

Report

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Davos 2005

The WEF, its offshoots and the challenge of dialogue

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The Programme on NGOs and Civil Society

Worldwide, the role of civil society has been increasing at rapid speed. Non-governmental organizations (NGOs) have become significant and influential players and generate much interest. Created in 1986, the Programme on Non-Governmental Organizations and Civil Society aims at contributing towards a better understanding of NGOs and the solutions of complex and conflictive societal problems involving NGOs.

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EXECUTIVE SUMMARY

For its 34th Annual Meeting, the World Economic Forum (WEF), held in Davos (Switzerland) from January 26th to 30th, adopted themes usually promoted by NGOs opposing its agenda: development, poverty, equity, and environment. Global leaders such as British Prime Minister Tony Blair, Microsoft founder Bill Gates and former US President Bill Clinton all pleaded for the world's poor. The means of the WEF members, however, remained the same as usual: privatisation, trade liberalisation, deregulation and reliance on markets.

Show business was strongly represented and attracted a lot of media attention, with Sharon Stone performing the stunt of the week when she collected US \$1 million from the audience during a high-level session. Other stars relayed the same pro-development message, such as actress Angelina Jolie and U2 lead singer Bono. The star power can be seen as a part of a public relations strategy that seeks to use the media to improve the image of business and attract attention on the importance of the WEF Annual Meeting.

The Open Forum, organised by the WEF in conjunction with Swiss church organizations, was an occasion for the local public to meet with WEF members and discuss issues very much similar to those of this year's WEF: child labour, corporate social responsibility, and humanitarian aid, to name but a few. The relevance of the event as an opening of the WEF to global civil society remained questionable, however, as the event reached a very local audience and there was little mainstream media coverage.

The Public Eye on Davos, the main counter-WEF event held in Davos, was as sharp as usual in its critiques of transnational corporations (TNCs). Their message was clear: legally binding norms on business are necessary for them to respect human rights. For the first year, the Public Eye gave awards to the most irresponsible TNCs, in four categories: environment, tax evasion, human rights and labour rights. Tax evasion is a fairly new theme to NGOs but seems to be taking off, on moral rather than legal grounds.

Very few protests took place in Davos or elsewhere in Switzerland, following bad experiences from previous years and resulting strict rules dictated by police forces. Civil society was somewhat neutralised by these restrictions, which they rejected. The development theme of this year's WEF occupied policy space that civil society previously claimed for itself. Civil society is being forced to put its critiques on hold until a potential absence of outcomes from the WEF makes it relevant to point at yet another failure from big business.

The future of this year's dynamic in Davos will largely be based on whether the WEF members deliver on their promises to be socially responsible, and if the WEF itself drops the development agenda like it did with other themes in the recent past. It is very likely that civil society would hold the WEF accountable for such a failure. The pressure hence is on the WEF.

INTRODUCTION

As a part of its Programme on NGOs and Civil Society, CASIN attended the events surrounding the World Economic Forum (WEF) for the second time in January 2005, after having been present at the 2003 edition.¹ The main objective of this report is to analyse the dynamic between NGOs and civil society and the WEF and therefore contribute to a better knowledge and understanding of NGOs.

The authors report on four events in as many sections: the WEF, followed by the Open Forum, the Public Eye on Davos, and the protests surrounding the WEF. The section on the WEF is drawn from the media and press releases. The three other sections also draw from the media, but rely mostly on first-hand accounts of the events which the authors attended.

THE WORLD ECONOMIC FORUM ANNUAL MEETING

The World Economic Forum is a private club of some of the 1000 world's leading companies who pay an annual membership fee of CHF 30,000 (USD 25,000). Created and led by Swiss business professor Klaus Schwab, it brings together business and political leaders. Its Annual Meeting has been taking place since 1971 in Davos, Switzerland, at the beginning of each year. The WEF goes by the motto "Committed to Improving the State of the World" and is reputed to set the global agenda of the year to come despite its lack of democratic accountability or public openness.



Klaus Schwab
Source: WEF

This year's theme was "Taking Responsibility for Tough Choices", a reference to the challenges of poverty, climate change, education and equitable globalisation. From January 26 to 30, 2005, 2250 participants from 96 countries attended the meeting. Among them were 20 heads of state or government, 70 cabinet ministers, 26 religious leaders, 15 union leaders and more than 50 heads of non-governmental organizations, and 787 first-time attendees². Around 50% of the participants were business leaders drawn principally from the Forum's members.³

The appeal of the WEF Annual Meeting to global leaders rests in good part on the "Davos spirit": the relative informality of the event and its absence of expected outcomes. First-time attendees are often surprised at the availability of usually inaccessible world leaders. High-level participants can engage in spontaneous informal discussions with ministers, CEOs and other leaders. As a result, the WEF has been the theatre of major breakthroughs for negotiations on the North American Free Trade Association (NAFTA) and the General Agreement on Tariffs and Trade (GATT) Uruguay Round that led to the creation of the World Trade Organisation (WTO). Major announcements have also been made at the WEF, for

¹ See report "Building Trust: A Report on NGO Reactions to the World Economic Forum", CASIN: Geneva (Switzerland), January 2003.

² Chris Lewis, "Confessions of a Davos Virgin", in *swissinfo*, accessed 2005/01/02 at [swissinfo.org/sen/swissinfo.html?siteSect=2275&sid=5506404]

³ WEF, *Participants "Get Down to Business" On First Day of World Economic Forum Annual Meeting 2005 in Davos* (press release), Davos, January 26, 2005.

example the UN Global Compact in 1999 and an agreement between Israel and Palestine in 1994.

Taking Responsibility for Tough Choices

As an invitation-only gathering of global leaders likely to make important decisions, the WEF Annual Meeting is subject to criticism from civil society, especially since it exposes political leaders to influential business leaders who are not trusted to represent the broad interests of the population. The fact that most debates are held behind closed doors and that only journalists selected by the WEF can attend has fuelled the notion that the Forum lacks transparency despite its extensive press coverage.

Relations with civil society have always been strained, but appear to have calmed over recent years (see section on demonstrations, p. 14). One reason might be the creation of the “Open Forum”, a public set of conferences the WEF organises in collaboration with NGOs (see complete description, p. 6). Also, the WEF has shown a growing interest for the themes traditionally put forward by civil society: poverty, development, the environment, etc. Indeed, this year, an electronic survey of the participants identified “poverty”, “equitable governance” and “climate change” as the three most important issues currently on the world agenda.⁴

Two of this year’s most important speeches echoed this sentiment. On the first day, French President Jacques Chirac, speaking eloquently about the world’s poor, suggested a series of ways to finance development with a pilot project to levy USD 10 billions to fight AIDS in the short term. He suggested either a tax on financial transactions, also known as a “Tobin Tax”; a \$1 tax on each plane ticket; taxation of aviation fuel; or a tax on capital flows in and out of countries with banking secrecy.⁵ His suggestions were received coolly. Bill Clinton said that no new mechanism was necessary to find the relatively small amounts of money required.⁶ Amartya Sen, Nobel Prize winner for economics, also considered the idea rather unrealistic because of likely American objections.⁷



Tony Blair (Source: WEF)

British Prime Minister Tony Blair made suggestions in person two hours later which were better received. He made climate change and Africa his two top priorities for 2005, a year in which the UK will hold the presidency of the G8 and the European Union. He also pleaded for a strong focus of the international community on these issues.⁸ This set the agenda for the rest of the meeting and development issues never left the centre of the stage.

⁴ World Economic Forum, *Global Town Hall Report*, WEF: Geneva, January 2005, accessed 2005/02/10 at [weforum.org/pdf/AM2005/Global_Town_Hall.pdf]

⁵ Krishna Guha and Raymond Collet, “Chirac Urges new taxes to alleviate global poverty”, in *Financial Times*, January 27, 2005, accessed 2005/01/27 at [news.ft.com/cms/s/19219806-7009-11d9-850d-0000e2511c8.html]

⁶ Gary Duncan, “Stars show their stripes in battle for the lost continent”, in *The Times Online*, January 28, 2005, accessed 2005/02/16 at [timesonline.co.uk/article/0,,3-1460070,00.html]

⁷ Christian Losson, “Messés contre fausses promesses”, in *Libération.fr*, January 26, 2005, accessed 2005/01/26 at [liberation.fr/imprimer.php?Article=270722]

⁸ Tony Blair, *Special Address at the World Economic Forum*, Davos, January 27 2005, accessed 2005/02/10 at [weforum.org/site/homepublic.nsf/Content/Special+Address+by+Tony+Blair%2C+Prime+Minister+of+the+United+Kingdom]

Star power and other novelties

Showbusiness relayed this progressive message all week with the likes of Sharon Stone, Bono, Richard Gere, Peter Gabriel, Angelina Jolie and Youssou N'Dour successively pleading for their pet cause. Bono sat on a panel with such leaders as Tony Blair, Bill Clinton, South African President Thabo Mbeki and Nigerian President Olusegun Obasanjo. Sharon Stone performed the stunt of the week when, during a major meeting, she asked the audience to give their own money for mosquito nets in Tanzania in order to prevent malaria. In five minutes, she received \$1 million and international media coverage. “We thought that we had business, politics, media, but no stars; it’s a goldmine,” said one of the organisers.⁹

Among the other novelties at the WEF this year the relative American invisibility was notable, with no cabinet-level representation other than Robert Zoellick, currently Trade Representative but soon to be Under Secretary of State. The absence of prominent American leaders resulted in a large visibility for European leaders like Chirac, Blair, German Chancellor Gerhard Schröder, and European Commission President José Manuel Barroso. The organisers presented this rebalancing of geographic representation as deliberate,¹⁰ but the timing of the meeting, a few days after the US presidential inauguration and just before the Iraqi elections, might not have helped.

These novelties led commentators to speak about a “new Davos spirit”.¹¹ There seemed to be a convergence between concerns in Davos and the World Social Forum in Porto Alegre. However, outcomes remain to be seen and many have expressed scepticism. Prominent themes have turned out to be fads in the recent past – the Internet and the New Economy in 2000 or the 2002 theme of security are just two examples. It is especially surprising that the latter was so neglected this year considering its centrality to the 2004 American election and the imminent elections in Iraq.

Why such changes in 2005? Some will put the turning point in 1999, after the Asian crisis and the failed WTO ministerial conference in Seattle – the moment where it became impossible to ignore the poor any longer.¹² The pressure on business only increased in the following years with the Enron and Parmalat scandals and continuous pressure from protestors, making such changes necessary.

Everything New is Old Again

Despite all the talk about what is new, the core of the WEF did not change. If development is the new end, the means remain the same: reliance on markets, trade liberalisation, privatisation, fiscal discipline, etc.¹³ As *Newsweek* put it “*The consensus view among the elites who gather in Davos has been that, no matter what the street protesters and U.N. do-*

⁹ “On s’est dit qu’on avait le business, les politiques et les medias, mais on n’avait pas les célébrités; c’est une mine d’or”, Afsané Bassir Pour and Babette Stern, “Et Sharon Stone leva 1 million de dollars pour des moustiquaires”, in *Le Monde*, January 30, 2005, accessed 2005/01/31 at [lemonade.fr/web/imprimer_article/0,1-0@2-3208,36-396093,0.html]

¹⁰ “Les deux visages de la mondialisation”, in *Television Suisse Romande*, January 21, 2005, accessed 2005/01/26 at [tsr.ch/tsr/index.html?siteSect=5482924&folderId=5477477]

¹¹ Olivier Pauchard, “Le nouvel ‘esprit de Davos’”, in *swissinfo*, January 31, 2005, accessed 2005/01/31 at [swissinfo.org/sen/swissinfo.html?siteSect=106&sid=5504509]

¹² Laurent Mauriac, “Davos au bord du mea-culpa”, in *Libération*, January 26, 2005, accessed 2005/02/10 at [liberation.fr/page.php?Article=270723].

¹³ “Leaders at Davos focus on Africa” in *BBC News*, January 27, 2005, accessed 2005/01/27 at [news.bbc.co.uk/1/hi/business/4211171.stm]

*gooders may say, globalisation is good for the poor.*¹⁴ It is telling that one of the most important side-events to the WEF was an informal ministerial-level meeting of the WTO, the first since the Cancun conference in 2003.¹⁵

Participants were also generally typical of the average Davos meeting. According to the results of an electronic poll, 66 per cent were men, 41 per cent in their 50s, and 70 percent from North America and Europe. Asian delegates represented only 15 per cent of the total despite accounting for more than half the world's population.¹⁶ At 34 per cent of total, women have improved their representation by accounts of previous years where they represented only 10 per cent of delegates.¹⁷

The Future

This year's mix of development and business themes may mean that the WEF is in a transitional period or may reveal to be just a fad. It remains to be seen in the forthcoming year what place the new themes will get especially since not everybody is happy with this new orientation. Sir Digby Jones, the head of the Confederation of British Industry, the largest employers' organisation in the UK, plainly expressed his disagreement: "*The pendulum is swinging too far in favour of the NGOs. The World Economic Forum is caving to them.*"¹⁸ The *Financial Times* complained, "*The non-governmental organisations are not only inside the tent, they are dictating the agenda.*"¹⁹ This may be the expression of a majority that preferred to remain silent rather than openly defend business. Nevertheless, these forces will work to influence the agenda of the WEF over the coming year. Their effect will be seen next year.

Davos may not always be in Davos either. The WEF has been subject to increased public scrutiny and it has opened its doors to new stakeholders such as NGOs. A possible outcome may be the "democratisation" of the WEF Annual Meeting, but it is also possible that the Annual Meeting will lose its appeal to leaders who appreciate being among themselves, and that they will pass the meeting by in favour of new, more private meetings. A good example is the new trend to spend some days in one of the Greek monasteries of Mount Athos that is becoming a fixture of many WEF attendees such as Bill Gates, King Juan Carlos and Silvio Berlusconi.²⁰

OPEN FORUM: WHEN IS THE ECONOMY ETHICAL?

This year's Open Forum, the third held since the event's creation in 2003, was organized by the WEF in conjunction with Bread For All (the development organization of the Swiss Evangelic Church) and the Federation of Swiss Protestant Churches. Under the motto "When is the Economy Ethical?" it sought to create "*public and controversial*" dialogue

¹⁴ Karen Lowry Miller, "The Poor Problem", in *Newsweek*, January 31, 2005, p. 41.

¹⁵ Alan Beattie, "Ministers to push Doha trade talks", in *Financial Times*, October 29-30, 2005.

¹⁶ "Davos Man Has A Heart", in *Financial Times*, January 26, 2005.

¹⁷ CASIN, "*Building Trust: A Report on NGO Reactions to the World Economic Forum 2003*", CASIN: Geneva (Switzerland), January 2003.

¹⁸ Larry Elliot, "CBI chief claims Davos hijacked by NGOs", in *The Guardian*, January 31, 2005, accessed 2005/01/31 at [guardian.co.uk/guardianpolitics/story/0,,1402164,00.html]

¹⁹ "Davos poverty of leadership" in *Financial Times*, January 31, 2005, p. 14.

²⁰ A. Craig Copetas, "'Davos Men' visit monastery before global forum starts", Bloomberg News, published in *The Seattle Times*, January 25, 2005, accessed 2005/01/26 at [seattletimes.nwsources.com/html/business/technology/2002159684_davosspirit25.html]

“between business, civil society, governments, the churches and the public,” according to co-organizer Thomas Wipf, President of the Board of Federation of Swiss Protestant Churches. It sees itself as complementary to events that are critical of globalisation, while in the words of André Schneider, Managing Director and Chief Operating Officer of the WEF, at the same time “casting light on the dark side of globalisation.” In a panel discussion format, it made WEF participants available to the public for buttonholing.

Between 250 and 300 attendees who participated on a first-come, first-serve basis, saw most sessions.²¹ The event took place in the auditorium of the Schweizerische Alpine Mittelschule, a local school. The audience was mainly composed of well-informed locals of all age groups, alongside a few foreigners. Disappointingly few participants of the WEF made their way over to the Open Forum, while several observers and protagonists of the Public Eye took part in the event. The sessions were organized as panels, for which the organizers had selected the speakers. This made for a relatively strong representation of religious figures, as well as for some prestigious guests, bringing along some of the “Davos Spirit”.



The audience at the Open Forum
(source: CASIN)

Failing to break new ground

The discussion titled “Does Respecting Human Rights Pay?” witnessed a fair deal of defensive corporate representatives, who saw themselves under relatively moderate attack from the NGO representatives on the panel. Due to his company’s size and exposure, BP’s Group Chief Executive Lord Browne of Madingley was the centre of attention. Similar to what had already taken place at the Public Eye, the debate touched on whether voluntary or compulsory regulations on respecting human rights are the way forward for improving corporate behaviour. As was to be expected, Amnesty International’s Secretary-General Irene Khan was among those who pushed for compulsory standards, while Lord Browne praised voluntary measures.



A Panel at the Open Forum (source: CASIN)

The following session, on children’s rights and child labour, proved far less controversial, but did go into some practical approaches to rooting out child labour. Robin Cornelius, CEO of the Swiss textile company Switcher SA, presented his company’s policies, which include working with a single supplier in India and exceeding Indian labour and environmental regulations. Although Switcher’s approach is very laudable, Mr. Cornelius admitted that it would be difficult to reproduce his policies because Switcher does not have shareholders, nor does it intend to grow indefinitely. The audience, supported by panellist Ellen Ringier, induced an interesting change in policy in encouraging Mr. Cornelius to advertise his company’s code of conduct in order to increase consumer awareness, which he agreed to.

²¹ For a complete list of sessions and panellists, please refer to Annex 1.

The session as a whole, however, shied away from addressing the root causes of child labour, an issue that audience members brought up.

In a quasi-anti-American climate among the audience, the panel on “The Role of the United States in World Affairs” could only go in one direction, where even Democrat Senator Christopher Dodd felt compelled to defend some of the Bush administration’s policies. The moderate, measured criticisms of German Bishop Bärbel Wartenberg-Potter found great resonance among the audience when she said that “*evil cannot be fought with war*”, a comment that contributed to easily making her the most popular member of the oversized panel.

The session on “Post-Tsunami Aid: What is Human Life Worth?” failed to produce novel ideas, in part due to the panel’s size which didn’t allow for much depth to be achieved, and in part due to its ineffective moderator. Instead, corporate (in particular DHL) and some government representatives such as the Japan International Cooperation Agency’s Sadako Ogata used the panel to promote the good they have done for the afflicted areas.

The panel on entrepreneurship as a key for development ended up focusing primarily on microfinance. While it included powerful success stories from Pakistani microfinance entrepreneur Roshaneh Zafar, Managing Director and founder of the Kashf Foundation, this session also failed to produce new insights into the subject matter. Particularly disappointing was the session’s inability to incorporate the Credit Suisse representative into a meaningful dialogue on how to make microfinance more attractive to mainstream banks.

Discussion yes, dialogue no

While not identical, the topics this year were strikingly similar to those of the 2003 edition of the Open Forum. In a sense, the character of some of the debates, which lacked novel ideas, mirrored this. Notable in this sense was the session on child labour, which everyone agreed needed to be rooted out, or the one on post-tsunami aid, where the panel agreed that prevention was key to avoiding similar disasters in the future.

Nevertheless, some points stood out. The sessions that garnered the most interest from the public and created the highest degree of controversy were those that touched upon the role of corporations in society, in particular the session on human rights and the one on shareholder and consumer power. The former benefited from an aggressive moderator who ensured that the panellists directly addressed the questions from the audience. The moderator’s efforts created a fairly heated debate between David Ugolor, President of the African Network for Environmental and Economic Justice, and Lord Browne, one of the few occasions where real debate—as opposed to polite agreement—occurred.

In a week where *The Economist* published a scathing 18-page special report on corporate social responsibility (CSR)²², this topic received a substantial boost at the Open Forum from most corporate representatives. While the *Economist* authors argued that CSR is trying to “*fix what doesn’t need fixing*” since business contributes enough to society by creating profits, representatives from DHL, BP, Migros and ABB, among others, were happy to use the Open Forum as a platform to advertise their CSR policies. Orin Smith, CEO of Starbucks,

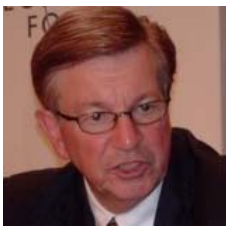
²² “The Good Company: A survey of corporate social responsibility.” *The Economist.*, Vol. 374, No. 8410. January 22, 2005.

went even further in calling the *Economist* report “misguided”²³. An interesting dynamic evolved in the shareholder and consumer power session, where Smith stated that he would be happy if “consumers were better organized than they are because we don’t get support for a lot of our [CSR] initiatives.” Similar statements from Claude Hauser, Chairman of the Board of Migros, and Dominique Biedermann, Director of Ethos, the Swiss Investment Foundation for Sustainable Development, served to put part of the onus for improving the state of the world on the audience. Two aspects of the discussion stood out and illustrated that it is easy to criticize corporations, but that assertive action also needs to emanate from the public: A) The panellists bluntly admitted that consumers and shareholders hold a great deal of power. B) Given the rigors of profit-driven corporate governance and their accountability to stock markets, corporations are forced to heed consumer and shareholder wishes if that power is organized. This stance received support from consumer advocate Ed Mayo of the UK National Consumer Council.



Claude Hauser
(source: CASIN)

In terms of creating dialogue, the Open Forum’s goals were only partially achieved. Some corporate representatives proved relatively reticent and defensive, for example Lord Browne, Daniel Vasella, the CEO of Novartis, or Peter Athanassoglou, CEO of Ernst & Young Switzerland. Others, such as Claude Hauser, Orin Smith or B. K. Prakash, General Manager of the Indian textiles company Prem Durai Exports - Vikram Knit Wear, were much more willing to engage in dialogue. The difference in the panellists’ willingness to openly exchange ideas is likely to be grounded in their respective personal and corporate values. In a forum where the majority of the audience was critical of transnational corporations (TNCs), it was evident that representatives of more progressive companies felt more at ease than those who received a great deal of heat for their policies.



Orin C. Smith
(source: CASIN)

On the whole, however, the Open Forum was better at creating debate than at fostering dialogue. Many sessions remained relatively tepid, with panellists careful not to offend one another. The session on the role of the United States in world politics, for example, suffered both from its size, as well as from the absence of decision-makers. While journalists, religious representatives and members of parliament could happily debate the U.S.’ foreign policy, the resulting discussion could not be termed “dialogue” since no official of the Bush administration was on the panel.

What good does it do?

The lack of mainstream media coverage confirmed the Open Forum’s status as a fringe event. The dialogue the organizers sought to create only took place in part. The question then remains what the Forum’s purpose is. If it is to accommodate the local public, then the 300 attentive audience members speak to the Forum’s success, especially when the organizers seem to have learned from previous years and allowed for between 30 and 40 minutes of questions. If, however, the goal is to address to a broader public, then the lack of media coverage and public engagement beyond the municipality of Davos or Switzerland represents a problem. Since the WEF is one of the main annual global media events, it is naturally difficult to compete. However, it does not seem as though there was much of a

²³ Orin C. Smith, January 28, 2005. Authors’ Interview.

media strategy behind the Open Forum. This raises suspicions of what critics of the Open Forum such as Matthias Herfeldt of the Public Eye see as one of the major flaws of the event, namely “whitewashing the WEF”. As opposed to the WEF, the Open Forum is not designed to be a platform where agreements are struck or initiatives launched. Moreover, there remains a large gap between the global nature of the WEF’s impact and the relatively local impact of the Open Forum. If its only effect is to speak to 300 attendees who mostly come from Davos, then its purpose and impact must be questioned.

The Open Forum, much like the WEF, showed great concern for poverty and inequality. Many speakers, including Nobel Peace Prize winner Wangari Maathai, Orin Smith and Ed Mayo and Joseph Deiss, the Swiss Federal Councillor of the Economy, agreed that business is not inherently evil but can serve the people. While there were more reticent speakers, such as Peter Athanassoglou (“*Business will do business. Do not expect them to focus on values.*”²⁴), the overall consensus seemed to mirror the banners hung behind the stage stating that “The Economy Should Serve the People”. However, for business to truly address the causes of inequality and poverty, a revolution of values would be necessary, a point that Smith, Mayo and others highlighted. Unsurprisingly, few steps towards resolving this daunting dilemma were taken, with the exception of Robin Cornelius’ decision to use his social approach to enterprise as a marketing tool. The Open Forum, much like the WEF itself, still has a long way to go to sustainably contribute to the greater good. Doing so is a tough choice indeed.

THE PUBLIC EYE ON DAVOS

The sixth edition of the Public Eye on Davos, a forum on global governance organised by civil society in response to the WEF, took place at the church community centre of Davos on January 26 and 27, 2005. The Bern Declaration and Pro Natura (Friends of the Earth Switzerland) coordinated the organisation of this event,²⁵ offering a platform to critics of globalisation as promoted by the WEF. Its public nature intended to highlight the secrecy surrounding the WEF debates. This year, the organisers did not boycott the Open Forum and even attended some of the conferences.²⁶ Although they did not see the WEF side-event as an opening, they did not believe that it created a possibility for dialogue with the WEF.

According to Matthias Herfeldt, coordinator of the Public Eye for the Berne Declaration, the role of the Public Eye is to “gather the movement and maintain public pressure on the corporations”.²⁷ Foreign speakers from international NGOs²⁸ were strongly represented, coming from Nigeria, United Kingdom, India and South Africa, among others. The internationally drawn speakers are a good indication of the *Public Eye*’s pull on the NGO community.

The awards and the winners

This year’s edition saw the introduction of the first *Public Eye Awards* for irresponsible corporate behaviour “meant as a reminder to members of the WEF and other large

²⁴ Athanassoglou, Peter: “When Does the Economy Serve the People?” Open Forum. January 30, 2005.

²⁵ See full list of organisers in annex 2.

²⁶ Sonja Ribí, Davos, January 27, 2005. Authors’ interview.

²⁷ Matthias Herfeldt, Davos, January 27, 2005. Authors’ interview.

²⁸ See annex 4.

corporate groups that the public expects them to be responsible stewards of the environment; insist on their respect for human rights and labour rights; and does not tolerate tax avoidance” according to Matthias Herfeldt. The goal was to highlight the wrongdoings of businesses in these four categories, and most likely to attract media attention. The Awards received support from former UN High Commissioner for Human Rights and President of Ireland Mary Robinson, who said in her opening address: “Somebody has to [name and shame] and it seems to me a good idea that the Public Eye is to do it”.



The Public Eye Awards
(source: CASIN)

The awards were given in four categories: environment, labour rights, human rights and taxes. A fifth, Public Award was given to the corporation selected by the public through a survey on the Public Eye website. The nominations had been unveiled at a press conference in Bern on January 11, 2005 and the winners were announced at the first day of the Public Eye. On the second day, delegates presented the winners’ cases in 90-minute exposés from the nominating NGOs. The winners in each category were:

- **Human rights: Dow Chemical** won for refusing to accept responsibility for the Bhopal disaster created in 1984 by Union Carbide, now its subsidiary. Rachna Dhingra of the International Campaign for Justice in Bhopal presented the case of the local population who is asking for compensation and Dow to accept responsibility for the disaster. Quoting the WEF 2005 slogan, she said “*Dow knows nothing about though choices*”.
- **Environment: Royal Dutch/Shell Group** for refusing to take action in Nigeria after years of environmental degradation caused by its oil operations. In the face of this continuous disaster, Godwin Ojo, Programme Director at Friends of the Earth Nigeria, sought to counter the Shell spin: “*They say that they have changed, but in reality, nothing has changed*”. The fact that Nigeria is now democratising gave him hope that the situation might finally improve in the future after years of fruitless grassroots campaigning.
- **Taxes: KPMG** for promoting tax evasion schemes on a world scale, helping profitable corporations to avoid paying taxes to developing and rich countries. “*Breaking the law is a very profitable job when you’re a tax accountant,*” said John Christensen, International Coordinator of the Tax Justice Network. He added that “*if corporations were paying taxes to developing countries, these countries would not need to borrow from the World Bank and IMF*”.
- **Labour law: Wal-Mart** for the bad working conditions in its clothing supply chain outside of the US, especially in African countries. “*As the world’s largest retailer, Wal-Mart should take the lead on labour rights,*” said Aisha Bahadur from Civil Society Research and Support Collective while presenting the case.
- **Public Award: Nestlé**, a “local” company, for its aggressive marketing of baby food which challenges the merits of breastfeeding, and causes babies’ death. There was no formal presentation of this case.

None of the winning corporations were present to accept the award, but the organisers have pledged to inform them of these dubious honours. Among the nominees, only Syngenta was represented by Michael Stopford, Head of Global Public Affairs & Government Relations. He did not address the public, but mingled with the organisers and attendees.

Tax avoidance

Tax evasion or tax avoidance is a fairly new issue to civil society activism. *“From the point of view of the corporate responsibility agenda, tax avoidance is the elephant sitting in the room. An issue so huge that no one can ignore it, but so awkward that no one is prepared to draw attention to it.”*²⁹ The issue appears to be growing quickly in importance, as the creation of this award category demonstrates. For a corporation to avoid paying its taxes, be it through illegal or immoral means, is a way to avoid their social responsibility at the core, emphasised John Christensen. Tax avoidance, he argued, leads to market distortions, economic free-riding, and the widening of economic inequality. As a moral rather than a legal issue, it is likely to gain importance on the NGO agenda.

Mandatory vs. voluntary rules for business

Sonja Ribic made no secret that the *Public Eye* message was that voluntary rules were not enough to force businesses to behave. The call for binding international legislation to monitor corporate responsibility was a central issue of this forum. The opposition between the voluntary UN Global Compact and the mandatory UN Human Rights Norms for business embodied this debate.

Mary Robinson, appearing at the *Public Eye* for the second consecutive year, did not advocate mandatory rules. She nevertheless pointed at the *“damning results”* of TNCs disregarding human rights and called for a monitoring of businesses. She quoted the WEF’s *Global Governance Initiative Annual Report* where global actors including businesses received only 3 out of 10 possible points for the *“level of efforts made toward achieving human rights record”* where 10 is *“merely a passing grade (...) an indication that the world is on track to reach a given goal”*.³⁰ But she said that TNCs will increasingly respect human rights for *“hard-nosed reasons”* – improved staff morale, efficiency, health and safety – making legally binding rules unnecessary.

Noreena Hertz gave a different point of view during her keynote speech. The economist said that she would only believe in new norms if they were supported by enforcement mechanisms. She pleaded for the creation of a World Social Organisation with *“teeth as sharp”* as the WTO, but charged with the protection of human rights, labour standards and the environment. Such an organisation was needed as a counterweight, she said, because TNCs have recently increased their power and their capacity to defend their interests, thereby weakening democratic governments. She blamed the politicians’ lack of will to confront the TNCs and impose binding regulations for CSR.



Noreena Hertz
(source: CASIN)

The *Public Eye* focused on bad examples of CSR, so there was a lot of scepticism among the participants about the efficiency of voluntary measures. Presenting the case of Shell Nigeria, Godwin Ojo, said, *“We need a global mechanism to regulate corporations and environmental issues”*. Speaking of Wal-Mart, Stefan Indermühle from the Berne Declaration said that binding laws were necessary because *“the business aspect is much more important for them than their code of ethics”*.

²⁹ Berne Declaration and Tax Justice Network, *The Socially Irresponsibility of Corporate Tax Avoidance* (press release), January 27, 2005.

³⁰ World Economic Forum, *“Global Governance Initiative: Annual Report 2005”*, WEF: Geneva (Switzerland), 2005.

A new tool for NGOs

Following her suggestion to monitor businesses' respect of human rights, Mary Robinson introduced the Business and Human Rights Resource Centre (BHRRRC), a new initiative of the London-based Human Rights Resource Centre. Ms. Robinson acts as the Chairman of the advisory board for the BHRRRC.

Chris Avery, Director of the BHRRRC, presented the website's features such as profiles of individual companies, including all of those nominated for the public awards. The website and its mailing list are seen as a tool to document the businesses' behaviour and to pressure them to act more responsibly.

The Yes Men

As a part of the Public Eye programme, a sneak preview of *The Yes Men* movie was presented on Wednesday 26.³¹ The film is the real story of two Americans who set up a mock website of the WTO (gatt.org) and accept invitations to represent the WTO at official events. The movie and its authors are strongly critical of the WTO and its effect on developing countries. "*It can't possibly fulfil its mission of helping the poor because of the specific philosophy at its core*", explained Bonnano.

Access to the theatre was not free (16 CHF), as opposed to other Public Eye events, and the room was only one third full – about 50 persons, most of them seen at the Public Eye. At this event, the Yes Men coincidentally met Rachna Dhingra, responsible for a campaign against Dow Chemical, a company the Yes Men falsely represented on BBC News.³² Future collaborations to confront Dow Chemical were evoked.

The Yes Men encountered the first legal problems of their career when they got arrested for crossing a WEF fence before coming to the screening. It was unclear at that time whether or not there would be any action taken against them.

Media Coverage

The awards formula was media-savvy, but only successful to a certain point. Agence France-Presse ran a story on the winners,³³ but it does not appear to have been used by mainstream media in the West, suggesting that there might not only have been a lack of coverage of the event but also a lack of interest for the awards. The single mention of the winners in a widely recognised Western media outlet was a story in the *Guardian* about the KPMG award.³⁴

Sonja Ribic, coordinator of the event for Pro Natura, nevertheless said she was pleased with the media coverage. Media from the South offered a much better coverage of the issues, featuring the AFP story in *Vanguard* (Nigeria)³⁵, *The Khaleej Times* (United Arab Emirates)³⁶,

³¹ See also: CASIN: *Will the Real WTO Please Stand Up*, (Flagging News) CASIN: Geneva (Switzerland), January 10, 2005.

³² For full story, see The Yes Men website special section at [theyesmen.org/hijinks/dow] accessed 2005/02/10.

³³ This story was published by CommonDreams.org: Gustavo Capdevila, "Unique Awards Highlight Corporate Irresponsibility" in *CommonDreams.org*, January 29, 2005, accessed 2005/02/09 at [<http://www.commondreams.org/cgi-bin/print.cgi?file=/headlines05/0129-02.htm>]

³⁴ Duncan Campbell, "KPMG wins corporate booby prize", in *The Guardian*, January 27, 2005, accessed 2005/02/08 at [guardian.co.uk/globalisation/story/0,7369,1399526,00.html]

³⁵ "Groups Slam Shell, Others Over Abuse of Environment", in *Vanguard*, January 27, 2005, accessed 2005/02/09 at [<http://www.vanguardngr.com/articles/2002/cover/f327012005.html>].

The Daily Times (Pakistan)³⁷, and *Hindustan Times* (India),³⁸ among others. Stories ran in the local media – TV, radio and newspapers according to the journalists present at the event – but also in like-minded international media such as the *Inter Press News Agency*³⁹, *CommonDreams.org*⁴⁰, *Corpwatch.org*⁴¹, and *Ethical Corporation Magazine*⁴² for instance. Some specialised media like *AccountingWeb.org*⁴³ also covered the prizes.

Audience

When the winners were announced on the first day, around 150 persons attended and the room was full beyond capacity with people standing to listen to Ms. Robinson and Cambridge University economist Noreena Hertz. Matthias Herfeldt explained that even though activists were more important than big names, star power was necessary to attract the media. On the following day however, only about 40 attendees were present for each session. Aside from the absence of celebrities, one of the reasons might be that the speakers from the first day gave an extended version of their speech – and even a repetition in one case. The public was attentive and generally sympathetic to the speakers, meaning that locally the Public Eye was probably preaching to the converted. Some schoolteachers came along with a handful of students on both days. The local nature of the public was illustrated when it chose German over English when offered a choice by some bilingual speakers.



The audience at the Public Eye on Davos (source: CASIN)

ANTI-WEF PROTESTS

Protest reactions to the WEF in Switzerland were somewhat muted this year. Two primary reasons account for this. On the one hand, municipal governments handed down very heavy restrictions on planned demonstrations. On the other hand, the novelty of the protest movement has worn off in Switzerland, and needs recharging.



Scene from Davos (source: CASIN)

³⁶ “Top four multinationals branded ‘irresponsible’”, in *Khaleej Times*, January 27, 2005, accessed 2005/02/09 at [www.khaleejtimes.com/DisplayArticle.asp?xfile=data/business/2005/January/business_January430.xml§ion=business]

³⁷ “Critics brand 4 multinational companies ‘irresponsible’”, in *The Daily Times*, no date, accessed 2005/02/09 at [www.dailytimes.com.pk/default.asp?page=story_27-1-2005_pg7_56].

³⁸ “Critics brand four top MNCs as ‘irresponsible’”, in *Hindustan Times*, January 26, 2005, accessed 2005/02/09 at [hindustantimes.com/news/181_1215699,00050003.htm]

³⁹ The Inter Press News Agency actually ran the AFP story. See above.

⁴⁰ See AFP story above.

⁴¹ Pratap Chatterjee, “Two Forums, Two Visions”, in *CorpWatch*, January 27, 2005, accessed 2005/02/09 at [http://www.corpwatch.org/article.php?id=11814].

⁴² “Businesses named and shamed at Public Eye awards”, in *Ethical Corporation Magazine*, January 27, 2005, accessed 2005/02/09 at [ethicalcorp.com/content.asp?ContentID=3417].

⁴³ “Critics Give ‘Public Eye’ Awards for Corporate Irresponsibility”, in *AccountingWeb.org*, January 28, 2005, accessed 2005/02/09 at [accountingweb.com/cgi-bin/item.cgi?id=100440]

After Switzerland made bad experiences with violent protests surrounding the WEF and the G8 summit in 2003, Swiss authorities decided to clamp down on demonstrations. Protests in Davos have been barred for some time now, and this year the main anti-WEF march was scheduled to take place on January 22 in Berne. However, the police did not grant the organizers a permit for a march, instead at first banishing them to an area outside of town. Later, a permit was granted for a stationary protest within a fenced-in Bundesplatz, but at this point the organizers decided to cancel the event. “*We don’t want to protest in a cage,*” said Anti-WEF Coalition member Andre Siegenthaler. Instead, they appealed for other imaginative protests, which took place under unprecedented police supervision. An estimated 800 police officers with heavy equipment faced some 1000 peaceful protestors. 84 arrests were made in the name of controlling elements feared to be violent. A dance parade took place along the Aare River, attracting some 500 demonstrators. The second major demonstration took place in Basel on the same day, where between 400 and 500 protestors engaged in an unauthorized rally, also under heavy police control. Davos saw a small march during the WEF of some 100 protestors who voiced their disapproval on familiar topics: the mounting security bills for the WEF, the “hijacking” of topics such as post-tsunami and Middle East initiatives by the WEF which in their view serve as whitewash tools for the WEF, neoliberal policy as well as the destruction of the welfare state.⁴⁴ Under the banner “Down with the Homo Oeconomicus! Women don’t feed him, cook him!”, they also wanted to highlight that most of the victims of globalisation are women. In nearby Fideris, activists dressed up as business people or police officers performed mocking street theatre pieces.⁴⁵ Greenpeace staged one of their trademark direct actions in front of the venue of the WEF, calling upon Dow Chemical to clean up the site of the Bhopal chemical disaster by forming a 60-strong carpet of skeleton-suit-clad activists. Minor graffiti action against corporate targets also took place in Basel and Zurich.

This year’s protest actions were very clearly aimed at speaking to the public, rather than to the WEF participants. In a way, the protestors didn’t have a choice, having largely been barred from staging any action in Davos itself. However, it was not only the heavy police control that explains the low turnout at this year’s anti-WEF protests. There was little mobilization abroad against the WEF this year, and no protestors were turned away at the Swiss borders, indicating perhaps that fewer attempted to join the protests. Swiss unions and political parties, who would be able to mobilize on a large scale, were absent from the anti-WEF movement. According to the Swiss daily *Tagesanzeiger*⁴⁶, the demobilization and partial radicalisation of the street are signs that the protest movement has crossed its zenith. It is lacking new issues and arguments with which to attract supporters. This does not imply that the causes necessarily disappear. Political actors and new groups often pursue similar, if less radical, themes as a result. Professionally managed lobby and information work carried out by structured organizations tend to take over, according to the paper. In addition, mobilizing protestors was difficult this year because the WEF itself occupied a lot of the themes which civil society wants to see addressed. The policy space for protests has hence become smaller, and more detailed knowledge and critiques of what goes on inside the WEF need to be in the public conscience in order to mobilize the public.

⁴⁴ Unberechenbare MathematikerInnen: “*Demo gegen’s WEF in Davos!*” Accessed February 10, 2005 at [switzerland.indymedia.org/demix/2005/01/29307.shtml]

⁴⁵ Kapalschinski, Christoph: “Friedlicher Protest in Davos, Ausschreitungen in Bern.” January 29, 2005. Accessed February 2, 2005 at [handelsblatt.com/pshb/fn/reihbi/sfn/buildhbi/cn/GoArt!200013,205055,852878/SH/0/depot/0/]

⁴⁶ Beyeler, Michelle: “Die WEF-Kritiker stecken in einer Sackgasse”. *Tagesanzeiger*, January 24, 2005. Accessed February 2, 2005 at [tagesanzeiger.ch/dyn/news/schweiz/458870.html]

CONCLUSION

It was the WEF that shaped the relationship between the four events covered in this report this year. By addressing topics that previously were largely seen as the domain of governments and civil society, the WEF cast itself in a very positive image in the public spotlight. Indeed, Jacques Chirac and Noreena Hertz were but two very different protagonists who proposed similar ideas to address inequality, in this case international taxation to help the poor. The important question is whether the WEF will stay on-course in the future, or whether the focus on poverty is a fad.

The WEF easily eclipses the Open Forum, and indeed one has to wonder what purpose the Open Forum serves beyond accommodating a relatively local public. On the plus side, the organizers do seem to have become more adept at turning this event into an “open” forum by greatly increasing the time provided for questions. As a sideshow to the WEF, however, it is impossible for the event to stand on its own feet, so that the little dialogue the Open Forum does manage to create remains dependent on the WEF. It is unclear whether the event is meant to grow beyond its local Davos importance and impact at all, however it appears that the organizers are not pursuing a clear strategy in that direction. Its significance therefore needs to be questioned.

The Public Eye chose a new approach to keep itself relevant by introducing the Public Eye Awards this year. As an event that, in the words of its co-organizer Matthias Herfeldt, seeks to gather and inspire activists, it speaks a similar language as the much larger Social Fora. The event is well managed, focused and on-message. It is a very local event that nonetheless manages to attract some media attention beyond the confines of the narrow Alpine valley it takes place in – a relative success. In order to increase its effectiveness as a “naming and shaming” event, there is a clear need for a more effective media strategy in the West, however.

With respect to a broader reaction of Swiss civil society, this year’s demonstrations represent a bellwether. In comparison to previous years, they have seen a clear decline and face somewhat of a crisis in terms of their attractiveness to the wider public and their relationship with government authorities. The unfavourable climate for demonstrations begs the question whether the demonstrations’ backers can manage to turn the ship around before it runs aground.

The atmosphere between the different events this year was relatively cordial and avoided the more radical hues of criticism found at the World Social Forum, for example. While the Public Eye bluntly criticized its award winners, organizers and protagonists refrained from openly attacking the WEF or the Open Forum as institutions. Indeed, several participants and organizers of the Public Eye could also be spotted at the Open Forum. For their part, the Open Forum organizers did not see the Public Eye as a cause for concern. The general convergence of concerns that the WEF drove this year should not, however, make believe that fundamental differences have been resolved between the different parties described here. The approaches to resolving the world’s problems remain fundamentally different, with market-driven approaches on the WEF’s side and socially-based tactics favoured at the Public Eye. The WEF has, however, made it more difficult for its critics to maintain their disapproval by occupying policy space that was previously in their domain. Still largely absent, however, is any sort of meaningful dialogue between the different events and protagonists. This remains one of the main weaknesses to be addressed by all sides.

Annex 1: Programme of the Open Forum

Introducing the Open Forum 2005

The organizers of the Open Forum 2005 present the objectives and the challenges of this year's public sessions.

Introduced by:

- **André Schneider**, Managing Director and Chief Operating Officer, World Economic Forum
- **Thomas Wipf**, President of the Board, Federation of Swiss Protestant Churches, Switzerland

Must We Call a Revolution for Children?

Globalization now means a drive towards "flexibility" and an ever cheaper workforce. Extreme forms of exploitation are being pushed down the supply chain and concentrated in the developing economies. Child trafficking and labour exploitation are consequences as children cannot defend themselves. In absolute terms, far more children are being exploited than ever before, including in emergencies, such as the recent tsunami in South-East Asia.

1. Are our societies unconsciously promoting modern forms of slavery and the exploitation of children?
2. Are efforts by governments and companies to stop exploitation simply a window-dressing exercise to protect reputations?
3. Why are the losers in the process of globalization simply ignored?

Panelists:

- **Robin Cornelius**, Chairman and Chief Executive Officer, Switcher SA, Switzerland
- **Mike Dottridge**, Human Rights Consultant, United Kingdom
- **Kumi Naidoo**, Secretary-General and Chief Executive Officer, Civicus-World Alliance for Citizen Participation, South Africa; Young Global Leader
- **Ellen Ringier**, President of the Board, Elternsein Foundation, Switzerland

Moderator:

- **Peter Brey**, Secretary-General, Terre des hommes Foundation, Switzerland

A session co-organized with the Terre des hommes Foundation

Addressing the Role of the United States in World Affairs

The leadership of the United States has been challenged by many, both for its ability to adhere to international treaties and its incapability to win peace in the Middle East and Central Asia.

1. Should any changes be expected from the newly elected administration?
2. Can other powers, notably Europe, play a balancing role vis-à-vis the US?

Panelists:

- **Ahmed M. Al Sheikh**, Editor-in-Chief, Al Jazeera Satellite Channel, Qatar
- **Christopher Dodd**, Senator from Connecticut (Democrat), USA

- **Richard Haass**, President, Council on Foreign Relations, USA
- **Bernard Guetta**, Editorialist, L'Express, France Inter, France
- **James A. Leach**, Congressman from Iowa (Republican), USA
- **Daniel Vasella**, Chairman and Chief Executive Officer, Novartis, Switzerland
- **Bärbel Wartenberg-Potter**, Bishop of the Northelbian Evangelical Church, Germany

Moderator:

- **Jim Bittermann**, Senior Correspondent, CNN International, France

Post-Tsunami Aid: What Is Human Life Worth?

The catastrophe in South Asia has generated a large number of initiatives designed to support the region. Individuals and governments worldwide have committed billions of dollars to assist affected areas. The tsunami disaster now runs the risk of overshadowing other areas of the world where populations remain in need of food and assistance, and raises a number of ethical questions.

1. What is fair and sustainable reconstruction?
2. What role should civil society, governments and economic actors play in this context?
3. How can support for the "forgotten" people be ensured?

Panelists:

- **Abdullah Abdullah**, Minister of Foreign Affairs of Afghanistan
- **Robert E. Bellhouse**, Executive Director, Disaster Resource Network (DRN), and President and Chief Operating Officer, Telecom, Parsons Brinckerhoff, USA
- **Uwe Doerken**, Chief Executive Officer, DHL, Germany
- **Walter Fust**, Director-General, Swiss Agency for Development and Cooperation, Switzerland
- **Corinne Henchoz**, Deputy Secretary General, Swiss Interchurch Aid - HEKS, Switzerland
- **Markku Niskala**, Secretary-General, International Federation of Red Cross and Red Crescent Societies, Geneva
- **Sadako Ogata**, President, Japan International Cooperation Agency, Japan
- **Trevor Manuel**, Minister of Finance of South Africa

Moderator:

- **Markus Mugglin**, Diplomatic Correspondent, Swiss Radio DRS, Switzerland

Shareholders and Consumers: What Power Do You Hold?

Corporations can be under great pressure from their stakeholders – notably pension funds - to be more economically socially and environmentally responsible.

1. Since a large portion of the population is indirectly active on the stock market through pension fund systems, what options do shareholders have to influence companies?
2. How does the purchasing power of consumers influence various actors in the production and distribution line?
3. Are critical shareholders and consumers of fair trade products more than just activists?

Panelists:

- **Dominique Biedermann**, Director, Ethos: Swiss Investment Foundation for Sustainable Development, Switzerland
- **Paola Ghillani**, Chief Executive Officer, Max Havelaar Foundation, Switzerland
- **Claude Hauser**, Chairman of the Board, Migros, Switzerland
- **Ed Mayo**, Chief Executive, National Consumer Council (NCC), United Kingdom; Young Global Leader
- **B. K. Prakash**, General Manager, Prem Durai Exports - Vikram Knit Wear, India
- **Orin C. Smith**, President and Chief Executive Officer, Starbucks Coffee Company, USA

Moderator:

- **Sally Bundoock**, News Presenter, World Business Report, BBC World, United Kingdom

A session co-organized with the Max Havelaar Foundation

Has Switzerland Gone from Role Model to Average State?

Once built around the idea of shared prosperity and respect for cultural diversity, Switzerland's reputation and image may be changing. Many outsiders now see the country as increasingly self-centred and falling short in its contributions to solving the world's problems.

1. What accounts for this shift in perceptions?
2. What will it take for Switzerland to retain its status as a role model?
3. Will Switzerland need to change its policies on financial markets and development?

Panelists:

- **Peter Brabeck-Letmathe**, Vice-Chairman and Chief Executive Officer, Nestlé, Switzerland; Member of the Foundation Board of the World Economic Forum
- **Pascal Couchepin**, Federal Councillor of Home Affairs of the Swiss Confederation
- **Thomas Held**, Director, Avenir Suisse - A Think Tank for Switzerland, Switzerland
- **Setri Nyomi**, General Secretary, World Alliance of Reformed Churches, Ghana
- **Peter Steiner**, Chairman of the Board, Karl Steiner, Switzerland
- **Heiner Studer**, President of the Board, Bread for All, Switzerland
- **Peter Ulrich**, Director, Institute for Business Ethics, University of St Gallen, Switzerland

Introduced by:

- **Patrick Chappatte**, Editorial Cartoonist, Globe Cartoon, Switzerland

Moderator:

- **Roger de Weck**, Columnist, Switzerland

Entrepreneurship: The Key for Development?

Ensuring the inclusion of the poor in the overall growth process remains a global challenge and fostering entrepreneurship is being seen as part of the answer. The provision of credit to the poor – which gains prominence with the International Year of Microcredit 2005 – is seen, among other tools, as vital to promote entrepreneurship and to reduce poverty.

1. How can entrepreneurship be promoted in order to stimulate bottom-up development?

2. What are the challenges and dangers of new microcredit instruments for the poor?
3. What is the potential role and responsibility of the private financial sector in fostering development?

Panelists:

- **Priscilla Daniel**, Programme Executive, ECLOF - Ecumenical Church Loan Fund, Switzerland
- **Walter Fust**, Director-General, Swiss Agency for Development and Cooperation, Switzerland
- **Walter B. Kielholz**, Chairman of the Board, Credit Suisse Group, Switzerland
- **Mandisi Mpahlwa**, Minister of Trade and Industry of South Africa
- **Arthur Vayloyan**, Head of Private Banking Switzerland, Credit Suisse Group, Switzerland
- **Roshaneh Zafar**, Managing Director, Kashf Foundation, Pakistan; Social Entrepreneur

Moderator:

- **Ernst A. Brugger**, Managing Director, Sustainability Forum Zurich, Switzerland

When Does the Economy Serve the People?

In the closing debate of the Open Forum, the speakers will examine the challenges ahead, while answering the following key questions:

1. Who is the economy really serving?
2. How can ethical standards be implemented in business?
3. Should business be the only one in the line of fire?
4. Do individuals take their own responsibility seriously?

Panelists:

- **Peter Athanassoglou**, Chief Executive Officer, Ernst & Young, Switzerland
- **Paulo Coelho**, Author, Brazil
- **Joseph Deiss**, Federal Councillor of the Economy of the Swiss Confederation
- **Noreena Hertz**, Author, University of Cambridge, United Kingdom; Young Global Leader
- **Wangari Maathai**, Deputy Minister of Environment, Natural Resources and Wildlife of Kenya; Nobel Peace Prize Winner 2004
- **Christoph Stückelberger**, Director, Institute for Theology and Ethics, Federation of Swiss Protestant Churches, Switzerland

Moderator:

- **Urs Leuthard**, TV Host, Arena, Swiss Television SF DRS, Switzerland

Annex 2: Sponsors of the Public Eye on Davos

"The Public Eye on Davos" was sponsored by the following NGO's.

* Organisers

* **Berne Declaration (BD)**

The Berne Declaration is a Swiss NGO campaigning on development issues at the national and international level for more just and environmentally sustainable North – South relations in politics, economics, culture and food and coordinates "The Public Eye on Davos".

* **Pro Natura (Swiss member of FoEI)**

Is a private non-profit organization founded in 1909. It's the largest conservation organization in Switzerland.

Friends of the Earth International (FoEI)

FoEI is a federation of autonomous environmental organizations from all over the world. FoEI members, in 69 countries, campaign on the most urgent environmental and social issues of our day, while simultaneously catalyzing a shift toward sustainable societies.

Asociación Latinoamericana de Organizaciones de Promoción (ALOP)

Association of NGOs from twenty countries of Latin America and Caribbean Countries, which are active in developing issues.

Corporate Europe Observatory (CEO)

CEO is a European-based research and campaign group targeting the threats to democracy, equity, social justice and the environment posed by the economic and political power of corporations and their lobby groups.

Focus on the Global South

NGO working on development issues with seat in Thailand, which dedicates itself to the regional and global political analysis and the lobbying.

International South Group Network (ISGN)

ISGN is a network of community-based organizations, people's movement and academic organizations in the South with 5 regional centers located in South Africa, Burkina Faso, Zimbabwe, Nicaragua and the Philippines.

Tebtebba Foundation

Tebtebba, "discourse" from the Philippine indigenous Kankanaey dialect, is firmly committed to the recognition, protection and promotion of indigenous peoples' rights worldwide.

Women in Development Europe (WIDE)

European network of gender specialists, women active in Non-Governmental Development Organisations (NGDOs), and human rights activists

World Development Movement (WDM)

The British NGO tackles the underlying causes of poverty. They lobby decision makers to change the policies that keep people poor. They research and promote positive alternatives.

Annex 3: Public Eye Awards Nominees

Winners are in italics.

Award Category Human Rights

Bayer
Bechtel
Boehringer Ingelheim
Cement Roadstone Holdings
Dow Chemical
Nestlé
Syngenta
Toronto Ventures Incorporated
Total and Unocal

Award Category Environment

Conservation International
Danzer
Monsanto
Mitteldeutsche Braunkohlegesellschaft (MIBRAG)
RD Corporation
Royal Dutch/Shell Group
Sung Hung Kai Properties and New World Development

Award Category Labour Rights

BP
North Sails/GST/Boards&More
Stallion Garments
Tchibo
Wal-Mart

Award Category Taxes

KPMG International
Vodafone
Volcafé

Annex 4: Programme of the Public Eye on Davos

Wednesday, 26 January, 2005

11.30-12.00am

Opening remarks on corporate accountability and the Millennium Development Goals

- **Christopher Avery**, director of the Business & Human Rights Resource Centre, England
- **Mary Robinson**, chair of its Advisory Network and Executive Director of the Ethical Globalization Initiative

12.00-12.45pm

Keynote speech on corporate accountability and economic globalization

- **Dr Noreena Hertz**, economist, Cambridge University, author of "The Silent Takeover" and "The Debt Threat and Why We Must Defuse It", England

Lunch break

1.30-3.30pm

Awards' Ceremony

The "**Public Eye Awards**" for irresponsible corporate behaviour are given in the **categories: human rights, labour law, environment and taxes.**

- **Rachna Dhingra**, International Campaign for Justice in Bhopal, India is presenting the irresponsible behaviour of Dow Chemical, winner of the human rights category
- **Godwin Ojo**, Environmental Rights Action – Friends of the Earth Nigeria is presenting the irresponsible behaviour of the Royal Dutch/Shell Group, winner in the environment category
- **John Christensen**, Tax Justice Network, England is presenting the irresponsible behaviour of KPMG International, winner in the taxes category
- **Aisha Bahadur**, Civil Society Research and Support Collective, South Africa is presenting the irresponsible behaviour of US retailing giant Wal-Mart Stores, laureate of the labour law category (details about the "Public Eye Awards")

Presenter: **Patrick Frey**, author and cabaret artist, Switzerland

3.55-4.00pm

Presentation of "Forum"

a video by Gabriela Gerber and Lukas Bardill
(information sheet below)

8pm

Cinema "Arkaden", Davos: "The Yes Men"

Organizers: Frenetic Films and The Public Eye on Davos
(more information)

Thursday, 27 January, 2005

Detailed presentations of the cases

(including audio-visual displays) given by the experts* who performed on the previous day at the Awards Ceremony

- 10.00am to 11.00am **environment**
- 11.00am to 12.00pm **labour law**
- 2.30pm to 3.30pm **taxes**
- 3.30pm to 4.30pm **human rights**

After each presentation there will be small discussion groups of maximum one hour (at the same time as the following presentation but without simultaneous translation).

Venue: Evangelisches Kirchgemeindehaus, Obere Strasse 12, 7270 Davos-Platz