

Multistakeholder Coalitions: Innovating or Complicating Global Governance?

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Executive Summary

Though by no means a new phenomenon, coalitions that combine state, non-state and international organization actors are playing an increasingly central -- and contested -- role in global governance. In May 2016, the Stanley Foundation, in partnership with New America and the Stimson Center, hosted twin workshops in New York City and Washington, DC to explore this phenomenon, which we call cooperative multi-stakeholder action more thoroughly, and initiate a global discussion to lead to more systemized and strategic understanding of multi-stakeholderism and the added value it can have in the sphere of global governance.

One of the main objectives of these workshops was for relevant academics, policymakers, and advocates to gather and discuss the normative and practical challenges facing collective multi-stakeholder action. In juggling many stakeholders and tackling complex and multi-faceted problems, multi-stakeholderism naturally confronts a series of obstacles. These challenges include:

- The lack of clarity surrounding how multi-stakeholder coalitions and their relationships with more formal actors should look undermines its achievements and growth.
- Multi-stakeholder coalitions struggle to achieve and maintain legitimacy.
- Coalitions lack reliable models for accountability, either within coalitions or to stakeholders outside them.
- Diverse representation can yield slow bureaucracy and complicated decision-making.
- Multi-stakeholder coalitions often exclude de facto stakeholders.
- Multi-stakeholder coalitions require different actors and skillsets at different points throughout their life cycles.
- Multi-stakeholder coalitions struggle to mobilize and maintain the political will and financial support necessary to achieve their goals.

In the face of these challenges, multi-stakeholder coalitions have developed a diverse box of tools. Workshop participants articulated a number of good practices and lessons learned that serve as the beginning of a more strategic and systematic approach to maximizing the utility of collective multi-stakeholder action. These lessons include:

- Building trust and norms of communication across divides is crucial to any cooperative multi-stakeholder action.
- Successful multi-stakeholder coalitions create room for dissent and disagreement.
- Financial and administrative transparency is a key to demonstrating accountability and securing external legitimacy.
- Multi-stakeholder coalitions should systematically catalogue changes in policy and practice in order to better articulate and track the impact of their achievements.
- Technology can be used to leverage cooperative multi-stakeholder action and make it more more effective and legitimate.

The discussions that took place during these workshops provided important insights into the current state of multi-stakeholder coalitions. Yet, many challenging questions remain. Some of those include the

question of successfully and clearly defining stakeholders' roles, as well as maximizing effectiveness with the "perfect mix" of actors in these coalitions. Additionally, despite the gamut of examples of both success and failure, there still is uncertainty over what types of issues are ripe for these coalitions and how to ensure sustainability, while taking into account scarcity of resources. Finally, as technology becomes increasingly present in spaces of global governance, it still unclear when and how these tools should be used, and when they are not ideal for dealing with complex governance challenges.

Introduction: The Stakeholders of Global Governance

Throughout the past two decades, multi-stakeholder coalitions have proved effective tools in solving some of the world's most pressing problems. Whether it is fighting climate change, founding the international criminal court, or governing cyberspace, cooperative multi-stakeholder action provides alternative approaches to issues too complex for NGOs, businesses, or even state governments to tackle alone. Multi-stakeholderism can help break through gridlock, reform and reinforce the legitimacy of institutions, fill governance gaps, and clear paths policy efforts stalled by political roadblocks.

Multi-stakeholderism is not a new concept. Diverse stakeholders have been cooperating to achieve change for many decades under a diversity of guises. Only recently, however, has multi-stakeholderism grown to become a new norm in global governance. Today, multi-stakeholder coalitions are not only more common, but have also proven successful in navigating differing interest of multiple stakeholders - a crucial development in an increasingly interconnected and interdependent global sphere.

The Stanley Foundation, in partnership with New America and the Stimson Center, hosted twin workshops in New York City and Washington, DC to explore the role cooperative multi-stakeholder action (CMA) plays in global governance. These workshops gathered diverse actors from academia, government, international organizations, and civil society organizations, who shed light on good practices, lessons learned, and main challenges of the first few decades of collection multi-stakeholder action. The initial discussions were guided by a discussion paper and the following facilitation questions:

- How do multi-stakeholder coalitions fit into strategies for effective global governance?
- How have successful multi-stakeholder coalitions dealt with the challenges of governance gaps?
- What are examples of successful multi-stakeholderism, and where have efforts come up short?
- Are there distinct models of formal or informal coalition priority-setting, management, maintenance, and accountability?
- In which functional areas (e.g. mobilization, agenda-setting, advocacy, norm-building, implementation, oversight/accountability) is cooperative multi-stakeholder action most effective?
- Can cooperative multistakeholder action build global norms in fragile states that have limited governance capacity, authoritarian states where the nonstate role is circumscribed, predatory states, or areas under contested control by extremist groups that employ violence and other criminal actions to achieve their goals?

This focus on CMA is a direct result of a heightened recognition that these coalitions are increasingly common. As such, a more nuanced understanding of how they work as tools for better governance is necessary. This primer captures the major discussion points, policy recommendations, and general conclusions from the workshop, and will serve as a guide for future work on this topic.

I. External Legitimacy, Participation, and Accountability Challenges

Multi-stakeholder coalitions have arisen as highly relevant actors in the sphere of global governance. Cooperative multi-stakeholder action fills crucial governance gaps and mobilizes support to realize cross-

cutting and sustainable solutions. However, in doing so multi-stakeholderism naturally confronts a series of hurdles and challenges. These include:

- Multi-stakeholder coalitions often exclude de facto stakeholders.
- Multi-stakeholder coalitions need different actors and activities at different points in their life cycles.
- Multi-stakeholder coalitions struggle to mobilize and maintain the political will and financial support necessary to achieve their goals.
- The lack of clarity surrounding how multi-stakeholder coalitions and their relationships with more formal actors should look undermines its achievements and growth.

Considering the informal and relatively recent roots of cooperative multi-stakeholder action, achieving the legitimacy necessary to affect change can be an uphill battle. Internal legitimacy can hinge on external legitimacy, and vice versa, while legitimacy can at times have an inverse relationship with multi-stakeholder effectiveness.

Legitimacy, Accountability, and Authority

Multi-stakeholder coalitions are informal by nature, although some are more formal than others. They exist outside - or in fact, between - formalized institutions and structures such as state governments, businesses, and nonprofit or nongovernmental organizations. As such, multi-stakeholder coalitions must build their legitimacy from scratch, and achieving the necessary legitimacy to affect change can be an uphill battle.

Some participants at the workshops discussed how external legitimacy of collective multi-stakeholder action is tied to effectiveness. If a multi-stakeholder coalition is proving effective in advocating its agenda or governing its target area, this builds its legitimacy in the eyes of external actors by default. Ironically, while proven effectiveness can often boost coalition legitimacy, most collective multi-stakeholder action requires a certain amount of external legitimacy in order to be effective. This paradox demonstrates the delicate and complex balance multi-stakeholders must strike. Furthermore, some workshop participants articulated the inherent conflict that arises between legitimacy and effectiveness. In the pursuit of external legitimacy, some multi-stakeholder coalitions can and have neglected efforts aimed at increasing effectiveness.

According to workshop participants, the legitimacy of cooperative multi-stakeholder action is directly tied to accountability. Considering multi-stakeholder coalitions frequently fill governance gaps, their own accountability is most often internally enforced. Answers to questions such as “who is in charge?” and “how are decisions made?” can be unclear or even unknown. Without formal monitoring structures in place to inform stakeholders and the external community of how any given multi-stakeholder coalition operates, room remains for corruption, nepotism, and manipulation. This lack of accountability can hamper both a multi-stakeholder coalition’s internal operations and external legitimacy.

Another challenge faced by CMA is determining what types of coalitions work, not only under the guidance of which stakeholders, but also for what types of constituencies. A typology of CMA has not been developed; neither has a mapping of constituencies. Additionally, institutions perceive their roles differently, and understand their roles in spaces of governance according to their worldviews. Defining multistakeholders’ roles and, communicating those to all coalition partners has been a challenge in ensuring not only the legitimacy of CMA, but it also increasing the likelihood of success.

CMA is not made up of essentially fabricated coalitions. At times, they are organic associations of actors who come together not necessarily as a result of a shared intent to form a coalition, but because of a shared

advocacy goal. Sometimes, CMA is simply a new name for movement building. Oftentimes, engagement with governments is not a sought out element of these coalitions. Rather, it is a natural consequence of the type of conversations, goals, and challenges that multi-stakeholders face and must find ways to overcome.

While multi-stakeholder coalitions often fill gaps in formal processes or fields, the nexus at which these coalitions meet formalized state, private, or non-governmental actors remains unclear. The newness and abstractness of CMA leaves a gap in understanding what makes a multistakeholder actor a legitimate one and what CMA should look like. Most importantly, however, is the challenge in determining under which circumstances CMA is the ideal approach to global governance, mediation, and policy entrepreneurship.

Representation, Issue Framing, and Funding

Cooperative multi-stakeholder action engages a diverse plethora of actors from civil society, the private sector, NGOs and local and national governments. This “julienne salad” of stakeholders in some ways defines the comparative advantage of multi-stakeholderism. Broad and diverse membership helps to garner widespread support and global buy in, as well as engage those who have the power affect change at any number of levels. Yet a diversity of actors can also mean conflicting interests or perspectives, and the resulting bureaucracy and decision-making processes are often slow and drawn-out.

Moreover, multi-stakeholder coalitions often forget to include, or consciously and actively exclude, de facto stakeholders that have a stake regardless of their willingness to participate in collective action. Examples include the disinterest of certain governments in engaging on social responsibility in extractive industries, or the hesitancy of humanitarian actors to cooperate with militaries and peacekeepers in conflict zones. These de facto stakeholders often yield a great deal of power and influence, and cannot be ignored or circumvented. In this vein, multi-stakeholder actors will need to learn how to interact with those unwilling to engage in cooperative multi-stakeholder activity. This means helping activists, policy NGOs, IGOs, civil society, governments and businesses to better understand each other. Sometimes conveners must search for unseen stakeholders in hybrid governance platforms--indigenous people, minorities, remote geographic areas, sectarian representation, and women.

Cooperative multi-stakeholder action can serve various functions at different points in the policy cycle, (or ANIME process - agenda-setting, negotiation, implementation, monitoring, and evaluation). Multi-stakeholder coalitions are created, renewed, reframed, merged, enlarged or shrunk, throughout the course of their lifespan, and these transitions often require different key stakeholders and activities. Considering the diversity of functions multi-stakeholders must serve at various points throughout their agenda and activities. The types of actors and activities involved shift significantly from the agenda- and norm-setting phases to the implementation phase, and again into the monitoring and evaluation phases. As it is, multi-stakeholder coalitions tackle each of these phases as they come, often reinventing the wheel and sacrificing stakeholder and donor momentum in order to do so.

The lack of major political will and commitment is one of the biggest challenges that CMA faces. States are not always welcoming to stakeholders’ efforts. But unilateral action is becoming increasingly harder and more costly, thus forcing states to be more willing to engage with other actors. By the same token, international institutions are also being asked to do more with fewer resources, so they, too, are faced with the need to welcome other stakeholders into their efforts. Authoritarian states may be easier to engage by framing the issue as a technical challenge or operational risk.

Finally, the lack of funding, which is often tied to limited political will is an issue that cooperative multistakeholder action also grapples with, since funding is a crucial determinant of these coalitions’ sustainability. Overall, it is still unclear what roles governments, businesses, foundations, and civil society

organizations ought to play in forming and maintaining these multistakeholder coalitions, and which issue types are more appropriate for each body. Determining who should be the lead or primary funder is a question that is often tied to legitimacy and efficacy; government funding can serve as the seal of approval for a coalition, but if a particular initiative targets business behavior, it is more likely to be successful if it has buy-in from the business community. Some entities tend to prefer to fund more salient issues, while others are more open to more obscure ones. The CICC provides a good example of the importance of funding, where resources began to wane off after the establishment of the coalitions, which hampered its ability to effectively do some of its work.

II. The Craft of Cooperative Multistakeholder Action in Global Governance

Despite facing significant challenges, multi-stakeholder coalitions have managed to substantially impact a number of global spheres. Workshop participants articulated a number of good practices and lessons learned that serve as the beginning of a more strategic and systematic approach to maximizing the utility of collective multi-stakeholder action. These lessons include:

- Trust-building and role awareness across participating stakeholders is the crucial first step in any cooperative multi-stakeholder action.
- Successful multi-stakeholder coalitions create room for dissent and disagreement.
- Financial and administrative transparency is the key to demonstrating accountability and securing external legitimacy.
- Multi-stakeholder coalitions should systematically catalogue changes in policy and practice in order to better articulate and track the impact of their achievements.
- As technology becomes increasingly present in spaces of global governance, it is still unclear when and how these tools should be used, and when they are not ideal for dealing with complex governance challenges.

Getting to the Table

Based on examples of coalitions that were and have continued to be successful, the advancement of a specific policy goal is directly linked to the creation of functional informal ties that allows all actors to disagree well. There is a period of trust building that prepares the ground for ensuing conversations and negotiations between these actors with competing interests. As a natural consequence of competing interests, stakeholders tend not to be in agreement at first. They have to break down stereotyping barriers, and be open to listening to ideas that they might not agree with. After some level of mutual trust is established, a productive and safe environment where disagreement can take place is built.

The fostering of stakeholders' understanding of each other's roles is a crucial component of success. Clear delimitations of actors' goals ensure that even when certain actors appear resistant, or inflexible, all interlocutors are treated as legitimate ones. The development of interpersonal and intercultural communication skills works best if it is framed as an opportunity for members to pick up new skills, rather than as a punitive exercise.

Stakeholders' willingness to participate more or less in coalitions also depends on where in the coalition process the conversation is. CMA goes through a life cycle that begins with the framing of the issue, and ends with the successful enforcement of established norms. In between, are series of processes that may involve more or fewer stakeholders. This, and other factors beg for a process-oriented approach to these coalitions, so that stakeholders can more efficiently and more clearly engage with each other, as well as with the rest of the international community.

Part of building trust is allowing adequate room for disagreement. Considering the breadth of actors that cooperative multi-stakeholder action engages, previous successes demonstrate the importance of creating room for dissent among various stakeholders. Decentralized power structures, mitigated by context-specific policing measures such as membership criteria or limiting who has the authority to speak for the coalition, help to create structure room for disagreement while building commitment and buy in from the stakeholders involved.

Transparency, Monitoring, and Evaluation

As the legitimacy of multi-stakeholderism hinges on accountability, which is often internally enforced, external transparency is critical. Only through transparent financial and administrative operations can multi-stakeholder coalitions prove their internal accountability, and thereby solidify their legitimacy in the eyes of the external community. In some instances, transparency and accountability can be achieved through third party monitors, but this tool will not be an appropriate approach in all cases of multi-stakeholderism.

Monitoring and evaluating cooperative multi-stakeholder action poses a tricky challenge. Measuring the impact of “norm creation” or “policy reform” is not so straightforward as measuring economic or even social impact at the local level. As one participant stated, “it is difficult to measure the dog that doesn’t bark.” Multi-stakeholder coalitions should systematically catalogue changes in policy and practice, such as changes in military manuals or city by-laws, in order to better articulate the impact of their achievements.

Epistemic networks of consensus can provide common pictures of cause and effect that, in turn, can strengthen accountability and evaluation. Epistemic networks with consensus about the effects of action can help provide direction when framing the issue, as well as whether or not that issue is ripe for a coalition to take it on. Some examples of epistemic networks of consensus include: the private sector joined epistemic consensus with the Sustainable Development Goals; the scientific and technical assessments leading up to the Paris Climate Agreement; and track II processes of the Iran nuclear deal negotiations.

The Role of Technology

Tech tools can be used to leverage cooperative multi-stakeholder action and make it more more effective and legitimate, by providing deeper and more complex insights into governance issues with the help of data. Additionally, technology can be a useful tool in making these coalitions more effective and transparent, ensuring that more people are involved in these coalition cycles. Technology, however, must not be understood as the sole means for improving CMA. Instead, it ought to be complementary to multistakeholderism.

III. Next Steps

The discussions that took place during the workshop provided important insights into the current state of collective multi-stakeholder action. Nevertheless, many unanswered questions remain. When is collective multi-stakeholder action the right approach, and when is it not? What is the most appropriate scope - national, regional, international? What is the ideal mix of actors? How can stakeholder roles be successfully defined and their relative expertise best applied? What are the indicators of success and how can legitimacy be established? What is the potential of technology to replace governance structures, and what are its limitations?

The ultimate goal of these consultations will be to produce a guide or handbook to those looking to utilize collective multi-stakeholder action as a tool for change. Workshop participants pinpointed a number of tools that would prove useful in providing a better understanding of multi-stakeholderism. These included:

- A typology of the various types of collective multi-stakeholder action and their uses;

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- A taxonomy of the various stages of the multi-stakeholder coalition life cycle and the relevant actors and skills needed at each stage;
- A toolkit for those looking to build a multi-stakeholder coalition from scratch, as well as one for leaders of well-established coalitions looking to solidify gains or move forward;
- An understanding of when collective multi-stakeholder action is appropriate, and when more formal institutions should take the lead;
- Explanations of cooperative multistakeholder action to key global governance constituencies, including countries, IGOs, NGOs, multinational corporations, civil society organizations, and sub-national jurisdictions;
- Examine linkages between cooperative multistakeholder action in areas such as human rights, corruption, and internet freedom;
- A resource guide compiling relevant theoretical literature from all related fields.

The role of multi-stakeholder coalitions in global governance and norm-building will only continue to grow. This memo, developed from a series of workshops with key stakeholders and leaders in the field, serves as a crucial first step in building a better understanding of collective multi-stakeholder action, its advantages and its challenges. The Stanley Foundation, New America, and the Stimson Center look forward to continuing this conversation and ultimately bolstering the capacity and effectiveness of multi-stakeholderism as it takes its place among the global governance structures of today.