

Beyond Governments: Making Collective Governance Work – Lessons from the Extractive Industries Transparency Initiative

ABSTRACT1

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Abstract

Much is written in development and public policy academia these days about 'multi-stakeholder' or 'collective' governance. Oddly, the practical experience about the subject lags well behind the academic literature and public endorsement. The experience of the EITI supports and refutes much of the literature. In short, there is much written about collective governance, but it is a rarely applicable approach, and even more rarely practiced.

Governance is “about the processes by which bargains between state and society are made, including policies and institutions, and how they are subsequently implemented and monitored by organisations”¹. There have always been areas in which public institutions alone have struggled to deliver these bargains equitably and effectively, usually due to conflicts of interest such how to set the policy in a sector at the same time as managing it. Without checks and balances in the system and strong institutions, governments and companies have often cut out the interests of wider society. In order to protect against this, recent decades have seen a rise in ‘soft’ laws by which government and companies regulate themselves and sign up to principles and codes of behaviour. Government, companies and citizens have increasingly come together to monitor the adherence to these codes of behaviour. In some cases they have engaged directly in collective decision making on public policy. With the recent turbulent shifts in economic, social and political power, the calls for these forms of “collective governance” around codes and standard appear to be on an irresistible rise.

Though there is much to be said for governing “beyond governments”, it is a treacherous area. This book sets out a framework for governance entrepreneurs wishing to chart the turbulent waters of collective governance, outlining its practicalities and pitfalls, and drawing out the experience of the Extractive Industries Transparency Initiative (EITI) as a case example. Specifically it draws together the history of the development of the process from a vague initiative, to a global multi-stakeholder forum, to a global rules-based standard, towards an open-market process beyond the standard. This book explores the challenges and tensions of designing an appropriate standard - a narrow or wide core; being a standard but incentivising innovation; keeping all stakeholders on board and balanced; being a government-driven process, but having other stakeholders in the governance process; building fit for purpose, but not fit for themselves, institutions; building the movement by getting the messages right; between being a global standard and a national process; and avoiding having the standard used for whitewash.

¹ World Bank “Rents to Riches”. 2012.

Beyond Governments tells a positive story of how, though a framework for “governance entrepreneurship”, this type of innovative governance can make real strides and achievements, but also cautions against those who see governance “Beyond Governments” as a silver bullet to solve development challenges. Collective governance might be governance of near last resort, but it is better than no governance at all.

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