Development Diplomacy & Multi-stakeholder Negotiations: Case example: DW/PRSP

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Context of Presentation

- CSEND: Research, teaching and training of conflict resolution, negotiation and diplomacy since 1982.
- CSEND: Experiences working in developing and transition countries in field of capacity building and institution development (WTO/Trade and PRSP/ILO)
- Objective of presentation:
  - Contribution to theory building in field of Development Diplomacy and Multi-stakeholder Negotiations of State & Non-state Actor Organisations
Sources used for Presentation

» A) R. Saner, L. Yiu;

» B) R. Saner; L. Yiu, M. Sondergaard:

» C) L. Yiu, R. Saner:

» D) R. Saner,
Diplomacy Dialogue / CSEND

- DD part of CSEND group (2004)
- Mission:
  - To open channels for dialogue and participation amongst stakeholders involved in public concerns with the aim to resolve conflicts, may they be commercial, economic, communal or political through dialogue, diplomacy and negotiations and to promote equitable, sustainable and integrated development.
Part I:
Development Diplomacy & Multi-stakeholder Socio-Economic Negotiations: Definitions & Analysis of Field

Part II:
Example: Advocacy Diplomacy for Decent Work Agenda in PRSP

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Development Diplomacy

Definition –

- Multi-dimensional actions to build bridges between economic, social and ecological development policy objectives -- ranging from neo-liberal to state interventionist frameworks -- in order to help countries progressively reach higher stages of sustainable development.

(CSEND - Diplomacy Dialogue, 2003)
Evolution of Concepts

1. Diplomacy
2. Stakeholder
3. Negotiation
Diplomacy

- Past -- "the management of international relations by negotiation; the method by which these relations are adjusted and managed by ambassadors and envoys." (Sir Harold Nicolson, *Diplomacy*, 1939)

- Present and Future -- "the art of advancing national interests through the sustained exchange of information among governments, nations, and other groups. Its purpose is to change attitudes and behaviour as a way of reaching agreements and solving problems." (Gorden Smith, 1999)
Post-Modern Diplomacy

"(Diplomacy) is defined as the mechanism of representation, communication and negotiation through which states and other international actors conduct their business“ (Jan Melissen, 1999).

Former US Secretary of State George Shultz stated that "the raw material of diplomacy is information: getting it, assessing it, and putting it into the system for the benefit and puzzlement of others.“ (PeaceWorks, 1997)
Assessment: Diplomacy

- The concept of diplomacy broadened to include state and non-state actors.
- The primary function of all forms of diplomacy is to facilitate communication between state & non-state actors and to exert influence on policy making and implementing at local, regional and international levels.
Stakeholder (1)

- Initial contributions from Management Theory, particularly Strategy & Organization Development

- Example: "Stakeholder is any group or individual who can affect or is affected by the achievement of the organization’s objectives. “ (Freeman, 1984)
Stakeholders (2)

- All parties who will be affected by or will affect (the organization’s) strategy (Nutt, Backoff, 1992)
- Any person, group or organization that can place a claim on the organization’s attention, resources, or output, or is affected by that output (Elden, Ackermann, 1998)
- Those individuals or groups who depend on the organization to fulfill their own goals and on whom, in turn, the organization depends (Johnson, Scholes, 2002)
Stakeholders (3)

- Stakeholder support is needed to create and sustain winning coalitions to ensure long-term viability of organizations as well as policies, plans and programmes (Bryson, 2004).

- Key stakeholders must be satisfied, at least minimally, or public policies, organizations, communities or even countries and civilizations will fail (Friedman, 2000).
Stakeholders (4): Concentric Circles of Influence & Involvement
(Jawahr & McLaughlin, 2001)

- **Primary Stakeholders**
  - People & groups ultimately affected by an issue and dispute

- **Secondary Stakeholders**
  - Intermediaries involved in delivering aid to primary stakeholders

- **Influencing**
  - Primary Stakeholders can vary their approach to other groups ranging from proaction, accommodation, defense to reaction.
Assessment: Stakeholder Theory

- Early conceptualising in Management Theory at organisational level
- Later expansion of scope to include inter-organizational, institutional and social system actors (stakeholders)
3. Negotiation
(Saner, 2000, 2004)

- Negotiation is a process whereby two or more parties seek an agreement to establish what each shall give or take, or perform and receive in a transaction between them.
Negotiation (2)
Contributions & Academic Orientation

- Military Strategy, History, early Diplomacy
  (e.g. Sun Tze, de Carrière, von Clausewitz)

- Social Psychology
  (e.g. Deutsch, Schelling, Druckman)

- Economic Game Theory
  (Nash, Bartos, Axelrod)

- Law & Political Science (e.g. Zartman, Constantin, Fisher)
Scope of Analysis:
- Bilateral (Bargaining theory)
- Plurilateral (WTO, UN)
- Multi-lateral (UN Agencies, WTO)
- Multi-Institutional & Multiplex (IFIs, WTO-UNCTAD-WIPO)
Assessment: Negotiation Theory

- Evolution of theory from historical-normative-prescriptive to experimental-theoretical
- Unit of analysis broadening from bilateral, plurilateral, multilateral to multi-institutional negotiations
- Preponderance of western authors in existing literature
- Increasing complexity requiring more interdisciplinary methodology
Example of Postmodern Diplomacy

Example:

- New Roles and Functions in International Economic Relations and Policy Making ranging from state to non-state actors and institutions.
Goals of these new actors ...
Simultaneous Negotiations at different Arenas and Fora

- Unilateral (e.g. National Laws, decrees, fees often resulting in NTBs)
- Bilateral (Mutual agreement to reduce double taxation)
- Plurilateral (WTO- Public Procurement or FTAs)
- Multilateral (WTO, IMF, WB, UNFCCC, ILO, UN)
- Multi-institutional (WTO+WIPO+EU+etc)
Assessment:
postmodern economic diplomacy

- Multitude of actors (state, non-state)
- Multitude of negotiation fora
- Increase of complexity (multi-institutional)
- Overlap between linear and non-linear processes
Part II: Example: Advocacy for Decent Work
Agenda in PRSP

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Objectives of ILO’s Capacity Building for Social Partners in PRSP

(Source: M. Sommer, SRO/ILO)

- To empower the social partners to influence the drafting and implementation of PRSs through social dialogue
  - To incorporate employment and other aspects of decent work into PRSPs
  - To influence development organisations and governments involved in designing and implementing PRSs to embrace the fundamental principles and rights at work, employment policies, social protection and to listen to the voices of the social partners.
Objectives of Advocacy & Development Diplomacy for DW/PRSP: Ethiopia 2003

- To increase the KNOWLEDGE BASE of Development Diplomacy of social partner communities
- To strengthen the SKILL REPERTOIRE regarding Development Diplomacy
  - Advocacy
  - Networking
  - Influencing
  - Negotiation
- To exchange EXPERIENCES on how to influence RPSP process and outcome
- To obtain FEEDBACK on this capacity building module
What is the Poverty Reduction Strategies Approach?

- Established by the World Bank (WB) and the International Monetary Fund (IMF) in 1999 to link debt relief to poverty reduction in countries receiving concessional assistance.

- Based on a two-pillar approach of self-help through country ownership and support of international community.

- Underlying aim: Participatory process involving the effected countries, the civil society, and various multilateral development partners.

- Important aspect: Participatory process and country-ownership.
Why PRS?

- 1.1 billion people had income below $1 per day in 1999 (World Bank, 2000)

- BBC newsbrief on 13/04/2003 from the annual meeting of the World Bank and the IMF in Washington, D.C.

"World Bank says that the millennium development goals (to half the number of people living in absolute poverty by 2015) will not be met without additional aid and warns that absolute poverty (living on less than $1 per day) will increase substantially in Africa".
Complexity: An Analytical Framework of Poverty
(example taken from Action Aid, 2001)

- Lack of Access to (ownership)
- Lack of Representation (unequal power)
- Lack of control over (voice)

Poor Marginalised and Vulnerable People

Root Causes

- Household
- Local
- National
- International

Symptoms of Poverty

- Economic
- Resource and Services
- Social
- Institutions
- Environment
Interdependency

Global System

Community

Society

Individuals

- e.g. Trade & WTO
- e.g. Credit Schemes
- e.g. Skill Acquisition
- e.g. Social Protection
5 Core Principles of the PRS
(Source: WB / IMF, 2002)

- "Country-Driven"
  - promotion of national ownership

- "Result-Orientated"
  - introduction of annual progress reports

- "Comprehensive"
  - recognizing multi-dimensional nature of poverty

- "Partnership-Orientated"
  - involving coordinated participation of development partners i.e multi-stakeholder approach

- "Long-Term Perspective"
  - direct link to the broad endorsement of the WB / IMF Executive Board as a basis for concessional lending
Understanding the nature of poverty

Choosing poverty reduction objectives

Defining the strategy for poverty reduction and growth, including:
- Macro and structural policies governance
- Sectoral policies and programs
- Realistic costing and funding

Implementing programmes and policies

Monitoring outcomes and evaluating impact

Actors and participatory processes, including:
- Central government agencies and inter-ministerial working groups
- Parliaments and other representative structures
- The public
- Civil society
- External partners

(adapted from The WB Sourcebook for PRSs, 2003)
Key Process Steps of PRS:

- Step 1: Meeting between WB/IMF staff with respective country authorities to discuss emerging strategy. Views will be shared with civil society and other development partners.

- Step 2: The country will design a *Poverty Reduction Strategy Paper (PRSP)* which will outline the details of the strategy and include “participation” of various actors. (Most important step in the PRS)

- Step 3: Country presentation to WB / IMF Executive Board.
Poverty Reduction Strategy Paper (PRSP) - Most important step in participatory process

- The principal aim of the PRSP:
  - Strengthen the countries ownership of poverty reduction strategies
  - To broaden the representation of all major stakeholders: civil society organizations, private sector representatives, trade unions, women’s groups, direct representatives of the poor, and donors.
  - Improve coordination among development partners
  - Analytical approach to problem solving
But.....Missing link between Policy and Practice?

- Participation PRS Process not really open for International Organisations and NGOs
- Link missing between input opportunity of international organisations and actual participation possibility
  
  » **Case example of ILO:**
  
  ILO’s Decent Work Agenda (linking employment with poverty reduction) not suffiently included in the PRSP because consistituents such as trade union and the Minitsry of Labour or Ministry of Education have limited access (Source: ILO)

  » **Case example of NGO ”Women for Alternative Development”:**
  
  Despite the declaration of the WB and IMF that grassroot groups such as women’s groups would be consulted in the PRSP, in the case of Sri Lanka and the Women for Alternative Development, the document was prepared without consultation with civil society groups (Source: IPSnews Net)
Main Actors in PRS

- IMF
- WTO
- WB
- COUNTRY
- MOF
- MOP
- MOL
- MOH
- MOE
- ILO
- NGO
- WHO
- Labour
- Employers Union
- Count
Development Diplomacy
in context of multi-Stakeholder-Negotiation
(Yiu, Saner, 2004)

Purpose:

- To “raise” the voice of the working poor and the unemployed
- To “enlarge” the intellectual space for policy debate and formulation
- To “strengthen” the momentum of DW campaign within/without PRSP context
- To “facilitate” social and behavioral change so that basic HRs will be enjoyed by all
Advocacy Diplomacy Strategy for DW/PRSP

- Development Diplomacy Strategy:
  - Advocacy
  - Influencing
  - Networking
I. Advocacy

Definition

- Acting or working in support or in favour of a policy, cause, action....
- Pursuing to influence outcomes - including public policy and resource allocation decisions within political, economic, and social systems and institutions - that directly affect people's lives.
- Representing people’s rights and helping people to make choices and get services to which they are entitled.
I. Advocacy

In the case of DW for ALL & PRSP…..

Advocacy is ----

• to “enable social partners gain access and voice in the decision making process of relevant institutions;

• to change power relationships between these institutions and the people affected by their decisions, thereby transforming institutions themselves;

• to bring improvement in working conditions through mainstreaming DW for ALL Agenda in PRSPs
I. Advocacy

Basic Elements for an Advocacy Plan.....

Why

What

With Whom

When

How

Evaluation

Targets

Strategy & Methods

Action

So What

Objectives

Message, data, info.
I. Advocacy: What

Two types:

1) **Normative/Positional** – to influence the decision makers and/or stakeholders to choose particular policies or to accept particular values or perspective (e.g., employment based growth)

2) **Methodological** - to influence the decision makers and stakeholders to become active as problem solver, and to use certain methods of problem solving (e.g., specific methods of poverty diagnostics, social dialogue)
Multiple Arenas
to advocate DW in PRSP

- Economic
- Political
- Cultural
- Social
- Developmental

Advocacy
Multiple Means of Advocacy

- Awareness
- Raising
- Campaigning
- Lobbying
- Development
- Education
- Policy Propositions
- Partnerships

Strategic articulation of information

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2005
Approaches to Advocacy

(R. Khadka, AAV, 2002)

- Collaboration – e.g., partnership with government and others
- Education – workshops, seminars, training
- Persuasion – through research, personal contacts, exposure trips
- Litigation – writ petition
- Confrontation – demonstrations, strikes
Tools/Tactics

- Exhibitions
- Rallies
- Street Theatre
- Signature Campaigns
- E-mail bombardment
- Use of media – print, electronic means
II. Influence: Pathways (source: ActionAid, 2001)

Changes in Policy Implementation

Changing legislation or policy by influencing a particular ministry or minister

WHAT?

WHO?

HOW?

Influence by changing public opinion

Influence by inviting decision-makers to attend conferences/seminars

Influence by doing research and documenting the need for change

Influence by getting public to write letters/protest

Influence colleagues/friends who will influence the Minister

Influence by inviting decision-makers to see those directly affected by the policy

Influence people/organisation that will influence the Minister (e.g. trade unions, church groups etc.)
Development Diplomacy: Action Components

2. Influencing
II. Influencing

Definition-

- To impact by gentle action
- To modify, or sway
- To move
- To persuade
- To induce
II. Influencing

In the case of DW for ALL—e.g.,

• To cause changes in perception of causes of poverty and the working poor

• To influence the opinion in terms of the optimal course of action in poverty reduction

• To mobilise resources
II. Influencing
(Saner, 2000, 2004)

Two Approaches -

1) Push
(e.g., persuasion, argumentation, problem solving)

2) Pull
(e.g., listening, appreciative inquiry, particularistic, co-learning)
Richard Beckhard’ Prioritising Grid of Influencing Forces (example from private sector)

<table>
<thead>
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<th>Forces</th>
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<tr>
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<td>Consumer</td>
<td>✓</td>
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<td>Environmental Groups</td>
<td></td>
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<td>Supplier</td>
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<td>Competitor 1</td>
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Could also be stakeholders

Motivators/Levers??

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2005
Development Diplomacy: Action Components

3. Networking
Networking (1)

- Networking is making links from people we know to people they know, in an organized way, for a specific purpose.

- To accumulate social capital
Networking (2)

Networking Involves:

- Establishing goals.
- Analysing the kinds of help needed in achieving these goals.
- Analysing & developing people skills.
- Building and cultivating network accordingly.
Networking: Whom (3)

- **Opinion leaders** (Including think tanks & research organisations)
- **Power holders**
- **“Sociometric Stars”**
  - The informal (could be formal too) leader of a group
  - The centre of a sociometry
- **“Boundary Spanners”**
Networking & Sociometry (4)

- It is a way of measuring the degree of relatedness among people. Measurement of relatedness can be useful not only in the assessment of behaviour within groups, but also for interventions to bring about positive change and for determining the extent of change (Jacob Levy Moreno).

- It is a methodology for tracking the energy vectors of interpersonal relationships in a group. It shows the patterns of how individuals associate with each other when acting as a group toward a specified end or goal (Criswell in Moreno, 1960, p. 140).
### Networking & Sociometry (4)

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<tr>
<th></th>
<th>Ann</th>
<th>Bob</th>
<th>Claire</th>
<th>Don</th>
<th>Edna</th>
<th>Fred</th>
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Networking & Sociometry (6)
<table>
<thead>
<tr>
<th>Degree</th>
<th>Style</th>
<th>Methods/Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing degree of global contact and organisation</td>
<td>NETWORKING</td>
<td>Decentralised/unpredictable use of information from elsewhere. Publications, IT ‘nets’ used passively/occasionally. Open access opportunities to information flows.</td>
</tr>
<tr>
<td>COALITIONS</td>
<td></td>
<td>Single event joint campaigns often among fairly diverse NGOs. Attempted division of labour into most appropriate tasks. Limited life recognised and accepted, given diverse missions.</td>
</tr>
<tr>
<td>ALLIANCES</td>
<td></td>
<td>Long-term allegiance to common ideals among very trusted partners. Northern partners committed to empowering southern NGOs. Very regular consultation by fax, IT and personal meetings. Time investment justified by ‘certainty of shared values’.</td>
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Outlook: Advocacy DW/PRSP:

- International Organisations can influence the Poverty Strategies, but the ENTRY POINTS need to be identified and defined.
- More participation needs to be incorporated in practice to allow constructive input from different actors (such as Civil Society).
Conclusions
Spider Diagramme for Capacity Building for Advocacy

0 = undesirable level calling for a large amount of improvement
1 = poor level having much room for improvement
2 = good situation with some room for improvement
3 = ideal situation with little room for improvement

Ability to negotiate on bilateral and multilateral levels
Ability to carry out research and policy analysis, including gender analysis of policies
Ability to create and support networks and coalitions
Ability to carry out PR work (meetings, briefings, talks)
Mobilization of members of the public (letter writing, demonstrations, direct action etc.)
Lobbying work
Media and communications work
Ability to plan, manage and monitor advocacy work
Self-development of the S.D.C practitioner

- Grounding
- Awareness
- Staying at the contact boundary
- Ability to live with ambiguity and to withhold need for closure (pre-mature solutions)
- Inter-cultural competencies (cognitive, affective and behavioural)

Tools

- Conceptualisation the relationship between parts and whole
- Change cycle
- Working with resistance and polarity
- Change tools at systemic, groups and individual level
Development Diplomacy & M-Stakeholder Neg.: Impact on Social Development & Change Consultant (2)

- “Expert” or/and “Trainer”
- “Doer” or/and “Producer”
- “Single process” designer to “Multiple process” designer
- “Guide” or/and “facilitator”, “mentor”
Expanding Role Needed for Development Diplomat & Multistakeholder Negotiator

**Key Challenges**

- A journey of high ambiguity
- Highly porous boundaries
- High probability of defection (conflicting self-interest)
- Losing sight of the long-term vision
- Physical and psychological distance

**Success Factors**

- high threshold for stress and uncertainty
- ability to sustain sub-unit(s) cohesion
- ways to “keep tap” on the multiple ripples
- ability to identify and sustain common interests
- ability to reflect & shift analytical lenses
- ability to stay in contact and maintain empathy
Expanding Role Needed for Development Diplomat & Multistakeholder Negotiator (2)

**Key Challenges**

- Basic human dynamics: push & pull tactics
- Managing multiple internal stakeholders
- Managing self

**Success Factors**

- acceptance of the usefulness of instrumentality of the OD practitioner
- ability to negotiate reputational & cultivate social reputational capital &
- ability to withhold power tactics
Thank You!!!