

GIRONA DECLARATION: From Rio to Johannesburg

Note: From March 18-20, 2002, forty progressive activists assembled in Girona, Spain for a strategy session entitled: Rio+10 and Beyond: Strategies Against the Greenwash of Corporate Globalisation. They issued the following declaration:

The original Earth Summit in Rio de Janeiro in 1992 was a significant victory for corporations. It was the first major international conference on environment and development where business successfully mobilised to engineer certain outcomes. Although governments made some positive commitments, corporations and their lobby groups succeeded in countering many demands that conflicted with the interests of business, including dismissing any notion of binding regulation of transnational corporations and substituting their own 'voluntary' agenda.

The decade since Rio has been marked by increasing corporate influence over the international social and environmental debate. Whereas previously corporations had mainly worked through national governments, at Rio lobby groups - notably the Business Council for Sustainable Development - emerged as an international force in their own right. Since then, corporations have been legitimised as 'stakeholders' whose inputs must be reflected in all major social and environmental treaties. As their sheer size and power grows, so too does their ability to engineer political outcomes to suit their interests. Government complacency, along with the lack of effective, empowered and democratically accountable global institutions, has allowed corporations the political space to manoeuvre themselves into decision-making positions.

The last decade has also been a period of intense volatility and disruption as the corporate-led globalisation agenda has gained momentum. Corporations and lobby groups, aided by neo-liberal governments, have pushed vigorously for increasing deregulation, marketisation and privatisation of all sectors of economic activity and livelihood. Through their dominance of global institutions and decision-making processes, they have made enormous gains for the corporate-led globalisation agenda while simultaneously undermining the possibility of solving problems democratically.

The corporate greenwash of globalisation

As a result of public pressure, some corporations have made changes in the direction of social and environmental sustainability. They are now more likely to admit that they have an impact on communities and the environment and some positive steps have been taken to remedy this. There are, however, limits to such change. Companies are eager

to point to their 'best practices' as examples of corporate environmentalism and social conscience. However, core business practices in major sectors continue to be wholly unsustainable, and the deeper changes are not being made.

As a result, 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. Such greenwash is being used skilfully to manipulate public perceptions of corporations and diffuse public pressure to impose binding regulations. Through branding, corporate philanthropy, high-profile partnerships with NGOs and governments, and isolated but highly publicised 'best practice' projects, corporations are making every effort to improve their image. All in order to avoid making the necessary changes to their core business practices demanded of them by civil society. By creating a benign public image and dominating international fora, corporations have exercised a virtual veto power over many initiatives seeking to impose obligations on them or force them to comply with basic social and environmental standards. If change has to happen, they want it at their pace and in their chosen direction.

Engineering of Consent

Corporate engagement on environmental and social issues, particularly in the run-up to the World Summit on Sustainable Development (WSSD), is much more than just an image exercise - it can be better characterised as 'deep greenwash' or 'engineering of consent'. Corporations are using more and more sophisticated strategies to influence political outcomes and debates. Aided and abetted by the public relations industry, they are moving from defending their own battered reputations to promoting corporate globalisation itself against the pressure for systemic social change.

Recognising their own legitimacy crisis as powerful profit-making entities, corporations are increasingly looking to the NGO sector for much-needed credibility. Using their vast financial power and charm offensives, many 'partnerships' have emerged between high-profile NGOs and corporations. Elsewhere, corporations have sought to 'dialogue' with NGOs in an attempt to be seen to be listening to critics - while benefiting from the resulting image boost. These 'dialogues' and 'partnerships' can also be sophisticated tools for co-optation of NGO critics. For example, some of the political divisions between NGOs in the run-up to the WSSD can be directly attributed to deliberate divide-and- rule strategies employed by corporations.

From greenwash to bluewash

As the principal institution for global decision-making on environmental, social, and human rights issues, the United Nations has been directly targeted by corporations and lobby groups seeking to gain more direct political influence and to improve their image. The UN leadership has unfortunately facilitated this trend through its uncritical embrace of corporations, as exemplified by the Global Compact - a voluntary agreement with corporations which can neither be monitored nor enforced. Despite a complete lack of

independent verification of company claims, the Global Compact is being used by corporations to demonstrate that they are responsible and therefore do not need to be forced to comply with basic social and environmental standards. As a result of the Global Compact, other calls from within the UN system for legally binding regulation of transnational corporations are being suppressed. Endorsement of the Compact by some NGOs has legitimised it even further, while undermining the development of more effective initiatives.

Privatising Sustainable Development

The effects of corporate influence on the UN are clear in the preparatory process for the Johannesburg summit, which displays a deep neo-liberal bias. For example, numerous references to the 'Doha Development Agenda' in the Chairman's papers disguise the fact that the WTO system explicitly subordinates people and the environment to trade considerations. The emphasis on so-called 'Type-II' outcomes, such as partnerships between business and governments or NGOs, effectively privatises the implementation of the Rio 'commitments' set out by governments 10 years ago, and gives an ultimate seal-of-approval to corporate lobby groups and their 'best practice' projects. The bias towards Type-II commitments also reflects the lack of political will to negotiate effective and legally binding solutions to the world's most pressing social and environment problems.

Co-opting Corporate Accountability

In an attempt to pre-empt moves towards binding regulations, corporations are skilfully engineering the debate about 'corporate accountability' down to the narrowest of definitions. High profile voluntary reporting standards such as the Global Reporting Initiative are being sold as the answer to civil society demands for corporate accountability. Corporate groups such as Business Action for Sustainable Development (BASD) are actively redefining the language of corporate regulation to mean corporate-friendly regulation such as market-based 'solutions' to problems and intellectual property rights for corporations.

Like other corporate lobby groups such as the World Business Council for Sustainable Development (WBCSD), the International Chamber of Commerce (ICC), and the Mining, Minerals and Sustainable Development (MMSD) initiative, BASD is working to focus the outcomes of the WSSD on technocratic and voluntary 'solutions'. By engaging in 'dialogues' with critics, incorporating the language of NGO criticisms into their rhetoric (such as 'corporate accountability'), publishing glossy reports, and demonstrating isolated examples of good 'corporate citizenship', they are succeeding in blurring the lines between business and NGOs, and deflecting pressure for fundamental change. The disturbing acquiescence and opportunism of some NGOs in the preparatory process has only contributed to the problem, by closing off political space for more corporate-critical positions.

Privatising nature

Specific agreements and initiatives on climate change, biosafety and water are being hailed as triumphant successes of the Rio process. The reality is that in almost every sector where a Rio agreement has been reached or is in negotiation, a deep neo-liberal and corporate bias is apparent. Through the Rio process, corporations are working to open up nature itself to commodification and privatisation - air, water, and the genetic building blocks of life are being turned into tradeable goods.

In the case of the atmosphere, the Kyoto Protocol is littered with so-called 'market-based solutions' which will not only undermine the limited environmental integrity of the Protocol itself, but also reinforce corporate power through the creation of a new market in atmospheric credits. Biotechnology is being touted as the solution to the world's food and health problems, and being actively promoted by UN agencies, despite growing public concern and an absence of stringent testing, labelling and liability requirements. The water sector is threatened by a sophisticated effort on the part of TNCs to reframe the debate around water provision from one of a fundamental human right to an economic good, paving the way for increasing privatisation of the world's water supply. Everywhere, corporate interests are being enshrined in law while considerations of social and environmental welfare are brushed aside with fine words.

Call for democratic control over the economy

Rio + 10 summit offers us all an opportunity to assess and evaluate the last ten years of corporate-led globalisation, and to change course.

It is evident that in the increasingly deregulated environs of the global economy, internationally binding and legally enforceable regulation of corporations is imperative as a first step to asserting democratic control over the economy.

The pace and direction of change should not be left to corporations to decide. The obstructive influence of corporations and their lobby groups must come to an end.

Basic concepts of participatory democracy and community empowerment should be at the heart of all international decision-making structures and processes.

To this end, we commit to mobilise against the corporate capture of the WSSD and towards increasing democratic control of our global, national and local economies.

Signed by (May 26):

American Association of Jurists, United States
ASEED Europe
CEE Bankwatch Network (Central and Eastern Europe)
Censat Agua Via, Colombia
Centre for Environmental Information & Education, Bulgaria
CETIM, Switzerland

Citizens' Environmental Movement, Poland
Coordination Against Bayer-Dangers, Germany
Corporate Europe Observatory (CEO)
Corporate Watch, United Kingdom
CorpWatch, United States
Critical Shareholders, Denmark
Development Alternatives with Women for a New Era (DAWN)
DiFAIRsity, Belgium
Ecologistas en Acción, Spain
Finnish ECA Campaign
Grassroots Globalization Network, United States
Green Liberty, Latvia
GroundWork, South Africa
Housing and Land Rights Network - Habitat International Coalition
IBON Foundation Inc., Philippines
Institute for Agriculture and Trade Policy (IATP), United States
Institute for Economic Relocalisation, France
Institute of Political Economy, Philippines
Integrated Rural Development Foundation (IRDF), Philippines
L'observatoire des transnationales, France
Organic Consumers Association, United States
Platform, United Kingdom
REDES - Friends of the Earth Uruguay
Transnational Institute
Third World Network
WAHLI (Friends of the Earth), Indonesia
World Development Movement, UK

Please consider signing the declaration and circulate it within your networks. All sign-ons should be sent to ceo@corporateeurope.org
The declaration, with a regularly updated sign-on list, will be available on our website <http://www.corporateeurope.org/> until the Johannesburg summit.

Looking forward to hear from you!

Corporate Europe Observatory (CEO)