Burkart Holzner and Leslie Holzner

TRANSPARENCY IN GLOBAL CHANGE

The Vanguard of the Open Society

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We have learned in the work that produced this book that the path to a world in which transparency is ascendant is neither straight nor without obstacles. However, we retain the hope that the future we desire is the one we shall all see come to fruition. We dedicate this book, and the cautiously

optimistic message that we trust it sends, to the next generation: Steven, Daniel, Weir, Claire, and Sara. Most especially, we offer our work and this book to those on the front lines everywhere, working for the furtherance of transparency. Our wish is for their success.

TRANSPARENCY IN GLOBAL CHANGE

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THE CULTURE SHIFT TO TRANSPARENCY

In the title of this book we combine two intersecting themes: transparency in global change and the vanguard of the open society. The first means that the demand for trust based on transparency increases in the context of global transformations. The second means that transparency, the value of openness in the flow of information, is at the forefront of the movements to create the open society. These linked circumstances bring about dramatic changes in social structures, in the behavior of centers of power, and in the emerging transnational groupings. This book explores new ground both in the changes of information values and rules, and in the new alignments of social bonds and institutions. These changes do deeply affect centers of power, whether they are governments, corporations, or professions, for success or failure. The consequences are serious for health, markets, governance, and security.

The idea of the open society is a democratic society, with alert and engaged citizens able to understand and use the information that is accessible to them. Henri Bergson may have been the first to use the term in *The Two Sources of Morality and Religion,* in which he spoke of the concept in terms of a religious, mystical relation between the closed and the open, between closing and opening. But the open society is not an inevitable new phase of history. As Karl Popper says, one must make it happen:

> Instead of posing as prophets we must become the makers of our fate. We must learn to do things as well as we can, and to look out for our mistakes. And when we have dropped the idea that the history of power will be our judge, when we have given up worrying whether or not history will justify us, then one day perhaps we may succeed in getting power under control. In this way we may even justify history, in our turn. It badly needs such justification.[1]

The idea of the open society has matured since Popper's time, and there is reason for some optimism. However, it is buffeted by attacks of ideologues from both right and left and by criminal dictators.

Popper's work was a clean break with much of earlier historical philosophy: Plato, Hegel, Marx, all were enemies of the open society. Popper did admire Karl Marx's empirical work and his description of nineteenth-century capitalism, but he concluded that Marx's predictions were dramatically wrong: "The reason for his failure as a prophet lies entirely in the poverty of historicism as such, in the simple fact that even if we observe today what appears to be a historical tendency or trend, we cannot know whether it will have the same appearance tomorrow."[2] A turn to pragmatism seems to be indicated in lieu of further attempts at prophecy and its totalitarian enforcement.

The idea of the open society was implicit in Immanuel Kant's essay of 1795, *Perpetual Peace: a Philosophical Sketch.* It was also a vision of global, peaceful change. Indeed, the open society became an inspiration that led to the United Nations. The practical, political work in defining democracies and the creation of constitutions has moved toward openness. The U.S. Constitution and its Bill of Rights guaranteed the freedom of citizens. Other legal advances protecting freedom of speech and expression occurred early in Sweden and later in many other countries.

The United Nations' Universal Declaration of Human Rights of 1948 was a giant step toward the values of individual dignity, openness, and freedom. Its famous Article 19 anchors the freedom of information: "Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers." Seven treaties on specific human rights have been adopted by the UN. Even though treaties may be violated, they establish landmarks by asserting values in international law that are signposts on the way toward human rights and transparency.

All open societies reserve some form of protection from complete openness. In this sense Bergson was right. No single, uniform model for transforming the idea of the open society into local reality will ever exist. Sweden, Costa Rica, Canada, the United States are only imperfect approximations, like the member states of the European Union. They are all electoral democracies, they guarantee certain rights to all their citizens, but they have different value profiles. The United States cherishes individual freedom over equality; Sweden sees this constellation in very different terms. France is a

mainly centralized state, while Germany is a federal one. All of these countries subscribe to the values of freedom of expression, albeit with somewhat different limitations. Nevertheless, they are far from being closed societies.

The defense of closed societies, religions, and ideologies is vigorous in today's world. Even in democracies, many fear openness, since it means the flow of ideas and people across borders, thus respect for human rights and tolerance. Mastering openness requires learning and adaptation. The open information society is necessarily a learning society, and that is a condition for success, even survival, in this era of global transformations. To be sure, all societies protect their boundaries. Immigration societies like Canada and the United States are relatively open, and yet they control the inflow of new citizens, and all liberal economies control the flow of goods and capital. This concept is now espoused by global civil society on a grand scale. Major examples are the Open Society Institute and the Soros Foundation Network, established by the millionaire George Soros, who has donated funds and mobilized thousands of people in the service of democracy, freedom, and transparency.

Transparency in Global Change

Transparency is valued by people who seek freedom, but it is not the open society; it is a value in information culture. The open society is vastly more complex. It stands for human rights and balanced values that include autonomy, accountability, privacy, and, yes, responsible secrecy. Transparency is increasingly demanded in the context of global change because of the need to create trust across vast cultural and geographic distances. Business requires valid information about markets and their risks and opportunities; political relations demand probes of valid information about intentions and strategies among countries; protection of public health needs global information sources to deal with possible epidemics; global institutions like the United Nations or the World Bank are beginning to adapt to openness.

The work that went into the creation of this book spanned several years, but its themes are as current as the morning newspaper. We are writing about the rise of new information cultures, a secular process that started many centuries ago but is reaching a new culmination. Instead of focusing on specific, immediate events, we trace the major currents in the changing values of information. In the United States, founded on the ideals of the Enlightenment, there is still ambivalence about openness and privacy, secrecy and transparency, information disclosure and civil rights.

Clashing Views of America in Global Change

Recent years have seen major setbacks for transparency and openness in the United States because of fears roused by the terrorist attacks of September 2001. As we anticipate the threat of terrorism becoming part of the world we live in for decades to come, we also observe and anticipate further constraints on transparency in America as politicians manipulate those fears for their own ends. Conservatives on the political right talk about "empire." They assume that the world's most powerful country should command an empire based on unilateral, direct military power. One expression of this idea was the Committee on the Present Danger established during the cold war. William Kristol and Robert Kagan write:

> A little over twenty years ago, a group of concerned Americans formed the Committee on the Present Danger. The danger they feared, and sought to rally Americans to confront, was the Soviet Union. It is easy to forget these days in the mid- to late 1970s that the Soviet Union was really a danger, much less one that should be challenged by the United States. This was hardly the dominant view of the American policy establishment. Quite the contrary: prevailing wisdom from the Nixon through the Carter administrations held that the United States should do its outmost to coexist peaceably with the USSR. . . . It would take a revolution in American foreign policy, the fall of the Berlin Wall and the disintegration of the Soviet empire to prove just how right they were. . . . Does this Cold War tale have any relevance today as Americans grapple with the uncertainties of the post–Cold War era? . . . But there *is* a "present danger." It has no name. It is not to be found in any single strategic adversary. It does not fit neatly under the heading of "international terrorism" or "rogue states" or "ethnic hatred."[3]

These writers worried that the United States would neglect its responsibilities as the world's dominant power and outlined a strategy for greater military preparedness. They compared the United States to ancient Rome because of "its war-fighting capabilities and its ability to intervene in conflicts anywhere in the world on short notice."[4] Most of those who share these views believe in policy pursued by secret means, by stealth as well as by confrontation.

Another voice on this topic is Chalmers Johnson, for whom stealth and secrecy inevitably produce distrust and enmity. Johnson opens the introduction to *Blowback* (2004): "In a speech to Congress on September 20, 2001, shortly after the terrorist attacks of September 11, President George W. Bush posed this question: 'Why do they hate us?' His answer: 'They hate our

freedoms—our freedom of religion, our freedom of speech, our freedom to vote.' He commented later that he was amazed 'that there is such misunderstanding of what our country is about that people would hate us . . . I just can't believe it because I know how good we are.'" Johnson then asks:

> But how "good" are we, really? If we're so good, why do we inspire such hatred abroad? What have we done to bring so much "blowback" upon ourselves? This book is a guide to some of the policies during and after the Cold War that generated, and continue to generate, blowback—a term the CIA invented to describe the likelihood that our covert operations in other people's countries would result in retaliations against Americans, civilian and military, at home and abroad.[5]

In *The Sorrows of Empire* (2004), Johnson claims that the American "empire" has already become a dangerous and destructive reality:

> There is plenty in the world to occupy our military radicals and empire enthusiasts for the time being. But there can be no doubt that the course on which we are launched will lead us into new versions of the Bay of Pigs and updated, speeded-up replays of Vietnam War scenarios. When such disasters occur, as they—or as-yet-unknown versions of them—certainly will, a world disgusted by the betrayal of the idealism associated with the United States will welcome them, just as most people did when the former USSR came apart. Like other empires of the past century, the United States has chosen to live not prudently, in peace and prosperity, but as a massive military power athwart an angry, resistant globe.[6]

Johnson hopes that the American people will awaken and regain control over the Congress and carry out major reforms, especially at the Pentagon and in the secret agencies. He concludes, "Failing such reform, Nemesis, the goddess of retribution and vengeance, the punisher of pride and hubris, waits impatiently for her meeting with us."[7]

Transparency Does Not Stand Alone

We state in this book the fact of the rise of transparency. Sociologists call it a "social fact" (in the meaning of Durkheim). While our focus is on the wave of transparency, secrecy also has a place in a mature society. It is at certain times a necessity. Georg Simmel regarded secrecy as one of society's most important achievements. However, it is often a destructive evil, as Max Weber observes:

> This superiority of the professional insider every bureaucracy seeks further to increase through the means of *keeping secret* its knowledge and intentions.

> Bureaucratic administration always tends to exclude the public, to hide its knowledge and action from criticism as well as it can. . . . However, the pure power interests of bureaucracy exert their effects far beyond these areas of functionally motivated secrecy. The concept of the "office secret" is the specific invention of bureaucracy and few things it defends so fanatically as this.[8]

Even though the member states of the European Union are moving toward transparency and openness, they too all have their own traditions of secrecy.

Transparency and openness are the vanguard of the future, but it would be naive not to acknowledge that the cancer of excessive secrecy developing in the current administration could lead toward an "illiberal democracy." The demand for information about the risks of the changing environment, of man-made and natural catastrophes, of disease, of corruption and oppression, of corporate or governmental malfeasance, is growing rapidly. That demand culminates in a cry for historical transparency: calling to account the perpetrators of past crimes committed by governments. We have reason to believe that the current government's cult of secrecy will in retrospect be considered an aberration from the historic legacy of openness anchored in the U.S. Constitution and traditionally embraced by the American people.

The Culture Shift to Transparency

The beginning of a new century holds the promise of freedom and progress, but also the threat of catastrophic breakdowns. The ideal of the open society is within reach in this era of advancing democracy, of information technology, and of growing global links and expanding civil society. But there are enemies of openness, and they are not only the obsessed fanatics defending misguided traditions. The culture shift to transparency, to the open flow of information and to accountability, has advanced worldwide in spite of fierce resistance. In a new global world, people are forced to interact across boundaries. They require new norms and new solidarities beyond national boundaries. Information cultures are at the center of these changes.

The last decades of the twentieth century saw a dramatic change in the values, norms, and cultures of information. Our work deals with the emerging set of values and norms for public information access about and from centers of power and their accountability. The public's "right to know" and the "duty to disclose" are expanding.

The norms of transparency, properly applied, make it possible to understand information, but this understanding is subject to the cognitive capacity of its recipients. People interpret or ignore information to fit into their

frames of reference because the effort of reconciling new information with cherished views can be difficult. It is part of the social construction of reality.[9] The sources of information also have their own interests and perspectives. Transparency is effective to the extent that centers of authority, citizens, customers, and clients construct valid information and achieve understanding. Nevertheless, transparency now vastly increases the flow of new information. It will lead to an open society if an alert and critical citizenry can assess the quality of information and understand it.

The vastness of the value change itself arouses resistance. Secrecy (hiding information intentionally) and opacity (absence of information, sometimes manipulated) are still powerfully entrenched and are even increasing in some domains, especially in response to security threats or for the protection of illicit gains and privileges of special interests. This tumult in changing information cultures is part of the transparency phenomenon.

Much has been written about the new technology of information and its revolutionary impact. This book, by contrast, is sociological, not technological, though we respect the social impact of the information technology revolution. Our work is about change in the values, norms, and expectations for information disclosure by centers of power. Most are going through major changes in response to demands for transparency that create new patterns of power and influence, the adoption of explicit codes of conduct and new rules for dealing with information. The information technology revolution opens opportunities for surveillance and "information security."

For sociologists the "transparency phenomenon" is becoming increasingly critical. It is a powerful tide of culture changes for accountability and open information, new information rights and duties, formalization, and altered power relations. These changes entail moral, political, and legal innovations and alter the structure and functioning of institutions and communities. They are controversial and are often resisted.

Early sociology was motivated by the industrial revolution and the social and structural changes it brought about. People moved beyond their tribes and small villages, and even beyond simple urban areas. Division of labor, complex role structures, and sophisticated nation-states became the norm for industrial societies. In those times of radical change, a major question for social scientists, and especially for sociologists, was "What will hold everything together? What is the nature of solidarity in these conditions? What is the social glue?" And from these questions flowed the analyses of *Gemeinschaft* and *Gesellschaft.*

The current era is witnessing changes of just such a radical nature. The

industrialized world, the entire world in fact, is moving from being a collection of nation-states to recognizing the global environment shared by all. Modern economies require trust at a distance, relationships among people who may never meet face to face—who have no need to—and who may never inhabit the same space. Increasingly, international and global political organizations adopt forms of behavior that differ from indigenous ones. Again, the questions arise, "What will hold everything together? What is the nature of solidarity in these conditions? What is the social glue?" A large part of the answer is a demand for transparency. The disclosure of valid information by centers of authority makes possible global interactions and relationships.

The cultural shift in favor of transparency is a complex matter. It has come to be one of the most powerful contemporary cultural changes, even though ours is a time of terrorism, wars, widespread official corruption, crime, and government secrecy. And battles for and against transparency are raging, as are battles for and against secrecy. Calling for transparency is perceived by many as an onslaught against tradition, identity, security, as well as against established authority and privilege. At the same time, it is a cause energetically advanced by reformers fighting against inequity, corruption, and authoritarianism, and for freedom, openness, civil rights, and personal autonomy. Many of the great social movements of our time for human rights, for women's rights, for a sustainable global and local environment, for accountability and against corruption, use the demand for transparency even more as a strategy to expose evils and mobilize public outrage against those responsible.

Very powerful forces in the shift toward transparency, however, are the requirements of the marketplace, of competitive politics, and of technology. Scientists and engineers continue to improve devices for generating, storing, and distributing information. The spread of communications technology worldwide means that people can try new projects, can probe the limits of what previously was impossible or impermissible. The technical capacity for bringing transparency to business, government, and professional activities has increased greatly, as has the range of social choices. This, of course, has played a large role in commerce. Markets have always required information. Today it is even more obvious: those that operate without transparency are expensive and at risk. The same is true of governments: those that lack transparency are also costly and even dangerous. Certainly this is true of democratic countries. Credibility and legitimacy are at stake.

Even though secrecy is on the defensive on many fronts, it remains essen-

tial and grows on several others. Business competitors must be transparent about their accounting practices, their corporate governance, and the quality of their products, but there always will remain a reserve of secrecy about new products that they hope will surprise the competition or about new ideas they might pursue. Similarly, there remains a domain of secrecy for governments on issues of security and criminal investigation. Even further, there are information values at work competing more generally with the value of transparency, such as protection of privacy, informational property, surveillance, monitoring, and indeed secrecy. Transparency cannot be a stand-alone value; it is part of an interdependent cluster of values which we call the "transparency/secrecy syndrome."

Nevertheless, even though transparency is assuming a growing role in transnational affairs, it occurs in a world still dominated by opacity and many domains of secrecy, especially in many developing countries and military states. Not only governments, but also corporations and professions that try to evade the rising norms of transparency lose the trust of the public and pay dearly in attempts to regain it. Centers of power must deal with the fact that many of the information norms regarding public access to knowledge are changing away from secrecy toward transparency. It is not a tranquil phenomenon: it is a contentious social force.

Above all, the right to know, and the duty to disclose, are grounded in trust. The transparency movement is a response to uncertainty and distrust. Like all social transformations, this one creates instability and takes place on a cultural battlefield. Therefore, it is important to understand its dynamics. The purpose of this book is to sketch the broad outlines of the vast, global panorama of the transparency shift and to illustrate its complexities and consequences.

What We Did to Learn About Transparency

In addition to reviewing scholarly resources, we consulted active professionals dealing personally with global change, and specifically with the impact of changing information norms, needs, and demands. We conducted about ninety consultations in the United States, Japan, China, Belgium, Britain, Germany, Greece, France, Italy, and Luxembourg.

Our consultants were knowledgeable professionals directly engaged in activities and projects that exhibit and illuminate the transparency phenomenon. Our purpose was to trace the phenomenon in many different domains, drawing on the hands-on experience of those in the field. Many of these interviews opened new perspectives to us. All of our interview partners

conveyed a sense of urgency about addressing the problems brought by current changes in the world. Sometimes the pace of change seemed too fast for the people to whom we talked; others were impatient, feeling that change was occurring too slowly for what they wanted to see happen. From our personal contacts we have created a sociological frame of reference in which to make sense of the transparency shift, its causes, and consequences.

The Plan of This Book

The true scope of the recent impetus toward transparency is not fully known. Chapter 2 sketches some historical markers in the evolution of information cultures and documents the dramatic increase in information disclosure, access, and availability in the last decades of the twentieth century. It has not been an easy process. Several historical episodes illustrate the intensity of struggles against freedom of information. After all, freedom of thought and speech, freedom of expression, and the idea that there is a right to know and a duty to disclose information about the workings of power, are values that developed during the Enlightenment and its descendants in democracies, free markets, and human rights. Until recently secrecy and opacity were the dominant conditions in human societies. In many places they continue to be so, although they are shrinking.

The spread of democracy raises questions about the nature and the historical stage of specific modern states, some of which are democracies in name only, or "illiberal democracies."[10] Chapter 3, which addresses global change and transparency across many domains of social life, presents a sociological approach to this social fact and defines the path to understanding its causes and consequences. A key concept is the value/countervalue syndrome. Transparency is not a stand-alone value. There are powerful countervalues such as secrecy, opacity, and privacy. The transparency syndrome of values is dominated by openness of information and individual autonomy. By contrast, in the secrecy syndrome, hierarchy, loyalty, and obedience are dominant. This is the architecture of an information culture.

Especially in an era of armed conflict in a dangerous world, we need to examine the shifts in and across these structures and how changes in one value affect other values. The information cultures in different world regions move along different paths. Further, increased concerns with security do not lessen the significance of transparency in all domains; in fact, as documented in chapters 3 and 4, in some domains the pressure for transparency is increasing.