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The Unending War Between Transparency and Stealth

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When I read Marshall McLuhan's book *Understanding Media* over 40 years ago, I struggled to understand it. But today his message is clear. "After three thousand years of explosion, by means of fragmentary and mechanical technologies, the Western world is imploding," he began. "During the mechanical ages we had extended our bodies in space. Today, after more than a century of electric technology, we have extended our central nervous system itself in a global embrace, abolishing both space and time as far as our planet is concerned." Then, significantly, he continued, "Rapidly, we approach the final phase of the extensions of man—the technological simulation of consciousness, when the creative process of knowing will be collectively and corporately extended to the whole of human society, much as we have already extended our senses and our nerves by the various media."²

The collapse of many communist regimes in the late 1980s underscored the dangers of living in the dark. By contrast, transparency can help illuminate and clean up rotten economic, political and governance systems. Sunshine, as transparency campaigners often say, is the best disinfectant.

Key to all this have been corporate disclosure and reporting, a field that we have helped drive since the late 1980s—and which is the subject of a report that my new organisation, Volans, launched with the Global Reporting Initiative (GRI) in May 2010. Titled *The Transparent Economy*³, the report concludes that we are seeing a growing convergence of the sort of technologies that McLuhan foresaw, helping drive radically greater levels of transparency through global supply chains.

Inevitably, however, we will see pushback from those who prefer less transparency and accountability: think of the tussle earlier in the year between Google and China. Think, too, of the 'shadow economy', which in a country like Russia now accounts for some 20 percent of GDP, and of the assassinations of journalists who tried to turn the tide of corruption. Often the pushback comes from people with anti-social aims, but sometimes stealth can signal that potentially transformative technologies and business models are

¹ Dedicated to Sam Lakha, for her support and conversation.

² Marshall McLuhan, *Understanding Media: The Extensions of Man*, Routledge & Kegan Paul, London, 1964

³ *The Transparent Economy: Six Tigers Stalk the Global Recovery—and How to Tame Them*, Volans for the Global Reporting Initiative, 2010; see www.transparent.economy

being developed—as was the case with the recently launched ‘Bloom Box’, a new form of fuel cell, which spent almost decade in ‘stealth mode’.

The transparency revolution has profound consequences for companies, supply chains and economies. In what the Chinese have named ‘The Year of the Tiger’, we see an evolving ‘TIGERS’ agenda for business and public sector leaders. These range from the ‘T’ of product traceability, through the ‘I’ of integrated reporting, the ‘G’ of government frameworks and incentives, the ‘E’ of environmental boundaries, the ‘R’ of rating and ranking systems that compare the sustainability of products, technologies, companies or economies, and the ‘S’ of shadow economies.

History, however, suggests that there is nothing inevitable about any of this. If we were to slide back towards protectionism, or, for whatever reason, towards war (hot or cold), the transparency movement could find itself sidelined—even re-cast as criminal by Senator McCarthy’s twenty-first century successors. Indeed, as we drafted *The Transparent Economy*, it was hard not to imagine future scenarios in which conflicts erupt as this small planet—with its shrinking natural resource base and a destabilised climate—heads towards a forecast world population of over 9 billion people by mid-century.

There is no question that, in such ways, much of the world is becoming more transparent. However, when it comes to the question of whether the resulting forms of transparency are desirable or likely to drive real progress towards global sustainability, the history of CCTV serves as some sort of warning. Long hailed as a way of suppressing terrorism or more everyday forms of crime, it turns out that the first CCTV system was installed by Siemens AG in Peenemünde, Germany in 1942, to observe the launch of V-2 rockets that caused such destruction in my home city of London. But, then again, scientists involved in the V2 campaign—including people who were undoubtedly war criminals—went on to help create the US space programs, And they, in turn, gave us so much more than ‘spin-off’ technologies like Teflon and non-stick frying pans.

Indeed, I often recall the crew of Apollo 8, the first people to pass behind the far side of the Moon. As has been written, they had “trained for just about every eventuality, save one—the awe-inspiring sight of seeing our own planet hanging over an empty lunar horizon.” Later known as ‘Earthrise’, the image was captured on Christmas Eve, 1968, helping spur the growth of environmentalism and catalyzing the Earth Day movement, with the first Earth Day in 1970—and the fortieth in April 2010.

Having served on the Earth Day international board in 1990, the year the initiative went global for the first time, I tend to see the advance of civil society organisations as a profoundly desirable trend—a view elegantly explored and expressed by Paul Hawken in his book *Blessed Unrest*⁴ and on the WiserEarth website (www.wiserearth.org).

⁴ Paul Hawken, *Blessed Unrest: How the Largest Movement in the World Came into Being and Why No One Saw It Coming*, Viking Press, New York, 2007

Time and again, however, the transparency we later take for granted has been hard won—and can have unexpected, unintended consequences. Think of today’s X-rays, tracking back to Marie Curie’s discovery of radium and the early development of ‘radiography’—with the result that she died from radiation-related sickness. Or consider the work done by the world media’s front-line ‘transparency workers’: the Committee to Protect Journalists (CPJ) reports that a record 71 journalists were killed in 2009, 30 in a single massacre in the Philippines.

As our transparency-vs-stealth conversations evolved, one of our American interns, Amanda Feldman, reminded me of social philosopher Jeremy Bentham—and his ‘Panopticon’⁵. (I should have thought of him myself: for a couple of years in the early 1970s, I often walked past his preserved body in its glass case at University College London, while doing postgraduate work there.) Dating back to 1785, the Panopticon was a design for a prison, offering total transparency for the guards and ensuring total uncertainty for inmates as to whether they were being observed at any point in time.

Unsurprisingly, perhaps, experience showed that the claims made for the Panopticon—“morals reformed”, “health preserved”, “industry invigorated”—had been over-stated. And that made me wonder whether our closely linked global transparency, accountability and civil society movements might be headed down a similar track, even something of a blind alley? Are we unconsciously trying to create a global version of the Panopticon? A future in which misdemeanours are spotted as they happen—or even, if we believe science fiction films like *Minority Report*, before they happen?

Whatever your vision of the future, I believe that we must now raise our collective sights from reporting mechanisms and technologies that offer greater product traceability, important though they are, to address cultural and even civilizational change. In recent months, I evolved a 2x2 matrix that McKinsey published earlier in the year⁶. This distinguishes between change that happens at the level of mindsets, behaviors, cultures and paradigms. Central is the idea that we need a sustained, global cultural transformation that takes us from a ‘Cornucopian’ paradigm, in which the planet is ours to pillage in pursuit of consumerist lifestyles, to a ‘Gaian’ paradigm—the latter inspired by the work of Professor James Lovelock, whose thinking around what he calls ‘geophysiology’ treats the earth as if it is a living organism.

True paradigm shifts take decades, even generations to work their way through—partly because those infected by old paradigms have to retire and die, clearing the way for the new order. In 2010, my sense is that we are just over 50 years into a shift toward a Gaian paradigm—and that it is accelerating towards some sort of systemic transformation by the late 2030s.

⁵ <http://en.wikipedia.org/wiki/Panopticon>

⁶ http://whatmatters.mckinseydigital.com/social_entrepreneurs/a-new-paradigm-for-change

As during the Renaissance, those who drive this profound set of transformations will need extraordinary vision, courage and stamina.

The Author

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