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## **Multisectoral Networks in Global Governance: Towards a Pluralistic System of Accountability<sup>1</sup>**

MORE THAN 30 YEARS AGO, ONE OF THE PIONEERS OF THE STUDY OF complex interdependence rang the alarm bells decrying ‘the striking absence of concern about the implications of the evolving forms of multinational politics for the democratic process’.<sup>2</sup> Now, a generation after the debate on interdependence and well into the second decade of debating globalization, the raves and rants about the ‘democratic deficit’ of global policy-making are pervasive. The issue has not only provoked the emergence of a true growth industry in political science research; it has also conquered the opinion pages of major international newspapers, and occupies an increasingly prominent spot on the agenda of national and international policy-makers.

While by now there is a sophisticated academic debate on the ‘democratic deficit’ in global policy-making, all too often contributions to the debate fall short of operationalizing their findings for the daily practice of global governance: what approaches should we use to make global public policy-making more accountable?

This paper seeks to make a modest contribution to this debate by outlining the elements of a pluralistic system of accountability with regard to one of the most ambitious institutional innovations in global governance: multisectoral public policy networks. Such networks cut across established political and sectoral boundaries. Global public policy networks bring together the public sector

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<sup>2</sup> Karl Kaiser, ‘Transnational Relations as a Threat to the Democratic Process’, *International Organization*, 25: 4 (1971), p. 715.

(governments and international organizations), civil society and business around issues ranging from corruption, climate change and fighting malaria to environmental and labour standards. Over the past decade, multisectoral networks have grown in number, organizational form and scope. Today, multisectoral networks can be identified in a wide variety of issue areas, involving a broad range of actors from all sectors, raising complex issues regarding their efficiency and effectiveness and, most of all, their legitimacy.

Optimists argue that 'pooling public and private resources in synergetic relationships could improve the overall problem solving capacity and at the same time increase societal participation and control'.<sup>3</sup> In contrast, critics argue that it is questionable whether cooperation between what they regard as 'essentially unrepresentative organizations – international organizations, unaccountable NGOs [nongovernmental organizations] and large transnational corporations' will contribute to promoting effective and legitimate global governance.<sup>4</sup> Others paint a full-blown pessimistic scenario in which globalization 'is leading to a world in which cross-cutting and overlapping governance structures increasingly take private, oligarchic forms' thereby undercutting democracy.<sup>5</sup>

At this stage, however, neither naive optimism nor full-blown pessimism are helpful. Rather, we should aim at a realistic assessment of the conditions under which new forms of networked governance can provide value added by improving global governance. In many cases, networks have developed in response to the failure of traditional governance mechanisms and offered new and alternative ways of getting things done. In addition to careful empirical work there is a need for 'more imagination in conceptualizing, and more emphasis on operationalizing, different types of accountability. It is better to devise pluralist forms of accountability than to bewail the 'democratic deficit'.<sup>6</sup>

<sup>3</sup> Klaus Dieter Wolf, *Private Actors and Legitimacy of Governance Beyond the State*, paper prepared for the workshop 'Governance and Democratic Legitimacy', ECPR Joint Sessions, Grenoble, 6–11 April 2001, Darmstadt, TU Darmstadt, 2001, p. 2.

<sup>4</sup> Marina Ottaway, 'Corporatism Goes Global: International Organizations, NGO Networks and Transnational Business', *Global Governance*, 7: 3 (2001), p. 245.

<sup>5</sup> Philip G. Cerny, 'Globalization and the Erosion of Democracy', *European Journal of Political Research*, 26: 2 (1999), p. 2.

<sup>6</sup> Robert O. Keohane and Joseph S. Nye, 'Democracy, Accountability and Global Governance', manuscript, Cambridge, MA, Kennedy School of Government, 2001, p. 8.

It will be crucial to develop appropriate ways and mechanisms to judge the transparency and accountability of new forms of networked governance 'without resorting to the claims of direct democracy or direct domestic analogy'.<sup>7</sup>

We will first analyse the *operational* and *participatory* governance challenges that form the context for the emergence of new forms of networked governance along the public–private frontier. We will then briefly discuss some of the key characteristics, forms and functions of multisectoral networks. In a second step we will, in an ideal-typical fashion, outline the key principles and mechanisms of accountability in multisectoral networks. We argue multisectoral networks should be embedded in a pluralistic system of accountability, making use of a combination of accountability mechanisms on a number of dimensions (actors, process, outcomes). Finally, we will analyse some of the key empirical, conceptual and practical challenges of an evolving agenda of networked governance and accountability and outline the elements of a 'learning model' of accountability in networks.

#### TRANSFORMING GOVERNANCE ALONG THE PUBLIC–PRIVATE FRONTIER

The 'vessel of sovereign statehood is leaky'<sup>8</sup> and we are faced with a complex and contradictory continuum of global affairs: on the one end the persistence of great power politics, unilateralism or 'multilateralism à la carte' (Richard Haass) and outright state failure, on the other end the emergence of new forms of governance along the public–private frontier. International organizations are caught in the middle trying to reinvent themselves in a changing world. New forms of 'networked governance' at the intersection of the public, private and not-for-profit sectors reflect the transformation of governance in an increasingly interdependent world. They are experiments in dealing with the asymmetries of governance in the age of globalization. We can conceptualize these asymmetries as both an *operational* and a *participatory* governance gap.

<sup>7</sup> Robert O. Keohane and Joseph S. Nye, 'Introduction', in Joseph Nye and John Donahue (eds), *Governance in a Globalizing World*, Washington, DC, Brookings Institution, 2001, p. 36.

<sup>8</sup> Ernst B. Haas, *When Knowledge is Power. Three Models of Change in International Organizations*, Berkeley, University of California Press, 1990, p. 181.

Four asymmetries constitute the operational gap:

*First*, there is the asymmetry between the territorially bounded nature of the nation-state and the transnational nature of many of today's key problems. The geographic scope of public goods and public bads extends far beyond national borders calling for transnational collective action involving both public and private actors if the present degree of interdependence is to be sustained.

*Second*, there is a *temporal asymmetry* between the need in a fast-moving global environment to make timely decisions that at the same time also take into account an intergenerational perspective of sustainability. This runs counter to standard decision-making in bureaucracies as well as standard political cycles determined by elections.

*Third*, the complexity of public policy issues is steadily increasing, contributing to growing knowledge and information asymmetries. Decision-makers in states and international organizations find themselves having to tackle more and more issues that cut across areas of bureaucratic or disciplinary expertise. Decisions made about international trade, for example, often now have profound economic, ecological and security effects, all of which must be considered in the policy debate. Furthermore, entirely new and complex problems have emerged that have not yet been fully understood. As a consequence, there is a need for a more open sourcing of knowledge involving outside experts and stakeholders from academia, civil society and business.

*Fourth*, there is a striking asymmetry between the 'negative integration' propelled by relatively robust market making agreements (e.g. within the context of the WTO) and efforts at 'positive integration' by way of setting and implementing human rights, environmental and labour standards. This calls for 're-embedding liberalism' at the global level with the help of new governance mechanisms.<sup>9</sup> This growing concern is reflected in the ideological shift away from the 'Washington Consensus' and a greater focus on 'global public goods'.<sup>10</sup>

<sup>9</sup> John Ruggie, 'The Theory and Practice of Learning Networks. Corporate Social Responsibility and the Global Compact', *Journal of Corporate Citizenship*, 5 (2002), pp. 27–36.

<sup>10</sup> Inge Kaul et al. (eds), *Global Public Goods. International Cooperation in the 21st Century*, Oxford, Oxford University Press, 1999.

In addition to the operational gap there is also a dual participatory gap. On the one hand there is a massive asymmetry between those who have access to the advantages of the system of globalization and interdependence and those who are left on the sidelines – massive global inequality and poverty are not only morally non-defendable but also unsustainable from a political-strategic point of view.<sup>11</sup> On the other hand, transnational actors such as nongovernmental advocacy groups demand to be heard in global policy-making. States and international organizations can no longer afford to bypass the concerns of transnational actors who have successfully mobilized around many global issues and have strengthened their bargaining position with significant moral, financial and knowledge resources. At the same time, members of national legislatures are increasingly sidelined by transnational policy-making. Both the operational and participatory governance gaps have prompted the search for alternative governance models that go beyond the purely state-based model and the ‘club model’ of intergovernmental cooperation. Global public policy networks that bring together state actors, international organizations, civil society and business on an issue-basis have been one of the innovative responses to the perceived need for innovation in governance.

It is important to note that the rise of new forms of cooperation along the public–private frontier does not rest on a simple functionalist argument in which the demand for global governance induced by the operational and participatory gap creates its own supply. As Keohane reminds us: ‘Functional solutions to the problem of institutional existence are therefore incomplete. There must be political entrepreneurs with both the capacity and the incentives to invest in the creation of institutions and the monitoring and enforcement of rules’.<sup>12</sup> Institutional innovation is propelled if key players integrate new ideas (e.g. cross-sectoral cooperation) into their arsenal of political strategies. ‘Networked governance’ can serve as a guiding principle and paradigm for creating ‘flexible institutions expanding organizational vision’.<sup>13</sup>

<sup>11</sup> Jeffrey D. Sachs, ‘The Strategic Significance of Global Inequality’, *Washington Quarterly*, 24: 3 (2001), pp. 187–98.

<sup>12</sup> Robert O. Keohane, ‘Governance in a Partially Globalized World’, *American Political Science Review*, 95: 1 (2001), p. 4.

<sup>13</sup> Peter M. Haas and Ernst B. Haas, ‘Learning to Learn: Improving International Governance’, *Global Governance*, 1 (1995), p. 256.

*Global Public Policy Networks – Key Features*

Most multisectoral networks have emerged over the past decade.<sup>14</sup> Multisectoral networks create bridges on a transnational scale among the public sector (national, regional or state and local governments as well as intergovernmental groups), the private sector and civil society. Networks seek to complement rather than replace traditional governance mechanisms – they are not legislating but help to develop standards and norms, provide global public goods and implement international agreements. They co-exist and co-evolve with other modes of governance: state-centred unilateralism, purely intergovernmental multilateralism, regional integration, private self-regulation.

Global public policy networks come in a wide range of forms and perform a multitude of functions. So far, there is no clear-cut typology of networks. However, it is possible to identify some ideal-typical characteristics of global public policy networks that differentiate these institutional innovations from traditional, hierarchical organizations. Interdependence, flexibility and complementarity are the three most important features of networks that deserve more detailed attention.

*Interdependence.* Cooperation in networks is based on the premise that none of the groups involved can address the issue at stake by itself. As a result, multisectoral networks create bridges on a transnational scale among the public sector (national, regional or state and local governments, as well as intergovernmental groups), the private sector and civil society that reflect the changing roles and power among those groups (triggered by economic and political liberalization as well as technological change) and that pull their diverse resources together.

*Flexibility and openness.* Global public policy networks come in various forms and organizational shapes that can also adjust in the process of cooperation. As a result, networks' structures can facilitate constant learning – from both successes and failures.

<sup>14</sup> For the following see Wolfgang H. Reinicke, Francis Deng, Jan Martin Witte and Thorsten Benner, *Critical Choices. The United Nations, Networks, and the Future of Global Governance*, Ottawa, IDRC Publishers, 2000.

*Complementarity instead of co-optation.* Networks maintain and profit from the diversity of their constituencies. As a result, networks facilitate the negotiation of controversial issues and provide a framework for political discussion and tension. At the same time, they also create the conditions for the combination and coordination of complementary resources.

Networks are therefore mechanisms that facilitate the transfer and use of knowledge and other resources of various actors in the global public policy-making process. They also offer a new mechanism that helps to bridge diverging problem assessments and interest constellations via political debate and mediation.

Over the past years, global public policy networks have developed in a multitude of issue areas. Networks offer negotiation platforms that facilitate the setting of global standards and regulations with the participation of the public and private sectors as well as civil society. They have developed in complex issue areas such as transnational money laundering or global water management (e.g. the World Commission on Dams<sup>15</sup>) and bring together all relevant actors from all sectors in a systematic fashion. Other networks serve primarily as coordination mechanisms that help to bring scarce resources to their most effective use and help provide global public goods. The Global Alliances for Vaccines and Immunization (GAVI) is a case in point. Other networks have sprung up as innovative answers to the challenge of implementing existing international treaties. The Global Environmental Facility (GEF) offers one prominent example. The flexible mechanisms agreed under the Kyoto Protocol for the protection of the global climate – especially the ‘Clean Development Mechanism’ (CDM) and ‘Joint Implementation’ (JI) – offer illustrations of the workings and potential significance of such implementation networks.

Global public policy networks have played an instrumental role in placing issues on the global agenda and have thereby created awareness and political capital necessary in pushing problems forward. Many networks have created new venues for participation beyond the closed shops of the ‘club model’ of international cooperation. At the same time, they raise crucial issues of accountability that need to be addressed.

<sup>15</sup> Sanjeev Khagram, ‘Neither Temples nor Tombs: a Global Analysis of Large Dams’, *Environment*, 45: 4 (2003), pp. 1–28.

## NETWORKED GOVERNANCE AND PUBLIC ACCOUNTABILITY: KEY PRINCIPLES AND MECHANISMS

How can we conceptualize and operationalize accountability in global public policy networks? This section lays out the principles of accountability in networks in an ideal-typical fashion. It offers various perspectives on the notion of accountability, and reviews the application of accountability mechanisms to the various actors and levels of governance. It proposes that a 'pluralistic system of accountability' is the most promising way to promote accountability in and of multisectoral networks.

It is important to note that multisectoral networks and new forms of public-private governance are meant to complement national policy-making and international cooperation. Networks help to negotiate and implement standards, provide global public goods and help implement intergovernmental treaties – they do not legislate. Therefore any discussion of accountability in networks can only highlight a limited number of aspects of the overall debate on accountability in global governance. Discussing accountability in networks, though, is particularly instructive and important for two reasons: First, it is key to determining under which circumstances networks can help to improve the effectiveness and legitimacy of global governance and under which circumstances networks might have the opposite effect. Second, discussing accountability in networks forces us to think outside the box beyond the conventional mechanisms of accountability discussed in national and international politics. This, in turn, might inform the debates on the legitimacy and accountability on other instruments and structures of global governance.

In many respects networks escape traditional mechanisms and conceptions of accountability. Networks as diffuse, complex and weakly institutionalized collaborative systems are neither directly accountable to an electoral base nor do they exhibit clear principal-agent relationships. Therefore two traditional mechanisms of accountability are not applicable in networks: electoral accountability and hierarchical accountability.<sup>16</sup> Therefore we need to rely on alternative mechanisms of accountability. There will be *no single* mechanism of accountability in networks – we will need to devise a

<sup>16</sup> Keohane and Nye, 'Democracy, Accountability and Global Governance', op. cit., p. 5.



multi-dimensional system of accountability with multiple alternative mechanisms to improve the accountability of networks.

*A Pluralistic System of Accountability: Different Mechanisms*

Given the lack of any single clear principal or any one electorate, to whom should networks be accountable? And what are appropriate accountability mechanisms? Using mechanisms of individual accountability alone is not sufficient in complex constructs such as multisectoral networks – we need to complement individual accountability of the participants with mechanisms of ‘collective accountability’. Keohane points to the general problems of devising systems of ‘collective accountability’ in networks: the politics of ‘blame avoidance’ and the difficulties of assigning responsibilities for failure.<sup>17</sup> A pluralistic system of accountability in networks would rely on checks and balances between different actors and different mechanisms of accountability. The diffusion of power is an important precondition for the efficacy of different forms of accountability in networks.<sup>18</sup>

A number of different accountability mechanisms are of importance in networks:<sup>19</sup>

- *professional/peer accountability*: in networks, participants from a similar sector (e.g., experts, NGOs, business, governments) might be subject to peer accountability by other NGOs, experts, or members of the business community. They might be asked to adhere to professional ‘codes of conduct’ wherever they exist (see the discussion below on codes of conduct for NGOs);
- *public reputational accountability*: ‘naming and shaming’ is important in this context – actors in networks are accountable to the public for their actions and face reputational costs or can reap reputational benefits;
- *market accountability*: participants in networks who are also market participants might be rewarded/punished by other market

<sup>17</sup> Robert O. Keohane, ‘Political Accountability’, draft paper, Duke University, 2002, p. 12.

<sup>18</sup> Keohane and Nye, ‘Democracy, Accountability and Global Governance’, op. cit., p. 5.

<sup>19</sup> See Keohane, ‘Political Accountability’, op. cit., for an overview of different accountability mechanisms.

participants/consumers for their actions – this might be the case in networks where market actors play important roles;

- *fiscal/financial accountability*: networks and their participants have to account for the use of funds in the network – here we have something close to a principal–agent relationship between agent (network participants) and principals (donors);
- *legal accountability*: network participants and networks themselves (in case they have a full status as ‘legal persons’) need to justify their actions. However, this mechanism is expected to be of minor importance in networks.

Reputational accountability is of prime importance for guaranteeing accountability in and of networks. ‘Naming and shaming’ is a key strategy in this context – one that often works well if the credibility of a company, a brand, a government, an individual or a civil society organization is on the line. Since not only information but also sanctions have to be part of our understanding of accountability, the loss of credibility is one of the most effective negative sanctioning mechanisms to further accountability in and of networks. Of course this mechanism will not work with ‘rogue actors’ that do not care about their reputation, e.g. companies not putting a premium on developing and maintaining a brand. However, these companies are also unlikely to engage in multisectoral networks in the first place.

### *Accountability in Networks: Actors, Process, Outcomes*

The previous section introduced a number of mechanisms that can enhance the accountability of various forms of governance. Multi-sectoral networks can be conceptualized along three dimensions: actors, processes and outcomes. All three dimensions need to be reviewed critically with regard to the level and significance of accountability. This section analyses how and to what extent the various notions of accountability discussed above are of relevance to the various actors and levels of governance.

*Accountability of actors.* Networks can only be as legitimate as the actors involved. If the actors in networks do not live up to basic criteria of accountability and transparency, the network itself cannot either. Therefore it is of foremost importance to ensure the *individual* accountability of participants in networks. In this context peer

accountability and public reputational accountability are the most important mechanisms.

How can we put these two mechanisms to work? Transparency is key here. Internal procedures and structures have to be open to scrutiny.<sup>20</sup> This applies to government agencies, international organizations, corporations, foundations as well as NGOs. Information on the internal division of responsibilities, voting rules and procedures and most of all on funding (sources and spending patterns) are crucial in this context. The internet offers a powerful medium with which such information can be made widely available and thereby enhance the ability to identify wrongful behaviour.

Often NGOs themselves form advocacy coalitions and networks that then in turn participate in multisectoral networks. While some NGO (network)s regularly question the legitimacy of global policy processes and the actors involved, their own accountability has come under attack. These new demands for transparency about legitimacy and representation are emerging from within NGO networks and most prominently from NGO critics.<sup>21</sup> Summarizing the results of a long-term research project on the rise of NGOs, Florini emphasizes the critical importance of promoting transparency in the work of NGOs.<sup>22</sup> As Florini points out, many civil society organizations still do not provide sufficient information about their operations, funding sources and expenditures. Given the rise of GONGOs, BONGOs and DONGOs (NGOs organized by governments, business and donors), financial accountability is a particularly important element.<sup>23</sup>

Certification, self-regulation and codes of conduct are additional possible ways to ensure greater transparency.<sup>24</sup> Edwards suggest that

<sup>20</sup> Michael Zürn, 'Democratic Governance Beyond the Nation-State: The EU and Other International Institutions', *European Journal of International Relations*, 6: 2 (2000), p. 206.

<sup>21</sup> Paul J. Nelson, 'Agendas, Accountability, and Legitimacy among Transnational Network Lobbying the World Bank', in Sanjeev Khagram, James V. Riker and Kathryn Sikkink (eds), *Restructuring World Politics. Transnational Social Movements, Networks, and Norms*, Minneapolis, University of Minnesota Press, 2002, p. 150.

<sup>22</sup> Ann Florini, 'Lessons Learned', in Ann Florini (ed.), *The Third Force. The Rise of Transnational Civil Society*, Washington, DC, Carnegie Endowment for Peace, 2001, p. 237.

<sup>23</sup> Kathryn Sikkink, 'Restructuring World Politics. The Limits and Asymmetries of Soft Power' in Khagram, Riker and Sikkink, *Restructuring World Politics*, op. cit., p. 312.

<sup>24</sup> Michael Edwards, *NGO Rights and Responsibilities. A New Deal for Global Governance*, London, Foreign Policy Centre, 2000, p. 30.

at the international level the United Nations could 'set and monitor standards for NGO involvement across all international institutions, and . . . keep track of the large number of different codes of conduct and structures for participation that will probably evolve'.<sup>25</sup> A better and most likely more effective approach might be to use the model of the Global Reporting Initiative (which seeks to provide a common umbrella for different approaches of social and environmental reporting of companies) and extend it to NGO certification. Social and environmental reporting mechanisms themselves are important additional sources for information on businesses.

Companies are also important players in networks. Similar to the number of transnational NGOs, companies have reorganized themselves into truly transnational players. Companies have played significant roles in networks with their accountability being one of the most difficult and contested issues at stake. By their very nature, companies are not democratically organized. Even though the age of shareholder capitalism has brought some mechanisms of public control and election to the modern corporation, in essence companies are guided by individual leaders and board rooms. That is why many have questioned the right of companies to sit at the negotiation table. The debates surrounding the role of business in the UN's Global Compact is just one prominent example.

At the same time, however, the social and environmental reporting movement of the past two decades has created significant opportunities for individuals to retrieve detailed information about the behaviour, the 'good' or 'bad' citizenship of at least the largest corporations. The Global Reporting Initiative (GRI)<sup>26</sup> estimates that at least 2,000 companies worldwide voluntarily report information on their economic, environmental, and social policies, practices and performance. Through their global reorientation and their activities in developing countries, these companies are under increasing public scrutiny. An infinite number of codes of conduct, social and environmental reporting mechanisms has sprung up during recent years trying to establish benchmarks for good corporate citizenship and that seek to enhance the accountability of firms not only vis-à-

<sup>25</sup> *Ibid.*, p. 31.

<sup>26</sup> For more information see [www.globalreporting.org](http://www.globalreporting.org).

vis their customers but also vis-à-vis the public at large.<sup>27</sup> These reporting requirements and the voluntary implementation of codes of conduct present one important instrument with which the individual accountability of companies has been strengthened considerably. The future will show whether the consolidation of reporting criteria and codes of conduct will add to a more level playing field and improved reporting.

On the one hand greater transparency of individual actors will allow for greater public scrutiny of network participants. On the other hand (in the absence of any attempts at collusion) peer accountability might also be an important mechanism: given the reputational risks associated with being involved in a network each participant will want to make sure to have sufficient information on the bona fide qualities of the other participating actors.

While it is true that networks can only be as legitimate as the actors involved, engaging in networks might have positive feedback effects on the accountability of individual actors: they might be more in the spotlight (e.g. companies involved with the Global Compact or other initiatives on corporate social and environmental reporting) and the public will want to know more about them, forcing them to live up to higher standards of transparency.

*Process.* Networks are process-oriented forms of governance. Therefore, thinking about the accountability of networks also requires a thorough examination of their process dimension. Again transparency is key for the mechanisms of reputational, financial and peer accountability to work. The selection process needs to be transparent and individual actors need to live up to high standards of transparency (see previous section). The criteria for identifying and selecting participants (e.g. competence, representation) should be openly communicated and applied consistently. Reputational accountability is an important mechanism for the selection of participants. Consider for example the United Nations: for the UN, a significant reputational risk 'is associated with selecting an inappropriate private sector partner or partnership activity, or being

<sup>27</sup> For an overview see Ariane Berthoin Antal, Meinolf Dierkes, Keith MacMillan and Lutz Marz, *Corporate Social Reporting Revisited. WZB Discussion Paper FS II 02-105*, Berlin, WZB, 2002.

perceived to do so by key stakeholders, and undermining the credibility and reputation of the United Nations body in question, or the entire United Nations system'.<sup>28</sup> Furthermore, there need to be clear terms of engagement in terms of common goals and guidelines for cooperation, clear timetables and decision-making procedures.

A broad sourcing of knowledge and positions is also helpful. While there are limits to including actors into the 'core' of a network, additional broad consultations with a variety of stakeholders can help to ensure a broad sourcing of openness about consultations and debates in networks. These consultations should be open and transparent and the results should be made available to the public. Transparency about sources and uses of funding is another key element. Sources and uses of funding in networks need to be clearly documented and available to the public. Making use of new technologies (e.g. consultations via email, making information available on websites) is an important element but certainly not a panacea to the problems of process accountability. Certainly making information available online can greatly facilitate access to crucial information on accountability. However, virtual consultations cannot substitute for face-to-face interaction and discussions. It is important to ensure that cooperation in networks does not lead to collusion. A measure of competition and mutual checks and balances is healthy for accountability.<sup>29</sup>

*Outcomes.* While the accountability of the actors and the process cover what is often referred to as 'input legitimacy', networks also have to account for their outcomes ('output legitimacy'). Since networks do not legislate the outcomes of networks (e.g. standards which are proposed) are not legally binding in a traditional 'hard law' sense. So for negotiation networks to make a difference they in many ways need to rely more on the persuasiveness of their results as judged by the participants and outside actors.

Accountability for outcomes in networks has a number of dimensions: it is crucial to re-embedding the results e.g., by discussing recommendations in national legislatures, promoting the application of

<sup>28</sup> Jane Nelson, *Cooperation Between the United Nations and all Relevant Partners, in Particular the Private Sector*, report of the Secretary-General, A 56/323, New York, United Nations, 2001, p. 24.

<sup>29</sup> Keohane and Nye, 'Introduction', *op. cit.*, p. 35.

proposed standards by the network participants themselves. (Re)embedding networks also refers to greater involvement of national legislators. Among others, Anne-Marie Slaughter has emphasized the importance of including national legislators in transnational policy-making.<sup>30</sup> Independent evaluations can help to assess the process and outcomes of a network with a special focus on accountability, and with time-bounded enterprises can do so at the end of the duration (e.g., the independent assessment of the World Commission on Dams conducted by the World Resources Institute<sup>31</sup>) or at different stages of the network cycle so that the results are constantly monitored.

Certainly there can be no one-size-fits-all accountability system. Different types of networks might choose different systems of accountability, placing differential weights on individual elements and mechanisms of accountability. Whereas in negotiation networks a premium might be placed on transparency and outside access to information, coordination networks that collaboratively deal with very substantial outside contributions might put a special focus on the use of funding from donors. It is clear, however, that transparency in its many facets has to be the central element of any system of accountability for multisectoral networks.

As the previous section has demonstrated, conceptually there are a number of mechanisms for promoting accountability in and of multisectoral networks. However, it is ultimately an empirical question of whether global public policy networks provide value added, that is, make a difference in terms of greater efficiency, effectiveness and (our prime concern in this paper) accountability of global public policy-making. Here it is important to stress that the empirical basis is still very weak. Evidence so far is largely impressionistic rather than living up to strict and sound social scientific methodology. Very few of the studies available put a particular emphasis on accountability.<sup>32</sup> There is a fairly strong selection bias in the studies available and a

<sup>30</sup> See Anne-Marie Slaughter, 'Building Global Democracy', *Chicago Journal of International Law*, 1: 2 (2002), pp. 79–96.

<sup>31</sup> See Navroz K. Dubash, Mairi Dupar, Smitu Kothari and Tundu Lissu, *A Watershed in Global Governance. An Independent Assessment of the World Commission on Dams*, Washington, DC, World Resources Institute, 2001.

<sup>32</sup> For a notable exception see Klaus Dingwerth, *Globale Politiknetzwerke und ihre demokratische Legitimation. Eine Analyse der World Commission on Dams. Global Governance Working Paper No. 6*, Potsdam, Global Governance Project, 2003.

tendency to focus on the success of multisectoral cooperation. In this context, we need to compare the effectiveness and accountability of networks with alternative institutional mechanisms in the same issue areas (e.g., intergovernmental regimes).

Moreover, according to a number of observers much of the work on 'networked governance' (although at times dealing with issues that are part of the development agenda) has an inherent OECD bias: multisectoral cooperation presupposes a significant degree of pluralism and a relative separation of public and private actors.<sup>33</sup> So far we lack conclusive empirical evidence on how the approach can work in some developing country settings where the basics of sound governance systems are missing.

One important aspect needs to be taken into account: When evaluating mechanisms to improve the legitimacy of global governance, it is important to choose the right yardstick. All too often, critics condemn the 'undemocratic' mechanisms and structures of global governance by comparing current practice in global governance with an ideal-type national democracy. However, at least since Dahl's famous study of 'polyarchy', we know that such ideal-type democracies have never existed in practice.<sup>34</sup> There are a number of similarities to 'networked governance' here – networked governance does not pretend to organize a perfectly democratic process at the transnational level. The ideal of democracy is hard, if not impossible, to implement at the national level in its purest form. Given the imperfections of the 'club model' of international cooperation and the far from perfect nature of democracy at the national level, the record of multisectoral networks might be viewed in a different light. As Sikkink points out, it is the existing degree of democracy in international institutions and in international governance against which networks should be evaluated.<sup>35</sup>

<sup>33</sup> See Andreas Nölke, 'Regieren in transnationalen Politiknetzwerken? Kritik postnationaler Governance-Konzepte aus der Perspektive einer transnationalen (Inter-)Organisationssoziologie', *Zeitschrift für Internationale Beziehungen*, 7: 2 (2000), pp. 331–58.

<sup>34</sup> Robert A. Dahl, *Polyarchy: Participation and Opposition*, New Haven, Yale University Press, 1971.

<sup>35</sup> Sikkink, 'Restructuring World Politics', op. cit., p. 315.



## PROMOTING INNOVATION AND LEARNING: EVOLVING AGENDA OF NETWORKED GOVERNANCE

Global public policy networks can serve as crucial catalysts promoting much-needed innovations in global governance in order to address both the operational and participatory deficits. A 'utopian realism' (Giddens)<sup>36</sup> should inform the further development of the networked governance approach. 'Utopian', in the sense that networked governance can help to broaden the horizon of policy options promoting the 're-invention of our political traditions for a global, as well as local, age' that David Held is demanding.<sup>37</sup> 'Realist', in the sense that we need a sober assessment of the conditions under which networks can provide value added by addressing both the operational and participatory governance gaps. The lack of a sober assessment will necessarily lead to 'network fatigue' resulting from unfulfilled expectations. Talk about 'state failure', 'market failure' and 'regime failure' would be quickly complemented by talk about 'network failure'. This in turn might lead to an overly rash dismissal of the evolving 'networked governance' approach.

Critics argue that a lot of the literature on global governance treats 'governance as a neutral concept in which rational decision-making and efficiency in outcomes, not democratic participation, is privileged'.<sup>38</sup> By further conceptualizing and operationalizing a pluralistic system of accountability, researchers and practitioners of global governance can demonstrate that global governance taken seriously cannot constitute itself as a technocratic approach. Problems of effectiveness, accountability and legitimacy are interlinked.

*Promoting Research*

A promising research agenda around 'networked governance' has to draw creatively on a variety of approaches from different disciplines.

<sup>36</sup> See Anthony Giddens, *The Consequences of Modernity*, Cambridge, Polity Press, 1990.

<sup>37</sup> David Held, *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance*, Cambridge, Polity Press, 1995.

<sup>38</sup> Richard Higgott, 'Contested Globalization: the Changing Context and Normative Challenges', *Review of International Studies*, 26: 1 (2000), p. 142.

For the international relations discipline in particular, this holds promise for conceptual innovation beyond the 'either/or' of the prevailing 'paradigmatic' divides. The core of literature from international relations should certainly be one part of this agenda. In particular, more recent research on the role of international regimes in global governance could critically inform a new research agenda on networked governance. Studies on regime creation and regime effectiveness have made considerable progress in analysing the sources and dynamics of international cooperation but need to move further beyond a state-centric approach and simple two-level games. As networks have a strong cognitive dimension, the literature on the role of learning, norms and ideas in international relations will play a key role. The sociological and policy science literature on the prospects and pathologies of networks is similarly resourceful and instructive. Furthermore, research on the linkages between organization and regime theory, complexity theory and international law should inform the multidisciplinary research work. Including insights from political philosophy and public administration research will be beneficial for future work on governance and accountability. Future research on multisectoral networks and other forms of 'networked governance' can yield important insights into the changing role of states, international organizations, multinational companies and transnational civil society organizations. It presents a chance to move away from the orthodoxies of entrenched approaches and often anaemic debates, towards a creative interdisciplinary stance that invites conceptual experiments while at the same time maintaining a high degree of policy relevance by cross-fertilizing practice and theorizing.

Further research will need to answer the questions of how their record in terms of effectiveness and accountability compares to other governance mechanisms in different issue areas. Further research should also yield insights on best practices of promoting the accountability of new forms of networked governance. Here it is important to build on first efforts to measure accountability in global governance such as the 'Global Accountability Report'.<sup>39</sup>

<sup>39</sup> Hetty Kovach et al., *Power without Accountability? The Global Accountability Report I*, London, One World Trust, 2003.

*Experimentation and Learning*

There is no one-size-fits-all approach to promoting public accountability of multisectoral networks. What we need is a pluralist system of accountability with a set of clearly defined general principles and mechanisms that at the same time allow for flexible operationalization. In this sense, networked governance is best conceptualized as a learning model. More sharing of experience on innovating governance is needed. Creating a learning network linking practitioners and academics can help to identify lessons learned and best practices on networks and accountability. A 'clearing house' could help to disseminate lessons learned and lead to a more standardized 'accountability audit' of different forms of global governance.

To use the potential of networks more effectively in the future, governments, international organizations, companies and NGOs face an extensive reform agenda. Promoting changes in organizational culture is one of the most important elements of the reform agenda. Today, transparency and 'interface skills' are of crucial importance: actors in networks need to be able to mediate between different sectors and actors as well as between different levels of organizations – local, regional, national, global.

In order to succeed in improving the prospects for global governance, two aspects are crucial. One the one hand we need to make sure that actual action on global governance lives up to the grandiose rhetoric that can often emanate from the corridors of power and the major institutions. We need to take G8 countries, the leaders of the World Bank and the UN as well as representatives of multinational companies at their word. Taking the recent G8 pledge to 'promote innovative solutions based on a broad partnership with civil society and the private sector'<sup>40</sup> seriously means investing *real* resources in new forms of networked governance in order to tackle the most pressing challenges from security to health and the environment in an efficient and accountable manner.

On the other hand we need stronger societal involvement: global governance is bound to fail without strong societal backing and

<sup>40</sup> G8 communiqué, Genoa, 22 July 2001 <http://www.g7.utoronto.ca/g7/summit/2001genoa/finalcommunique.html>.

involvement.<sup>41</sup> Right now, 'global governance' is a rather abstract and arcane issue with the term itself not lending itself to easy popularization in public debates. All too often in political debates on global issues oversimplifying and parochial notions of the 'national interest' remain unquestioned. In order to move beyond the parochialism of many policy debates we need an active public involved global public policy-making.<sup>42</sup> If global public policy networks manage to live up to basic standards of accountability, they can help to promote public participation and involvement in the debates around the crucial issues on the global governance agenda.

<sup>41</sup> See Michael Zürn, *Regieren jenseits des Nationalstaats. Globalisierung und Denationalisierung als Chance*, Frankfurt am Main, Suhrkamp, 1998.

<sup>42</sup> As Karl Kaiser pointed out more than 30 years ago: 'Only an active society which is "aware, potent and committed", not blindly active but responsive to essential human values and publicly active, can function as an effective counterforce to national and international technocracies and preserve, if not rebuild, a working democratic system.' (Kaiser, 'Transnational Relations', op. cit., p. 719).