



CONCEPT NOTE

Policy Networks: Towards a pluralist model of governance

1. Background

Experience teach that peace and prosperity, justice and inclusive institutions cannot be achieved without **multi-stakeholder partnerships** involving governments, the business community, civil society organizations and international organizations. New policies and institutions emerge from a bargaining process among different but interdependent stakeholders. Sustainable and acceptable political reforms are inconceivable without broad, structured and smartly managed stakeholder participation.

Following a progressive expansion of state responsibilities after 1945, governments found it difficult to define and implement public policies and deliver corresponding public services and so began to share their functions in collaborative arrangements with non-state actors. Consequently, policymaking began to rely less on the government machinery, and more on collaborative model drawing on pluralist models of government. Policy making, therefore, is now understood as a continuous negotiation process between interdependent actors with different backgrounds and view, power resources and interests.

The notion of **policy networks** is key to the management of political transformation processes. Nowadays most theories on politics and reforms rely on the concept of policy networks as a **decision-making mode** on new policies and institutions. The concept draws the attention to the importance of interested actors that shape a political negotiation process leading to agreements on institutions, regulations and common standards. It stems from the working hypothesis that new policies emerge from a negotiation process that is shaped and influenced by different stakeholders and relies on three basic assumptions:

- (i) Political reforms are a structured and dynamic fabric of interaction among different, but interdependent stakeholders with different background, perceptions, power resources and interests.
- (ii) Policy networks embrace various public and private corporate actors (public authorities, associations, interest groups, social movements, enterprises, political parties, local authorities, parliaments, etc.). These actors are interdependent, but autonomous. They are autonomous in the sense that they can play out their interests in the policy negotiation process through power, influence and alliances. They are interdependent, because they cannot achieve their own goals on their own, but depend on the perception, viewpoints, power, willingness and influence of other stakeholders.
- (iii) Policy networks are created and shaped by the stakeholders themselves, who are bound by their interest to influence the negotiation process, e.g. by structuring the agenda, regulating participation or access to new knowledge. They develop a more or less horizontal structure, and their basic steering mechanism is the negotiation process.

2. The Concept of Policy Networks

The term **network** is frequently used to describe clusters of different kinds of actor who are linked together in political, social or economic life. Networks may be loosely structured but still capable of spreading information or engaging in collective action.

A policy network can be defined as a set of relatively stable relationships which are of non-hierarchical and interdependent nature linking a variety of actors, who at least share one common interest: they are ready and demonstrate willingness to negotiate an issue that is at stake. Hence policy networks emerge from a continuous negotiation process of **different interdependent public and private stakeholders** that are bound by a specific interest at stake. The actors have different power resources in terms of influence and political power, access to knowledge, or negotiation skills.

Policy networks are shaped through **negotiation processes** that are rooted in three basic assumptions:

- No single actor is able to achieve his own goals by his own, but he depends on the viewpoints, perceptions, willingness, power resources and influences of other stakeholders. Thus, the stakeholders are interdependent and bound by more or less structured informality links.
- The degree of awareness of this interdependence is a crucial success factor for the probability to achieve a viable agreement.
- The stakeholders are willing with regard to an issue at stake to listen, exchange views and negotiate to pursue a viable agreement acknowledging that a consensus is the best way to achieve common goals.

Policy networks respond to two major challenges of political reform processes:

The information and knowledge gap: Each involved actor and policy maker lack information and knowledge to respond to complex policy issues. No single actor is able to anticipate and calculate all interests and perceptions involved, every actor acts upon his world and is depending on his path and perceptions. Stakeholders need to meet and talk.

The participatory gap: Only the involved stakeholders themselves can ensure and shape inclusion and participation of the relevant actors and decide on the agenda and structure of the deliberations and negotiation process. Stakeholders need to structure and shape political negotiations.

Therefore, policy networks are a specific form of **democratic and participatory governance** where different actors negotiate and cooperate beyond traditional state-based policy making. The process relies on the intermediation among public and private actors who acknowledged that certain issues can only be tackled by linking up and negotiating with other stakeholders who are affected by the issue.



3. Functions of Policy Networks

Policy networks function on the basis of a **culture of dialogue**, which the actors need to acquire. This is necessary because networks replace the vertical coordination mechanisms of the state by horizontal negotiation between interdependent actors. This usually necessitates the creation of an efficient and effective and reliable coordinating unit whose key task is to promote communication among the actors and structure the negotiation processes. Policy networks are performing a variety of different functions.

3.1 Awareness Raising: Policy networks get involved in placing new issues on political agendas, or raising the prominence of issues that have been neglected. All policy networks do this to some degree, but one type of network - called advocacy networks - makes awareness raising its primary objective. Advocacy networks often excel at making strategic use of the media and influential individuals. They typically articulate clear and narrowly focused goals for their activities and frame their chosen issue in a way that will have maximum impact, often by couching it in the language of a moral imperative.

Examples: The International Campaign and treaty to ban personnel landmines. Global campaign against land grabbing. Civil society organisations campaigning for sustainable use of natural resources.

3.2 Gathering and disseminating knowledge: Policy networks are natural mechanisms for gathering and disseminating knowledge, and some policy networks make this their principal activity. The information technology revolution allows all kinds of knowledge, technical and non-technical, to be shared without regard for distance or borders and at ever-lower cost. Networks that focus on this kind of activity tend to be especially successful when they link participants with access to different knowledge bases and media.

Examples: The Consultative Group for International Agricultural Research. Advocacy network of victims in a post-conflict situation documenting cases of lack of recognition, protection, reparation and reconciliation efforts.

3.3 Implementing policies: Some policy networks are designed specifically as innovative implementation mechanisms for traditional intergovernmental treaties or new local or national policies.

Examples: The Global Environment Facility. Participation of civil society representatives in a supervisory or consultation board on big infrastructure investments such as irrigation schemes and dams.

3.4 Setting of standards: A policy network is facilitating the negotiating and setting of local, national, regional, and international standards. This is happening in areas as diverse as financial regulation and environmental management. Whereas agenda setting often can be accomplished by a relative few dedicated individuals, the complexity of negotiating and setting standards, as well as concerns of fairness and equity, typically requires the involvement of stakeholders from all sectors on a representative basis. Multi-sectoral networks can help overcome stalemates in highly conflict-ridden policy arenas.

Examples: The World Commission on Dams. Community initiatives negotiating an agreement on a participatory public budgeting process.

3.5 Producing and fostering new public goods: Policy networks may also have a strong economic dimension by creating new markets where they are lacking or substituting market mechanisms that

are failing to produce or protect public goods of broader public interest. Policy networks can help bridge the gap between demand and supply and lead to new solutions.

Examples: The availability of low-cost medicines against Malaria. The negotiation of an agreement on payment of environmental services in a watershed on the basis of water taxations.

4. Cooperation in Policy Networks – Key Principles

Policy networks are an evolutionary form of governance without predetermined organisational structures; not only does the set of players evolve but also the links among players. Policy networks create for themselves a framework of **structured informality**. This is to say that their members negotiate not only matters of hard content, but also the rules, structure, settings, venues, forms of participation and the commitment to the negotiation process. However, we can outline a set of fundamental principles necessary for a network to produce tangible results.

>> *Fostering trust*

Lack of trust and misperception among network actors are regarded as the central obstacles to successful cooperation in networks. To overcome mistrust among actors – which frequently has deep roots, deriving from longstanding antagonistic relations and diverging interests among NGOs, private companies, governments and international organisations – the following management principles should be taken into account:

- Undertake consultations and spend extra time at the outset of a cooperative initiative, despite the transaction costs incurred, in order to learn about the different motives, time frames, objectives, languages and stakeholders of each partner.
- Agree on mechanisms for communication and dispute resolution
- Combine the emphasis on process with a focus on results, e.g. by setting concrete milestones as part of a common work plan
- Create easy wins (cooperation on pilot projects yielding relatively quick results) to complement laborious consultation processes and to provide motivation for the network actors

>> *Exercising leadership*

Although networks are often coupled loosely and decentrally organised, leadership is a key variable for the success of a network, whereby leadership should not be understood as simply exercising power or influence, but rather in terms of political and social entrepreneurship. Promoting successful cooperation in policy networks presupposes:

- Breaking up established loyalties in order to make room for new forms of cooperation
- Avoiding the formation of blocking coalitions as well as the domination of the network by individuals or single institutions
- Debunking established and often rarely questioned principles
- Managing the different roles and expectations of the network actors
- Accepting inputs from all constituents (ensuring legitimacy of actions taken by the network)
- Mobilising resources whilst relying on a diversified funding structure (relying on a single funding source not only provides an insufficient financial basis in the medium and long term but also affects the legitimacy and public image of the network)

>> *Managing interfaces*

Another key management task in networks is the coordination of intra as well as inter-organisational relations. Successful management of the interfaces within as well as between the organisations consists of three key tasks:

- Mediating among the highly diverse organisational cultures
- Finding common ground across wide-ranging interests
- Using innovative virtual and face-to-face communication techniques
- In some networks, an independent secretariat plays a key role in this interface management. In the first phase of network formation, established organisations often take over the function of a secretariat, as they can often rely on an infrastructure already in place.

>> Inclusion of all relevant actors

A broad representative inclusion of all relevant actors is a key prerequisite for successful cooperation in policy networks. Due to imbalances of power and access, very often this prerequisite is not met. Unequal access to policy networks can trigger criticism from various sides. E.g. many actors from developing countries view global policy networks as institutions dominated by the North, which do not allow for adequate participation from developing countries. On the other hand there is also distrust from national institutions, such as parliaments and government agencies with their traditional hierarchies and bureaucratic procedures, as they often feel left out from policy networks.

To tackle the problem of inclusion / exclusion, three principles should be applied:

- Inclusion of all stakeholders: It is fundamentally important to include the full range of stakeholders early in the process, regardless of their status and power.
- Capacity development and empowerment: Capacity development and empowerment should aim at supporting potential network actors to voice and participate actively, to attain the necessary financial and knowledge resources for effective participation in networks.
- Embedding in local / national policy debates: Embedding policy networks in national policy debates and established decision mechanisms by including members of parliament and representatives of national government agencies, for example, is key to success of the network; it builds early community allegiance and creates awareness of local impediments for the process.

>> Ensuring legitimacy

Policy networks are an important contribution to the debate on innovative forms of policy making. As other actors in the policy making arena, policy networks also have to guarantee for accountable and transparent structures. To ensure the legitimacy of a policy network, three issues have to be kept in mind:

- Networks can only be as transparent and accountable as their participants. Therefore codes of conduct can help to guarantee accountability and transparency on the part of all actors.
- Networks need proper process standards. Such standards should reflect basic principles such as equal access to information and transparency.
But in order to ensure flexibility and to allow the evolution of a policy network, no strict rules, beyond the minimum necessary, are placed on network operation at the beginning.
- Evaluating the results of networks and integrating them into established institutions are key for fostering the legitimacy of their resolutions.

>> Maintaining structured informality

Networks must avoid falling into the trap of becoming a closed organization with an established bureaucracy. Network managers must therefore focus on maintaining structured informality - on keeping relationships loose and non-confining while at the same time building in enough rules and structure to get things done. One way to dodge the trap of over-organizing is to keep the network's own secretariat to a minimum. Built-in review processes, internal and external, can also help prevent ossification of the network.

5. The role of CSOs

There is consensus that policy networks harbour great potential to improve the effectiveness of political reform processes. In the table below, we outline some ways in which networks may be useful for CSOs.

Phase	Key objectives	How networks can help
Agenda Setting	Convince policymakers that the issue indeed requires attention	<ul style="list-style-type: none"> ▪ Gathering data and providing evidence on the relevance of the issue ▪ Facilitate vertical and horizontal communication ▪ Provide mechanisms for knowledge sharing across different stakeholders, sectors, regions. Sustain a campaign over time. ▪ Extend an advocacy campaign favouring the expectations and views of citizens ▪ and across geographical areas ▪ Foster links among researchers, CSOs and policymakers ▪ Bypass formal barriers to meaningful dialogue and informal meetings
Formulation	Inform policymakers of the options and build a consensus	<ul style="list-style-type: none"> ▪ Channel knowledge resources and expertise into the policy process ▪ Collect good-quality evidence about different options ▪ Agree on assessment criteria ▪ Bypass formal barriers to consensus building ▪ Facilitate consensus building
Implementation	Complement government capacity	<ul style="list-style-type: none"> ▪ Enhance the sustainability and reach of the policy ▪ Provide effective public-private cooperation to improve equal access to resources and services ▪ Enhance citizen participation focusing on public finance: budgeting and accountability ▪ Act as a dynamic platform for sharing and action
Evaluation	Collect quality evidence and feed it into the policy process	<ul style="list-style-type: none"> ▪ Provide evidence based knowledge ▪ Refine the evidence through the input of multiple actors ▪ Channel feedback from affected people ▪ Provide a forum for peer evaluation of policy options ▪ Link policymakers to policy end-users ▪ Make use of external links to resource persons ▪ Provide a mechanism to mediate among different stakeholders
All phases (underlying)	Capacity building for CSOs aiming to influence policy	<ul style="list-style-type: none"> ▪ Foster effective targeted communication ▪ Provide a dynamic environment for knowledge sharing and collaborative action ▪ Encourage and provide a sense for progress ▪ Coordinate monitoring and evaluation

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Resources

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