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## **Human Responsibility in “Business for Peace” *Clouds and Silver Linings***

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### **Structured Abstract**

**Conceptual paper:** peace, social pact, duty, responsibility, accountability, jurisdiction, universal declaration.

Renewed thinking on the *idea* of responsibility as the foundation of human relationships and of the relation of humans with nature, is essential to face the current worldwide crises. While all people have an equal entitlement to rights, their responsibilities are proportionate to the possibilities open to them: freedom, access to knowledge, wealth and power, all increase the capacity for exercising responsibilities and the duty to account for them.

The *practice* of responsibility as a two-fold commitment of assuming charges and accounting for one's actions is affected by ethical erosion, fragmentation, controversy, rugged individualism and rapid structural changes at the global level and within societies partly due to unprecedented progress of the sciences and technologies. Moral appeals, codes of conduct, declarations and manifestos, unbinding self-regulation in the field of Corporate Social Responsibility are insufficient to counteract structured “de-responsibilisation” and irresponsible unsanctioned behaviour that undermine the solution of the current crises.

A new international reference text on human responsibility, as a complement to the Universal Declaration of Human Rights, setting out the basic principles of the idea of responsibility, and serving as a basis for international jurisdiction, must be a priority on the international agenda.

### **Actors in a “peace minded economy”**

This conference on “Business for Peace” is meant to clarify the role of business enterprises in bringing about a “peace-minded global and local economy”.

If “peace” would only mean “absence of war”, business actors would immediately react by saying that a “peace-minded economy” is exactly what they want because that is the best condition to do business.

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But peace means more than “no war”. The Webster’s Dictionary refers to the Latin origin of the concept: “pax” which derives from the verb *pacisci* = to agree, hence *pax* = *pact* = contract. The Webster defines the concept as “*a state of security or order within a community provided for by law, custom or public opinion*”. The question then is “who are the members of the community”, which actors should be the guardians of the peace pact, which conditions are favourable to ensure the state of security and which ones disturb it?

Starting from this conception of peace as a social pact, there is indeed quite a lot to discuss about the role of business -as one of the partners in the social contract- in favouring a “peace-minded sustainable economy”.

Yesterday we listened to the President of the European Council, Mr. Herman van Rompuy, who addressed the issue from a *political* -that is governmental- perspective. Then we heard Peter Bouckaert who voiced concerns of *civilians* on the question of Human Rights. And indeed the business is not a world apart. It is closely interconnected with government policies as well as with the demands and needs of citizens.

The question therefore is to what extent the three have *an impact on each other* and what can be expected of *actors* in each of these three sectors of society in terms of *sharing responsibility* for a sustainable society.

### **The idea of ‘responsibility’: the foundation of human relationships**

Before going deeper into the role of these three levels of actors, their constraints, dilemmas and choices, allow me to say first a few words about the idea of “responsibility” itself and how the complexity of the world we have to face today, makes the practice of responsibility *not as obvious as* the word may suggest.

First: “responsibility” is not the same as “duty”. *Duties* are *conceived* and mostly *imposed by others*, just like *rights* are *assigned by others* and *claimed from others*. That’s why e.g. national Constitutions often mention the two together: “rights and duties”, imposed by the Constitution, mostly with reference to the citizens of a nation rather than to the State.

Responsibility, on the contrary, is the *ability to respond*, derived from the latin verb *spondere* = to assume a charge vis-à-vis someone or something, to guarantee or make a promise to take care of someone (hence spouse).

And *re-spondere* = to account for the way one has exercised the assumed charge, whether before the person or group concerned or eventually before the court.

It is this second aspect of responsibility that paves the way to juridical implications. Thus *spondere* and *re-spondere*, to *assume* and to *answer (account) for* are intrinsically linked in a *two-fold commitment*.

The question of the distinction between ‘duty’ and ‘responsibility’ came sharply to the fore after World War II in Germany. First the question was: who was responsible for the military defeat of Germany ? But later the question was brought up in a different way by Jewish philosophers like Hannah Ahrend, Hans Jonas in his book “Das Prinzip Verantwortlichkeit”, Emmanuel Lévinas and others. Who was responsible for what German themselves came to call “the barbarism” of the Nazi regime? And the soldier said: “It was not *my* choice. I’m not responsible. I did my duty. The officer told me so”, and the officer said: “I did my duty. I’m not responsible. The General told me so’. And the General said: “I’m not responsible. I did my duty. The Great Leader told me to do so...”. It was this mentality, the mentality of all the Eichmanns, that made Hannah Ahrend use the expression of “the banality of evil”.

The idea of responsibility is deeply embedded in the *being* of the human being because it embodies the *relational nature* of human existence, starting with the conception of the human embryo, the nurturing of the unborn child in the mother’s body and then the responding of parents to their children’s needs.

*Responsibility is the foundation of human relationships.*

The ‘*ability to respond*’ implies in a way *the choice* one can make to *yes or no* use that ability in order to respond to the needs of one’s environment. Responsibility is thus *not a value in itself* (like compassion, tolerance, respect, dignity, etc.). it is about the *application of values*, about *taking care of what is valued*. In that sense it is a *universal human principle* that transcends cultural differences. It is a notion that speaks to everyone, that *resonates* everywhere.

### **The practice of responsibility: controversial, eroded and fragmented**

But as precisely there is quite some divergence of opinions about *what is valued*, the notion of responsibility is *controversial* when it comes to the practice of responsibility.

*Controversial* with regard to two fundamental questions to be sorted out in the social contract of a community, be it a local or global one:

- “who is responsible for what?”, and

-“who accounts for what to whom ?”.

These two questions express the two-fold commitment of assuming and accounting for. And because these two questions may give rise to controversy, they are all too often left aside, in particular in complex organisations and in international relations.

The idea of responsibility has also become *orphaned* in the sense that the *underlying ethical basis* of what is good and bad, right and wrong, is *affected by erosion*. Orphaned responsibility is deprived of clear guidance and certainty about choices that have to be made in the practice of exercising responsibilities.

At the *personal level* this erosion may be manifested by *shying away* from the trouble of taking care. A striking and much mediated example was the Chinese toddler hit by a car and left unattended to by passers-by.

At the *level of organisational structures*, the various tasks to be fulfilled may be distributed in such a way that *no one can be held responsible for the failure of the whole*. Thus, *bank directors* were not held responsible for what their *traders* did.

These are phenomena of a process of «*de-responsibilization*» going on in many societies with all its detrimental effects.

And there is the controversial tendency to *limit assumption of responsibility as well as accountability* for the exercise of it *to those who have vested interests* in stead of those who are affected by the execution of it.

E.g. : -captains of industry accounting to shareholders without taking into account the effects on their clients or society or nature.

-Scientists in pharmaceutical enterprises accounting to their directors allowing their inventions to be marketed while they know it is not sufficiently tested on its by-effects.

This *silent erosion of responsibility awareness and practice* has been an *unheeded* process that has been going on for quite some time.

And slowly but surely unprecedented crises have emerged: environmental, economic, financial, social and cultural. Crises that create all sorts of violence, all sorts of social injustice and inequality, and... all sorts of hidden, *uncontrolled*, *unaccounted for* and *unsanctioned ir-responsible* behaviour.

## Causes

Causes for these manifestations of the depletion of the idea of responsibility are of course to be found in *mentalities* such as *rugged individualism* in social relations and *attitudes towards nature*. The spirit of the Age of Enlightenment has not faded, many people still see *man* as *separated from* and *superior to* nature, Descartes saying “*Man is possessor and master of nature*” is not yet contradicted by all...

But not only mentalities are at stake, rapid structural changes at the global level and within societies partly due to unprecedented progress of the sciences and technologies play a determining role as well.

### *Rapid structural changes*

On the one hand the globalisation process is creating growing interdependencies and modern societies are becoming more and more complex.

On the other hand we also witness increasing phenomena of *fragmentation*:

- in the *social fabric* (e.g. within families, within local communities because of urbanisation)
- in the *workplace*, factories, offices where one is given tasks of which one often does not quite know how it serves the overall objective of the company.
- *within the sciences* (far-going *specialisations*, e.g. within the medical sciences, at least the Western ones, where each part of the human body is given specialised attention, but the complex whole is less taken into consideration).
- *within the juridical system*, in particular at international level.

Fragmentation *in society* goes hand in hand with *fragmentation of responsibilities*.

If then a “peace-minded global and local sustainable economy” is the objective we strive for... *how to tackle the problem of orphaned responsibility*, of *mentalities*, of the effects of the *structural changes* mentioned?

What can be expected from the three main interacting categories of partners in society: governments, actors in business and citizens?

## Interacting categories of partners

### **Governments:**

The Special Representative of the United Nations Secretary General, Mr. John Ruggie, in his 2010 report on Business and Human Rights, states that (quote): *“the root cause of the business and human rights predicament today lies in the governance gaps created by globalization – (gaps) between the scope and impact of economic forces and actors, and the capacity of societies to manage their adverse consequences. These governance gaps provide the permissive environment for wrong-full acts by companies of all kinds without adequate sanctioning or reparation.”* (end quote)

Numerous other articles, reports, statements and what have you, all point to the same conclusion :

*\*unless* governments use their “ability to respond”,

*\*unless* national governments turn into national law the measures agreed on at international level...

*\*unless* governments ensure that rules are not only made but also applied,

Unless.... it will be business as usual.

Unfortunately : “*ability*” to respond to all these challenges and “*political will*” to do so, are not quite the same.

-Since the Treaties of West-Phalia in 1648 the principle of *sovereignty* has prevailed. This principle makes radical decisions at UN-level on the basis of consensus between 197 Member States, practically impossible. And it is one of the main stumble blocks for concerted action to be taken at the table of the European Union as well.

The RIO 1992 declaration on sustainable development stated the “common but differentiated” responsibility of Member States for the preservation of living systems. But over the following twenty years, this has proved to simply mean: who pays most?

-And there is the “corporate capture” of national and international political fora. Business enterprises do not only pay huge amounts to *lobbyists* for trying to influence political decisions, they also make sure to play a predominant role in consultations organized by the United Nations in various processes preparing UN proposals, be it on Climate Change or other fields of international negotiations.

Various reports on these efforts clearly demonstrate that the *main messages* of these corporate voices are:

1. focus on *growth and new technologies* as a means of *decoupling* growth and resource use;
2. emphasis on *corporate* sustainability;
3. *reduced* role of government.

The romantic expression that the world now has become a “*global village*” obscures the fact that while *social control* is an intrinsic part of village life in the countryside, this cannot be said of the global village.

#### *Silver linings behind dark clouds*

A first one to be mentioned is no doubt the most outstanding example of the proclamation of the Universal Declaration of Human Rights in 1948.

*Although* it took almost 30 years before in 1976 this Declaration of intention took on the force of international law with the ratification of the International Bill of Rights, *and although* Human Rights are still violated, including by States that signed this Bill... this text has served as an *unavoidable* international *reference* hallmarking the duty of States to protect the rights of its citizens.

And perhaps more importantly *the idea of individual rights itself* -that was not necessarily part of the cultural heritage of all nations in the world- *has become a universal idea* that found its way into subsequent international treaties, national constitutions and other laws.

The Universal Declaration of Human Rights has become an *instrument for measuring behaviour* in the public and private sector as well as in society as a whole. And what is more it has opened the door for complaints to be treated by courts of justice.

A *second* silver lining came out of the deep crisis created by totally *ir-responsible* and *uncontrolled* behaviour of leaders in the banking sector. *Governments have now been forced to take binding measures* in terms of transparency and inspection. Thus the *European Union* created a new mechanism for testing the credibility of banks and a new system of supervision and control.

In spite of the growing global interdependencies undermining the role of States, *we cannot do without States*. They are vital to make sure that international agreements usually defining *non-binding* measures, are *turned into laws* and are subsequently applied.

### *Actors in the business sector*

How to turn the *Power* of the *Private* sector into *Public benefit*? What is the business sector's "ability to respond", its responsibility to observe the UN Triple Bottom Line that includes not only economic profit but social and environmental concerns as well?

Understandably, the business' plight is the *sharp competition* they have to deal with -without a level playing field internationally- as well as the temptation to satisfy consumer's demands for cheap products, whether or not these are produced in a socially and environmentally justifiable way.

On the other hand the business sector cannot avoid responding to the growing pressure from society, and even from governments.

Thus, the controversial question has become: can companies be left to their own initiatives?

The much discussed issues here are 1. whether *self-regulation* is sufficient for the business sector to strive *not only* for economic profit, or whether *imposed regulation* is unavoidable ? and 2. to what extent will companies observe sufficient *transparency*, when *reporting* is left to *their own good will*?

### *Silver linings around the business sector*

A *first silver lining* around the clouds in the business sector may well be the nowadays widely accepted and promoted idea of *Corporate Social* (or better *societal*) and *Environmental Responsibility* that became popular since the 1960ies. As CSR is a *form of self-regulation* to be integrated in a business-model, *critics* argue that CSR is usually no more than window-dressing showing "good practices" that change in no way production processes that may be harmful to the natural environment and/or are detrimental to social conditions of the workers. However, the idea has led to the UN Triple Bottom Line of economic profit concerns coupled with social and environmental concerns. And this in turn has led to requirements of transparent reporting.

The CSR-idea has also brought about an intensive process of *multi-stakeholder consultations* resulting in the ISO26000 *standard principles*. These standards are *not enforceable by law*, but at least *the CSR-idea like the Human Rights idea has become an unavoidable reference*. It is taught in Business Schools all over the world, it is claimed by *pressure groups and trade-unions* demanding mandatory standards and *even governments* increasingly try to hold the business sector accountable for the impact of their actions.

An extensive report of the Global Reporting Initiative and others called “Carrots and Sticks”, on trends in Voluntary and Mandatory Approaches to Sustainability reporting <sup>2</sup>, comes to the following conclusions:

1. *the regulatory landscape has evolved substantially in all parts of the world.* While the *instruments are purely voluntary at the global level*, at the *national level* a dense network of voluntary and *increasingly mandatory* sustainability reporting standards and *related legislation* have been identified. They are considered *highly complementary*.
2. *Stock exchange initiatives* in emerging market countries have been identified as an important factor because they increasingly demand observation of sustainability reporting standards.

A *second* -and by no means the least promising- silver lining is the growing worldwide movement of *Social and Solidarity-based Economy* enterprise initiatives .

They are setting the examples for a different approach to economy, aiming in the first place at socially useful purposes for an economic project, based on democratic governance and ethical management, with local territory focus and civic commitment.

### ***Citizens***

And that brings us to the role of citizens in the peace-pact for a sustainable society. It cannot be denied that many citizens *as consumers* stimulate enterprises in providing cheap products, *as workers* they may give priority to job security above concerns for the environment, *as citizens* they may abstain from putting pressure on governments and enterprises.

*But* we also see an ever *increasing political awareness of citizens* using their means of communication through the social media, voicing their anger, their *millions of initiatives* to *turn the tide* of the democratic deficit, of social in-cohesion, of depletion of natural resources... these are the most encouraging shining silver linings around the clouds...

### **Concluding remarks**

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<sup>2</sup> KING, Mervyn (Chairman Board of Directors Global Reporting Initiative, the Netherlands), BARTELS, Wim (Global Head of Sustainability Assurance at KPMG, the Netherlands), CROPPER, Angela (Deputy Executive Director UNEP, Kenya), GARRAT, Bob, Chairperson Unit for Corporate Governance in Africa, University of Stellenbosch Business School, SouthAfrica), *Carrots and Sticks, Promoting Transparency and Sustainability – an Update on trends in Voluntary and mandatory Approaches to Sustainable Reporting*, 2010.

### ***Making the idea of shared responsibility explicit***

Coming back to the title of this speech that meant to raise the question to what extent *the business sector* sufficiently assumes its responsibilities for establishing a sustainable society and accounts for its actions, it seems that its “*ability to respond*”, its *capacities* to contribute to a sustainable society are *huge*.

They may even to a great extent be a determining factor.

However, we also must recognize that *other actors* in *other sectors of society*, politicians, civil servants, civil actors in trade unions and in the various professions and social groups, ***all*** do need to assume their own responsibilities and account for them.

But not only that, there is a need to rethink the society-we-want, national and international, as a society of *shared responsibilities, differentiated but complementary*, a society of open-mindedness and dialogue, a society based on well understood *co-responsibility*.

A society of people who recognize with Emmanuel Lévinas that *the self is preceded by the presence of the other*, that our life and our capacities are a gift, and that we are invited to respond to this gift by recognizing the other in his needs and his freedom, a society of people who recognize that “I am responsible because you are”.

However, as Seneca said : “*There is no good wind for the seaman who doesn’t know where he wants to go*”. But the seaman is not the only one who needs a compass. Societies too have to sail by a compass.

### ***Towards a Universal Declaration of Human Responsibilities***

What the Universal Declaration of Human Rights did for the recognition of the *idea of rights enforcing it by international law*, needs to be equally done for the idea of responsibility.

- Because of the eroding sense of responsibility*, in all sectors of society,
- because of the lack of an international reference text* clearly setting out the basic principles of responsibility for specific matters and specific actors in the public as well as the private sector,
- because of the absence of juridical instruments to sanction* irresponsible behaviour with regard to social conditions and the protection of biodiversity...., *such a Declaration is an urgent necessity*.

It took two World Wars before the Member States of the United Nations sat together to agree on the Human Rights idea. Do we have to wait for two comparable worldwide catastrophes, maybe imminent in terms of climate changes, *before* the principle of responsibility is recognized as a key-notion for facing the challenges of the XXIst century ?

The idea of such a Universal Declaration of Human Responsibilities may sound utopian to many sceptics. But Sir Thomas More would not have written his book “Utopia” in 1516 if he had not thought that without imagining an ideal society, citizens would not know what to strive for, what would *meaning and direction* to living together as a community. And apparently he was realistic enough to write in the same book : “*What you cannot turn to good, you must at least make as little bad as you can.*”

The complexity of the problems I have mentioned is considerable. At the same time, a thorough analysis makes it abundantly clear that at the core of the solution to these problems, the notion of responsibility is a key one.

“Universal” -fortunately- is not equal to United Nations, neither to its member States and governments. “Universal” refers to the whole, it encompasses all of humanity and the planet that is our one and only home. Humanity does not need to wait for the United Nations. A Chinese saying tells us : “a journey of a thousand miles starts with the first step...”. Re-thinking our own and shared responsibilities in the face of the challenges of the XXIst century is such a necessary step.

Could we say about responsibility what Mahatma Gandhi said about peace:

***There is now way to responsibility,  
Responsibility is the way.***

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