

**Remarks at Opening Plenary
UN Global Compact Leaders Forum
John G. Ruggie
Harvard University
Former UN Special Representative for
Business and Human Rights
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Secretary-General, Ladies and Gentlemen,

I am both humbled and proud standing before you this morning. I am humbled by the sheer magnitude of the challenges we face. But, as a founding father of the Global Compact and the Millennium Development Goals, as well as the author of the UN Guiding Principles on Business and Human Rights, I am also proud of what we have achieved in just a few short years. We have demonstrated that even seemingly intractable obstacles can yield to concerted and imaginative efforts that refuse to be denied. After all, this is how human society has always progressed—and progress we must.

The cornerstone of this Leaders Summit is the new Business Engagement Architecture that Secretary-General Ban Ki-moon has just introduced to us. Fundamentally, this is an architecture intended to narrow and bridge yawning gaps among and within societies, and to generate sustainable paths forward.

One critical gap lies in the realm of global governance itself: the growing misalignment between the scope and impact of globalizing forces and actors, and the capacity of societies to manage their adverse consequences. We live in tightly-coupled natural systems like the climate; we have constructed tightly-coupled economic systems like global financial markets and complex supply chains; and the number and diversity of “problems without passports” has increased significantly. But we remain stuck attempting to manage such globally integrated systems through largely self-interested politics among and within 193 nation states, with only a thin overlay of international institutions and law.

International business is uniquely positioned to help bridge this gap: it has global interests, and it has global capacity. And yet when the business community at large speaks in bridging terms, typically it is barely above a whisper; and when it acts, it is with a pilot project here, or a strategic community investment there. This lies in sharp contrast to when an individual firm or industry seeks particular advantages and protections for itself: then the message is loud and clear, and the actions are systemic.

You, the business leaders in this room, understand that the current misalignment is not a sustainable equilibrium. You appreciate the benefits of an open trading system, of avoiding

serious climate disruption, of achieving inclusive economic growth and social equity, worldwide. The Business Engagement Architecture launched today is intended to provide a platform for achieving scale in the sustainability efforts you have already begun, and to spread them to others through your business relationships and by the sheer force of your example.

But what if we were to fall short? Look around and you will already see signs of some of the consequences: they take the form of resource nationalism, increased protectionism, sectarian violence, populism on the left and the right, xenophobia, homophobia – and generally rolling back globalization out of fear of “the other” and driven by anger for being left behind. That course would not augur well for people, planet, or profits.

The new Business Engagement Architecture, like the Global Compact itself, rests on the business responsibility to “respect” and “support” internationally recognized values, standards and goals. I have been asked to say a word about respect, specifically about respecting human rights. Its meaning is simple: treat people with dignity, be they workers, communities in which you operate, or other stakeholders. But while the meaning is simple, mere declarations of respect by business no longer suffice: companies must have systems in place to know and show that they respect rights. This is where the UN Guiding Principles on Business and Human Rights come in.

Endorsed unanimously by the Human Rights Council in June 2011, the Guiding Principles have enjoyed rapid and widespread uptake by other international institutions, governments, individual companies and business associations, workers organizations, and civil society. They address the duties of states as well as the responsibilities of business. For companies, they stipulate the components of a due diligence process by which to avoid harm, and also the means to address it where it does occur. The due diligence process, in turn, is linked to stakeholder engagement, and it includes accountability and remedy provisions. The Guiding Principles constitute an authoritative global standard, the logic and design of which is applicable beyond the sphere of human rights. Thus, they are an integral part of the post-2015 architecture.

Secretary-General, thank you for your leadership on this and so many other issues.

And to all the leaders gathered here today: thank you for charting the path on the sustainability journey. The stakes are high; the time is short; the cost of getting it wrong is incalculable while the opportunities from getting it right are legion.

So there's really only one thing for us to do: let's get it right.