

**Multi-Stakeholder Global Networks:**  
***Emerging systems for the global common good***

February 1, 2007  
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## 1. Introduction

Until recently nation states and their intergovernmental organizations (IGOs) have been seen as the key agent to manage the global commons and provision of global public goods. However, the limits of the nation state system as conventionally understood have been increasingly apparent during the decades of asymmetric and contested globalization dynamics during and since the end of the cold war. Substantial disparities in wealth and seemingly intractable poverty of large regions, global pandemics like AIDS and bird flu, more extensive and pernicious forms of transnational crime, pollution of the seas and the growing pace of climate change are only a few examples of challenges that indicate new approaches to global action, policy and governance are needed.

One common response is to support strengthening of IGOs, from the United Nations to the International Criminal Court; another is to call for developing a global state and system of global representative government; a return to the grassroots is passionately promoted by many; yet others say that a fortifying global market mechanisms is the answer (Khagram 2006). This paper focuses on the development of global multi-stakeholder networks—understood here as Global Action Networks (GANs). GANs are global governance arrangements defined by five characteristics. They are (1) global; (2) focused upon public good issues; (3) inter-organizational networks; (4) bridging agents among diverse organizations; and (5) systemic change agents.

Before the Cold War began, three particularly interesting and enduring “proto-GANs” were established. The year 1863 marked the founding of what eventually became legally an NGO but was an inter-organizational network created with intimate government involvement that is today known as the International Committee of the Red Cross and the International Federation of Red Cross and Red Crescent Societies. In 1919 the government-labor-employer constituted International Labor Organization was established. And in 1948 the World Conservation Union (IUCN) brought together governments, scientific communities and environmental NGOs.

The Cold War halted development of such multi-stakeholder strategies for the management of the global commons and the provision of global public goods. Global politics became equated with allegiance to nation-states individually and in inter-*national* coalitions to such an extent that problem-solving across these boundaries by diverse stakeholders became highly problematic. But at its end conditions were substantially different and richer for creation of GANs.

Transcontinental transportation and telecommunications had grown tremendously. Business and civil society organizations had proliferated around the world and were increasingly globally networked. Transparent and participatory multi-stakeholder processes had become much more widespread, effective and legitimate at all levels of governance.

The subsequent post-Cold War round of global multi-stakeholder network creation is associated with the “international regimes” of Ruggie and Young, (Ruggie, 1975; Young, 1999) the “governance without government” phenomenon noted in the 1990s (Rosenau, 1992), and the “government as networks” phenomenon (Goldsmith & Eggers, 2004) noted more recently. From an intergovernmental organization perspective, Reinicke and his associates refers to these multi-stakeholder networks as “global public policy networks.” (Reinicke, 1999-2000; Reinicke & Deng, 2000; Witte, Reinicke, & Benner, 2000) From a global problem perspective, Rischard labels them “global issue networks.” (Rischard, 2002) With a focus on these networks as societal learning and change systems, Waddell describes them as global action networks (GANs) (S. Waddell, 2003; Steven Waddell, 2004; S. J. Waddell, 2003).

The paper asks, “What is the potential role of GANs in the protection of the global commons and the production of global public goods?” Are GANs one of the important emerging mechanisms competing today for dominance in global governance? Governance is conceived broadly as a set of legitimate and authoritative relationships and processes that define public goals and stimulate collective action to achieve them. Today national governments and IGOs are usually associated—and often equated—with having *the* leadership role in governance in today’s world. However, at the global level governance is obviously more complex, given the lack of an entity with a monopoly of legitimate force over citizens—an attribute usually associated with the definition of a nation state.

Indeed, global governance is to date a very messy arrangement of feuding powers that can be likened to the various governance arrangements that were at play in feudal Europe. As many scholars have noted in their comprehensive analysis of that period (among the most recent see Sassen, 2006), there were many arrangements for decision-making—including the Church, independent cities ruled by merchant-citizens, kingdoms, empires, guilds, etc. There was nothing obvious about the trajectory that produced a Europe with a governance arrangement dominated by territorially-based nation states with citizen voters.

In fact, the emergence of the nation state in Europe was highly correlated with its ability to address issues of the commons and provision of public goods *within* particular territorial boundaries. As is so evidently clear today, the spread of the nation state form to many parts of the world has not necessarily even been associated with the effective provision of public goods and protection of commons within those territorial units (many countries in Sub-Saharan Africa are obvious but by no means the only cases in this regard). Given the apparent inability of nation-states to accomplish these functions at the global level, their declining or at very least significantly transforming roles given contemporary globalization trends and patterns seems inevitable. This article correspondingly examines in more detail the potential of GANs in particular to complement and perhaps eventually supplement nation-states and intergovernmental organizations in managing the global commons and providing global public goods.

## **2. The Emerging “Field of Global Action Networks”**

The current universe of GANs approximates four dozen in number. They include Transparency International which has an anti-corruption agenda, the Forest Stewardship Council which is promoting sustainable approaches to forestry (and in particular certification systems), the Global Water Partnership which is an agent of integrated water resource management, the Youth Employment Summit which is focused on generating work for un- and under-employed young people, and the Microcredit Summit Campaign which is promoting microcredit as a strategy to address extreme poverty, among others.

The research for this article includes documentary investigation, web reviews, interviews and participant observation over the span of nearly ten years. Most recently, data was gathered on 19 GANs through a structured-focused comparative methodology to construct an initial landscape of this emergent field. The networks included in the sample are all currently active, been in operation for at least four years, and the three pre-Cold War cases were excluded since they were formed in such a different context. This sample was generated after an initial exploration of 30 networks in total with the primary selection criteria being diversity of issue area focused on by the GAN.

Two cautions are necessary with respect to the field landscape developed based on this 19 GAN sample. First, the cases of GANs fit the definition “more rather than less”. Part of the goal of the analysis was to assess this very question of definition, so a significant range is noted. As well, as in any quickly changing field, descriptions and details themselves are rapidly changing. For example, official and formal budgets for organizations can shift 50 percent from year to year. This is not simply a product of financing successes, but of changing strategies (such as shifting from a centralized to decentralized network) and cycles of activities which are not annual (such as holding a global assembly). With these caveats, the following quite informative patterns about the field were derived from an analysis of the 19 GANs in the diversity sample.

## **Five Definitional Characteristics of GANs**

### **1. Global**

Although the GANs aspire to be global, most are as of yet active in fewer than 50 countries. But it is clear that all GANs have active participants on all continents (with the possible exception of Australia) which eliminates some international partnerships focused upon specific regions such as Africa as is the case with the Global Partnership to Eliminate River Blindness. Most are active in the most populous countries in the world. There are four factors that influence “how” planetary GANs they are. These are:

1. *Funders as Donors:* Several of the networks, such as the Global Fund to Fight AIDS, Malaria and Tuberculosis (the Global Fund), are products of a donor agency framework of Northern countries trying to do achieve some outcome in Southern countries. Therefore, although they may be “global” there is important asymmetry within the global nature between “donor” and “recipient”. Of the 19, all are active in Southern countries but only 11 conduct programmatic activity in Northern countries.
2. *Their Stage of Development:* obviously a global network does not spring up over-night. Even when sponsored by an existing global network, substantial effort and time is required to give life to a new initiative that spans the world. Thus, it is expected that at least a significant subset of GANs will increase their activities into more countries as time passes and they become more effective and legitimate.
3. *The Robustness of Stakeholder Organizations:* As “multi-stakeholder” networks, the GANs depend upon legal and cultural frameworks that permit and encourage diverse stakeholders to form independent organizations. In China and Arab countries there are still significant roadblocks to robust civil society and business organizations. In some countries the question is more the capacity of local stakeholder groups.
4. *The GAN Membership Strategy:* Some of the networks are closed to new members, set significant hurdles to membership or are very specialized. For example, although anyone can join the Ethical Trading Initiative, companies must agree to monitoring and ethical performance standards that many would find overly onerous. Building Partners for Development in Water and Sanitation is quite specialized and would not be of interest for countries committed only to public sector planning, development and delivery of water and sanitation services.

## 2. Focused on Issues for the Public Good Issue

None of the GANs (across the sample or the larger population) is a for-profit organization. Their multi-stakeholder character means that they must be able to integrate diverse goals, and their formal organization is almost always as an NGO or non-profit organization (or a program of one) or, occasionally, an IGO as is the case of the Global Compact. The issues GANs focus on in some ways reflect divisions not uncommon with governments, their agencies and ministries. However, the issues are often relatively specialized—rather than a Ministry of Health, they are constructed around specific health challenges and diseases; rather than a ministry of public works, the Global Water Partnership and World Water Council have much narrower, distinctive and complementary roles. On the other hand, some of the GANs focus upon cross-cutting issues that traditional governmental structures have great difficulty addressing—such as the International Centre for Trade and Sustainable Development, and the Global Reporting Initiative which concerns itself with triple bottom line (economic, social and environmental) reporting.

## 3. Inter-Organizational Networks

Operating at a global level, the role of individuals as participants and members in the networks

<b>Table 1: Organizations Versus Partnerships Versus Network</b>			
	<b>Organization</b>	<b>Partnership</b>	<b>Network</b>
Number of Legally Distinct Dominant Organizations	One	Small to Modest	Very large
Organizing Structure	Hierarchical	Spoke and wheel	Multi-hub
Operating Logic	Administering/Managing	Coordination	Coherence
Operating Focus	Organization	Task	System
Participation	Closed	Highly controlled	Loosely controlled

is very marginal as opposed to the role of organizations. Transparency International began as a network of individual members and they still have a modest (and diminishing) role, but it quickly shifted to a network where a specific organization is usually accredited as a National Chapter. In some cases, the distinction between individuals and organizations is finessed—the Global Reporting Initiative, for example, specifies that individuals do *not* represent an organization’s interests because of concern that this will under-mine the needs of “the whole”—but in fact, “Organizational Stakeholders” are a key membership category.

Usually the GANs are born of organizations coming together. These can be independent individual organizations or associations of organizations—the GAN then being a network of networks like the World Water Council. But very often the GANs’ work involves anointing, strengthening or even creating its constituent organizations or networks. For example, The Access Initiative organizes groups of NGOs (usually three) in a specific country to form a local TAI-(country name) network.

For students of organizational studies, all organizations are networks and therefore the terms require further description. Table 1 proposes distinctions between three different types of relevant organizations to more clearly describe the difference that GANs represent. They tend

to have network characteristics, although some may more closely resemble partnerships. The distinctions between whether a specific entity is a partnership or network is further muddled by development issues—most start as partnerships but grow to networks.

#### **4. Diversity Embracing Boundary-Spanners**

**GANs span several types of boundaries.** GANs are all bridging North/South (developed/undeveloped) country divides—sometimes this divide reflects the traditional donor/recipient one, but increasingly there is a sense of true “globalness” with more peer-like relationships. Another classic divide spanned is rich-poor. They include all levels—individual, group, organizational, organizational sector (business-government-civil society), country and region. Wealthy corporations with substantial resources work side-by-side with NGOs in many of the GANs. One study demonstrated the importance of bridging the divides between policy-makers (usually governments and international NGOs), techno-experts (scientists, business people, engineers), funders (foundations and donor agencies) and communities (local activists and community members) (Snyder 2005). And of course being global the GANs also aim to span cultural, racial, ethnic and linguistic differences and the diverse values embedded in these. Many GANs’ success also hinges upon being successful “global-regional-national-local” boundary spanners.

In many ways GANs are the first truly global assemblies. And unlike some traditional global boundary spanners that depend upon creating strong collective identities—such as religious organizations—at least as important for GANs is the ability to preserve the distinct identities of members. If people coming from the diverse perspectives cannot successfully articulate and represent them and mobilize the resources of their stakeholder group, their value to the GAN will be lost.

#### **5. Systemic Change Agents**

This is perhaps the most complicated of the definitional characteristics and is difficult to explain or to assess. A “system” is a set of independent but interrelated elements comprising a whole with regards to an activity, goal or function. A complex system contains sub-systems, processes and elements (often referred to as “agents”). These are like a systems DNA, in that a system contains the necessary elements for its reproduction and potential transformation—a global system, therefore, contains sub-systems which are complete within themselves, but can not on their own create a global system.

GANs are bringing together at the global level the diverse agents necessary to make improvements with respect to a specific global commons or global public goods. The systems around these global commons or global public goods can be described as “under-organized” (Brown 1980) issues systems or problem domains (Trist, 1983), and GANs aim to improve the organizing of them. GANs identify priority actions and norms to give the systems direction. They set boundary definitions for these systems to decide who is “in” and who is “out”—and the boundaries can shift as the GAN develops. For example, the Partnership for Principle 10 (PP10) was originally narrowly conceived as a multi-stakeholder complement to support a particular methodology developed by The Access Initiative (TAI – a global civil society coalition) for ensuring that people have a voice in the decisions that affect their environment and their communities. However, PP10 concluded that its real value would be to give life to a much broader umbrella network for stakeholders using various methodologies to realize the objective.

The very founding of a GAN indicates that at least some stakeholders concluded through deliberation (the Global Water Partnership) and/or through negotiation over conflict (the World Commission on Dams) that change on a global scale was needed in an approach to an issue. However, it is also important to distinguish between types of change in terms of “depth”. Societal learning and change theory suggests that if key sub-systems of all of society are being brought together, the potential for change is much deeper. (Waddell 2005b) The key sub-systems are the social sub-system represented by community-based organizations (NGOs, religious, labour), the economic sub-system led by business, and the political sub-system represented by governments and their agencies including intergovernmental organizations when considering global society. Of course to achieve global change is particularly challenging because of the need to bring together the different geographic and organizational levels as well.

Change has been classified as being of three types. (Bartunek and Moch 1987; Nielsen 1996; Pruitt and Waddell 2005) “First order change” is doing more of the same – often understood as scaling up. The very formation of a GAN indicates that change of at least the second order is being promoted, since it represents doing something very differently. Second order change involves redefining the rules of the game. For example, the Global Fund is basically a mechanism for funders to pool their resources and take a more systemic and global perspective to improve coordination and effectiveness (first order would be when one or more funders simply expands budgets). But financial resource mobilization as the key driver has not changed and the approach can basically be described as one of “reform” under direction of stakeholders who by and large maintain their traditional power relationships.

**Table 2:  
Types of Change in Problem Solving Initiatives**

(from Pruitt and Waddell, 2005)

Criteria	First Order Change	Second Order Change	Third Order Change
<b>Desired Outcome</b>	“More (or less) of the same.”	Reform	Transformation
<b>Purpose</b>	To improve the performance of the established system.	To change the system to address shortcomings and respond to the needs of stakeholders	To proactively address problems and seize opportunities from a whole-system perspective
<b>Participation</b>	Replicates the established decision making group and power relationships	Brings relevant stakeholders into the problem solving conversation in ways that enable them to influence the decision making process	Creates a microcosm of the problem system, with all participants coming in on an equal footing as issue owners and decision makers
<b>Process</b>	Confirms existing rules. Preserves the established power structure and relationships among actors in the system	Opens existing rules to revision. Suspends established power relationships; promotes authentic interactions; creates a space for genuine reform of the system	Opens issue to creation of entirely new ways of thinking about the issue. Promotes transformation of relationships toward whole-system awareness and identity; promotes examination of the deep structures that sustain the system; creates a space for fundamental system change
<b>Indicators</b>	More of the same	Changes in the way tasks are performed, while maintaining the same power relationships.	Fundamental shift in relationships and the way stakeholders interact.

Third order change involves basic power realignments, re-visioning of how organizations and people relate to one another, and developing fundamental change in relationships and organizational boundaries and roles. The Forest Stewardship Council, for example, represents a third order innovation because it is based in the premise that business, environmentalists and social activists must find a very different way of operating (by working collaboratively). These distinctions are further elaborated in Table 2. And in Table 3 below, indicators of third order change are described at the individual level.

<b>Table 3: Indicators of Third Order Change for Individuals</b> (developed by Bettye Pruitt)	
<i>From</i>	<i>To</i>
Seeing others as separate and different, defined by their roles, their positions on the issues, or their place in a hierarchy	Seeing others as fellow human beings; “we’re in this together;” and all have something important to contribute
Seeing oneself as separate from the problem situation, looking for others to change in order to resolve it	Seeing oneself as part of the system that sustains the situation, accepting responsibility for changing oneself
Disconnected relationships within stuck problem systems	Creative relationships energized by mutually owned ideas for addressing problems

## Other Characteristics

**GANs’ missions and goals (see Appendix A) are complex.** They have two levels of outcomes. One is a collectively defined goal that all participating organizations can buy into. It derives from the fundamental rationale for founding a GAN—the need to bring together distinctive competencies and resources on a global scale. This is a goal that may be called a system-organizing goal. The International Centre for Trade and Sustainable Development aims to bring together diverse stakeholders in creative and strategic ways to make a trade system that reflects a sustainability imperative. This over-arching goal is seemingly broad, but it must encompass the particular objective that leads organizations to participate. The corporation Unilever participates in the Marine Stewardship Council not only to develop *sustainable fisheries*, but ones that will also be *profitable* for it. Success in a GAN is determined by *collective commitment to both the over-arching goal, and to the support stakeholders provide each other to reach at least some of their individual objectives*. This emphasizes the importance of clearly articulating these two different sets of goals and ensuring reciprocal and collective commitment to them, while recognizing that both individual level as well as collective goals can shift (and probably should if the GAN is achieving third order change) over time.

**The size of the networks is difficult to describe, given their diverse ways of organizing resources and that all of them depend upon leveraging resources from their participants.** In terms of direct resources they are very modest in size. For the 17 GANs providing staff size, the average was 25; annual operating budgets start at \$0.63 million and average \$9.9 million per year. However, removing the Global Fund which is huge and clearly an outlier, the means for the sample are 18 staff and budgets of \$4.2 million annually.

**In terms of achievements or impact, very diverse outcomes and indicators are cited.** The Forest Stewardship Council cites \$10 billion in products traded with its label and 74 million hectares certified; The Access Initiative points to assessments on the public availability of environmental information being undertaken for nearly 40 countries; the Global Water Partnership points to an external review that stated clearly that GWP provides good value for the donors’ money in promoting sustainable water management; the Global Reporting Initiative refers to 800 corporations that are using its framework and 20,000 individuals who have joined. The Microcredit Summit Campaign says that by 2006 it will reach its goal originally set for 2005 “...to reach 100 million of the world’s poorest families, especially women, with credit for self-employment and other financial and business services.” For all GANs, putting and keeping

their issue high on the global agenda is crucial. Most still do not identify or measure the system organizing and cohering effects of their network growth or programmatic activities.

**There is a great innovation and variety in GANs' governance structures.** Although some of this variation is undoubtedly the product of personal idiosyncrasies of key individual leaders and differences in the issues they focus on, the range of governance structures also reflects experimentation. Given the dictum that structure should follow strategy, it also reflects experiments with different strategies and theories of change.

This latter point is particularly evident with the roles of “participation” and “membership” – both are associated with obligations and rights, but the latter with formal decision-making “rights” like voting in elections for board members. **In all GANs, membership is primarily associated with “organizations” and often with a geographically based unit (e.g., a national chapter).** But about eight of the 19 GANs see mass membership as a particularly important strategy. For example, the Youth Employment and Microcredit Summit campaigns see increasing participation as a measure of success. These types of networks openly promote participation and have hundreds of participating organizations. Another five of the GANs surveyed have quite significant requirements for membership. Any company joining the Ethical Trading Initiative (ETI) must agree to apply the ETI code of conduct to its global supply chains; to become a member of PP10 requires making specific and significant commitments to support its goals.

For a third category of six GANs in the sample, membership is confined and even closed to a small group. NGOs maintain decision-making control of Social Accountability International and the International Centre for Trade and Sustainable Development, The Marine Stewardship Council has a self-perpetuating board, and donors maintain control of financing GANs. In some hybrid cases local/regional structures have a mass member strategy where the global structure is closed, as with the Global Compact and Youth Employment Summit. In both these examples, the formal accountability between the two is tenuous.

### **A View of the International Centre for Trade and Sustainable Development**

It is no longer about *who* they represent (they do not claim to represent anybody) or *who they side with*. They are viewed as a trusted “idealist” institution by trade policy knowledge communities with a utopian aim that serves as a conscience of the trade system. They achieved this status by playing the role of honest broker and convener for years, as well as by being a provider of alternative and integrative problem-solving opportunities that contributed a long-term perspective and sustainable development vision.

Thus one stakeholder group often holds actual control of the GAN. This is done through legal control, such as making the GAN a “project” of an NGO or IGO. Sometimes this is done through the number of people from specific interest groups on the board, which is sometimes clearly swayed in favor of donor agencies, for example with the Global Fund. It is only Building Partnerships for Development in Water and Sanitation that has a formal leadership group composed of all three sectors.

This all leads to the question of control and issues of stakeholder representation. Members are often grouped into categories on the basis of (1) geography and/or (2) stakeholder group. Nine of those surveyed formally aim for representation by the latter method. The Microcredit Summit Campaign has 15 “Councils,” the Marine Stewardship Council has eight “issue groups” in two categories, and the World Water Council has five “colleges”. Of the 19 GANs in the sample, five

were primarily controlled by NGOs, seven by IGOs and another six jointly by NGOs and business stakeholders. Only 1 each was being driven either jointly by governments and intergovernmental organizations together or stakeholders across the public, private, and civil society sectors together.

### **3. The Work of GANs**

As mentioned, realizing global system change is a common activity of GANs. But perhaps the most basic task of GANs is to put and keep an issue on the global stage. Transparency International made corruption an issue when it was difficult to talk about in part because of complicit government and IGO involvement. The Youth Employment Summit Campaign has made its issue a global one for governments, businesses and other stakeholders. GANs act as global stewards to promote attention and action for their issues.

One way to understand the work of GANs arises from comparing them with the dominant traditional global governance mechanism – IGOs. In Oran Young’s terms, IGOs represent “collective action” strategies because they are the product of government representatives writing rules and then trying to apply them. IGOs come from a constitutional law model. (Young, 1999) GANs, in contrast, represent a “social action” strategy because they are the product of stakeholders in an issue experimenting to try to develop responses to key issues and then drawing out generalizable knowledge and action. In a sense, GANs are working through a common law model.

In other words, rather than taking action based on a theoretical description of the way things should work, as IGOs tend to do, GANs are much more practical and focus on development of applied knowledge that is socially embedded with the issue stakeholders. Since the stakeholders collectively develop the “solutions,” they know their role and responsibilities and have agreed upon them. This is very different from knowledge being developed by “experts” who write it up in reports that often do not reflect the system stakeholders’ perspectives. This is why the issue of “enforcement” is so often pointed to as necessary (but usually impossible) in traditional IGO processes. For GANs, it is much less important because the way they do their work builds stakeholder understanding about, and commitment to, the solutions.

The Marine Stewardship Council focuses on specific fisheries and connects stakeholders so they can create collective commitment to a process for managing fisheries. This requires ongoing experimentation. MSC is now leading multi-stakeholder experiments with issues about fishing practices’ impact on bird life. This multi-stakeholder strategy is true even for those GANs (e.g., the International Centre for Trade and Sustainable Development) that focus on IGO (WTO) rules. ICTSD tries to influence trade policy through multi-stakeholder dialogues, and to build sufficient shared understanding drawn from those experiments, so that a “tipping point” is reached and the formal rules are changed.

Therefore, although GANs address a great range of issues, they share commitment to multi-stakeholder learning and change processes. These processes can prove highly complementary with the work of governments and IGOs. The Commission on Sustainable Development recognized this with its promotion of “Type 2” partnerships – envisioning that these cross-sectoral initiatives of which a sub-set are GANs would provide critical support for implementing international conventions, as TAI/PP10 does. However, to realize this potential requires much more flexible engagement of stakeholders in defining and revising conventions.

Similarly, GANs can develop critical innovations to a stage at which governments can integrate them into their own policies, or individual stakeholders from a specific sector can take the responsibility for implementing or diffusing them. There are numerous examples of standards developed by the Extractive Industries Transparency Initiative, the FSC, the Greenhouse Gas Protocol, the World Commission on Dams and others being adopted by stakeholders in part or in whole. The Global Reporting Initiative was faced with government absence – not resistance, but there was “no one home” in terms of the broad-based transparency of corporations. GRI moved to fill the vacuum, and over time, expects the government to codify its work. The promotion of GRI guidelines as an exemplary way for corporations to fulfill their triple bottom line reporting requirements if they are listed on the Johannesburg Stock Exchange is an early example of this possibility.

One study of an overlapping set of global cross-sectoral networks grouped them into three categories linked to different stages in the public policy cycle: *negotiating* networks that develop global norms and standards, *coordinating* networks that facilitate joint action strategies, and *implementing* networks that ensure application of IGO agreements (Witte, Benner, & Streck, 2005). This work requires development of two types of activities. One is developing the traditional “expert” and physical science knowledge associated with the issue. But the other, which is less appreciated, concerns development of the necessary social relationships to address the issue. GANs develop the physical science knowledge by developing social relationships to ensure that the technical knowledge is socially embedded and that there is capacity and the necessary commitment to act exist.

Another paper looking at multi-stakeholder partnerships from the perspective of governance and accountability classified them into different categories focusing on: the direct delivery of public services and infrastructure; effectively increasing large public resource transfers, particularly trans-border; and the co-design, promotion, and stewardship of new rules for market and non-market actors. That study also noted that these distinctions increasingly are converging and creating hybrids. (Zadek, 2005)

As agents for global problem-solving, GANs’ activities can be differentiated as being one five different types: (1) system organizing, (2) learning/knowledge generation, (3) shared visioning, (4) reporting and measuring, and (5) financing. The most often reported activity is *global system organizing*. This means creating activities such as meetings, information networks, and shared tasks that bring diverse organizations into increasing contact and joint action. This builds the ability of organizations participating in a GAN to work together, as they become more familiar with one another and develop their own relationships. This produces growing coordination and synergies. This in turn leads to new norms, procedures, and rules of varying formality.

Of the 19 GANs surveyed, 17 do this type of *systems organizing* work. The two exceptions – BPD for Water and Sanitation and the Ethical Trading Initiative – focus on *learning* activities among a modest number of core stakeholders. “Learning” means research (usually action research), sharing knowledge and information, and capacity building. It also means taking a systems approach to test rules against policy objectives, going back to review rules against outcomes, and then rewriting them as appropriate. Overall, including BPD and ETI, 11 GANs identified *learning and knowledge generation* as a key activity area.

Twelve GANs identified *shared visioning* as a major focus. This an activity closely associated with system organizing, but it is a more categorically directed activity and involves collective

planning, dialogue, and consensus-building initiatives, as described earlier for GANs' change agent role. For ten of the GANs, *measuring and reporting* of one sort or another is a core activity. For the Marine and Forest Stewardship Councils, this means a formal system of certification. For Social Accountability International and Fair Labor Association, monitoring is important. For TAI/PP10, assessing a country's performance is a key tool for developing change. Four of the GANs have an important *financing* function. For the Global Fund, GAVI, and GAIN, this is their *raison d'être*; for the Global Water Partnership, financing runs parallel in importance with other activities.

All GANs clearly engage in more than one of these activity areas, and most also are involved in other forms of work. One particularly important area that became clear during the research is that of building capacity of participating organizations to effectively address the mission of the GAN. Mature GANs possess technical physical-science knowledge and (often experience-based) knowledge about change strategies. At a local level, people see their local organizations are taking action, and do not think of the action as being driven by a foreign one. For the Fair Labor Association (FLA) in Cambodia, this meant building the capacity of employers, government, and NGOs to do labor inspections. As an organization comprising employers and NGOs who are striving to improve standards, FLA has substantially greater credibility than either one of the sectors could have on its own. FLA catalyzes the process, then steps away.

#### **4. Realizing the Potential**

Given their relatively young and experimental nature, GANs have individually not reached their full potential. And as a group, they have hardly started to interact, so their collective impact in managing the global commons or providing global public goods has not yet been felt. However, a few of the GANs appear to be moving into a more advanced developmental stage. Their experiences, conversations with executive officers, and data from other projects suggest some outlines for GANs' potential 10 to 15 years from now. The following description is based on the assumption that GANs do continue to develop and grow.

Fifteen years from now, a much stronger sense of global citizenship will likely be shared worldwide, as a complement to our particular ethnic, national, gender, class, sectoral and professional identities. When people look back at the rise of global citizenship, GANs will likely have played an important role. They are stimulating actions that reflect the linkages between global, regional, national and local concerns, and thereby becoming critical globalizing and integrating agents of diverse viewpoints and resources. We will shift from an inter-national organizing framework to a much more global, multi-stakeholder one.

One image of the future of a GAN is as a global membrane that will attract organizations around the world that are working on a particular issue. Reluctant participants will be caught up and find themselves working within systems structured by GANs. A forest company, for example, may not participate directly in the Forest Stewardship Council, but it will find itself working with a market and regulatory framework that are heavily influenced by the FSC. Within this model, with regard to particular issues, GANs will be robust global systems of governance, accountability, knowledge development and coordinated action, offering open and easy access to others. They will be sensing and guiding mechanisms for identifying emergent opportunities and challenges regarding their issues, and for developing responses.

GANs-as-global-membranes will support resource transfers, production of public goods and services, co-creation of rules to address global inequities, wealth development, human security

and sustainability. Creating “alignment” within their issue system is a key task – they will be negotiators, arbitrators, and change agents skilled at smoothing the connections between diverse interests of their particular issue system. They have the ability to do this without requiring homogenization because they are agents that support diversity within globalization with an emphasis on subsidiarity. GANs will be known for providing a trust and reputation network that facilitates the flow of knowledge and resources with low transaction costs.

Fifteen years from now we will undoubtedly have many more GANs in specialized issue areas, both because globalization will generate great challenges, increase the demand for globally coherent and large-scale action, as well as because the legitimacy and effectiveness of GANs and GAN-like activities will have grown tremendously. The era in which nation-states were seen as solely responsible for issues of peace and security, for example, will likely be bypassed by strategies to bring together stakeholders to collaboratively address tensions, as can be seen with the recent founding of the Global Partnership for Prevention of Armed Conflict. Disaster relief systems that are arising in response to increasing climate variation will be increasingly integrated into systems with dense ties between all actors such as through the GAN ProVention, in contrast with the traditional response systems of government and their contractual relationships with NGOs. In the field of international finance, new collaborative mechanisms will build on historic activities such as the Equator Principles.

GANs will be weaving new global issue systems of accountability. As diverse actors work collaboratively in a GAN, they will increase their interdependence and understanding of the global whole. Traditional hierarchical organizations operating locally and globally will find participation in GANs a highly compelling strategy for realizing their individual objectives. However, although they will find great rewards from participating from the inside, they will also find participation requires increased sharing of information, transparency, and accommodation of diverse goals.

Today’s GANs are still struggling to be “global.” The challenge has many dimensions – geographic, cultural, “glocal,” linguistic, and contextual dimensions of the problems they are addressing. When they are successful, they may reflect the realization of Friedman’s hypothesis that “the world is flat” with fluid connections between the various nodes. (Friedman, 2005) The connections will be particularly robust in four different ways. One is interpersonal – people will find the networks rich sources of personal relationships in which traditional connections will be less driven by hierarchy (which will continue to exist within organizations) than by shared interests. A second level of connections will be local to local – people working on an issue in a community or organization on one part of the planet will easily connect with people elsewhere in the network. There will be similarly robust connections across regional and global scales. All will be facilitated by a network logic that will ease flows of information, resource exchanges, and action between the levels of governance.

As a group, GANs will have developed many inter-GAN contacts that build on ones of today (e.g., between the GRI and Global Compact). The Youth Employment Summit and IUCN will find shared interests in developing youth employment initiatives with an environmental sustainability orientation. The Marine Stewardship Council and the Microcredit Summit will find shared interests in developing sustainable livelihoods for small fishers. The one-on-one exchanges will be facilitated by the fact that the GANs have a common organizing logic and value set. These will help many GANs work together more ambitiously at the regional and global levels. What at one time were numerous unassociated networks will increasingly become

collective global governance forums in which the global social contract will be in ongoing development and implementation. It will function not as a set of distinct directives from the top down, but as a fluid system addressing problems and opportunities.

Gradually, the myriad of certification processes and voluntary regulations will become a collaboratively developed system with a few clear principles and easily accessed interpretations that reflect environmental, social, and economic concerns. With increased alignment among stakeholders within an issue system, GANs will be dealing with the challenge of alignment between issue systems and distribution of resources.

As a group, fifteen years from now, GANs could well be the critical mechanisms for addressing global governance gaps of participation, ethics, communications, and implementation. Today, the Forest Stewardship Council is the closest we have to the World Ministry of Forests; the Global Water Partnership and World Water Councils have a similar role with water. Collectively, the large-scale health GANs may be seen functioning with the World Health Organization and governments as key stakeholders rather than controllers. Stakeholders in an issue system will know how to easily participate directly in the appropriate GAN.

Of course, some of today's GANs will fail to address early developmental stage challenges and close their doors. Others may be wrapped up when they consider their mission accomplished. Those that want to realize their potential will face four particular challenges: (1) measuring their impact on global systems, (2) becoming more and more legitimate to all stakeholders, particularly governments and intergovernmental organizations, (3) developing more generally accepted global action norms; and (4) building more robust cross-issue inter-GAN linkages.

Today GANs are basically prototyping, planning, and building infrastructure for change. However, they increasingly realize they do not have **the tools to measure their global systemic impact** - and they likely are just now achieving the stage in which this impact can be significant.

GANs are a very elaborate strategy that demands patience and resources, and they still lack even a good system for measuring their impact, describing their value, and guiding their priorities and direction. They must be able to develop such a global system as well as their competencies in the other arenas such as learning and resource mobilization, in order to have substantial impact on their issue, and demonstrate positive trends.

At this stage, the real challenge is to reach potential and not simply be an interesting experiment, but to become the "go to" place for working on the GANs' issue. This means overcoming ostensible competitors – the most successful and GAN-like way of doing this is to incorporate them. The GAN must be seen to include "leaders" in various stakeholder arenas, both globally and locally. By this stage, they must have a sufficient mass of participation that they have overcome the possibility of being marginalized or ignored.

Governments have an important role in GANs' scaling-up success. GANs should be able to point to "success" where their innovations in regulations or service delivery are integrated into the functioning of local, provincial, national and international governmental organizations. When governments and a GAN work together well, the impact can be substantial. For example, the Microcredit Summit Campaign credits legislation that the U.S. government passed - as making a critical contribution to shifting its global funding focus to the poorest with a disciplined measurement framework. However, today more common are stories in which governments perceived GANs as competitors. Undoubtedly, in some cases, some government functions can be

better managed by GAN affiliates, but within a GAN, governments retain their clear authority rooted in the ability to pass and enforce laws.

A more subtle problem occurs when governmental organizations take advantage of GANs without providing them any resources. For example, there are several examples of GANs developing certification and assessment programs that governments tout as their own while refusing to support the GANs in any way. And, of course, the reverse problem occurs when a government becomes involved with a GAN and wants to control it. The value of a GAN is lost if it simply becomes another intergovernmental organization.

The governmental challenge has particular cultural and national aspects. GANs are notably most successful in countries in which principles and capacities for transparency, participation and accountability are most developed and multi-stakeholder processes valued. This means that some operations in some arenas (e.g., Russia) are problematic, and other operations are even more so in countries (e.g., China and Arab nations) where NGOs are very weak and government seeks to control society much more broadly. GANs must find ways around these problems if they are to have a global impact.

Of course, substantial legitimacy comes with having impact. However, because GANs use participatory processes, legitimacy also requires creating systems of accountability and effective governance mechanisms. As a GAN expands the number of participants it faces substantially increased coordinating challenges. To retain agility and avoid simply adding to earlier structures based on assumptions of fewer participants, GANs at this stage should review their governance structure and even their issue definition.

The issue definition may involve renewal of mission, strategy, or goals. For example, the Microcredit Summit recently concluded it will reach its original goals in 2006. It retained its poverty mission and microcredit strategy, but identified two new 10-year goals to provide renewed focus. The Forest Stewardship Council is currently contemplating a shift in its governance structure because it wants to engage a broader number of stakeholders than those originally envisioned – a shift needed if it is to truly be the global system in forest sustainability.

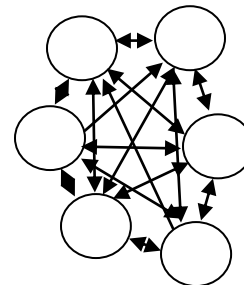
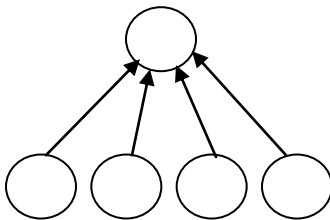
Accountability and governance at this stage become even more important because new mechanisms for generating trust must be developed. The relatively close relationships people enjoyed and that were the basis for trust in a GAN before it became a truly global system will be increasingly difficult to maintain. Transparency International is experiencing this now as it pays more attention to accreditation processes for its system of national chapters.

**Strengthening the legitimacy of GANs** requires ensuring people see themselves as active participants in GANs, rather than simply consumers of its activities. Further development of stakeholder engagement mechanisms is required so GANs' value chain truly reaches to the local level. More formal stakeholder caucuses supported by new communications technology would build further support processes for GANs. The trend toward self-organizing national units for GANs suggests stakeholder groups need to take leadership for organizing these. Most GANs have some form of stakeholder group definition, and these distinctions will likely grow in number and activity. If the activity of stakeholder groups diminishes, it is likely a signal the GAN is losing touch with its grassroots or not performing activities that are valued and relevant for the stakeholders. In voluntary associations such as GANs, stakeholders do not usually rebel, they just fade away – and with them, legitimacy.

Increased participation must occur, while avoiding cooptation by any particular group and achieving balance between being a movement and being an organization. For example, GRI must avoid being overtaken by accounting organizations, the Marine Stewardship Council must not be seen as a hand-maiden for the fishing industry, and the Global Compact must not be seen as an agent of business.

**GANs’ core operating logic is grounded in some distinctive norms that contrast sharply with the dominant ones in most organizations, norms which must be further developed.** In contrast to the traditional “government-in-charge” governance model, GANs stress multi-stakeholder collaboration. Business and civil society are peers, and each has its distinctive competency and responsibility. Of course, government is responsible for laws and formally establishing legal frameworks, but business is responsible for economic products and civil society is responsible for community values and justice. This sort of mutual respect for functions leads to appreciation of interdependence as a key value, in juxtaposition to the tradition of independence.

This is the logic behind the statement that “The Global Fund (on HIV/AIDS) recognizes that only through a country-driven, coordinated, and multi-sector approach involving all relevant partners will additional resources have a significant impact on the reduction of infections, illness, and death from the three diseases. Thus, a variety of actors, each with unique skills, background and experience, must be involved in the development of proposals and decisions on the allocation and utilization of Global Fund financial resources.”(Global Fund to Fight AIDS, 2005) However, one suspects that the systemic change challenge this represents - the contrast with traditional (Figure 1a) ways of operating - might be insufficiently appreciated.



**Figure 1a. A centralized network**

**Figure 1b. A polycentric network model**

(Source: (Steven Waddell, 2005a))

The implications of this shift are described in Table 7. It emphasizes the importance of GANs continuing to move in this stage toward a much more decentralized network, as shown in Figure 2b. Today, in general, GANs still operate with a centralized global secretariat model, which is not surprising given the common mental model they have followed is secretariats of IGOs. However, that sort of model will not work for the diversity and mutual accountability GANs embody. In Figure 1b decisions at the global versus local levels are not part of a hierarchy, but simply different places in a network. Responsibility for common tasks is distributed to promote ownership throughout the system, and there is high degree of autonomy, with a shift from the “coordinating” model behind the secretariat structure to a “coherence creation” model in the polycentric structure.

The goal is to have interventions that move an issue in a particular direction through strategically selected activities that cohere the system around it. A GAN identifies key challenges and opportunities to address to move an issue forward, facilitates an initially modest group of stakeholders to address them, and connects the learning to the rest of the system in strategic and sustainable ways.

However, this increased participation must be undertaken while maintaining a very modest scale of organization in any one location. The mental model of large centralized IGOs must be avoided in favor of dispersed networks, or the GANs will lose their critical agility and resilience

<b>Table 4</b> <b>The Emerging Global Action Norms</b> <b>(Steven Waddell, 2005b)</b>	
<b>What is Dying</b>	<b>What is Developing</b>
Atomistic (reductionist) as the approach	(Whole) systems thinking
Linear and mechanical mental models	Circular and biological mental models
International structures	Glocal
Negotiations as deep change	Collaboration for systemic change
Hierarchy as dominant	Hierarchy embedded in networks
Power as brute force	Power as knowledge/education/information
Accountability as a product of legislation	Accountability as the product of interdependent relationships grounded in transparent and participatory practices

**The fourth and final challenge of building and strengthening inter-GAN linkages can be understood as developing GANs’ collective global governance potential.** It arises from a common quality of GANs’ public purpose vision for a world that is socially equitable and just, and environmentally healthy. It also arises from the other shared qualities – the global norms discussed previously - that make interaction easy among GANs.

In fact, GANs have already begun interacting and reinforcing one another’s activities. For example, Transparency International has succeeded in realizing integration of corruption into the Global Compact’s principles, and the Global Reporting Initiative has an official collaboration with the Compact. In an experimental meeting in March 2006 that brought together eight GANs to consider collaboration in Guatemala, within two days, each established opportunities with an average of three others, they identified a sub-region of the country to in which to develop more comprehensive and long-term collaboration, and they identified common capacity-building interests.(Steve Waddell & Ritchie-Dunham, 2006)

Inter-GAN relationships appear to hold enormous potential for the separate GANs to robustly link with one another to foster sustainable third order “deep” change. Transparency is important in forestry, microcredit can be an important tool in developing sustainable forestry approaches, and youth is a critical constituency for building a sustainable future for forestry. These are the types of virtuous cycles that can be created through inter-GAN activities.

GANs are developing into increasingly complex webs of organizations that possess relationships that extend both global-local and across organizational sectors – what Reinicke calls “horizontal and vertical relationships” (Reinicke & Deng, 2000). Collectively, they represent a collection of public issue networks that could develop into a much more effective global governance framework than anything envisioned by the traditional intergovernment model.

Addressing these four challenges will make GANs a much more central force in global governance. They will be placed in historic context as a successor to the national-level social contract negotiation between labor-government-business that had a particularly potent life in the decades following World War II. However, given the absence of a “global government,” the participants will act much more like peers rather than in the traditional “government-as-governance” model. The GANs will be global sub-systems and their inter-linkages will constitute the global system. This type of direction can be seen behind PP10’s and the Forest Stewardship’s interest in embracing a much broader constituent group than was initially envisioned.

## **5. Conclusion**

Whether GANs will successfully develop their potential as leading structures in a new global governance architecture is still an open question. They may become epiphenomenal to a reinvigorated set of intergovernmental institutions, such as the United Nations and those of Bretton Woods. GANs may prove incapable of engaging a sufficient number of stakeholders in a sufficient number of issue areas for them to become a critical global organizing logic. GANs may simply become another set of global bureaucracies and talk shops. Individually, they may never develop the type of impact-measuring systems that provide the needed types of feedback. They may simply become accountable to elites, rather than to citizens globally. Already we see danger signs that some are chasing out the “movement” and “deep change” parts of their missions and activities because it is easier to flow with the status quo, maintaining sustained antagonism involves pain, and their change competency is insufficient.

However, the norms that are giving birth to GANs are also part of a much broader set of global trends. The collaborative governance model they represent is one that is increasingly active at the sub-national level as well, mainly because they are more effective than many traditional state-driven solutions (Zadek, 2005). And perhaps the strongest driver of GANs’ development is that they hold the promise of being critical for sustainable development and human security. GANs may not become the dominant global player, but neither are they likely to be insignificant.

Realizing GANs’ potential represents a substantial challenge. However, underestimating the capacity for dramatic change in global governance would be a mistake. The transformation from empires to a nation-state global system only occurred with the end of the British Empire after World War II and the more recent break up of the Soviet one. At the beginning of the twentieth century, four-fifths of the world’s population lived under monarchs or empires; as late as 1950, 70 percent of the world lived under non-democratic rule. Today nation-states are considered the norm and democratic regimes have become much more pervasive (Khagram, 2006).

We know our current global action structures are not producing the outcomes we want. War is still too common, poverty too widespread, inequity too great, environmental destruction too common, climate change too threatening. Dissatisfaction with the status quo, visions for how we can create a much better world, and growing understandings and capacities to realize human potential are, more than anything else, the enabling environment of GANs.

## Appendix A

<b>GANs Included in the Comparative Database</b>	
<b><u>Name</u></b>	<b><u>Mission</u></b>
Building Partnerships for Dev. in Water and Sanitation - BPD	to study, explore and promote tri-sector partnerships as an approach that would more effectively meet the water and sanitation needs of poor communities.
Ethical Trading Initiative- ETI	to promote and improve the implementation of corporate codes of practice which cover supply chain working conditions
Fair Labor Association - FLA	to combine the efforts of industry, non-governmental organizations (NGOs), colleges and universities to promote adherence to international labor standards and improve working conditions worldwide.
Forest Stewardship Council -FSC	to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests
Global Alliance for Improved Nutrition - GAIN	To improve the nutritional status of one billion people, of which 700 million are at risk of vitamin and mineral deficiencies, over the period 2002-2007, primarily through fortification of commonly available and consumed foods.
Global Alliance for Vaccines & Immunization - GAVI	to save children's lives and protect people's health through the widespread use of vaccines
Global Compact	to promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation
Global Fund to Fight AIDS, Tuberculosis and Malaria – Global Fund	to finance a dramatic turn-around in the fight against AIDS, tuberculosis and malaria.
Global Reporting Initiative - GRI	to promote int'l harmonization in the reporting of relevant and credible corporate enviro., social and economic performance information to enhance responsible decision-making. The GRI pursues this mission through a multi-stakeholder process of open dialogue and collaboration in the design and implementation of widely applicable sustainability reporting guidelines
Global Water Partnership	to support countries in the sustainable management of their water resources.
International Centre for Trade and Sustainable Development - ICTSD	By empowering stakeholders in trade policy through information, networking, dialogue, well-targeted research, and capacity building, to influence the international trade system such that it advances the goal of sustainable development.
Marine Stewardship Council - MSC	To safeguard the world's seafood supply by promoting the best environmental choice
Microcredit Summit Campaign	...to reach 100 million of the world's poorest families, especially the women of those families, with credit for self-employment and other financial and business services by the year 2005
Partnership for Principle 10 - PP10	... is committed to translating access to information, participation in decision-making, and access to justice as key principles of environmental governance into action by promoting transparent, inclusive, and accountable decision-making at the national level.
Social Accountability International - SAI	to promote human rights for workers around the world as a standards organization, ethical supply chain resource, and programs developer
The Access Initiative	...to ensure that people have a voice in the decisions that affect their environment and their communities. TAI partners promote transparent, participatory, and accountable governance as an essential foundation for sustainable development. access to information, participation in decision-making, and access to justice

	as key principles of environmental governance.
Transparency International - TI	to create a world in which government, politics, business, civil society and the daily lives of people are free of corruption. Corruption is the abuse of entrusted power for private gain.
World Water Council - WWC	to promote awareness, build political commitment and trigger action on critical water issues at all levels, including the highest decision-making level, to facilitate the efficient conservation, protection, development, planning, management and use of water in all its dimensions on an environmentally sustainable basis for the benefit of all life on earth.
Youth Employment Summit Campaign - YES	1. To build the capacity of young people to create sustainable livelihoods. 2. To establish an entrepreneurial culture where young people will work towards self employment.

