tomorrow's history

The Collected Writings of Simon Zadek, 1993 - 2003

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with assistance from Peter Raynard

Chapter 1: Tomorrow's History

Writing by Candlelight

Publishing a collection of my writings was meant to be easy, a matter of connecting the bits into some semblance of a coherent whole. In practice, the task proved more complex. It soon became clear that my work needed to be understood in the context of the evolution of a wider area of thinking, debate and practice. Looking back from today, we might call this area 'corporate responsibility'. Viewed from the early work looking forward, the area is better described as Schumacher's 'economics as if people mattered'. Either way, the excitement and challenge in assembling this anthology has been less to do with a review of my writing, and more about using it as a lens through which to better understand how ideas have impacted on a decade of peoples' work in promoting more responsible business and economy.

This broader perspective led me to the more basic question about the terms on which ideas made a real difference. This question teases and haunts all those who try to make change by shaping tomorrow's ideas. Why do some become mainstream policy and practice, whilst others languish in the margins of debate, condemned to be history's junk DNA? After all, cars and telephones seemed peculiar accessories in their early development stages, as did most of today's commonplace and most profoundly influential technologies. Frederick Hayek, pre-eminent intellectual architect of the neo-liberal revolution, seemed decidedly cranky when he published his seminal book, *The Road to Serfdom*, in the recession-ridden context of the European 1930s. The ideas of intellectual giants like Einstein, Freud and Marx were considered eccentric at best in their formative years.

Why do some ideas fail to make a difference? Is it a sign that social Darwinism is alive and well? After all, innovations like the long-forgotten 'pet-rock' (today we have e-pets), the fashionable toy of the late-1980s, or Clive Sinclair's doomed three-wheeled car, hardly count as lost opportunities for making a better world? Or was there something more sinister afoot – vested interests favouring one solution over another irrespective of the public good. After all, Arthur Koestler argued in his provocative book, *The Case of the Midwife Toad*, that Darwin's triumph over his arch-foe, the French scientist Lamarck, had more to do with intrigue and deceit than a reward to good science, or the rule of fact over fiction. Political analysts like Noam Chomsky, John Pilger or even their young pretender, George Monbiot, are supremely skilled at asserting the presence of conspiracies behind the façade of democratic accountability.

The pieces in this anthology have been largely written by candlelight. They have been written on planes, trains, and at weekends, with little expectation that they would be read, or that they described things that would become common currency and make a difference. Yet many of these pieces describe social innovations that have mainstreamed, often with such unlikely nametags as sustainability indicators, stakeholder dialogue, social auditing, corporate social responsibility, ethical and fair trade, and responsible competitiveness. They crystallise much of my work over the past ten years, in working with others to mainstream ideas that at the time seemed would never interest a journalist for example on anything but the quietest of news days. The writings reflect my involvement with organisations such as the New Economics Foundation, a pioneer in the development of modern social auditing, sustainability indicators, community finance and much more. They illustrate my involvement in setting up the UK-based Ethical Trading Initiative, and AccountAbility (where I am presently the CEO), and in working with companies such as The Body Shop and Ben & Jerry's through to Nike, BT, and many others. Most important, is that they illuminate the efforts of an eclectic group of people across the globe with whom I have had the great pleasure to work with, many of whom are co-authors of the pieces in this anthology.

Writing about tomorrow's ideas is partly about sensing the pulse of change before it happens. Placing bets on which ideas will be tomorrow's facts is certainly a simpler enterprise than trying to slipstream ones that might otherwise fail. But the real reward comes when one goes beyond this in contributing to bridging the margin into the mainstream. John Elkington coined the term 'triple bottom line' in 1994[1]. Although he had not originated the underlying idea of sustainable development, his innovation simplified a complex idea for the business community. In doing this, he created a vehicle that helped to move the abstract utopia of sustainable development into the concrete realities of day-to-day business. The adoption of the term 'social audit' by Traidcraft and The Body Shop in the early 1990s, both working with our team at the New Economics Foundation, aimed to give a professional feel to their decision to report on their social as well as their financial performance. They did not invent the term, which has a history going back to the early years of the twentieth century. But their decision marked the early days of an extraordinary transformation in how business is accounting for itself.

We are convinced that ideas count. But we are less clear about when, why, and how much. This first chapter reflects briefly on these questions by reference to some of the stories behind the material contained in this book. It will almost certainly frustrate the curious and engaged reader, since it does little more than sketch a topic that is worthy of far more. This limitation reflects the fact that I remain unclear as to what role the ideas that have evolved in my area of work really do or will play in making a real difference. As Moa Tse Tsung allegedly said when asked about the significance of the French Revolution, 'it is too early to tell'. In this sense, this chapter maps 'work in progress'; a more serious intellectual enterprise waiting to be done that explores the impact of ideas in transforming the role of business and economy in the twenty first century.

One Thing Leads to Another

First looks can be deceptive. When in 1982 I proposed a PhD topic to my professor at the London School of Economics that explored economics through an analysis of feminist science fiction, he smiled benignly and suggested instead that I turn my attention to the history of the steam engine. I offered this again as my topic for postgraduate scholarship to the University of Oxford, and was politely asked to 'think again'. Years later, I got my way, and in 1992 published my PhD thesis as *An Economics of Utopia*. My thesis set out a way of thinking about an economics that shifted us from a focus on resource allocation based on market scarcity to one rooted in ethical discourse between those impacted by arising decisions. Tellingly, the secondary title was the *Democratisation of Scarcity*, which in many ways sums up my view and interests in reshaping the discipline and practice of economics. How can we, in short, shape the economy – the use of scarce resources - to the will and needs of people? Looking back, it is easy to see this as the precursor to work on accounting methodologies based on stakeholder dialogue. This subsequently became the basis on which AccountAbility's AA1000 Series was built[2], impacting in turn on the way in which I approached, for example, my work with the Global Reporting Initiative[3].

But looking back can deceive, creating 'facts' out of fiction, rather than turning ideas into realities. My thesis is a case in point. On the face of it, the work that I (and others) have done since that time appears to have followed a well-ordered plan. But the reality is of course quite different. My thesis was completed by candlelight. In its writing, it was largely unconnected from many of the exciting developments that were emerging over the same period in the fields of alternative economics and corporate responsibility. The thesis may well have influenced my thinking and practice. But truth be told, it was in no way part of the main thrust of intellectual thinking that was at that time reshaping the ways in which we understand our world.

My introduction to the New Economics Foundation (NEF) in 1993 was through James Robertson's work on religion and economics. I am a great fan of E. F. Schumacher's seminal book, *Small is Beautiful: an Economics as if People Mattered,* a crucial part of NEF's intellectual lineage. Most well-known in his book is the chapter, 'Buddhist Economics', where he describes an approach to economics influenced by Buddhist teaching and practice. I had been interacting for some years with a Sri Lankan NGO called Sarvodaya Shramadana. Led by its charismatic leader, Dr Ariyaratne, it sought to integrate a self-grown blend of Buddhism and Gandhi's philosophy into its community programmes. Like many NGOs at the time, the organisation was struggling with the challenges of growth and scale, trying to reconnect the ever-more thinly spread link between its originating values and its work on the ground. I was fascinated by these challenges, and concerned at the absence of any serious work on how large-scale organisations could fit into an alternative economics paradigm. NEF's newly-appointed Executive Director, Ed Mayo, became convinced of the value of building a programme of research in the light of my argument that an alternative economics without a progressive approach to large-scale organisation would simply not fly. And so it was that I joined this band of merry men (and it was all men at that time), cramped into a small room, above a sweatshop off Brick Lane in London's east end.

The resulting programme, *Value-Based Organisation*, was a study of the links between organisational performance, values and accountability. The basic hypothesis was that organisational performance was grounded in its values, and that values were expressed not by what it said on the door, but by the organisation's underlying rule structures. The focus was on the NGO community, an orientation that has remained important today, as reflected in a piece included in this anthology, first published in the magazine, Alliance, *Civil Governance and Accountability: from Fear and Loathing to Social Innovation*. In addition to Sarvodaya Shramadana, we worked with some amazing organisations, including UNITAS, the network of non-profit organisations working on sustainable agriculture in Bolivia; the Mexican, eco-anarchist group, GEA; and the Christian fair trade organisation, Traidcraft. We developed a number of tools to help us assess whether and how organisations' values were consistent with the way they worked, and vice versa.

Few of these tools saw the light beyond their research application and coverage in a NEF publication, 'Value-based Organisation'. The reason for this marginalisation was not, however, to do with their limitations, but rather the success of our work with Traidcraft, and in particular with their head of external relations, Richard Evans. Traidcraft, working with community trading organisations from all over the world, challenged us to work with them in answering just one question, 'are we 'fair''. Drawing on learning from the programme, we co-developed a social audit tool that integrated stakeholder engagement into a process of multi-dimensional planning and evaluation. At the core of this tool was the vision that stakeholders' voices – rather than only the financial value of market-based transactions - should be the basic currency of any robust accounting system, both at the design stage when the questions concerned who to talk to and how, and then in the development of performance metrics and reporting. Our politics and philosophy was in essence that the quality of stakeholder engagement was <u>the</u> quality test of an effective social audit, rather than just an informative 'add on'.

The Latin American components of the Value-based Organisation programme had some unexpected consequences. Working with Jutta Blauert from the UK Institute of Latin American Studies, we connected her skills and networks focused on sustainable agriculture and rural development, with our work on alternative economics, organisational values, accounting and accountability. We ended up collaborating in a two-year study group entitled 'mediating sustainability', exploring how grass-roots organisations amplified their voice to the policy level in government and business. The results of this work, one of the first to explore how NGOs impacted on public policies, are summarised in *The Art of Mediation* drawn from the book *Mediating Sustainability: Growing Policy from the Grassroots*.

As part of this, we came into closer contact with key players from the international movement for 'participatory development', including Robert Chambers, author of the seminal book, *Farmers First*, then at the Institute of Development Studies at the University of Sussex. NEF's growing engagement with the business community made this relationship difficult in the initial stages given this network's concerns over the impact of multinationals on development. But this resistance declined as it became clear how much there was to learn from each other. Their work on participatory development at a community level was in effect the 'horizontal' equivalent of our approach to social auditing that was intended to work 'vertically' within large, modern organisations. Our work on systems and metrics proved useful to those working at community level who focused on the empowerment aspects of engagement and dialogue. Social auditing in turn benefited from our interaction with the participatory development movement, for example, in learning from techniques for community planning and evaluation.

Bringing together the worlds of community-based empowerment and corporate accountability is, today, a well-trodden path. But this was far from the case when in 1994 NEF convened a meeting of local community organisations, international research activists and a host of people from the OECD, the UN and the World Bank at Toynbee Hall, a venue buried deep within London's impoverished east end. The meeting was billed as being about measuring sustainable development, and resulted in the two-volume publication, *Accounting for Change: Indicators for Sustainable Development*, co-authored with Alex McGillivray. On the first day, I recall how the participants quietly observed each other, wondering what lay behind an agenda littered with presentations and discussions about measurement. On the second day, a more fruitful war of words broke out, with the focus of attention on the pros and cons of technocratic measures (what we subsequently called 'cold' indicators), as compared to community-led metrics ('hot' indicators).

This spectrum of measures from hot to cold has proved a crucial axis along which social (more than environmental) accountability has become measured and, in many ways, contested. The idea was that the hotter indicators were those embedded within a particular conversation, relationship or set of circumstances. Their value was not their objectivity, but rather the bridge they created between different people and interests, such as a mining company and a community. The strength of such metrics was, then, their 'inter-subjectivity', reflecting the language of my PhD, *The Economics of Utopia*. The colder the indicators, on the other hand, the more they could serve across many conversations, and so provide information to people who were not direct participants. Hot indicators tended at that time to be favoured by those who saw change as a political process, whilst cold indicators were advocated by those with a more managerial perspective.

Mediating between hot and cold indicators, re-conceptualised in *Beyond Fourth Generation Evaluation*, lies at the heart of the approach to social and subsequently sustainability accounting and reporting that emerged over this period. On the one hand, the challenge was to create metrics that legitimised and enabled the professional management of non-financial aspects of performance. On the other hand, the process of building and applying metrics was seen as the Trojan Horse through which to empower employees, communities and other stakeholders that had historically been excluded from decision-making. The key was to navigate between these options, connecting performance management and measurement with stakeholder engagement through the development and promotion of one integrating methodology.

This idea was outlined in its contemporary form in 1993 in the publication *Auditing the Market: a Practical Approach to Social Auditing*. This pamphlet, co-authored with Richard Evans, outlined in simple terms the 'accounting principles' required to build and apply social metrics through stakeholder dialogue. Like most 'great social innovations', we rapidly discovered that it had already been invented. Social accounting and auditing has a fascinating and important history, elements of which are summarised in the chapter, *Accounting Works, A Review Of Contemporary Approaches To Social And Ethical Accounting And Auditing*, co-authored with Peter Raynard. But this history is largely theoretical. Numerous publications laid out the art of social auditing as it should or could be, but not how it was, with notable exceptions such as the work of Charles Medawar through Social Audit Limited. Crucially in the case of the 1993 and subsequent publications, for example the book co-edited with Peter Pruzan and Richard Evans, *Building Corporate Accountability: Practical Experiences in Social and Ethical Accounting, Auditing and Reporting,* was that they offered not only philosophy and concepts, but practical examples of the messy realities of companies trying to do it.

Silence largely greeted the early work emerging from Traidcraft and NEF. The corporate community crassly dismissed social auditing as being 'for the likes of The Body Shop and Ben & Jerry's, not for *real* companies'. The professional auditing companies, today of course all competing for business in this growing market, were unanimous in agreeing that 'there would be no significant market for this kind of service'. Ironically, civil society organisations in the main also gave these early experiences short shrift, dismissing them as public relations and irrelevant to the cause of corporate accountability. There were a few, quite unexpected, takers. Reuters, oddly, picked up the story. After an (unexpected) visit to NEF's offices, they posed the question in their news release, 'Is it possible, they asked, 'that up some rusty old steps in London's East-end lies a still-hidden innovation *(social auditing)* that one day might fundamentally change the business landscape'. It felt like Xmas.

But this all changed in late-1995. Years of hard campaigning by NGOs and labour organisations about working conditions in global supply chains of premium brands like Disney and Nike were paying off. Companies were seeking a public truce by agreeing to the principle that they had some responsibility for the working conditions of those employed by other companies from which they were buying product. Let no one tell you otherwise, this was an immensely important breakthrough in the history of corporate accountability.

The irony of this success was the difficulty it created for many labour-focused NGOs. Companies, true to form, raised the practical question, 'if we are to be accountable, we have to account – how can this be done?' NGOs were basically clueless, and labour organisations were hardly better. It is one thing to campaign, but quite another to know how best to manage labour conditions across enormous, sprawling global supply chains. In the UK, a group of development and human rights NGOs formed a small task group to look at this issue, led by Oxfam, Christian Aid and the World Development Movement. Looking around to find any civil society organisations that had any relevant practical expertise, they came upon NEF. We of course knew very little about labour standards issues, since this area of work had been left to our (now defunct) sister organisation, New Consumer (the UK equivalent to the US-based Council on Economic Priorities, now also defunct). But we did know something about social auditing.

One year later, the Labour Party swept into power in the UK. As Clare Short took up her position as Secretary of State for International Development, her civil servants presented her with options for new investments. High on the agenda was a proposal to support a multi-stakeholder initiative to work out how best to make codes of conduct in global supply chains work to improve labour standards. Behind this proposal lay a gruelling year of tough negotiations between the parties. It was not just who was at the table that was innovative, although the combination of international labour, big business and NGOs was certainly 'news'. What was extraordinary was that the initiative was designed not to set and enforce codes, but to create a collaborative platform to learn how to implement codes effectively. The partners had built sufficient trust between each other to be willing to risk a relatively open-ended engagement in an environment where every other initiative around the world was focused on standards and compliance. And so the Ethical Trading Initiative was born.

Looking back, innovation seems so well organised. The pathways that transport ideas from the mainstream to the margin seem elegant and rational, their impact signalling their timeliness as much as their inherent qualities. Leadership in this world is recognisable, usually individualised, and invariably original and brilliant. But this version of the history of ideas should be dismissed as either malicious or misguided fairytale. Certainly, the role of particular people should not be under-estimated. Ideas are certainly elevated by individuals' insights and energies. But beyond this, I suspect we need to seek insight from the coincidences of the moment. People find themselves in the right place at the right time, applauded for advancing ideas that would have been (and often were) dismissed as lunatic ravings just moments before. Mainstreaming ideas can perhaps best be understood as an 'associational' process, a sort of institutional poetry rather a linear, scientific transmission.

One thing does indeed lead to another.

Mainstreaming Paradoxes

Today, the air is thick with the buzz of corporate responsibility leaders, innovators, and practitioners. Conferences and publications on the topic are in abundance, the tip of an iceberg that has become a fast growing industry. Many of those companies and service providers most vocal in distancing themselves from the early experimentation have proved the strongest advocates of sustainability reporting, often winning applause and coveted awards in the process. Even companies from controversial sectors like alcohol, tobacco, and gambling, have joined the party – running up bills of tens of millions of dollars in demonstrating their new-found enthusiasm for dialogue and transparency.

In one sense, little of this is new. The role of business in society has always been the subject of public debate, policy and practice. Our histories are littered with experiments of businesses 'doing good'. After all, the mother of industrialisation, England, gave birth not only to the world's industrial sweatshops, but socialising entrepreneurs like Robert Owen, and the modern co-operative movement. Indeed, some of our most democratic innovations – notably the labour movement - were built on a vision of making business more responsible.

But the fact that there is a rich lineage to our work does not reduce the particularities of the moment. Today's experience of corporate responsibility exists in a particular context, and has important, distinct characteristics. Emerging from the troubled waters of globalisation, its focus has in truth not been on 'business' *per se*, but 'big business' of the multi and transnational variety. The main provocateurs of change have been the new breed of transnational civil society organisations – the NGOs – filling a perceived void left by both governments and the labour movement. The 'credible threat' that encourages change has also a particular, contemporary variant. This is more closely linked to the vulnerability of businesses' intangible assets than to the traditional threat of disrupting production. Its early stages in the 1990s were associated with perceived shortfalls in the role of the state, particularly in terms of the adequacy and enforcement of statutory regulation.

Core to the specifics of the moment has been the emergence of what I, and others, have dubbed 'civil regulation' as a route to setting business norms and punishing those companies that fail to meet them. This is best framed in terms of non-statutory policies and codes, negotiated through engagement with key stakeholders, as described in the chapter 'Civil Regulation', taken from my book *The Civil Corporation: the New Economy of Corporate Citizenship*. Civil regulation is in many ways the essence of 'amateurism' in its original sense (i.e. activities not undertaken for financial reward). Yet it is this amateurism that is profoundly transforming the very professions that have so desperately sought to remain aloof from such activity. Edward Said's Reith Lectures on the role of the intellectual in many ways reflect the thinking behind this agenda.

A clear example of this is the impact civil regulation has had on the dramatic growth in the disclosure of non-financial performance, which has driven demands for new standards for accounting, auditing and reporting. These demands are increasingly being embraced by professionals, including accountants and auditors, often sensing new markets to build and exploit. Yet their professional bodies have been the fiercest defenders of traditional boundaries to their disciplines, their methods and, by implication, their authority. In this case, this resistance has catalysed the creation of new institutions representing new visions and interests, and associated methods. AccountAbility (originally the Institute of Social and Ethical AccountAbility) was born out of precisely such demands, in this case for a professional institute that could promote social and sustainability thinking and practice in the development of tomorrow's accounting, auditing and reporting standards. Mainstreaming ideas has turned out to have as much to do with legitimising these new institutions as it has been about smart thinking.

Mainstreaming corporate responsibility is clearly not just a matter of business complying with human rights and other societal norms, and neatly packaging it all in an annual sustainability report. Certainly we should celebrate good practice in these areas. And yes, we should highlight the great success of some companies in addressing for example, the complexity of labour standards in global supply chains. But if these 'good practices' are the essence of corporate responsibility, we must conclude that it is little more than an interesting experiment, perhaps a short term palliative to satisfy public expectations of what business should be accountable for.

The alchemy of success certainly needs us to take advantage of opportunism and innovation through leadership practice, as popular thinking about 'tipping points' make clear. Leadership is part of how change happens. It is crucial to our learning, and to showing others what is possible. But 'extra-ordinary' practice is also a sign of an idea's continued marginal status. After all, we do not (or should not) give prizes to companies for producing accurate financial statements, or for achieving acceptable health and safety records.

The mainstream is characterised by what is unexceptional and unnoticed.

The alchemy of success requires that the mechanics of, say, corporate responsibility are no more than symptoms, or at best reflect changes that can underpin the mainstreaming process. There are several macro-changes that support the view that corporate responsibility is part of a deeper transformation in our society; the emergence of a global civil society linked inextricably to the globalisation of markets; the increasingly visible levels of inequity, poverty and environmental insecurity; and the underlying loss of trust in the institutions we have built to govern us, to create private goods and services, and deliver public goods like health and security. There are also numerous more business-specific shifts taking place; the extension of business into the delivery of public services, and the management and ownership of what were previously public assets; and the transformation in the ways in which businesses are managed and economic value created, with a far greater focus on 'networked' people and institutions requiring cohesive values and higher levels of trust. These underlying changes have been amply documented by many contemporary commentators.

We can see these underlying changes play themselves out in specific spheres of corporate responsibility. It is barely a year or so since a deal was struck under the auspices of the World Trade Organisation (WTO) that allowed generic versions of patented drugs for certain diseases, notably HIV/AIDS, to be produced and traded across borders for sale in poor countries. This outcome had been deemed 'inconceivable' just a year earlier as the collective power of the global pharmaceutical industry applied its muscle in the South African courts. The launch of the UN Global Compact in July 2000 was greeted by many with concern and derision in equal measure. For some, particularly labour and human rights organisations, it was 'too soft'. For others, notably the bulk of the US business community, it was in all but name a perversion of the natural order, and a definite 'no-no' in the eyes of their omnipotent legal advisors. Just three years on, the Compact is not only alive, but very much kicking. Thousands of companies, the majority from developing countries, have pledged their allegiance to its original nine principles (now ten), which in all but name mirror many of the UN's core Conventions.[4] Some argue it is easy to pledge allegiance, but many more begin to wonder if these are the formative stages of new pieces of the global governance puzzle.

These early signs of deeper change do not, at this stage, however, warrant too much celebration. The instinct and practice on the part of much of the business community is to continue to profit through the irresponsible externalisation of social and environmental costs. This is perhaps best symbolised by the failure to date of the Doha Trade Round to deliver the end of the EC and US's poverty-inducing agricultural subsidies, and the Bush Administration's almost-mesmerising trashing of the Kyoto Treaty and other profit-limiting environmental controls. Our enthusiastic embrace of progress in some areas of corporate responsibility should certainly not blind us to the warnings of less optimistic fellow travellers such as Naomi Klein and David Korten.

The truth, of course, is that both progressive and truly ghastly things can and do happen at the same time. Indeed, they can be authored by the same communities, and even at times by the very same actor. The idea that change happens by one thing stopping to allow another to begin is simply misguided. The value of John Elkington's inspiring optimism is not diminished by the accuracy of George Monbiot's revelations about the business community, just as Naomi Klein's hard-edged critique is not blunted by Mark Moody-Stewart's embracing spirit.

As progressive ideas struggle to find water and light, there is simultaneously and without contradiction cause for both hope and despair.

Momentary Coincidences

Mainstreaming is rarely about common interests, despite optimistic rhetoric to the contrary. Ideas become mainstream most effectively when the interests of players with very different visions and aims *coincide momentarily in practice*.

The art of 'momentary coincidences' was highlighted in work on partnerships with Ros Tennyson and others from the International Leaders Business Forum, published as *Endearing Myths, Enduring Truths* by the World Bank-facilitated *Business Partners for Development* initiative. We offered a list of ten myths about partnerships, and what we felt were the corresponding truths. Arguably the most important concerned the role of shared vision and aims of participants in tri-sector partnerships. Influenced by the work of Mancur Olsen, particularly his seminal book, *The Logic of Collective* Action, we argued that a key *endearing myth* was that:

'Successful partnerships are primarily shaped around a common or shared long-term vision or aim'.

The *enduring truth*, on the other hand, we argued as being that:

'Successful partnerships are those shaped around common or shared activities that first and foremost deliver against the legitimised individual aims of each partner'.

The *real politik* of momentary coincidences creates opportunities for getting things done. Branded businesses increasingly took responsibility for labour standards in their (purely contracted) global supply chains because of the need to defend reputations. But times change, and we now see the chase for improved labour standards acquiring new energy because companies require more participative factory conditions to profit, for example, from 'lean manufacturing' principles and practices. Stakeholder engagement, initially seen by many businesses (and still is) as an unacceptable erosion of the rights of management to manage, has increasingly become 'just another aspect of management' in mainstream practice.

But the pragmatism of mainstreaming involves compromise. The environmental movement of the 1980s was the enemy of the business community until it became clearer that the eco-efficiency element of the agenda was both manageable within a traditional business model, and indeed potentially profitable. The cost, however, was the surgical separation of what was mainstreamed from the (to some) problematic, eco-justice element. NGOs like Friends of the Earth, after a decade of successfully mainstreaming some environmental issues, are now turning their focus back to the eco-justice agenda. An equivalent for corporate responsibility has been its almost complete de-link with the sustainable consumption agenda to which it was wedded in the nineties. We face the implications of this de-linking when we challenge the underlying problems with the 'Wal*Mart' business model that seeks to deliver ever-cheaper products to relatively impoverished urbanised consumers. Ensuring that companies like Wal*Mart get, for example, 'labour standards right' is important, but really misses the point when it comes to a radical agenda for remodelling our markets towards a sane and sustainable economics.

As partnerships have mainstreamed, similarly, the limits of 'momentary coincidences' have become more apparent, raising concerns in many quarters as to their impacts. Criticism of initiatives like the UN Global Compact by development and human rights organisations and the labour movement exemplify such concerns, as the potential for leveraging resources and momentum can distract us from asserting the need to change the rules of the game. Partnerships should not be automatically understood as an advancement of the cause of progressive change, or indeed the opposite. More usefully, they can be seen as reflecting a moment in time where the balance of power between the parties makes a consensual framework for action suited to the principal partners. Such partnerships can become institutionalised and so endure, such as the UN Global Compact, or national initiatives like the Ethical Trading Initiative or AccountAbility. But such institutions remain ephemeral, and can just as easily disappear if the balance of power shifts, and the interests of one party are better served in other ways.

We see, for example, that business has grown weary of the pressures to partner 'at all costs', and is increasingly challenging the competencies and legitimacy of their would-be civil collaborators. Work commissioned by Business for Social Responsibility (BSR), and published in 2001 as *Working with Multilaterals,* explored through the eyes of business the experience of partnering with UN agencies. Although politely moderate, the report was taken to be a resounding critique of the UN's own accountability. Business found the UN largely unprofessional and unaccountable in its partnership dealings, an experience confirmed by many non-business actors involved in this crucially important institution. The focus on corporate accountability in debate about UN-business partnerships was understandable, but missed the point, the report argued. Holding companies to account in partnerships required strong public and civil partners, and above all impeccable accountability and performance credentials on their part, both of which were in short supply.

Inventing Tomorrow's History

John Maynard Keynes famously argued that what stops us in creating positive futures is not a shortage of good ideas, but our inability to let go of the past. Being the bearer of 'tomorrow's bad tidings' is an unwelcome role. UN officials were furious that *Working with Multilaterals* challenged the UN's basis of accountability.

Concerns expressed in *Looking Back from 2010* over the inadequacy of NGO accountability were met with a stony silence by NGO leaders angry that they had somehow been betrayed from within their own ranks. Advocates of partnerships were not happy at *Partnership Futures*, published at the time of the Johannesburg Summit, because of the bleak scenario it presented for the possible future role of partnerships in development.

But it is not only the bad tidings that are resisted. My writings consistently highlight the potential for progressive change, but the challenges underlying this potential are also resented and resisted by those who should know better. It is, ironically, the civil activists who more than others have resisted the idea that the business community should have a social purpose. The argument in *Ethical Trade Futures* that companies could be a key pathway through which progressive public polices could be achieved was met with derision and irritation by labour activists. At a meeting in Chicago convened by the McArthur Foundation, one Latin American activist argued, 'keep it simple, let them (business) stick to their knitting in trying to make a profit, and leave governments and us to regulate and challenge them'.

Resistance to change is pervasive, and it is a wonder that anything important changes at all. My reflections, set out in the preceding pages, offer three interconnected reasons.

- The first is that *'one thing leads to another'*, creating an associational process combining coincidence with the role of people in change.
- The second concerns the *mainstreaming paradox*, where ideas mainstream because of their connection to the underlying logic of its context, economic or otherwise.
- And finally, the notion of *'momentary coincidences'* that give energy to ideas despite the very differing broader interests of their advocates.

These reasons are neither new nor complete, and may well be incorrect in many instances. But together they have helped me to understand a little about the bit of history that I am honoured to be part of and, with others, contribute to.

[1] For an elaboration on the meaning and use of the term Triple Bottom Line, see Elkington, J (1997) Cannibals with Forks: The Triple Bottom Line, Capstone, Oxford

[2] See www.accountability.org.uk

[3] See www.globalreporting.org

[4] See www.unglobalcompact.org