

The ‘business case’ dimension of thinking has been the single most important driver behind mainstreaming the practice of Corporate Social Responsibility, and lies at the heart of how civil society has sought to act directly in reshaping markets (Schmidheiny 1992). At its most straightforward, the business case describes a pragmatic need to convince corporations that it is in their narrow institutional interests to improve their social and environmental performance, even where relevant legislation is absent or unenforced. It is this approach that has allowed unlikely alliances to develop across a spectrum of players with diverse political views and interests, from the advocates of a free-market approach to those with a more radical change agenda (Klein 2002). However, much of the business case debate is misguided. The view that there is a stable relationship between, say, adhering to human rights and profitability is foolish. The much-vaunted positive impact of good corporate governance on business success is seriously over-rated, or else poorly-specified and understood (Zadek 2006b). There are many factors that mediate the relationships between context, drivers, enablers and performance. Put simply, some businesses will work out how to make money from, say, improved environmental performance, whilst others will go bust in trying.

Civil society’s business-case approach has been predicated on the ‘intensive accountability’ of most businesses, especially publicly-listed companies, to shareholders with a predominantly financial interest. In its modern form this approach is associated with the failure of civil society in the 1970s and 1980s to successfully advocate for either renewed economic nationalisation or a shift in international corporate governance towards more pluralistic accountability structures. In

practice, there have been some gains in this latter respect, with extended trench warfare focused on definitions of materiality, public disclosure and the rights of minority shareholders that has significantly increased accountability to non-financial shareholders in some countries, despite the resilience of the underlying Anglo-Saxon model of fiduciary responsibility to financial capital.

However, this incremental, tactical approach to squeezing the last ounce of public good out of the Anglo-Saxon model of corporate governance may come to be seen as a side-skirmish, or at least as an appetiser to more fundamental shifts that may accompany the growing importance of emerging economy businesses and governments. Core to this shift is the extensive role of the State in these countries in the ownership of economic assets. China's economy is dominated by State-owned enterprises, and the bulk of their international investments, notably in natural resources, are undertaken by publicly-directed enterprises. Venezuela and other countries that pursue what might be called the 'Chavez Doctrine' are also focused heavily on State ownership, though here through re-nationalisation framed by a vibrant political populism. Similarly, Russia has experienced a major backlash against poorly-executed, post-Soviet privatisation, with its political leaders driving a 'grab-back' under dubious legal circumstances, linked to a subsequent opaqueness in the effective control of State assets.

The energy sector, more generally, is swinging heavily towards public ownership internationally, with the historically dominant, North Atlantic global energy players, rapidly dropping down the rankings by revenue and the all-important measure of exploitation rights. Sovereign wealth funds, especially those of China and the Middle East, are another major driver of the re-emergence of State ownership of economic assets. And of course there is the small matter of the renationalisation by Northern governments of failing financial institutions, notably in the US and the UK. Whilst positioned as 'temporary ownership' and probably accurately

described as such, there is no doubt that the ideology of ‘private ownership for the public good’ has been severely damaged, opening the door to new civic and political discourses and actions about market transformation.

State ownership in these diverse forms might be good or bad news for social progress and sustainable development. In principle the State represents the public interest and can and should behave with this in mind. Negatively, State-capture by the business community, or cruder forms of political and bureaucratic rent-seeking using State-owned assets, might compromise or completely undermine the progressive role of the State as an economic actor. With both options in play, the ways in which civil society can transform markets will need to be reinvented or at least continuously evolved. Some forms of civil regulation might still be possible so long as State-owned companies are pushed to observe basic financial requirements. But State protection might dilute the impact of these strategies, as was observed, for example, in the Brazilian State-owned company Petrobras’s refusal to respond to civil society demands for health-related improvements to their retail energy products²⁰ (please insert note or reference). Conversely, more classical forms of civic and political action might prove more productive in shifting the behaviour of State-owned enterprises and the markets they dominate, most obviously when such behaviour can be turned into a major political – and eventually electoral - issue.

5. Conclusion.

²⁰ <http://www.ethos.org.br/DesktopDefault.aspx?TabID=3715&Lang=pt-BR&Alias=Ethos&itemEvenID=5069>

In its traditional form, civil regulation achieves incremental changes in business practices, but as it evolves in the changing context described above, it may be able to drive a wider redesign of economic institutions and how they are governed. Looked at through the first lens, civil regulation describes a way for business to achieve a comfortable accommodation to a negotiated set of norms. But through the second, more speculative, lens, one can see the possibility of a relatively unplanned and uncoordinated dismantling of distinct spheres of market and non-market action, and indeed of the distinction between the public and private spheres themselves.

In terms of the three levels of action described at the outset of this chapter, civil society has unquestionably had an impact at the *tactical* level on business behaviour and thereby on people and the environment. Thousands of companies have developed or adopted collaboratively-developed codes of conduct, and these codes have impacted millions of their suppliers and tens, if not hundreds, of millions of people working in global supply chains, along with their families and communities. Furthermore, some of these voluntary initiatives have been embraced in statutes covering corporate governance and reporting, stock exchange listing requirements, and public procurement conditions²¹. In the area of climate and carbon, such initiatives have engaged from the outset with multilateral negotiations, and in the case of business and human rights, the United Nations is seeking to establish an international framework that would (to date, uniquely), span international law, national regulation, collaboratively-developed standards and individual company behaviour.²²

Strategic impacts are more difficult to assess since they must compare actual practice to alternative scenarios that did not come to pass. Large-scale opposition to the fundamentals of free-market capitalism, perhaps signalled in venues such as the World Trade Organization

²¹ <http://www.isealalliance.org/>

²² <http://www.business-humanrights.org/SpecialRepPortal/Home>

meetings in Seattle in 1999, have not prospered, at least in Europe and North America. Smaller, radical skirmishes such as attempts to establish a pluralistic model of corporate accountability in a renewed Company Law in the UK have floundered, as has any semblance of a serious renationalisation project on the back of the current global recession. President Lula of Brazil has protected private ownership and promoted almost every aspect of liberalised markets, and in so doing has weakened labour unions and other countervailing civil society groups. Brazil's home-grown, and now internationalized 'World Social Forum' has sought to represent the 'real economic alternative' to neo-liberalism. But in practice, it has largely shown itself, at least to date, as having a fragile intellectual, political and economic grounding and potential.

The alternative to civil society engagement in market transformation has, ironically, been driven by forces largely antagonistic to civil society itself. The new generation of political leaders that is emerging from the South has strong views about the limited role of civil society and the heightened role of the State in the context of markets designed to support national agendas and political interests. The Copenhagen climate talks probably marked the last time that such leaders allow themselves to be implicated in so unruly and unproductive an enterprise that sought to integrate civil society into an inter-governmental process. This experience will challenge the security of future 'open-source' engagements by civil society in addressing major societal issues, at least in their current forms.

If there is a serious *systemic* alternative to Anglo-Saxon style economics, it is more likely to involve greater State control over, and engagement in, capital markets, and higher levels of State ownership and other less direct forms of control over economic assets. Yet these directions, in some ways exactly what civil society has been calling for, are likely to come with a high 'price tag' in terms of the erosion of human rights by more authoritarian States. They do not

necessarily signify that markets will internalize social and environmental costs and benefits, and they are unlikely to empower civil society itself. Such a 'bitter-sweet' scenario is not, of course, the only available future. Strategic gains could be forthcoming if the more engaged, collaborative pathways that have secured tactical successes could be eased into use in emerging nations, and these gains might eventually be converted into systemic change. After all, such approaches can be more effective modes of control than top-down models because of their flexibility, dynamism and distributed responsibilities and investments, and this may make them attractive even to authoritarian and semi-authoritarian governments. These features lie at the core of criticisms about their value as vehicles for radical change, and potentially constitute a source of strength in edging new political and economic elites to engage in the pursuit of improved livelihood strategies and the promotion of human rights. The dilemma of this pathway is most obvious for the human rights community, but can also be seen in other spheres (Sen 2000).

There are, then, a host of tactical, strategic and systemic impacts and implications that emerge from the experience of civil society in seeking to shape business behaviour and markets more broadly. Simply put, civil society engagement has delivered real and positive results, but it has not yet achieved the scale or depth required to lever a systemic impact, and even these potential systemic impacts may have effects that are unintended and possibly undesirable from a civil society point of view. Moreover, 'more of the same' is unlikely to deliver better results, largely because conditions in the global economic context are changing so much. Therefore, civil society tactics and strategies must also evolve, rooted in a considered view of how civil society groups will function in a world with new and/or more extreme sustainability challenges, a clear need for business to be part of the solution and not merely 'not part of the problem', and a

dramatic change in the cast of powerful political and economic interests that are seeking to shape tomorrow's agenda and how it might be advanced.

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