

GLOBAL ACTION NETWORKS AND THE EVOLUTION OF GLOBAL PUBLIC POLICY SYSTEMS

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Abstract

With the acceleration of globalization, pressure has increased for more effective global public policy systems. Traditionally the systems were conceived as the purview of governments and intergovernmental agencies such as the United Nations and the World Bank. However, over the past decade the increasing scale of problems such as poverty and environmental degradation has proven well beyond the capacity of these organizations. In the midst of boisterous protests about the negative impacts of economic globalization, more complex multi-stakeholder approaches to global public policy have arisen. This paper looks at a particular multi-stakeholder approach, Global Action Networks (GANs), as complex systems in terms of “effectiveness” challenges. Understanding how to create effective GANs is critical to addressing numerous global issues. Based on several cases, this paper describes an analytical framework for GANs that focuses upon effectiveness and the development process. It then presents three analytical phases and the methodologies being developed to support the framework.

Introduction

There is probably no greater complex social system challenge than the effective generation and maintenance of global norms and well-being. In the wake of the destruction of World War II and its predecessor the Great Depression, governments were seen as the obvious organizations that should be responsible for this task. Numerous government-led organizations were developed such as the Organization for Economic Co-operation and Development, trade zones, the United Nations, and the Bretton Woods organizations. Given the scale and continual increase in global public concerns such as the environment, poverty, equity, and terrorism, these traditional approaches appear to be inadequate.

The terms “messes” (Ackoff 1974) and “under-organized systems” (Brown 1983), with many “structural holes” (Burt 1992), appear appropriate for a large number of global issues. However, observers of the global arena have noted within some global problem domains (Trist 1983) the growth of more comprehensive and complex multi-stakeholder approaches. Oran Young’s concept of “regime”, originally associated with intergovernmental organizations, has been expanded to include a broader array of actors (Young 1999). When UN Secretary General Kofi Annan wanted to delve into the future role of the UN, the concept of global public policy networks was further developed. (Reinicke 1999-2000; Reinicke and Deng 2000; Streck 2002; Waddell 2002) The World Bank’s European Vice President Jean-Francois Rischard has developed the concept of “issue networks.” (Rischard 2002) Further building upon these concepts has produced the framework of global action networks (GANs). (Waddell 2003; Waddell 2003)

All of these labels describe a global governance phenomenon that aims to organize global problem domains into effective systems. This work is enormously challenging, given the scale and divides of wealth, culture, goals, geography, and knowledge disciplines. Thinking of the task as being the incubation, development, and maintenance of complex systems provides a helpful high-level framework of analysis with the benefits traditionally associated with systems thinking. (Forester 1965; Senge 1990) The emphasis upon systems thinking and deep change through societal learning (Judge 1982; Mailbraith 1989; Waddell 2001; Waddell 2004 (forthcoming)) are the distinguishing qualities of the GAN approach that this paper describes. Following a systems- and competency-based analysis of the global public policy (GPP) challenge, the GAN framework is described as the basis for analyzing GANs' effectiveness. Three steps for conducting the analysis and methodologies are then detailed. This paper draws from ongoing projects, particularly in the domain of trade and sustainable development.

The GPP System Development Challenge

There are two typical answers given as to why responses to critical global issues are insufficient. One category of response focuses upon the lack of the right "technical" solution. For example, climate change is attributed to insufficient knowledge about its causes and clean technologies, and poverty is seen as the product of inadequate education systems and economic policies.

While technical competency in the substantive domain issue is important, it is competency in creating an effective public policy process that is equally important and is what this paper primarily addresses. Concerns in this area are expressed in terms of insufficient "political will," "resources," "commitment," and a "crisis in global governance." (Rosenau 1999; Reinicke and Deng 2000; Bello 2001) Global bureaucracies of intergovernmental organizations (IGOs) have demonstrated weak capacity to meaningfully work with diverse people on the ground and effectively address issues.

However, these provide inadequate explanations at best, and at worst confuse symptoms with causes. *Why* do we continue with behaviors that we know are contributing to the problem, even given insufficient knowledge? *Why* is there insufficient will? Jasanoff and Wynne suggest that a deeper source of the problem is the way we conceive of knowledge and policy development. (Jasanoff and Wynne 1998) These are generally approached as separate from the development of the change processes themselves, and as the product of experts who have only slivers of understanding. We have great difficulty putting together and comprehending "the whole" from our various perspectives in a way that actually generates meaningful solutions to global issues. Experts have to re-vision their roles as peer participants in a change process.

The concept of "societal learning and change" focuses on how we develop knowledge and change. (Judge 1980; Austrom and Lad 1989; Mailbraith 1989) Building upon the concepts of individual and organizational learning and change, societal learning and change asks how we undertake deep change processes on a society-wide basis, such

as with the ending of apartheid in South Africa and the transformation of the former Soviet Union. Waddell emphasizes the importance of creating processes that create innovation-generating interaction between the three key systems of society (Parsons 1951)—the political, economic, and social, which are represented respectively at the organizational level by government agencies, businesses, and community-based organizations. (Waddell 2001; Waddell 2002; Waddell 2004 (forthcoming))

A two-year exploration into four global problem domains produced a process-based model of the GPP development system. (Waddell 2002) Building upon work on global governance and “gaps” (Reinicke and Deng 2000), of Habermas and communicative action (Habermas 1984; Habermas 1987), and of Parsons and social systems (Parsons 1951), the model in Figure 1 was produced.¹

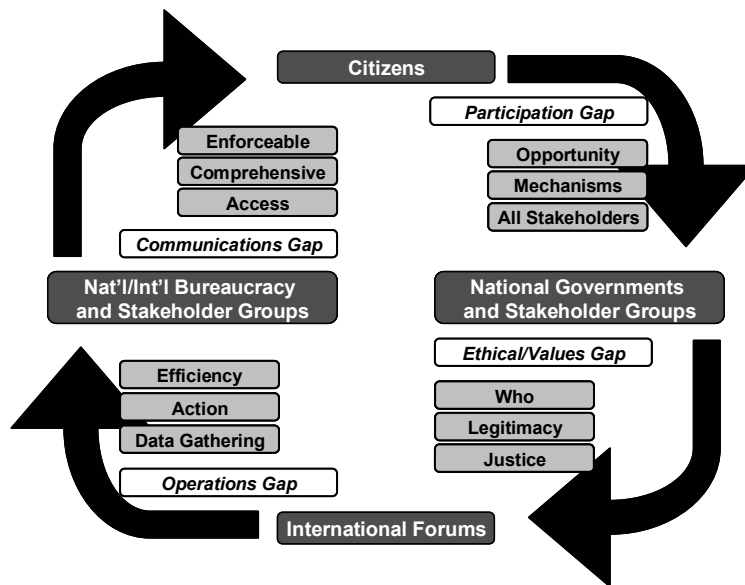


Figure 1. A process-based model of the GPP development system, illustrating the **four gaps**. (Adapted from (Waddell 2003))

In this model, citizens participate in international forums through their national governments and stakeholder groups such as environmental organizations, global businesses, and their associations. Reinicke and Deng referred to GPP development “gaps” to describe critical **competencies** required for effective policy development. (Reinicke and Deng 2000) It is necessary to overcome all four of these “gaps” to have an effective system. The degree of competency varies with the issue domain, but in general, our competencies are very weak. The four gaps are:

1. The **participatory gap** refers to the lack of a meaningful way for people to participate in the processes dominated by IGO negotiations.
2. The **ethical/normative gap** arises during negotiations, when public concerns about equity and justice end up being largely ignored while the government negotiators in international meetings work out “deals.”

¹ Tariq Banuri made the first sketch of this model.

3. The **operational gap** refers to the critical work of assembling large amounts of data and transforming it into change.
4. The **communications gap** with the public then arises when the decision-making process is either surrounded by secrecy or obscured in technical language.

GANs as a GPP System-Building Response

Unlike traditional NGO campaigns and coalitions and international government processes, GANs are formed by issue stakeholders joining together to develop solutions to a particular issue. Examples include the Global Reporting Initiative (see Insert 1), Forest Stewardship Council, the World Commission on Dams, Transparency International, and the Marine Stewardship Council.

GANs are formal organizations made up of groups of organizations—typically seen as “members” or “participants”—interacting with varying degrees of intensity and connectedness. The presence of a GAN represents an important development step in addressing a GPP issue. GANs are:

- Global in scope—geographically and as a frame for thinking and acting.
- Focused on action for common good in the public interest.
- Emerging global systems. They are building “system consciousness” by creating awareness of those already addressing the issue of one another’s activities and raising their attention to the priorities for creating an effective *system*, in contrast to the typical focus on the priorities of an individual organization or project.
- Bridging organizations. GANs typically bridge problematic traditional divides, such as sectoral (business-government-civil society), cultural, and disciplinary.
- Global societal change agents for generating deep change.

GANs and Building an *Effective* GPP System

Perhaps the most important investigation into the question of GPP effectiveness is a multi-year project that analyzed several international “regimes.” (Young 1999) That work focused on effectiveness in terms of outcome indicators, whereas the model in Figure 1 emphasizes process indicators. Coupled with the description of GANs, this model suggests that the critical effectiveness question for GANs, as GPP system organizers, is a particular problem domain’s competency with respect to the four gaps. This model becomes a dynamic one when it is further tied to questions about the development process of GANs—how does a GPP domain develop an effective GAN and how does a GAN develop an effective GPP system?

The GAN-Net approach begins by conceiving of the challenge as being the creation of an effective purposeful network. More detailed analysis of stages of public policy development (Buchholz 1990) are collapsed into four key stages. Organizational

stakeholders in a GPP issue must first see themselves as stakeholders in a common issue and decide to collaborate to address it. So first and foremost these organizations must have a common **purpose**. Each stage requires creating common understanding about effective action regarding:

- The key characteristics of the problem (**issue identification**).
- How the issue can be addressed (**solution design**, often represented by an international agreement).
- Who will do what to address it (**implementation**).

These stages, or tasks, are represented by a repeating cycle of *issue identification*, *solution design*, and *implementation*. (See Figure 2.)

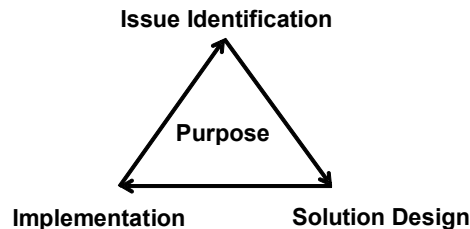


Figure 2.
Three tasks fulfilling
a common purpose.

In practice, this core process of *issue identification*, *solution design*, and *implementation* is not completely a linear process with clear lines of demarcation between one stage and the next. Even within each phase, there may be many simultaneous activities and overlapping activities that constantly inform, reinforce, and strengthen the other activities. (See Figure 3.)

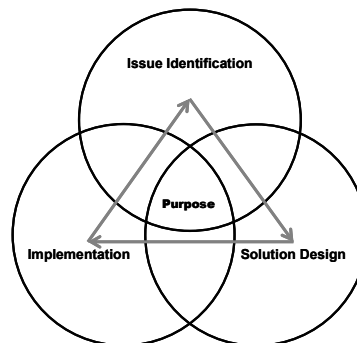


Figure 3.
Simultaneous and overlapping
policy processes.

To move forward, organizations operating in the domain need to exercise the **four competencies** required to bridge the gaps described in Figure 1. Those competencies that help advance each stage of public policy development are: 1) Participatory processes, 2) Solution Design, 3) Communication, 4) Values Coherence

The policy processes and competencies described above are overlaid in the following model. (See Figure 4.)

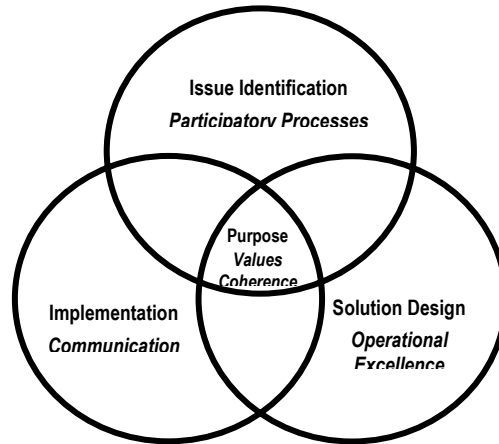


Figure 5.
Interdependencies of gaps
and competencies.

Crossing divides is an important part of the system-building work of a GAN. If *societal change* is required, there needs to be realignment (and hence, engagement) of business, government, and civil society organizations to achieve all of the functions of the policy process. In order to ensure that solutions are responsive to diverse needs, organizations that can bridge other important divides, such as those previously mentioned, must be engaged.

The GPP System Development Analytical Methodologies

Effectiveness Assessment

With the underlying model of effectiveness described above, it now becomes possible to develop an assessment survey that reveals disparities between the ideal model and current reality.

Network Analysis

Traditional ways of analyzing business networks and activities include social network analysis and process analysis (Rummler and Brache 1995; Hammer 1997; Porter 1998). Social network analysis is insufficient for understanding how cross-boundary organizations interact to achieve specific outcomes. It does not describe how the work and purposeful activity actually happens as an organization engages with others to create value and fulfill its purpose. Value creating and work activities, in contrast to social ties, traditionally are modeled with value chain or process views. This engineering approach describes work activity, but is a linear, mechanistic approach that has its roots in the industrial age production line.

The *ValueNet Works*[™] methodology used for the GAN analysis combines the strengths of both the social network and process approaches, and also incorporates current understanding of the importance of knowledge and intangibles in value creation. (Allee 1997; Allee 2000; Allee 2000; Allee 2003) This analysis method was developed after years of applied practice in organizations, and incorporates the latest thinking for knowledge management, intellectual capital, and intangibles management, as well as theories of organizations as living networks. As a value network, any organization can

be described as *a web of relationships that generates material or social value through complex dynamic exchanges of both tangible and intangible goods, services, and benefits.*

GANs, as social systems, behave as living systems. Physicist Fritjof Capra defines three key criteria of a living system as *pattern, structure, and process.* (Capra 1996) The *pattern of organization* is the configuration of relationships among the system's components that determine its essential characteristics. Living systems also have intelligence and continually renew themselves through exchanges of matter and energy. Modeling a GAN from a living systems perspective requires:

- Identifying its pattern of organization as a network.
- Describing its structure and pattern of relationships.
- Discovering its most critical processes or exchanges from *both* a cognitive perspective and the flow of energy and matter.

The molecular level of value creation is the exchange of both tangibles and intangibles. For the GPP modeling method described here, *tangible exchanges* are defined as those transactions involving goods, services, revenue or funding, or that are expected (contractual or mandated) and paid for as a contracted part of a service or good (such as reports). *Intangible exchanges* of knowledge and benefits flow around and support the core GPP activities, but are not contractual. Intangibles are those “little extras” people do that help keep things running smoothly and help build relationships. These include not only exchanges of information and knowledge, but also intangible benefits and favors that build relationships.

In this integrated approach, dynamic exchanges of both tangible and intangible value can be mapped across an organization, across multiple organizations, business webs, networks, GANs, and evolving GPP systems. It is especially useful for understanding intersectoral networks engaged in a purposeful activity, including both local and global action networks.

Three Assessment Steps for GANs

The assessment methodology described here has three core phases or elements: Domain Analysis, Effectiveness Diagnostic, and Network Analysis.

1. Domain Analysis

The first level of domain analysis requires defining the boundaries of the domain in accordance with the various topic areas or issues addressed. Data can then be gathered about the current sub-domains in terms of (1) the organizations involved, (2) who they represent, (3) their particular task focus, and (4) their competencies. This is done through three processes:

- **Web Crawl and Web Search:** A list of organizations known to be involved in the domains is drawn up. Their URLs are then identified and a software program that can trace links between URLs is used to see which organizations are linked.

- Advisory Group Review: A group of advisors familiar with the domains then reviews the list and links, and provides further input.
- Clarification Interviews: Interviews are then conducted with selected organizations in the domain to further refine and develop the data.

2. Effectiveness Diagnostic

From the list of organizations developed during the domain analysis, a representative group is selected for in-depth survey interviews. Interview data is then compiled regarding their effectiveness in the four core competency areas. A comparative analysis identifies their respective strengths and gaps in the competency arenas.

The goal is not to simply identify organizations that are strong in all four areas. This would not provide an understanding of the overall effectiveness of the GPP system or GAN. Network relationships are a mitigating factor, as a configuration of multiple organizations with different strengths can serve a GAN as effectively as one or two organizations that are strong in all areas. This is one of the primary ways that the effectiveness diagnostic differs from an organizational assessment. Effectiveness in a GAN is only meaningful with a view of the whole. Therefore, the effectiveness diagnostic must be combined with a value network analysis.

3. Network Analysis

The value network analysis is designed to gain a series of “snapshots” of how the survey respondents are connected and the nature of those relationships. The analysis process involves:

- Mapping the individual networks of responding organizations.
- Evaluating the quality of those networks in terms of balance, diversity, and size, looking for significant linkages, patterns and anomalies
- Conducting a comparative analysis across the population of respondents.
- Identifying participants, sub-networks, and organizations that could play a critical role in developing or improving overall GAN effectiveness.

In order to map and analyze the exchanges, responses are gathered without necessarily needing to coach respondents on the differences between or importance of tangibles and intangibles. For each organization mentioned, respondents are simply asked to identify other organizations of importance to their own organization, then describe what resources, inputs or benefits they contribute and receive.

From individual organizational responses, a larger map is produced, showing key network linkages being developed. (Figure 6)

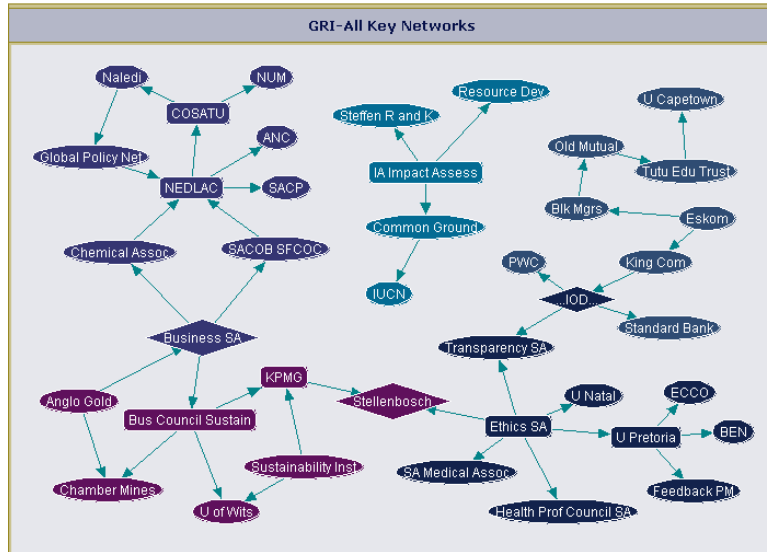


Figure 6. Evolving network relationships, GRI South Africa.

Figure 6 is a high-level depiction of how the overall pattern of network relationships was evolving in the early stages of GRI activity in South Africa. The network analysis helped the GRI support team identify pathways for effective action and supported strategy development for the core GRI advocates. (Waddell and Allee 2002) This process is now being applied globally with the International Center for Trade and Sustainable Development (ICTSD). In the ICTSD case, there are two domains being described: trade and sustainable development with respect to (1) agriculture, and (2) intellectual property.

Conclusions

Global Action Networks are a new global governance phenomenon that is organizing global problem domains into effective systems. They are global public policy system developers organized around particular issues. They are bringing together stakeholders in issues such as trade, health, environment, and corruption. Their successful development places new demands on our ability to create systems maps of complex social interactions.

Most approaches to assessing complex action networks have utilized social network analysis or are descriptive analyses of institutions and organizations that are active in a particular domain. Such approaches fail to assess the overall effectiveness of the network in accomplishing the three core activities of issue identification, solution design, and implementation. To do this effectively an assessment must factor in the network dynamics and interdependencies that reveal the pattern of competencies across the network.

Over a two-year period, GAN-Net researchers have explored effectiveness with a number of supporting organizations for these networks, including the Global Reporting Initiative (GRI), the Climate Action Network (CAN), the International Center for Trade

and Sustainable Development, and the International Federation for Alternative Trade (IFAT). The researchers have concluded that GANs must be competent in two important dimensions: technical competency in the substantive domain issue and competency in creating an effective public policy process. The core development activities in these networks are *issues identification, solution design, and implementation*.

Effectively completing these activities requires core competencies in (1) participatory processes, (2) values coherence, (3) operational effectiveness, and (4) communications. These four competencies generally do not reside in any one organization within a network, but are expressed through practices and network interactions across the entire network. Therefore, to assess effectiveness of a GAN, both the competencies and the network relationships must be adequately described.

This paper proposes an assessment methodology with three vital phases or elements:

- Domain analysis—describing the key participants and issues in the topic domain.
- Effectiveness diagnostic—identifying strengths and weakness in the four core competency areas.
- Value network analysis—that shows how the network achieves its purpose.

This approach to GAN assessment is proving useful to organizations that operate within a GAN—to better understand their own competencies and the key network relationships and activities that are strategically important for them to become more effective within the domain.

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