

DEMOCRATIC PRACTICE—GLOBAL GOVERNANCE Reflections on the Impact Assessment and Revision to Program Guidelines

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Background

The Fund has long held that when problems are global, solutions require global collective action including engagement across national borders and levels of decision making. Formal global governance, however, is a complex patchwork characterized by voids, incoherence, and a general lack of enforcement powers. It reflects enormous power imbalances and its processes are influenced by powerful political and economic actors, as well as wider geopolitics. Critically, at the global level, there is no simple or defined body politic. The global citizenry, or demos, in global governance is never a given, but must be cultivated, empowered, and enabled.

In recognition of the important role of the global demos, the Fund established the Democratic Practice – Global Governance (DP-GG) portfolio in 2003. Program guidelines were revised in 2010. The theory of change guiding the portfolio has been that as organized citizens' groups and their networks press for their rights and alternative solutions in areas of manifest concern, they open, defend, and institutionalize the spaces and tools of democratic practice, and, over time, contribute to global governance systems that are more democratic. **In sum, our grantmaking has focused on supporting engagement on substantive issues not only to advance positive outcomes on the issues themselves, but also as a means to promote greater democratic practice in the institutions and processes of global decision making.**

In 2016, after six years of grantmaking, the Fund commissioned an independent impact assessment of the DP-GG portfolio. Melissa Dann and Kristen Hite—who collectively have experience in philanthropic programming and management, key aspects of global governance, and global justice work across the global North and South—were engaged to conduct the assessment.

Key Findings and Staff Reflections

The assessment found that the DP-GG portfolio was successful in advancing its primary goal—strengthening the vitality of democracy in global governance. The team noted that the portfolio was remarkably effective in elevating the discourse of public debates to advance innovative ideas and confront some of the most intractable issues of our time—trade, climate change, and development finance. They further noted that this portfolio has raised the profile of underrepresented viewpoints in economic, social, and political dialogues.

The assessment process also generated some important insights and clarifications that served us well in determining future directions for the portfolio and resulted in changes to the program guidelines. **The assessment process:**

1. Reaffirmed the relevance of democratic practice to address global challenges;

Global trends and processes have a significant and growing impact on peace, rights, livelihoods, and the future of the planet. Yet those impacted are systematically excluded from the places and processes where decisions are being made. The assessment presented evidence that it is both necessary and possible to make global processes intelligible to global publics and active citizen networks, and to help organizations and coalitions develop alternatives and exercise influence to secure positive outcomes as well as broader system reform.

2. Sharpened our understanding of global governance;

Findings of the assessment process, and staff review of past experience, point to some basic ideas relevant for strategy going forward:

- Global governance, distinct from government, is far from being a monolithic entity; it works through clusters of actors, interests, institutions, and processes. These clusters include, but are not limited to, formal global governance institutions and treaty bodies, national and subnational governments, private corporations and associations,¹ and CSOs.
- Powerful governments and corporations massively outweigh the public or civil society in shaping the agendas, workings, and limits of global governance; this imbalance has grown over time.
- Global governance is experienced by the public largely through the policies and actions of nation states, which incorporate and enforce global norms or obligations. Thus, nation states matter as those making the rules when they are powerful, and as those affected by rules when they are weaker.
- Global economic governance tends to be strong, norm-driven, enforceable, opaque, and extremely unaccountable to the public. In contrast, global social and environmental governance tends to be weak, aspirational, nonbinding, and relatively more open and accountable to the public.
- Overall, formal global governance institutions remain underfunded, largely reactive, and highly prone to donor and private sector capture.
- As with government, the progressive expansion of rights and the ability to check and balance power with global governance has come at a huge social effort, pressed largely from outside the system, and remains unevenly realized and susceptible to erosion and roll-back.

3. Advanced our understanding of democratic practice in addressing global challenges;

Democratic practice in addressing global challenges must use and seek to improve global public institutions, but cannot rely exclusively on institutional remedies. Efforts to reform global governance institutions are many and have tended to be expensive and seldom successful. Complicating these processes, various highly publicized global governance reform exercises have engaged and then betrayed public trust (e.g., the World Commission on Dams or the Highly Indebted Poor Countries Initiative), or absorbed enormous efforts with mixed results (e.g., the Millennium Development Goals or the Global Compact).

In contrast, the combination of robust citizen groups working on areas of felt concern, armed with analyses and finding allies within global institutions, can produce substantive wins and, over time, changes in institutions. A key lesson is that global democratic practice requires continuous support

¹ There is a clear consensus that private and corporate actors are global governance institutions, as they make and shape rules and processes across global “value chains,” jurisdictions, and geographies. See, for example, David Lake, “Rightful Rules: Authority, Order, and the Foundations of Global Governance.” *International Studies Quarterly* 54, pp. 587–613, 2010; Larry Cata Backer, “Economic Globalization and the Rise of Efficient Systems of Global Private Law Making: Walmart as Global Legislator.” *Connecticut Law Review* 39:4, pp. 1–48, 2007; and Shana Starobin, “Global Companies as Agents of Globalization.” In John Mikler, ed., *The Handbook of Global Companies*. NY: John Wiley and Sons, 2013, pp. 405–420.

to build, expand, and innovate in and with global and translocal² citizenries. As a practical matter, this entails supporting the following:

- Evidence-based analyses and power-mapping, to help citizen networks and the public understand current global actors and processes, and anticipate future challenges.
- Organizing and networking, or the capacity of groups to build common vision and analyses, working partnerships, and shared strategies for global engagement—the creation of the global demos.
- Engagements, or the work of groups as they advocate and campaign on global challenges, across national borders and at the various levels of governance (local, national, regional, global).

4. Revealed a tension between ends and means in how the program is framed.

The assessment has underscored a tension in the previous guidelines, where democratic practice in global governance is presented as an end in itself, with strategies aimed at the mechanics and procedures of formal global governance institutions largely irrespective of substantive outcomes. The assessment team notes that “the aggregate and enduring contributions clearly are in the substantive areas [policy changes in the areas of trade, finance and climate] as opposed to changes in the institutional rules of engagement for how decisions get made and conflict is managed”. Staff agree, and revised the program guidelines to clarify our theory of change.

Although this formulation understates instances where Fund support, in fact, contributed to changes in how global institutions work and rules are made,³ it rightly notes that institutional changes take more time. The team writes, “calls for [global governance] reform are abundant, and changes are slow to manifest—which certainly makes it difficult to demonstrate DP–GG results on a limited budget over a period of years.” Staff agree: Making changes to a complex patchwork of institutions is a big task that can take years.

Further, the assessment concludes “at the same time, simply rendering those [global governance] institutions more democratic is no guarantee of substantive outcomes that advance the RBF’s mission, so the choice to focus on thematic initiatives helps achieve substantive outcomes more aligned with the RBF’s organizational goals”. This last insight is important, underlining that formal or procedural changes to the institutions of global governance, even where successful (e.g., with changes in voting rules at the International Monetary Fund or vetting processes of senior leadership in U.N. agencies), may not have a meaningful impact towards realizing the Fund’s mission.

Here, the suggestion seems to be to pivot from focusing on process to substance. Staff suggest that it is not a choice of one or the other, but goes to the definition of what “success” is. Staff propose that success for global democratic practice grantmaking is when it demonstrably supports the empowerment of global or translocal citizens’ groups in pursuit of their shared, substantive agendas to both defend past achievements and advance their goals, and, over time, contribute to a more just,

² *Global* refers to supranational efforts (e.g., the work to ban antipersonnel land mines); *translocal* refers to efforts that address diverse manifestations of common problems across jurisdictions through shared learning, strategizing, and support networks (e.g., the global networks to challenge new fossil fuel projects and promote alternatives).

³ For example, under unprecedented public scrutiny, trade policy on two continents is at an inflection point, even as the outcomes remain uncertain. Similarly, Fund support has contributed to efforts to establish standards and norms in multilateral development banks, now taken up by the OECD and export credit agencies; cement forms of direct public access and participation in the Green Climate Fund; and expand the issues addressed in the U.N. Framework Conventions on Climate Change to reflect equity and social development concerns.

democratic global order. **Experience indicates that the better pathway to success is through supporting the will, coalitions, skills, and strategies for change in areas of concern.**

Revised Guidelines

As a result of the assessment process and discussion among staff and with the Fund's board of trustees, revised program guidelines were approved in March 2017. The revisions to the guidelines do not reflect a deep shift in the Fund's work to strengthen democratic practice in addressing global challenges. The assessment exercise reaffirmed the need to address the problem of democratic accountability over global decision making, rules, and institutions, and that even modest resources, when driven by engaged citizens toward shared strategies in alliances and networks, can have a significant impact. The revisions aim to better capture and reflect some key lessons learned.

The name of the portfolio has been changed from Democratic Practice–Global Governance to Democratic Practice–Global Challenges, reflecting our evolving understanding global civic engagement and vital role played by translocal citizen organizations and networks.

Capturing the insights gleaned from the assessment on ends and means, the program goal and strategies are also reframed to focus less on characteristics of formal global governance institutions or procedures, and more on the capacity of citizen organizations.

The revised goal and strategies are presented along with the types of work that would be funded:

Goal: Advance Democratic Practices to Address Global Challenges

Strategy 1: *Supporting evidence-based analysis and communication of the workings and impact of global processes and institutions.*

Grantees could include organizations that provide analysis of global processes used by citizen groups in advocacy and campaigns to influence debates, shape strategy, and guide action. Staff will explore new grantees to provide issue- and power-mapping, as well as data visualizations to help understand challenges and guide action.

Strategy 2: *Supporting citizen organizing and other initiatives to align the rules of global commerce and energy and infrastructure finance, with social equity and environmental sustainability.*

Grantees could include organizations mobilizing citizens and organizations to address key substantive global challenges.

Strategy 3: *Advancing select innovative ideas to frame and address global challenges and opportunities.*

Grantees could include organizations innovating both in substantive areas of engagement and in the infrastructure for translocal citizen organizing and engagement.