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In recent decades thousands of campaigns have been mounted to encourage or force corporations to improve the social, environmental or economic impact of their activities. This article, emphasizing especially the attempts to affect transnational corporations in developing countries, identifies these activities as part of a global corporate accountability movement. The article seeks to encourage the various non-governmental actors in this movement to interact more, to learn from one another, and to build on each other's strengths.

Goals and actors in the movement

Non-governmental actors in the corporate accountability arena include environmental and religious groups, labor unions, farmers, consumers, investors and southern NGOs. They derive their ability to make a difference from various sources. Some, like unions and religious and environmental groups, are able to mobilize millions of constituents. Investor groups, by contrast, wield power as shareholders. These different actors pursue a variety of goals, through a variety of methods.

One pole on the spectrum of strategic goals is a desire to change the nature of corporations fundamentally, or even to get rid of them entirely. Near this pole, for example, we find the rechartering movement in the U.S. which seeks to revive the possibility of revoking the charters of corporations that fail to advance the public good.

In the middle of the spectrum are efforts aimed at changing the rules that govern corporate behavior. A successful effort along these lines was the OECD Convention to Outlaw Foreign Bribery, led by an international NGO, Transparency International. The convention, which went into force in 1999, requires the signatory governments to impose criminal penalties on companies which bribe foreign officials while soliciting business. Since the world's most dynamic economic actors are transnational corporations (TNCs), effective rules for corporate behavior need to be designed and enforced internationally. For this reason, efforts in this realm often seek to involve the U.N., or else to create some new, global agency, such as a global anti-trust authority.

At the other pole are efforts aimed at reforming abusive practices of individual corporations. Thousands of such campaigns have been organized, some on a local scale, such as that mounted

by the Southwest Network on Economic and Environmental Justice against Intel in Albuquerque. Other protests against specific corporations have attained a global scope, such as the campaign against Union Carbide after the Bhopal accident, or against Shell in Nigeria.

The non-governmental groups that have taken on these goals often see themselves as a necessary counterweight to government-established protections for corporate business as usual, such as those implemented by the World Trade Organization. "Indeed, current attempts to influence corporate behavior may arguably be categorized as a subset of a larger universe of citizens' organizations working to stop, slow down or reshape the path of economic globalization in ways that promote democracy, equity and sustainability." (153)

Methods used to achieve accountability

The methods used vary as widely as the initiating actors or their goals. They "run the gamut from confrontation (kicking Coca Cola or Kentucky Fried Chicken out of India) to engagement (the Environmental Defense Fund convincing McDonald's to change its packaging materials)." (153) Greenpeace is especially well-known for its direct action campaigns, but other organizations also have picketed, occupied corporate offices, lain down in front of bulldozers, or plugged effluent pipes. Lawsuits may be seen by corporations as equally aggressive, and sometimes even more effective confrontational approaches.

Efforts to inform or alarm consumers may be a little less direct than a physical approach to a corporation's headquarters, but they can be extremely effective. The most immediate way in which consumers can make known their disapproval of a company's practices is to boycott its products. At the same time as they wield the stick of citizen disapproval in the form of boycotts, organizations seeking corporate accountability also use carrots such as labels that will steer consumers towards products produced in a responsible way. Examples are Europe's green seal program for products passing an environmental test, or labels that announce a product's recycled content.

While some campaigns seek leverage through consumers, others use the influence of investors and/or shareholders. Pressure was brought at many levels to persuade companies not to do business in South Africa under apartheid. "Participants used the pressures of selective investment, the power of government procurement contracts, divestment, and other measures to put pressure on the apartheid regime... The U.N. concluded that these actions ultimately convinced two-thirds of U.S. companies to sell off equity shares in their South African operations." (154)

For a long time corporations regarded shareholder resolutions as strictly adversarial; however, in contrast to the early years of shareholder activists, when corporations automatically fought their proposals, or dismissed them as absurd, firms are increasingly likely to enter into dialogue with such organizations as the Interfaith Center for Corporate Responsibility, which may in a given year submit up to several hundred resolutions on a wide variety of issues.

The purpose of dialogue is, of course, to persuade corporations to behave more responsibly. Among the possible results, an important category is acceptance of a corporate code of conduct.

In some cases codes are urged on industry associations (recent industry targets, for example, have been the apparel and footwear industries globally, and, in Europe, the toy industry). In other cases they are accepted by individual firms.

Governments can also affect corporate behavior through a variety of incentives or disincentives, including taxes or other influences on the corporate environment, and the creation of institutions to review products, processes, investments, transactions or services before or after they appear in the market. The Generalized System of Preferences (GSP), operated by many governments with respect to import tariffs, can be used to express national preferences for responsibly produced products. For example, in 1984, labor, human rights and religious groups convinced the U.S. Congress to amend the GSP system so that reduced tariffs would only apply to countries taking steps to ensure internationally recognized worker rights.

On an international level, there has been at least some progress in attaching labor and environmental issues to such trade agreements as NAFTA. Continuing campaigns involving governments on an international level include efforts to enforce the Basle Convention, which restricts international trade in hazardous wastes; and the effort by trade unions, with the assistance of some governments, to include a "Social Charter" in the regulations governing the World Trade Organization.

Effectiveness Criteria

"A major void in recent initiatives to make corporations more socially and environmentally responsible is that there have been shockingly few, if any, comprehensive attempts to assess the levels of effectiveness (or ineffectiveness) of different strategies." (161) In attempting to draw lessons from the record to date, the following criteria are useful.

Change in corporate behavior can be assessed on three levels. First, has the corporation stated an intention to behave more responsibly? Second, is there evidence that it has followed through on its stated intentions? And, third, have the changes in corporate behavior had real, positive effects on communities, workers or the environment? Improvements in oversight by governments or NGOs can be similarly assessed in terms of new legislation or new mechanisms of non-governmental oversight, along with the real impact of these changes.

With regard to changes in public attitude, it is important to ask whether a given campaign has had an educational effect. "Has broader public awareness or media attention led to actual changes in purchasing or consumption patterns?" (162) With regard to the actors seeking to affect change, campaigns may also be assessed with respect to their introduction of new actors or creation of new working alliances that can strengthen the corporate accountability movement.

Lessons and Challenges

Synergies can be created when different groups employ different tactics toward shared goals. In particular, "[c]orporations are much more likely to engage in dialogue or negotiation when they face large-scale negative publicity from direct actions, well-targeted media campaigns and other more confrontational tactics. Greenpeace and Public Citizen's confrontational opposition to

NAFTA, for example, created more space for groups attempting to link environmental issues to the agreement." (163-4) There appears to be the greatest chance of succeeding with a corporation that already makes a claim to social responsibility, but there is some danger of sending the wrong message to corporations when public campaigns hit hardest at those that are readiest to engage.

Good use of media is often critical to the success of a campaign. Since simple, dramatic, easy-to-empathize-with issues are those that get most media play, "it might be advisable to open the door to the campaign with the most graphic issue and use the opening to educate around more difficult issues." (165) Campaigns that aim to ameliorate the impact of TNCs in the Third World work best when they achieve good North-South cooperation. At the same time, it is easiest to succeed with issues in countries that are of least strategic importance to powerful nations – especially the U.S.

There are important disagreements between Northern and Southern advocates, including attitudes toward the inclusion of labor and environmental standards in trade agreements. Some Third World groups perceive linkages between trade and labor practices as a sell-out to the North. However, the existence of the ILO has helped to keep workers' rights on the global agenda for eight decades, and has achieved wide agreement, even across the North-South divide, over what constitutes basic worker rights. "By contrast, there is no governmental body where internationally recognized environmental rights and standards are negotiated." (165) Hence, while there is greater public awareness of environmental concerns, their inclusion in corporate codes lags labor issues by about a decade.

The work of the corporate accountability movement – fragmented and unselfconscious though it is – has achieved major changes in industries such as tobacco, arms, apparel and footwear, and has changed the way many corporations treat the environment and their workers. It is important that those involved in this movement be open to the possibility that their goals may need to evolve as some measure of success is achieved, or as possibilities and constraints shift. As corporations increasingly do sign on to standards of conduct, including agreements to report on their social and environmental impacts, such flexibility assumes a greater urgency.