

Business role is greeted with some suspicion

Campaigners want to stem corporate influence over the making of policy

Battle lines are being drawn up as delegates gather for the summit. For some governments, it is an opportunity to promote the role of business in sustainable development.

But many campaigners have the opposite goal: to stem the tide of corporate influence over social and environmental policy.

There is widespread scepticism about the role played by business at the summit on the part of non-governmental organisations (NGOs). Their suspicions are summed up by CorpWatch, a US-based campaign group. "A crucial question hangs over the Johannesburg meeting: Can the UN member states successfully sponsor a conference that by its very nature must confront the practices of big business, while simultaneously seeking to increase UN co-operation with big business?"

Some campaign groups are prepared to engage positively with business. But most are convinced that business is exacerbating the problems being addressed by the summit. Friends of the Earth International (FOEI) says "a potent cocktail" of greater corporate power and weaker regulation is contributing to growing levels of environmental damage.

It cites a report published this year by the United Nations that concluded: "There is a growing gap between the efforts of busi-

ness and industry to reduce their impact on the environment and the worsening state of the planet." It blamed this gap on "the fact that in most industry sectors, only a small number of companies are actively striving for sustainability".

The solution offered by FOEI is to call for a global framework convention on corporate accountability. This proposal would require corporations to meet best environment, social, labour and human rights practices wherever they operate. They would also be accountable for any environmental and social damage they inflict.

The call for new rules on corporate accountability is misguided, in the view of Sir Mark Moody-Stuart, the former chairman of Royal Dutch/Shell who is chairman of Business Action on Sustainable Development (BASD), a group spearheading business involvement in the summit.

The real need, he argues, is for greater enforcement of existing laws in developing countries, so that the efforts of responsible businesses are not undermined by illegal operators. "The number one priority should be improved local and national governance," he says.

But the BASD is viewed with deep suspicion by some activists. CorpWatch, for example, is highly critical of members of BASD, which it claims has flawed recent his-

tories on social and environmental issues. It will be awarding "Green Oscars" at the summit to companies it deems guilty of harming the environment.

The campaigners who signed the Girona Declaration, a statement prepared by 40 activist groups that met in Girona in Spain in May this year, accuse the BASD and other corporate lobby groups of manipulating the debate about corporate accountability. "By engaging in 'dialogues' with critics, incorporating the language of NGO criticisms into their rhetoric, publishing glossy reports and demonstrating isolated examples of good corporate citizenships, they are succeeding in blurring the lines between business and NGOs, and deflecting pressure for fundamental change," it says.

But if the activists think business is responsible for many of the world's problems, many governments think business is the best hope of finding solutions to these problems. Companies are being exhorted to invest in environment and development projects in what the United Nations calls "partnership initiatives" between governments, business and civil society.

The stress on public-private partnerships infuriates many campaigners, who argue that these voluntary initiatives allow companies

to improve their environmental credentials without making a significant impact on their core business practices. The activists who signed up to the Girona declaration say "much of what may be perceived as corporate environmentalism is merely greenwash - an attempt to achieve the appearance of social and environmental good without corresponding substance".

Even campaigners who applaud the efforts of individual companies in furthering sustainable development point out that they are the exception, rather than the rule. By focusing on the achievements of a small number of forward-looking companies, governments are shirking their own responsibilities, they say.

"We welcome it when companies try to improve their performance," says Craig Bennett of Friends of the Earth. "What annoys us is when politicians use it as a reason to do nothing."

Infonic, a research group that examined the impact of NGOs on public perceptions of the summit says hostility of many NGOs towards business, coupled with cynicism about the likely outcomes of the summit, could lead to a backlash. "Arguably, this is the biggest threat posed by Johannesburg: the possibility that its failure will lead to a rejection of industry's role in the sustainability debate."