



**REINVENTING
ACCOUNTABILITY
FOR THE 21ST CENTURY**

THERE IS A LOT OF IT ABOUT, in fact more than ever before.

EVERYONE TALKS ABOUT IT, complaining of its lack or

claiming legitimacy because they are, supposedly, subject

to it. But there is widespread consensus that **THE WAY**

WE DO IT TODAY IS FAILING US, and that

addressing our biggest

challenges, from endemic

poverty to ageing societies to

climate change, depends on us

DOING IT A WHOLE LOT BETTER.



reflects the intent, spirit and breadth of ideas and practice being debated through an on-going AccountAbility initiative. It draws particularly on an event hosted by AccountAbility in London in October 2005, which brought together hundreds of business leaders, civil activists and public servants with an extraordinary breadth of perspectives, exemplified by keynote presenters such as Anwar Ibrahim, Mary Robinson, Olaru Otunnu, Bob Monks, Will Hutton, Martin Wolf, Achim Steiner, Kumi Naidoo, and Jane Nelson, to debate the challenges, experiences and opportunities for innovating the practice of accountability.



highlights the need for seismic transformations in how people and institutions are effectively held to account. It argues that accountability innovations are unlikely to come from those institutions that moulded and steward today's approaches to accountability, whether in and for government, business or individual citizens. It convincingly demonstrates that many of tomorrow's most significant forms of accountability will be rooted in today's experimentation in collaborative governance, peer-2-peer networks and civil regulation, crossing sovereign, cultural and sectoral boundaries.



celebrates a new wave of accountability innovations and the social entrepreneurs who have invented or applied them.

It maps out:

- ◆ The accountability deficits they are trying to plug, and the dangers and limitations they face as they seek to transform markets and institutions.
- ◆ The potential for learning, synergies and amplification across currently separated domains of accountability activity.
- ◆ A new generation of tools, frameworks and systems through which people are securing a right to a say in the decisions that govern their lives.



Anwar Ibrahim
AccountAbility's
Honorary President

It gives me great pleasure in my new role as AccountAbility's Honorary President to introduce this first pamphlet of AccountAbility's exploration of the nature and importance of accountability, and its possible futures as we move into the 21st century.

This is an auspicious moment to initiate such an exploration. Wherever one looks in the world, accountability deficits are compounding or creating deeply-rooted social, environmental and economic problems. These deficits are directly affecting the lives of every person, today and into the future.

There is no obvious island of integrity from which to point the finger. Governments, businesses and civil society in every part of the globe face profound challenges in meeting their obligations. There is much work to be done to move these agents beyond mere rhetoric to becoming truly accountable for their part in addressing issues such as poverty, governance, environmental insecurity.

Whilst there are many blueprints for a better world, it is in practice immensely difficult to operationalise the concepts and ideals that will ensure those with power are effectively held to account by those without. Conflicting, overlapping and intertwined interests have outwitted most of our 20th century attempts to build successful approaches to the challenges of public, private and non-profit sector governance. Paradoxically, the proliferation of NGOs around the world is as much a sign of the failure

of many of our modern governance institutions as it is an exciting development in how we manage our affairs.

Innovating our vision and practice of accountability is perhaps our greatest challenge and most pressing need. Certainly we can and must learn from the past, and draw energy from today's initiatives. But replastering the walls of our fractured institutions is unlikely to suffice. Our challenge is to reinvent accountability in order to create a 21st century that we can be proud of, and not merely a century through which we are able to survive.

There are, literally, millions of agents of accountability, spanning auditors to human rights activists, whose daily work is to advance some form of accountability. Sadly, the work of many accountability agents does not serve the broader needs of people and the planet, but rather supports and protects narrow interests. Even where it does seek to serve a wider purpose, accountability is too often compartmentalized by issue or target, such as anti-corruption, climate change and labour standards. As a result, we fail to cross-fertilise effectively, and so fail to reach a scale of impact that can make a real difference.

Our task must be to catalyse and advance innovation and learning that informs a new generation of accountability practice. We must identify and amplify accountability innovations that could be effective in addressing shared dilemmas and challenges. And we must challenge existing accountability pathways that do not work, or are aligned towards the wrong interests and ends.

Accountability, after all, must exist to civilise power and must always look introspectively as much as it projects.

My commitment to this agenda underpins my

reason for accepting the role of AccountAbility's first Honorary President. By contributing to its goal of providing a global voice on accountability, I hope to be one amongst many who will associate themselves with this growing movement that cuts across traditional boundaries and barriers to collaboration.

I commend this pamphlet. It provokes us to open ourselves to the richness and extraordinary relevance of experience that should inform our own work. It maps out some part of the wealth of individuals and organisations that, together, make up an undeclared movement of accountability. In doing so it serves as a compass, showing us where the need is greatest and pointing us in a direction that will lead to the constructive debate and dialogue that will inspire a brighter future.

A handwritten signature in black ink, appearing to read 'Anwar Ibrahim', written in a cursive style.

Anwar Ibrahim

Honorary President, AccountAbility

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damaged goods

Accountability is as old as society itself. Without it, normal life would break down – the modern credit-based economy would disappear. We would eat only the food we had produced and prepared ourselves. We would carry guns in the streets. The breakdown of effective and legitimate accountability leads ultimately to one thing: a society where the only effective sanction against those who cause harm to others is to harm them in return.

Today, there is more ‘accountability’ than ever before. We are overwhelmed by the proliferation of laws, standards, auditing and targets that aspire, at least on paper, to hold those with the power to affect our lives to account. But to most of us, the world feels anything but accountable.

An opinion poll carried out by AccountAbility and Edelman Communications on the state of accountability made one fact startlingly clear: people are very unsure about who should be held to account (let alone how) for the things that matter most to them. This is true for local issues like crime and unemployment, and even more so for so-called ‘global public goods’ issues like climate change, disease, and poverty.

We can all translate this into our daily lives. Our experience of it is often mundane: unresponsive bureaucrats, hidden bank charges, inaccessible public transport, inefficient hospitals and double-talking politicians. Then

‘I can’t just let it sit. How can there be no accountability? At the end of the day, somebody is at fault – whether it be procedures, policies, the truck manufacturer’

Jeanette Price, whose daughter Jessica was killed by a snow-truck in Canada,
Daily Mirror, Jan 2006

“Government entities did not act decisively or quickly enough to determine the catastrophic nature of the incident. In the absence of timely and decisive action and clear leadership responsibility and accountability, there were multiple chains of command”

The United States Government Accountability Office in its preliminary report on the response to the Hurricane Katrina, International Herald Tribune, Feb 2006

<http://www.ibt.com/articles/2006/02/02/news/katrina.php>

come the multitude of more spectacular instances of failed accountability. The revulsion at revelations that Catholic priests in the United States had been sexually abusing children was compounded by the unwillingness of senior clerics to call the culprits to account or to be held to account themselves. Maimed victims of a major rail crash in the UK in 2000 were enraged when it emerged that none of the company’s executives whose cost-cutting strategies and practices contributed to the crash would face charges. Responsibility was claimed by al Qaida for the bombs that killed many in Madrid and London, but others argued that accountability lay closer to home with those politicians responsible for leading their countries into the war in Iraq.

“Palestinians ... saw a vote for [Hamas] as a way to express their anger over corruption within Fatah, which for the last decade had ruled virtually unchallenged. Hamas, by contrast, has a reputation for fiscal accountability in the running of a large network of charities, schools and clinics”
Ken Ellingwood and Laura King, in Ramallah for the Palestinian elections, Los Angeles Times, Jan 2006
<http://www.latimes.com/news/nationworld/world/laizipaisgallery.1,5764265.storygallery?coll=la-story-footer>

AccountAbility Survey on attitudes to accountability

AccountAbility, working with Edelman surveyed stakeholders' attitudes on the state of accountability today.

INSTITUTIONAL ACCOUNTABILITY:

governments were considered quite or very accountable by 60% of respondents (although only 47% of people thought politicians to be accountable), religious organisations by 35%, the media by 40% and community-based NGOs by 44%.

PROFESSIONS: Judges and doctors (71%) were seen as being the most accountable of the 16 different professions surveyed, with business leaders at 50%, politicians at 47% and film and television producers at 28%.

WHO'S ACCOUNTABLE FOR THE BIG

ISSUES: Almost half the respondents (47%) were unclear who was accountable for delivering the eight UN Millennium Development Goals. Less than half the respondents believed that voluntary initiatives would be effective in achieving the UN goals, whereas 87% thought that strengthening laws was essential.

WHY BE ACCOUNTABLE: The largest factor that motivated respondents to address accountability in their own work was their personal values (87%), organisation's strategy (41%) and organisational culture (39%).

Accountability is the glue that binds society together. Yet, as we look at global society today, it seems the glue has lost its adhesive properties.

Lee Kyung-hae, a Korean farmer, stabbed himself in the heart during the World Trade Organisation ministerial in Cancun in 2003 and, whatever your stance on global trade rules, Lee is a symbol of peoples' sense of powerlessness as they try to affect decisions taken by people they have never heard of and which have the potential to profoundly reshape their lives.

It would not be over-simplifying to say that the annual World Social and Economic Forums could both be renamed World Accountability Forums, the former mainly involving people wanting more accountability, and the latter populated with people from whom more is being demanded. Put together, one thing is clear, accountability is currently 'damaged goods'.

We reach for the word 'accountability' because we feel that power cannot effectively be made to work for the benefit of the many. We feel that our relationship with people in power has become dysfunctional or, at worst, abusive. Our view of how accountable they feel to us has never been lower; our anger, mixed with cynicism, has never been greater.

Everywhere, accountability is being reimagined outside the traditional structures of governance: from eBay, where peers set value and reciprocate to their clients and suppliers as auditors of probity and efficiency, to terrorist groups that see themselves as profoundly accountable to sectarian and religious values and interests. The innovators of the new accountability wave are setting about nothing less than renegotiating the global social contract. As we shall see, many are striving, in their diverse ways, to civilise power.

What is Accountability?

Accountability is about holding people to account for their impacts on the lives of people and the planet.

When it works, it means those impacted have the right to be heard and their views taken into account.

It means those with power have the obligation to listen and respond.

It means that there are adequate sanctions to enforce these rights and obligations.

the new wave

the active ingredient

The innovators of the new accountability wave are a diverse crowd. Their number includes pro-democracy activists in Shanghai, corporate social responsibility managers at Shell and BT, grassroots movements such as the Soweto Electricity Crisis Committee, and the new wave of infant global governance institutions such as the Forest Stewardship Council, the World Commission on Dams, and the International Criminal Court.

Although part of a broad, organic whole, these initiatives differ widely in stated aims and ways of addressing them. Some are inter-governmental institutions, whilst others are required to produce a healthy bottom line. Some are built to deliver public good by enabling private gain; many seek the empowerment of specific interests and local communities through multilateral conventions; others want to reinvigorate national institutions or ensure that their line of business has a future.

What binds them, and what binds us to them, is their commitment to return power to the many: the power to be healthy, to be educated and to inform the governance of the communities in which we live. They are commonly concerned with reshaping the institutions and systems of power that govern our lives. Moreover, as these innovators begin to embrace accountability as the active ingredient of what they do, they become the change they wish to see.

If this broad church can be called a movement, what are its demands? Most commonly, it seeks to make rights

operational. It seeks to create a relationship between human society and the environment in which the futures of both are sustainable. It seeks to ensure that those who invest in the future are accountable to those who will have to live in it.

Movements require legitimacy. These innovators, individually more than in combination, are struggling with their own accountability, who they are accountable to, and how to create means to make their claims to representivity a reality. AccountAbility, itself a product of this dynamic, creative movement, has established a sophisticated multi-stakeholder governance and accountability framework that seeks to capture the spirit and practice of the new wave.

AccountAbility's **Accountability**

AccountAbility is a non-profit organisation with members who vote their representatives onto our Council. The Council is made up of business, service providers, academics and civil society members, and sets strategy and policies. AccountAbility also has a small Board that has fiduciary duties, and is responsible to the Council for overseeing the implementation of strategy. Our Board directors stand down and seek re-election at our Annual General Meeting, which is open to all members. Our Technical Committee oversees the development of our standards work, the AA1000 Series. This Committee is co-chaired by representatives from the Council and the Operating Board to ensure strategy and fiduciary perspectives are adequately represented.

We publish 'AccountAbility Accounts' which reports the results of structured dialogue with our Council, members, staff and volunteers, partners and funders, as well as reporting performance against targets and performance metrics. These accounts are assured through an independent Stakeholder Review Panel.

Download our 'AccountAbility Accounts 2004-5' from www.accountability.org.uk

the business of accountability

Globalisation is altering and amplifying the networks through which power is carried. Corporate influence, in particular, has grown enormously.

The expertise of business leaders is utilised by governments and multilateral institutions to further the goals of development, which, has both channelled the resources of business to address global challenges and increased the sway business enjoys in public policy. Walmart can have tracks pulled from Nirvana albums; the way Nike manages its supply chain shapes working conditions in poor countries; Halliburton has become a byword for undue influence; and ExxonMobil's corporate interests are embedded in the US's energy policies, just as Swiss Re or BP's avant garde attitudes on the same topic can impact Europe's public stance on climate change.

Business has a profound impact on elected governments, but is accountable in entirely different ways. Apart from being some of globalisation's largest creations (according to the World Bank, 95 of the world's 150 largest economic entities are corporations), beyond being obliged to comply with the laws of the countries in which they operate, they are legally accountable only to their shareholders.

The pressure on business to realign its basis of accountability has come largely in two forms. The first is through attacks on the Achilles heel of the global corporation: its brand. Activists took Naomi Klein's No Logo as their bible and set about ad-jamming and brandbusting. Protest groups organised their campaigns on the internet and broadcast them through hungry global media. Greenpeace's stunt at the Brent Spar oilrig and Friends of the Earth's exposure of biotech giant Monsanto's use of "strategic lawsuits against public participation" were seminal moments.



Will Hutton, Chief Executive of the Work Foundation

We in the West are astonishingly careless of our ‘soft’ institutional infrastructure, the golden thread of which is accountability, and which underpins the ‘hard’ infrastructure of capitalism. We are careless of our media’s lack of accountability; we are careless about the rule of law – witness the legislation introduced on terrorism; we are careless about the jury system; we are careless about audit and corporate governance – see what’s happened in corporate America and corporate Britain. And it is not just our society and our democracy that are weaker, but the performance of our economy.


www.theworkfoundation.com



Big business had been called to account in an unofficial court of public opinion. Competitors have been quick to snipe at rival brands for unethical practices, which has in turn driven the development of a new generation of business ratings focused on social and environmental performance, such as the Dow Jones Sustainability Index, the FTSE4GOOD and AccountAbility’s own Accountability Rating. Sustainability became an arena for competition. As a result, ‘corporate social responsibility’ was born, which, more than anything else, is an experimental zone for aligning social and environmental accountability to fundamental business interests and traditional forms of financial accountability.



**Martin Wolf, Chief Economics Commentator,
Financial Times**

The future of corporate accountability involves making managers accountable to owners, defining corporate morality, relating global governance to national sovereignty, dealing with fragile states and discouraging bad behaviour, such as corruption and arms dealing. But corporations are not political institutions, accountable in the same way as governments – that would be to destroy their utility as engines of prosperity. [news.ft.com/comment/columnists/martinwolf](https://www.news.ft.com/comment/columnists/martinwolf) 

To make this new accountability operational, businesses began to calculate their performance along a ‘triple bottom line’ of economic, social and environmental indicators. To mainstream and regularise these developments, a new generation of accountability standards emerged, in the main underpinned by multi-stakeholder partnerships from design through to stewardship. Full spectrum public reporting has been the most important tip of this emerging iceberg, with the Global Reporting Initiative trailblazing this development.

Sustainability reporting – driven by semi-voluntary initiative, or at best peer-based accountability – has leaders and laggards. Companies such as Nike, McDonalds, Gap, Novo Nordisk and Shell, all of which have felt both the pain of brand attacks and the inspiration of visionary leadership, have forged ahead in making their business practices transparent and responsive to the demands of customers and employees. But getting information from an arms manufacturer continues to be like unearthing the minutes of a Mossad meeting.

Measuring Up

Evolved since 1997 and established at the turn of the millennium, the GRI has sought to become the hub for 'sustainability reporting'. Companies use its guidelines to publish reports not only on their financial performance, but also on how their business affected their workers, customers and the communities and environments in which they operate, thus making some account to the rest of us. The GRI process (to which over 700 companies subscribe at last count, and which is currently being tailored to the needs of specific sectors of business) involves 'multi-stakeholder dialogue'. That means meaningful conversation between representatives from business, accountancy, investment, environmental, human rights, research and labour organisations from around the world to produce the 'sustainability reporting guidelines'.

www.globalreporting.org

But these and other companies face constraints in advancing responsible practices. Fickle consumers and short-sighted investors often fail to reward, and can even penalise, companies for doing the right thing. As AccountAbility's Responsible Competitiveness work has highlighted, markets characterised by first mover disadvantages and free riders require systemic innovations in order to advance market-based, social and environmental (and long-term financial) accountability.

It is here that multi-stakeholder partnerships come into their own, setting and seeking to enforce new governance rules across entire markets. The Extractive Industries Transparency Initiative, for example, aims to lift the 'resource curse' by improving the governance of natural resource-related royalty payments to governments. Other such initiatives include the Kimberley Process and the MFA Forum. The Kimberly Process has brought together governments, civil society and diamond companies – notably the giant De Beers – to stem the flow of 'blood diamonds', rough diamonds used to finance armed conflicts. The certification scheme now covers 99.8 per cent of the global diamonds trade. The MFA Forum, convened by AccountAbility with participants as diverse as the International Textiles, Garment and Leather Workers Federation, Wal-Mart, Gap and the Maquila Solidarity Network, seeks to ensure a responsible transition in the textiles sector following the end of the Multi-Fibre Arrangement.

Reshaping the Market

The Forest Stewardship Council shows how responsible business can create markets. After conducting inspections, the council grants certificates to logging companies that are managing woodland responsibly and acknowledging the rights of indigenous peoples or communities whose homelands are threatened by forestry projects. The scheme bypasses the vested interests and bullying associated with the forestry industry by using the market itself as an accountability mechanism. Participating companies noticed that, although internalising certain costs to become more sustainable inevitably pushed up overheads, they were able to charge higher prices than competitors that remained outside the scheme.

www.fsc.org



Kurt Hoffman, Director, Shell Foundation

Corporations are accountable to the market. If they don't succeed in providing their customers what they want, they go out of business. In India, we worked with an NGO that had been working for years to provide cleaner stoves that don't emit smoke inside houses – a problem that kills a million children a year in developing countries. The NGO wanted enough money to distribute a few thousand stoves a year. We started to ask how we could ask what the customers – people who live on a dollar a day – want. The message that worked best was not telling the women that if they used these stoves they would stop coughing and having to spend eight hours each day collecting firewood, but that their kitchens would be cleaner. The NGO has now sold 100,000 stoves – and made a small profit so they can go on to sell more. That's the model. You find out what the customer wants and then they respond by voting for what you provide. It may be voting with a few rupees, but it's enough to get things going.

www.shellfoundation.org



Of all the practices associated with the collaboration between business and lawmakers, lobbying probably has the worst name. On K Street in Washington and in the Brussels Bubble, big business lobbies to achieve its goals through political channels, an activity which, when improperly conducted, brings howls of public protest. But business does have a right to be heard in the public policy sphere, as wealth creators and employers, and as the repositories of much of the hands-on expertise of development.

Indeed, lobbying is in itself an accountability pathway, ensuring that the interests of business and

their shareholders are taken into account in the formation of public policy and practice. And indeed, business, particularly big business, is increasingly influential in lobbying governments and international public agencies in pursuit of its interests. AccountAbility and the UN Global Compact's recent report, 'Towards Responsible Lobbying', estimates there to be over 100,000 professional lobbyists worldwide; legislators are often outnumbered by professional lobbyists - thirty to one in Washington DC.



The image is a screenshot of a web browser window. The address bar shows the URL: www.opendemocracy.net/globalization-accountability/p2p_2877.jsp. Below the address bar is the OpenDemocracy logo, which features a stylized blue butterfly with a human face on its body, followed by the text "openDemocracy". Below the logo are two navigation arrows: a left-pointing arrow labeled "previous message" and a right-pointing arrow labeled "next message". The main content area is split into two columns. The left column has a blue background and contains the text "Miriam Clinton, Copyleft". The right column has a light blue background and contains the text: "Consumers are being held accountable to business, but the collaboration of business with the lawmakers has placed government and business high on a pedestal, unaccountable to their end-users."

The question is, what would 'responsible lobbying' look like as a process and to what end should it lead? There is growing evidence of companies joining with civil society and of environmental ends aligned to good business sense. Even George Monbiot, investigative journalist and normally the scourge of the corporate community, has publicly argued that some progressive businesses are now more likely than governments to be at the leading edge of radical public policies on climate change. Companies such as Shell and BP have advanced the cause of greater government accountability for natural resource royalties to the point of advocating international regulation. Similarly, companies such as Nike and Gap have advocated international regulations governing corporate social accounting, auditing and reporting to secure a level playing field in how companies are assessed for their approach to workers' rights and labour standards in global supply chains.

towards a civil accountability

The extraordinary rise to influence of NGOs over the past two decades has been one of the 20th century's most important accountability innovations. But the innovation is threatening to go sour if NGOs cannot sort out their own accountability. The phenomenon of NGOs demonstrates the failure of traditional accountability mechanisms.

The work of organisations such as Human Rights Watch or Transparency International is best understood as a crusade emerging from the most painful failures of governmental and commercial accountability. But if this vital role in our response to globalisation is not in turn to be discredited, NGOs like Human Rights Watch and TI must be able to demonstrate that their claims to representation are made in good faith and guide their actions.



Lisa Jordan, Programme Officer, Governance and Civil Society Unit, Ford Foundation

You can't divorce the concept of NGO accountability from the context in which NGOs operate. If you're working under a regime that isn't open, you are expected to follow Western standards of accountability. But if you're completely transparent and your goal is to bring about a more democratic governance structure, you could be shut down immediately. You have to ask what the mission of an organisation is, and what kinds of accountability structures would support that mission. At the moment, we don't know how to hold power to account. But people will create what they need.

www.fordfound.org 

When the street battles of Seattle in November 1999 undermined progress in trade negotiations at the World Trade Organisation, an article in *The Economist* asked: "Are citizens groups...the first steps towards an international civil society (whatever that might be)? Or do they represent a dangerous shift of power to unelected and unaccountable special-interest groups?" The spectacle of the mainstream media production challenging the ethics of civil society might seem like poor farce, but historical irony and proper concerns can and do often go hand in hand, and this is a case in point. Put simply, the concern is that NGOs, unlike elected governments and privately-owned businesses, lack a clearly-defined basis on which they can be held to account.

Since the Rio Earth Summit in 1992, NGOs and civil society in general have enjoyed a greatly expanded place at the global negotiating table. Their presence has added a new dynamic to the workings of power – especially transnational power – and has articulated the voices of

"But who are the humanitarian agencies themselves accountable to? Do the people they serve have any voice in their operations beyond being objects of their compassion?"

Tajudeen Abdul-Raheem, Justice Africa, BBC, Feb 2006

the marginalised where they were not previously heard. Their networked relationships and public profile can and do provide important elements of pressure and oversight over their actions. The power of funders over them, although often resented, is for better or worse, an essential accountability mechanism. Financially, they are governed by a 'perform or perish' principle. A government, however botched its policies, can rely on tax revenue; by contrast, not a single cent that funds NGOs is acquired under obligation. NGOs are accountable to their funding streams, and, if they fail to match up to their mission, those streams may dry up.

The social innovation of NGOs is to put the beneficiary at the centre of their mission – not their donors, not the institutions with whom they are ever more frequently collaborating, not governments. NGOs should be accountable to their declared beneficiaries – not least in order to guard against the danger of undercutting national and customary structures of accountability. Some NGOs have already adopted that principle. The Humanitarian Accountability Partnership, for example, has developed principles and accountability mechanisms oriented around NGOs' responsibility to the people that they serve in failed states, those whom conflict has left totally vulnerable. Civicus, the global civil society coalition, is currently developing an International Accountability Charter for international NGOs. Coalitions in 40 countries are developing codes of ethics for NGOs at the national level. Such norms may help to ensure

that non-state advocacy, humanitarian and charitable organisations embed the needs and demands of those they seek to serve into their organisational structures.



www.opendemocracy.net/globalization-accountability/africa_2869.jsp



openDemocracy

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Chukwu-Emeka Chikezie, African Foundation for Development

Today, the authority and legitimacy of public institutions, combined with a rich mixture of regional, communal and social associations and rapid progress in communications technology is providing Africans with new opportunities for networking and enterprise. Increasing numbers of Africans in the diaspora are reconnecting to their home countries in imaginative new ways involving creative 'peer-to-peer' development strategies. All these transformations are fuelling changes in the ways Africans nurture the relationships of accountability - embodying practices of obligation, respect, responsibility and mutuality - that underpin their connection to each other.

Given the breadth of civil society activity, these norms need to be intelligent and flexible. Keystone is an initiative based at AccountAbility seeking to evolve more effective approaches to civil society accountability. Its Chief Executive, David Bonbright, working with partners in South Africa, the Philippines, India, the United Kingdom and the United States, explains, “the Keystone method requires that civil society organizations include the voices of those most affected in their public reports. It does so in specific ways that ensure that those voices are not merely selective or convenient samples, but are the representative product of consultative planning and agreement making”. Put simply, Keystone will provide practical approaches – manuals and training for incorporating the interests of CSOs’ beneficiaries into their policies – to generate accountability for organisations that operate between the market and the state.

Significant innovations in accountability are required to address the peculiarities of civil society organisation and practice. Advocacy underpins much of NGOs’ ability to leverage change, yet it can too easily be neutralised by complete transparency. A sense of responsibility to highly-dispersed communities of intended beneficiaries requires innovations to achieve accountability whilst avoiding costly and ineffective procedural approaches to stakeholder engagement. Accountability to individual donors needs to be proportionate to what they give. Private foundations need to evolve their own accountability systems and priorities before they demand more from the NGOs that they support. We need a variety of innovations to respond to different aspects of civil society roles in an increasingly interdependent society.

Civil Society Accountability

Working in three key areas – ecosystem thinking, organisational learning, and accountability to multiple stakeholders – the Keystone method aims to allow organisations to develop their own theory of change. Such theories, Keystone and its partners are demonstrating, show the connections between short, intermediate and long-term outcomes. Accountability, for Keystone, is the means through which individuals and organisations are held externally to account for their actions, and the means by which they take internal responsibility for continuously shaping and scrutinising their organisational mission, goals and performance.

www.keystonereporting.org

transforming accountability's heartland

Anwar Ibrahim, drawing on his years as Malaysia's Deputy Prime Minister, reflects on the inadequacies of government and the challenges of trying to make change. "Many of the world's leaders continue in office or leave it with millions of dollars, often with impunity. As a society we need to rethink democracy. Many dictators talk about cultural divides in order to delay or deny democracy, freedom, accountability. Scholars talk about 'Asian values' and the need for strong government. They say that we are not ready to allow democracy to be practised. This argument is ludicrous. It imagines that Asians, after a century of freedom from colonial rule, are still ill-prepared to be free, that freedom is the monopoly of the ruling clique. The moral imperative must be consistent and transcend regional and national boundaries".

Accountability is the backbone of effective, representative government. Indeed, modern government itself is in many ways the most extraordinary and precious accountability innovations with its aspirational duty of establishing and maintaining the rule of law over the exercise of arbitrary power. Yet to a greater degree than any other institution, the trust in government to carry out its intended duties has diminished. Big business, certainly, is in the limelight, and the good reputation of many civil society organisations is under the intense scrutiny of the public accountability lens. But there is no doubt that the accountability gap between the rhetoric and practice of government remains largest in most countries.

There has been no shortage of attempted innovations in public accountability over the last decade. At one end of the spectrum has been the spectacle of war legitimised through the call for democratic revival. Iraq's war-torn landscape is, after all, testimony to attempts at

wholesale transformation of its basis of political accountability. At the other extreme is the gradual erosion of traditional forms of political accountability in the heartland of democracy. Public-private partnerships are the quintessential case in point. The delivery of public services from London to Rio is being reconfigured in the name of efficiency. This landmark development constitutes the most extensive experiment in blending customer, investor, citizen and public models of accountability in the history of democratic government.

Most challenging in many respects has been to plug the accountability gap in the global commons. We have inherited a legacy of international accountability rooted in national politics and horse-trading. Some developments, such as the International Criminal Court, represent important accountability innovations seeking to transcend the politics of national accountability. To date, however, these remain few and far between, often far from comprehensive in their coverage and painfully inadequate in their implementation.

Anne-Marie Slaughter and others point to what they see as an invisible decline in real sovereign state authority over the global commons. For them, we are already in an era of the 'disaggregated state', where international networks of professionals, from judges to air traffic controllers, have more in common with each other than

THE PRINCIPLE of accountability requires that officials of government, elected and non-elected (appointed) alike, should be responsible and answerable to their constituents, which is the entire citizenry in the most inclusive sense. Without accountability, there would be nothing like collective or public good, and power would be susceptible to abuse, arbitrariness, and privatisation. As Lord Acton pointed out long ago, 'power corrupts and absolute power corrupts absolutely'™
The Tide, Nigeria, Feb 2006
<http://www.thetidenews.com/article.aspx?qrDate=01/31/2006&qrTitle=Principles%20and%20practices%20of%20good%20governance&qrColumn=POLITICS>

their sovereign masters, linking up to create an increasingly important, but invisible, global web of rules, regulations and norms. Others point to more visible manifestations of non-regulatory innovations in public accountability.

The World Commission on Dams' (WCD) recommendations are permeating the practice of the development community, from the World Bank to the South African government, with four other governments and the European Union also studying the WCD's inclusive, collaborative framework as the legislative basis for decision-making in development projects.

Accountability innovations are the heartland of community empowerment. In Rwanda's gacaca courts, village tribunals staffed by locally nominated judges are piecing together the history of the genocide of 1994 in order to bring those deemed responsible to account. In the Indian state of Kerala, the People's Plan campaign has sought to promote accountability by removing the middle man: decision-making has been decentralised to local village assemblies, representing communities' social, economic and environmental interests. Such schemes are invaluable, but innovators insist that the struggle for increased accountability must simultaneously take place at the global level. They call for a reinvigoration of multilateralism, acutely aware that the United Nations in its current form is terminally damaged because the basis of its accountability no longer gives it the authority, or legitimacy, it needs for its allotted role.

There are signs of reinvigoration, notably the work of Olara Otunnu, former UN special representative for children and armed conflict, who presided over the drafting of a comprehensive set of norms and standards for the protection of all children. "But words on paper alone cannot protect children," he cautions. "We need the application of these norms on the ground. We were able

to get the Security Council to approve a compliance regime. This is the first time we have bridged the gap between norms and their implementation on the ground. I hope that this can serve as a template in other sectors where we have norms but impunity continues." Similarly, progressive politicians hailed the Africa Partners' Forum, the body that will oversee the implementation (or otherwise) of the promises made by the G8 at Gleneagles in July 2005. The G8, long attacked as among the world's least accountable convenings, may well have taken a first step towards accountability.



Ben Rogers, Director of the Institute for Public Policy Research's Democracy Team

If trial by jury didn't exist, we would never have the audacity to invent it ... The presence of locally-run, locally-manned tribunals and visible schemes of community reparation have been shown to increase confidence in public services, reassure the public about crime, boost community life, social capital, and reduce pressure for harsher sentences.



Olara Otunnu, former UN Special Representative for Children and Armed Conflict

We see a crisis of confidence in the leadership of public institutions, from elected governments to the corporate world to multilateral institutions to churches. The leaders are in tune with those who pay. In the case of developing countries, this can be international development partners and donors, who at one level say they want to ensure transparency, good governance and genuine democracy, but at another level their sponsorship of certain regimes means that those regimes can happily ignore their own people. This is counter-intuitive, but what we are witnessing is less accountability. The extent to which money drives the agenda is scandalous.

<http://www.un.org/special-rep/children-armed-conflict/English/OlaraAOtunnu.html>



But such advances are too rare and too case-specific to constitute a radical overhaul of the processes of political accountability – whether local, national or global. Accountability innovators are reaching for new partners to revive the active principle of democratic society and to make accountability map the new contours of power. According to the report of the Helsinki Process on Globalisation and Democracy’s September 2005 conference, ‘Mobilising Political Will’: “Whilst governments are able to agree on norms and legal frameworks, the business actors often have the technical solution and know-how to address the problem efficiently. Civil society, typically, has as its strengths the ability to contribute to civic dialogue on priorities and mobilisation of awareness and political will. If combined, the common action of the stakeholders could manifest a new era in agreeing upon and implementing the global agenda.”


Accountability innovators in government, civil society and business have a tense relationship with the tenets and practice of classical electoral democracy. For growing numbers, government is but one element and constituency of effective accountability, often with its own institutional interests that sit awkwardly with their declared public mandate. The call for accountability through collaboration is rarely intended to bypass the world's 36,000 elected representatives, but rather to take democracy beyond the shallow mandate of sporadic elections. But the effect of such innovations on the strength of governments – elected or otherwise – is ambiguous, generating ambivalence and concern amongst many.

Simon Burall of the One World Trust voices this crucial concern: "Civil society has a vital task in our democratic ecosystem, but if we removed that direct democratic element of elected representatives, we would destroy the ecosystem." The same goes for business. The challenge for our democratic institutions, Burall argues, is to move towards global governance without sacrificing the fundamental link between elected representatives and their constituencies.



Simon Burall, Executive Director, One World Trust

Within the decade, I would hope to see an open and transparent global parliamentary mechanism of some sort. It will have no real power – it will take a long time for it to have any real power - but it will be beginning to hold hearings and hold organisations to account. There needs to be a lot of work to discover how the local, national, regional and global levels of power work together.

www.oneworldtrust.org 

the limits of accountability

Accountability is the essential DNA of a working society. But that does not just mean 'more' accountability. Bob Monks, in seeking to overcome the short-termism of investors and the resulting social and environmental downsides, wishes to empower the real owners of capital, the pension policy-holder over the fund manager. Others, seeking to address the same problem, argue for the opposite solution, less power to the owners of capital and more to other affected stakeholders, an essentially pluralistic approach to corporate governance and fiduciary responsibilities.

We must be aware of the laws of unintended consequences as we fearlessly mobilise our creative powers to design and drive forward a new wave of accountability innovations. Notice, for example, Lisa Jordan's caution that the transparency of civil society organisations can undermine their role as effective agents of progressive change. This highlights how too much accountability can create toxicity, dysfunction and entirely undesirable outcomes.

The challenge is not to have 'more', but to determine who should be accountable to whom, and for what, and how to make sure that it works on the ground. Furthermore, it is not enough to say, 'no, what we mean is good accountability'. At the same time as advancing new forms of accountability to overcome the shortfalls of what we have inherited, we have to be aware of the potential downsides of these new forms.

Anne Marie Goetz and Rob Jenkins usefully highlight three possible downsides of the new accountability wave: depoliticising the poor, stunting the growth of democratic institutions, and further eroding trust in public officials and institutions. It is worth exploring them in turn.

Firstly, there is a real danger that activists seeking the empowerment of the poor become co-opted into political systems that preserve the status quo. Aid agencies and advocates of 'governance reform' may find that they are, in fact, failing to alter structures of power that centralise the benefits of development. Walden Bello of Focus on the Global South has long argued that pro-poor activists should assume a 'non-engagement' stance when it comes to the institutions of global governance, preferring political action from beyond the corridors of power. A criticism of the Live8 concerts before the G8 summit in July 2005 was that they served, in part, to legitimise the power of an unaccountable entity.



http://www.opendemocracy.net/globalization-accountability/opensource_2849.jsp



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Geoff Mulgan,
Director,
Young
Foundation

The era of simply top-down monologue organisation is over ... Within the next twenty or thirty years you will see lots of experimentation with direct participative models. Deliberative polls, citizens' juries and reputational systems – and each of these uses a different principle of how to involve a much larger number of people and the ultimate test will be which delivers more legitimate, better decisions in the long run.



Brendan Donnelly, Director of the Federal Trust

All of political society is about establishing equilibrium. But what counts as an imbalance between liberal economics and environmental considerations for one person is not an imbalance for another. The only way that question can be resolved is through a political system, whereby people are legitimated to take the decision and people are prepared to go along with that. I'm all in favour of transparency, I'm all in favour of redress, I'm all in favour of the elements that go to make up the agenda of accountability but I think there's a danger of imagining that 'accountability' can be smuggled in through the back door and then generate a political system.

www.fedtrust.co.uk



Against this must be set the comments by, for example, Achim Steiner and Mary Robinson in this pamphlet, who argue that there is real value in pushing an agenda of rights-based accountability into mainstream politics. And, as Kumi Naidoo, Secretary-General of Civicus, observes, we cannot simply decide that, because the World Bank is not a perfect model of democratic governance, we are all going to give up and go home. Indeed, Michael Schellenberger and Ted Nordhaus attacked the environmental movement for just such a failure to embed itself in mainstream political discourse in their article on 'The Death of Environmentalism'.

Turning to the second criticism, we are warned that unconventional, non-state accountability mechanisms suck the life from democratic institutions and prevent the reinvigoration of traditional parliamentary democracy. Businesses and civil society organisations, particularly when acting in foreign countries, may contribute to

the debilitation of national governments, preventing them from fulfilling their democratic functions, a danger that is increased in countries where the state is already weak. In bypassing the state – even a state that is failing to serve its people – in the hope of empowering those excluded from governing their own lives, we risk blocking off the channels through which indigenous accountability initiatives could grow.

That said, states and the democratic institutions that many of them contain clearly are failing us in numerous ways, and one answer to this criticism is that it presents a false choice. Imaginative accountability mechanisms – as many of those detailed in this pamphlet are – do not necessarily replace state machinery. Rather, they oil it and make it run more effectively. Some, such as the Forest Stewardship Council, perform tasks beyond the scope of any one state. Others, including the Nelson Mandela Foundation, serve to catalyse the goals of the state – the collective benefit of those it governs – by channelling the work of diverse social actors back into the communities in which they operate. Neither could be accused of undermining the state. Instead, their successes innovatively promote democratic goals alongside the work of the state, each pushing the other to drive agendas of change.

Thirdly, we have the problem that excessive monitoring and reporting erodes trust and paralyses organisations in a straitjacket of paperwork. Teachers, nurses and police forces complain that they are more accountable to auditors than to pupils, patients and the victims of crime. Likewise, witch-hunts in the name of accountability may serve to root out cases of corruption, but they hardly inspire the kind of creativity and leadership required in the accountable exercise of power. Here, changes to reporting methods are helping, though they alone will not regulate genuine, participatory accounta-

bility into existence. This criticism speaks to the future direction of the accountability wave. Accountability should not be a brake on action, but an engine for change. If we are to ensure both compliance and cooperation in new models of accountability, the incentives to be accountable will need to be embedded in the very DNA of the institutions we build and the markets we create.

There are no silver bullets in the accountability arena. Building new accountability pathways means contesting power, which in turn will seek to undermine the impact of new approaches, often seeking to establish hollow and impotent versions that are intended to distract and deceive. These are important warnings for the accountability enthusiast, but serve to improve the design and practice of emerging innovations rather than prevent them from arising.

ideas in action

The connectors

In a globalised world, no one acts in isolation. As power now works in different ways, so must accountability. Amplified by far-reaching technological, financial and political networks, power acts across national, legislative and demographic boundaries. The barriers between the old silos of power have blurred. The sectoral divides between that which is public, that which is private and that which is societal are being bridged. Globalisation has thrown groups into contact who would never before have met, yet many of its benefits remain concentrated in the hands of the few while billions face deprivation. On the other hand, governments, civil society and business come together to formulate solutions to the most pressing concerns facing humanity – disease, conflict, poverty. Yet who is to be held accountable as the first of the UN’s Millennium Development Goals pass unmet?

A new consensus is required, which must be political and acknowledge the reordering of the systems of power that globalisation has triggered. Perhaps it will be something along the lines of the “Geneva consensus” proposed by WTO Director General Pascal Lamy in January 2006 – a consensus to “humanise globalisation”. “Globalisation involves international cooperation. We can only succeed if we want to live together and if we are prepared to work together; we must invest in international cooperation. This cooperation requires political will and energy and implies accepting the debate on the benefits and costs of cooperation”.

Our accountability structures are changing to reflect this new reality. In a world where the social and economic impacts of decisions taken in the boardrooms of New York or the chambers of Brussels are disseminated through global butterfly effects, the challenge to accountability actors is to create the alliances and forge the partnerships that enable those impacted by such decisions to call to account those who take them. The new model of governance is collaborative. Innovators in business, government and civil society are envisaging their spheres of operation as belonging to ecosystems – places in which all individual changes are interconnected. In these ecosystems, accountability mechanisms are being reinvented through cross-sector cooperation and cross-fertilisation of new thinking.



Kumi Naidoo, Secretary-General and CEO, Civicus

We used to say think globally, act locally. One of the ironies of the age we're in is that, while many developing countries are getting formal democracy for the first time, power is moving from the local and national levels to the global level – the International Monetary Fund, the World Bank, the World Trade Organisation. If you think only locally, you're divorcing yourself from where power really lies. But the global institutions have not yet internalised civil society organisations at the delivery level and at the policy level. We need a twin-track strategy that involves engaging those institutions. That means looking at the ways policies are implemented on the ground in developing countries. And we need groups in the West to hold their governments to account for their foreign policy and their multilateral commitments.

www.civicus.org



Governments are increasingly using private contractors and consultants to pursue their overseas development agendas. Private philanthropists are working with grassroots pro-democracy NGOs under repressive regimes. Public-private partnerships and private finance initiatives are the new development model of choice, seeking to deliver private gain for public good. Suspicion of such partnerships is natural and healthy, but new and credible partnerships are forming.

The World Bank is beginning to collaborate with civil society in poor countries to produce Poverty Reduction Strategy Papers; the International Finance Corporation is consulting human rights experts. As Kumi Naidoo points out, “involving voices from developing countries during equitable development of norms is the best buy-in you can get.”



Oscar Fergutz, Avina Foundation, Brazil

Life is all about relationships, and relationships are built on power. We [at Avina] are not elected, but we choose our partners and people are free to partner with us or not ... we are the connector in the grid rather than the generator of power.

www.avina.net



"It takes a good deal of courage, some would say foolhardiness, for a multinational company operating in impoverished parts of the world to open its internal documents to scrutiny by campaigners for fairer globalisation"
Alison Maitland on Oxfam's partnership with Unilever, Financial Times Dec 2005
<http://yaleglobal.yale.edu/display.article?id=6614>

Synergies between accountability sectors are creating new and flexible networks, suited to the complex arrangements of globalised power. Mary Robinson, former UN High Commissioner for Human Rights, tells an illuminating story. Following the failure of the Brazilian government to submit its obligatory human rights report to the UN, a group of Brazilian NGOs travelled to Geneva. Working with a fraction of the resources available to the government, they had compiled a wide-ranging dossier on the country's various failures to ensure the rights of its citizens. On her next visit to Brasilia, Robinson was able to use the report, compiled under the terms of the Universal Declaration of Human Rights, as leverage to force the authorities to act. More than that, she required the government to work in partnership with the coalition of NGOs. A comprehensive, co-authored report on the state of Brazilian rights was duly completed. The story illustrates the way actors at the grassroots level are starting to make practical use of global accountability structures to empower their localised work.



Mary Robinson, Director, Ethical Globalisation Initiative

The international human rights system can become an effective tool for civil society to hold their governments accountable. But governments must take their commitments seriously. The so-called mature countries are not in favour of effective scrutiny. Since 9/11, these governments no longer uphold their commitments. The reports of the UN Human Rights Commission are tools for political opposition and civil society groups. There are no sanctions, such as fines, but governments do not like to be named and shamed. These treaties should not be overseen by government appointees, but independent experts. Nonetheless, the system works if civil society does its homework. Globalisation has shifted power away from nation states to multinational organizations and civil society. If you don't have them at the table, you won't get action.

www.eginitiative.org



Other experimental models are more collaborative than confrontational. Innovators are developing effective partnerships born not out of budgetary restrictions or aid ties, but on-the-ground utility. In South Africa, the Nelson Mandela Foundation stresses that it “does not function as a traditional grant-making agency”. It does not pump cash into projects it considers worthy. Instead, it acts as a stabiliser for fledgling projects in education and healthcare, guiding the expertise of social entrepreneurs and progressive business. Like the Avina Foundation in Brazil, it styles itself as a “catalyst” for local projects.

But any accountability system requires incentives to act. There is much debate on the relative merits of pro-

moting accountability through offering market incentives, such as the risk management benefits of multi-stakeholder dialogue, or through sanctions, such as the use of international conventions to bring legal action within domestic judicial systems. In finance, Bob Monks argues, the guerrilla tactics of the shareholder activists have already provided us with the tools to guide capitalism's invisible hand.



Bob Monks, Chairman, Governance for Owners

You have to widen the definition of value. People have to understand that they're going to make more money doing it our way – by using funds to invest responsibly, as Hermes Focus does with the BT pension fund. That's why people are now starting to invest in activist funds. If we continue to show that active, informed involvement of shareholders creates value in business terms, we will create pressure that requires a response.

www.auhd73.dsl.pipex.com/g4owners/index.htm



In seeking to coerce or cajole the powerful to act accountably, innovators may be caught between favouring voluntary, participatory systems that lack mechanisms to ensure compliance, and over-regulated, legalistic systems that either generate angry resistance from those they are meant to include or act as bureaucratic barriers to change. What is clear is that compliance in accountability systems – especially those seeking to regulate non-traditional development partnerships – will need to be secured through innovative frameworks of collaborative, cooperative and participatory governance.



Guy Davies, Managing Director, Disability Solutions, South Africa

A lot of what we do is about compliance. We tell companies there are three reasons why they should think about disability. Firstly, there's a moral reason. The second is that we have laws. The third is that it makes business sense. Both stick and carrot are essential. We whisper to legislators that we will provide the stick, we tell them when companies are not meeting their own standards; we will then go in and be the carrot, explaining to companies that they could avoid a court case and make money at the same time. It's collaborative, not confrontational.

www.disabilitysolutions.co.za 

tools of the trade

Within these new collaborative arrangements, actors will need the frameworks, norms, benchmarks and milestones with which to monitor their performance and disseminate new learning – the nuts and bolts of innovative governance. We have seen that actors in business, civil society and public policy are seeking to make themselves accountable to those they serve and, in turn, to foster broader communities of accountability. By solidifying the experience of ad hoc projects and sharing knowledge, the experiments of the vanguard of accountability actors is beginning to influence mainstream political, commercial and civil organisations.



Jane Nelson, Director, CSR Initiative, Kennedy School of Government, Harvard University

Awareness is growing after the first five euphoric years post-Berlin Wall, when we thought markets were going to be the panacea for all the world's problems, that this is not the case, that there are downsides but markets are also critical. We need to be realistic that we're in a stage of enormous experimentation, forming alliances, trying to find solutions to incredibly complex problems. We sometimes let the perfect be the enemy of the good and argue that unless a multi-stakeholder partnership is totally accountable and it is possible to monitor absolutely every element, it lacks teeth. The impact of any accountability system is on the ground, where we live and eat and work. But the teeth have to be at the global level as well, particularly for global brands or governments that want to be players in the global economy.

www.ksg.harvard.edu/cbg/CSRI/about.htm



Organisations that had previously concentrated on corporate responsibility are beginning to reach out into the political and civil sphere. One such body is the Brazilian Instituto Ethos, which has recognised that failures of accountability – most prominently endemic corruption – cannot be countered by legal proscription alone, or by one sector acting in isolation. To state the obvious, for every bribe accepted, one is offered, and vice versa. What is required is collaborative, systemic change, the process of encoding accountability into the social DNA.



Ricardo Young, Chairman, Instituto Ethos, Brazil

With the corruption scandal we are seeing in Brazil right now, Ethos is developing a pact of integrity and anti-corruption along with the private sector. We are inviting several sectors of society to discuss what the main principles will be of a compact to fight against corruption. We work with public policy, with NGOs and the corporate sector in alliances that enable them to work towards a sustainable development model – consequently becoming agents of change in society.

www.ethos.org.br



Rewriting one strand of that DNA was the task of the World Commission on Dams. In November 2000, after three years' toil, it released its diagnosis of "a general failure to recognise affected people as partners in the planning process, with rights, and to empower them to participate in the process". The Commission's revolutionary leap serves to demonstrate the new accountability wave in action. "It was remarkably simple", recalls Achim Steiner, "If my village is about to be flattened by

several billion litres of water, I would expect to have a say before the decision is set in stone.” The same goes for the ‘silent stakeholder’, the environment. It was true, in a different way, for businesses, which faced risks that could become crippling if undiscovered until late in the project.



Achim Steiner, Director General, World Conservation Union and former Secretary-General, World Commission on Dams

You have to look at the two ways in which we enforce change. Either it is by sheer force of power, or people using a system because it is the most intelligent way to make decisions. And ‘intelligent’ means different things. For business it simply means hedging risks; government officials don’t want to spend years in court with local communities; locals want to use the framework in order to define their lives. You can apply it to any major decision-making process where different interests have to be reconciled. I’m convinced that the fundamental principles are that anybody who has rights at stake or bears a risk in a project should have a part in the actual decision-making process. That is the future of development decision-making.

www.iucn.org



Building on cutting edge thinking in governance, the Commission developed a ‘rights and risks’ framework (to which ‘responsibilities’ was later added) for identifying who had a legitimate stake in any project, and thus a right to be heard. The framework is not a decision-making machine: one cannot feed into it the fishing

communities of the Mekong River, the threatened Brahminy Kite, the value of the Sogreah engineering company's stock and the energy needs of small businessmen in Bangkok and miraculously learn whether to build the Pak Mun dam. Neither is there any pretence that any party will negotiate out of anything other than self-interest, nor that the last dam has already been built, nor that negotiations will always be without confrontation. But the framework's animating value is a commitment to the right of the marginalised to sit alongside the mighty when momentous decisions are to be made. Many leaders in the field describe it as the trailblazing model for participatory accountability.



Mark Drewell, Group Executive, Barloworld, South Africa

For businesses across the world to become more accountable, the fundamental starting point is the concept of global responsibility. It's the idea that there are a set of norms and standards for the long-term sustainability of the planet – both environmental and social – that need to be inculcated in every business and every legal regime across the world. That's why things like the UN Global Compact are important. The answer is one of agreeing what constitutes minimum standards globally, which people can conform to or be punished for not conforming to.


www.barloworld.com 

If the accountability wave's collaborative models are to demonstrate their value, and if we are to move the accountability debate forward, we must have bench-

marks. At present, we attempt to navigate an alphabet soup of standards, weighing the merits of criteria for sustainable practices supplied by the GRI, ISO, the GLN, the FSC, the UNGC, IFAC and so on. There are, though, benchmarks among the benchmarks, and certain standards will prove crucial as those on the ground seek means to ask informed questions of the powerful.

The International Organisation for Standardisation is currently at work on ISO 26000, a standard to measure the performance of organisations concerned with being socially responsible. Importantly, ISO's methods are changing. As Staffan Soderberg, its acting vice chair, explains, the standard is undergoing 'open source' drafting. Scores of civil society groups are contributing to its development. So far, the working group has received 1,200 comments. In our terms, the ISO 26000 will con-

http://www.opendemocracy.net/globalization-accountability/citizen_journalism_2844.jsp



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John Lloyd,
Contributing
Editor,
Financial
Times

The lines between what constitutes opinion and what constitutes truth are almost extravagantly blurred because, in nearly every major state, there is no agreed practice of truth-telling.

tribute to the second half of the accountability covenant between the people and power – that is, the duty of the powerful to make an account of what they have been doing. There are difficulties: ISO has been called a “circus”, such is the diversity of those it encompasses. Others say that such voluntary forms of regulation will do little more than encourage corporations to move “from really dirty to a little bit cleaner”.

AccountAbility itself, with its AA1000 Assurance Standard, is among those developing assurance mechanisms that can guarantee the accuracy of sustainability information that reaches the public. The AA1000AS is intended as a tool to support compliance regimes for people seeking to verify that a commitment is being met. This, among others, is an important contribution to the integrity of systems with which we can seek to hold the powerful to account, to hold them to their commitments and to demonstrate the success or failure of the accountability innovations we undertake.



Alan Knight, Head of Standards, AccountAbility

There are 400-plus reporting standards out there. It’s now a period of convergence. In ten years, there will be far fewer standards developers, but they’ll have a much bigger market presence. Many of these standards, today, are voluntary in that they have no regulatory mandate. Their effectiveness rests on two premises. First, that doing the right thing generates value – both public and private value. And the second is that there are societal pressures to comply, a sort of civil regulation. The challenge is to ensure that the assurance elements of emerging standards can enable effective enforcement through peer and public pressure

www.accountability.org.uk



Reliable information is, of course, central to the practice of accountability. The technological advances that allow us remote access to unprecedented volumes of information will be all but useless in accountability terms if that information is not demonstrably accurate and presented in such a way as to be accessible to the non-expert public.

educating technology

Technology's great leap forward has both expanded the reach of power, and the opportunities for holding it to account. The images of Tiananmen Square, of the plight of workers in global supply chains, of genocide in Darfur, and of New Orleans under water are the bedrock of an emerging global intelligence about people's experience of being on the wrong side of unaccountable power. Without new technologies, we would not have seen the spectacle of Shell International retreating under the media-friendly pressure of Greenpeace over the Brent Spar Oil Platform, police abuse in Los Angeles or the dispossession of Palestinian land.

Without today's information and communication technology, there would be no global civil society, and in the main no meaningful public debate about global issues. Moreover, emerging communication technologies will have to be the arteries of tomorrow's accountability innovations that advance collaborative forms of governance.

But today, after a brief period of euphoria when many hoped that the internet would automatically precipitate a wave of participatory democracy, we have become acutely aware that technology will not do the work for us. E-government is in its infancy, certainly, but has to date done little to advance democratic participation, failing to overcome bureaucracy, cynicism and a sense of

disempowerment. Event-based experiments with internet governance – such as the British Labour government’s ‘Big Conversation’ – have exposed the limits in the potential of technology to substitute for traditional political decision-making.



Chris Tuppen, BT’s Head of Sustainable Development and Corporate Accountability and Chair of the Global e-Sustainability Initiative (GeSI), has identified the potential of new information technologies to underpin major advances in accountability. For instance, Radio Frequency Identification (RFID) chips, which act like barcodes and can be attached to almost any conceivable product, could form the basis of an informational struc-

ture of accountability, at once enhancing business performance and safeguarding working conditions. A chip contained in a pair of socks or a skirt could contain a link to a database storing information on all the stages of that product's production: from raw materials, through the supply chain to the point of sale. RFID databases, Tuppen suggests, could be just as valuable to businesses seeking to fulfil ethical commitments, as to NGOs and activists keeping tabs on those businesses.

Technology can deliver unexpected accountability outcomes. Yahoo yielded to pressure to turn over details to the Chinese Government of an activist journalist. Similarly, Google has bowed to the pressures of political economy in agreeing to censor itself to Chinese users. Conversely, internet-enabled 'smart mobs' may be able to bend the will of governments and businesses, but how can they, in turn, be held to account? So Becky Hogge, Managing Editor of the online magazine openDemocracy and a specialist in open source technology, wonders who would be able to contribute to and view information stored on RFID chips used to monitor supply chains. Tuppen points out that such detail could be commercially sensitive. On the other hand, as Hogge observes, an open source approach – such as that used to create Wikipedia or the Linux operating system – would seem to afford an RFID accountability system more potential as a collaborative tool.

"How soon would anyone want to know if their advisor chose to act unethically or decided not to service client's accounts properly? The answer is simple; as soon as possible"

Full Disclosure Inc announces a real-time accountability website, Seattle, Feb 2006

<http://www.prweb.com/releases/2006/2/prweb340941.htm>

Real-Time Accountability

In 2002, Novex Couriers of Vancouver added 10 gasoline-electric hybrid cars to its fleet and embarked on the 'Novex Clean' programme. Paper reduction and energy conservation objectives followed and the company gained a deeper and broader understanding of the sustainability implications of its business. In 2003, it piloted a tool called Social, Economic, Environmental Integrated Toolkit (SEE-IT). SEE-IT comes close to providing real-time accountability by making sustainability information available to stakeholders as it becomes available. Novex's CEO Robert Safrata has been quoted as saying that See-it has reinvigorated the daily processes of accountability: "Our business plans are in front of us in a mural at every quarterly management meeting. There's no tucking them away."

<http://www.real-livingsolutions.com/info/tour.cfm>


Although such divisions remain, there is inestimable value to the internet as a space for independent moderation of the debate through which accountability flows, and for ordering and sifting the mass of information that is now available to us. openDemocracy is a case in point, an on-line, ongoing dialogue on the most important accountability issues of the day.

As Anthony Barnett asks, in explaining the logic behind openDemocracy, “Who hosts the arguments the world needs?”. But even such disciples of the media are cautious in their applause. Anthony continues, “The internet provides a new means of democratising debate, but only if its users maintain quality, accuracy and clarity, and include global participation”.




Anthony Barnett, Editor-in-Chief, openDemocracy

The communications revolution increases the potential for both democratic and undemocratic developments. It accelerates the command and control structures of undemocratic structures, including the media and terrorist organisations. Democracy is about relationships between large numbers of people and power, about people having a say in the way they are governed. All relationships that are going to work are human, you get out of them what you put in, and they are necessarily complex. None of them will ever be determined by any particular technology. But the internet is a great opportunity for democracy: the internet allows for the empowering of those who were previously powerless. But it will not do the work for us.

http://www.opendemocracy.net/author/Anthony_Barnett.jsp 

shaping the wave


 is about reinventing accountability for the 21st century. It is about a radical overhaul of the place and working of communities, the markets and businesses that operate within them, and the institutions that govern them.

This agenda is not much different from the task taken up three quarters of a century ago by one of the intellectual architects of today's neoliberal approach to politics and economy, such as Frederick Hayek. At its core was the notion of market-based accountability, with its mantra of efficiency, and a view of equity based on individual choice. And it has served many people well, including the several hundred million Chinese people most recently raised out of poverty.

But Hayek never imagined a world in which access to education, health and even water should depend on one's market power. Similarly, Adam Smith whilst believing in the efficiency of the market, was equally clear that societal values and an informed polity should underpin the basis on which economy impacted on people's lives.

The new accountability wave reflects and is a response to a different world to the one faced by Smith or Hayek. It is no longer meaningful to see markets and the institutions that govern them as distinct from one another. Similarly, it is no longer coherent to require transnational business organisations to privilege the

owners of financial capital in their decisions. At the macro-level, there is little likelihood of a grand historic compact emerging to replace the Bretton Woods institutions that would govern global markets and the interactions between cultures, religions and communities. And as to politics, democracy continues to flourish as a visionary demand, but the practice of elective democracy is looking very tattered. Even at its best can deliver perverse, short-term results with potentially catastrophic consequences, such as in the area of climate change.

 is a call for the reinvention of the stuff that makes societies work, individually and together as a global community. It does not seek to predict the contours of the new accountability wave, it merely has to describe what is already here, amongst us, emerging from the fragments of yesterday's failed or simply outdated solutions. What we are witnessing, certainly, is messy and often unstable. Most of today's experiments will certainly fail, prototypes that we will look back on in the future with amusement and possibly some embarrassment, if indeed we remember them at all. That is in the nature of change, particularly at the tipping point of serious transformation.

At its core, the success of this accountability wave will depend, as it did for Hayek and others, on its ability to achieve a legitimate balance between freedoms and controls. Paralysing power creates stagnation or chaos, which is neither attractive nor helpful. This wave must attempt the task of its predecessors, supporting the place of power in driving change whilst making those with power answerable and so legitimate to those they impact. Today's accountability wave is therefore not framed by a mindset of compliance, which is more a response to failure, but one of performance. Accountability innovations must all be subjected to this primary test, the manner in which they drive actions and

outcomes, rather than how they prevent them.

But as we begin to give specific, historic shape to this accountability wave – with its open source philosophy, peer-2-peer practice and pragmatic politics of partnering – we should remember to build on our historical legacy, not sweep it away. As Jane Nelson wisely reminds us: “People feel disenfranchised and increasingly alienated from traditional political systems. Energy is no longer being translated into the electoral process. But democratic systems absolutely have to be the core of everything we do”. As accountability agents, we need to steward what we have inherited, sifting carefully amongst the rubble for the gems that have to be vital parts of our future.

The new accountability wave is certainly in motion, but it will not inevitably mainstream nor will it necessarily bring with it the best of emerging accountability practices. Collaboration can exclude as easily as it includes; and can be used to legitimise vested interests, just as it can erode or realign their power. Tomorrow’s history, as Karl Marx rightly insisted, is what we make it, not what we describe.

The effects of this emerging wave depend above all on the imagination and orientation of today’s accountability actors. Many of them, particularly those who have adopted established institutional personas, such as financial auditors, lawyers and business leaders, can seek to remain part of the problem, essentially protecting vested interests. Or else they can emerge as leaders in the new wave, applying their experience and expertise in addressing meaningful societal challenges.

The new accountability actors, from social auditors to civil activists, also have a choice to make. They can ride the wave, and profit from it, or they can forestall the inevitable challenge and deal with their own accountability imperatives. We have become too intermingled to

be able to lay claim to being 'islands of integrity' (if indeed we ever could). The same forces that drive collaborative venturing will undermine their advocates' legitimacy and effectiveness if their own accountability is not part of the agenda going forward.

AccountAbility

Our mission is to promote accountability innovations that advance the practice of sustainable development. We have historically focused on business governance and accountability, developing and influencing, including our own AA1000 Series. We are directly and through partners increasingly engaged in civil society and partnership governance and accountability. Our approaches include the design and stewardship of standards, policy and strategy-aligned research, performance benchmarking and rating, advocacy, training and direct assistance to members in implementing change.

Established in 1995 as an international, non-profit, membership organisation, we have 300 business, civil and academic members spanning five continents, and embrace an open, democratic governance structure and process that empowers both members and partners in our decision-making and actions.

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 reflects the intent, spirit and astonishing breadth of ideas and practice debated at an event of the same name hosted by AccountAbility in London in October 2005. This extraordinary event brought together hundreds of business leaders, civil activists and public servants with an extraordinary breadth of perspectives, exemplified by keynote presenters such as Anthony Barnett, Anwar Ibrahim, Will Hutton, Kumi Naidoo, Jane Nelson, Olaru Otunnu, Bob Monks, Mary Robinson, Achim Steiner, Chris Tuppen and Martin Wolf to debate the challenges, experiences and opportunities for innovating the practice of accountability.

 highlights the need for seismic transformations in how people and institutions are effectively held to account. It argues that accountability innovations are unlikely to come from those institutions that moulded and steward today's approaches to accountability, whether in and for government, business or individual citizens. It convincingly demonstrates that many of tomorrow's most significant forms of accountability will be rooted in today's experimentation in collaborative governance, peer-2-peer networks and civil regulation, crossing sovereign, cultural and sectoral boundaries.