# World Politics and Organizational Fields: The Case of Transnational Environmental Rule-Making

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ABSTRACT: Our article explores why and how transnational rule-making organizations emerge and proliferate. In contrast to the standard account of transnational rule-making as interest-based resource exchange, we maintain that social dynamics are equally important to account for the proliferation of transnational rule-making organizations. We argue that in the early 1990s, an organizational field of transnational rule-making has gradually developed in the field of environmental politics. Responding to a broader social discourse about global governance that stressed a need for innovative forms of cooperation among different societal sectors, this organizational field gained in legitimacy and strength. A set of commonly accepted core norms, the increasing density of interaction among the field's members, and the success and legitimacy ascribed to the field's key players by the outside world helped to solidify the organizational field until it eventually developed a 'life of its own'. At a more theoretical level, the article illustrates how a field perspective on world politics is particularly well suited to integrate key insights from both rationalist and constructivist approaches.

## Introduction

Without global standards such as those devised by the International Accounting Standards Board (IASB), neither financial markets nor tax systems would function properly.[1] Without technical standards such as those devised by the Internet Corporation for Assigned Names and Numbers (ICANN), the World Wide Web could not run as smoothly as it does. Without credible certification schemes for legally mined diamonds such as the Kimberley Process scheme initiated by the activists of Global Witness and the world's largest diamond seller De Beers it would be virtually impossible to cut off the parties to lasting civil conflicts in countries such as Sierra Leone or Liberia from their most important source of income. And without mediation by the World Commission on Dams (WCD), the decades of fierce battling between proponents and opponents of large dams would continue not only to exhaust the resources of both groups, but also

to increase the costs of development aid and prevent many reasonable projects from being implemented at all.

The proliferation of private organizations whose primary goal is to devise transnational rules is a pervasive trend in contemporary world politics. As the appendix to this article illustrates, such organizations have proliferated over the last one and a half decade, offering a variety of more or less voluntary standards that structure and give meaning to the behavior of numerous addressees across the globe.[2] While shifting organizational strategies and new forms of global governance alone would warrant closer analysis, two further observations are noteworthy. First, transnational rule-making organizations not only proliferate. They are also remarkably similar in their organizational design, processes, and rhetoric, even in cases where such similarities appear overly costly. Second, their almost simultaneous appearance — 13 of the 21 organizations listed in the appendix were created between 1997 and 1999 — is not limited to selected policy fields. It occurs in issue areas ranging from environment to human rights, trade, finance, and security.

This article seeks to explore the dynamics behind the simultaneous proliferation of similar transnational rule-making organizations in different policy areas. We contend that the notion of organizational fields developed in organization theory provides a powerful tool for understanding this phenomenon. Complementing the standard account of inter-organizational cooperation as interest-based resource exchange, we maintain that the social dynamics of an emerging organizational field of transnational rule-making are crucial if we wish to make sense of the proliferation of transnational rule-making organizations. We argue that in the early 1990s, an organizational field of transnational rule-making has gradually developed in the field of global sustainability politics. Responding to a broader social discourse about appropriate means of global governance that stressed a need for innovative forms of cooperation among different societal sectors, this field gained in legitimacy and strength. A set of commonly accepted core norms, the increasing density of interaction among the field's members, and the success and legitimacy ascribed to the field's key players by the outside world helped to solidify the organizational field until it eventually developed a 'life of its own'.

Our finding that the proliferation of transnational rule-making organizations results as much from isomorphic processes as from interest-based resource exchange among different social actors has theoretical and practical implications. Theoretically, it resonates with recent efforts in IR theory at building bridges between the rationalist and constructivist literatures and between IR scholarship and organizational research.[3] While acknowledging that resource exchange does take place among the actors involved in transnational rule-making organizations, our case study empirically illustrates how

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[2]  See also Brunsson et al. 2000.
[3]  See Adler 1997; Checkel 1997; Fearon and Wendt 2002; Risse 2003; Jönsson 1986; Ness and Brechin 1988.

agents and structures mutually constitute each other in a closely circumscribed field of social and political activity. Practically, our finding illustrates that the steering approaches that inform much of the contemporary global governance literature are founded on a weak empirical basis. In particular, they fail to acknowledge that social dynamics often acquire a life of their own, thereby rendering "steering" or "planning" virtually impossible.

## Transnational Rule-Making Organizations

When addressing the participants of one of the regional consultations of the World Commission on Dams, South African Minister of Education and WCD Chair Kader Asmal noted that

> The Commission is a prototype for what I like to think of as the real New World Order. It is not dominated by any one agency or by one government, or by the UN or the World Bank. The Commissioners are eminent persons from the forefront of the dams debate and as a group they represent all the worlds that intersect therein: international business, NGOs involved in environmental and social activism, academia, government, and the engineering profession.[4]

Beyond the WCD, a larger number of similar processes illustrate the existence of a growing market of non-state processes in which issues are defined, rules are made, and compliance with these rules is monitored. The following is only a small selection of examples intended to give the reader a better idea about the phenomenon:

- The Global Reporting Initiative (GRI), formally a foundation under Dutch law, but in practice a global organization of business corporations, civil society groups, academics, accountants and consultants, has recently launched its third generation of its Sustainability Reporting Guidelines. The Guidelines are widely recognized as the leading global standard in the field of non-financial business reporting. Governments in Australia, Canada, France and the Netherlands have issued national level reporting frameworks based on GRI Guidelines and several mainstream and Socially Responsible Investment (SRI) funds as well as the Johannesburg Stock Exchange now request reporting on the Guidelines.[5]

- The Forest Stewardship Council (FSC), a private non-profit organization with a heterogeneous membership that includes environmental and social NGOs, business corporations, academic institutions, religious organizations and individual members from over sixty countries, has established a full-fledged certification scheme for responsibly managed timber and for products made of such timber. Since the establishment of the organization in 1993, around 80 million hectares of forests

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4    Kader Asmal in World Commission on Dams 1999, 3.

5    Dingwerth 2007, Ch. 5.

have been certified worldwide. In addition, the FSC has inspired a number of industry organizations to come up with their own certification schemes.[6]

- The Marine Stewardship Council (MSC) is an independent non-profit organization that emerged out of a collaboration of Unilever – the world's second largest food corporation and largest buyer of frozen fish – and the World Wide Fund for Nature (WWF). Modeled on the success of the Forest Stewardship Council, its goal is "to harness consumer purchasing power to generate change and promote environmentally responsible stewardship of the world's most important renewable food source."[7] Wal-Mart, one of the world's largest supermarket chains, recently announced that it would exclusively buy and sell MSC-certified fish and fish products in its North American stores within three to five years.[8]

- The Fair Labor Association (FLA) is a partnership of twenty leading brand-name companies, several non-governmental organizations (NGOs) and about 175 colleges and universities that join forces to protect workers' rights and improve working conditions worldwide. To this end, the association "conducts independent monitoring and verification to ensure that the FLA's Workplace Standards are upheld where FLA company products are produced."[9] Currently, twenty member companies, among them brand names such as Nike, Adidas and H&M, and nineteen so-called category B licensees subject themselves to independent monitoring against the nine principles of the organization's Code of Conduct.

- The Kimberley Process Certification Scheme originated as a joint initiative of the non-governmental organization Global Witness and the world's leading diamonds seller, the London-based multinational De Beers. The goal of the initiative was to halt the trade of conflict diamonds and to thereby limit the financial resources of rebel movements in several countries, including Angola, the Democratic Republic of Congo, and Sierra Leone. After civil society participants and the diamond industry had reached a substantive consensus on a certification scheme to prove that diamond shipments were free of conflict diamonds, the governments of the world embraced the agreement at an intergovernmental conference. Kimberley Process participants currently account for over 99 per cent of the world's production of rough diamonds.[10]

Seeing the abovementioned organizations as referents of "the real New World Order" may be too big a word. Yet, they are only illustrations of a pervasive trend – the activities of the Ethical Trading Initiative, the Flower Label Program, the International Federation of Organic Agriculture Movements, Social Accountability International and

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[6] Cashore et al. 2004, Gulbrandsen 2004; Meidinger 2003; Pattberg 2007.
[7] Marine Stewardship Council 2006a.
[8] Marine Stewardship Council 2006b.
[9] Fair Labor Association 2006.
[10] Beffert and Benner 2005; Kantz 2006; Kimberley Process 2006.

many more could be added to the list of transnational organizations set up to develop norms, rules, and standards.[11]

## The Nature of Transnational Rule-making Organizations

As a relatively new phenomenon, transnational rule-making organizations are a form of governance beyond the state in a literal sense: Not only are they transboundary – and hence beyond the scope of individual states. As a result of their inter-societal rather than intergovernmental nature, they are also beyond the control of states as a collective, although the precise relation with the state is often complex.[12] The argument that transnational rule-making constitutes a distinct form of global governance can be disaggregated into two premises – first, that some transnational organizations actually engage in rule-making; and second, that these organizations share a number of similarities which distinguish them from other forms of governance beyond the state. The following paragraphs elaborate these assumptions.

If we conceptualize rules as "consciously devised and relatively specific commands for behavior whose normative authority warrants the expectation of at least a minimum level of compliance"[13], transnational rule-making refers to a process in which non-state actors from more than one country generate behavioral prescriptions that are intended to apply across national borders. This working definition has three key elements that distinguish organizations engaging in transnational rule-making from other organizations. First, to qualify as a rule-making organization, the organizational output needs to include explicit behavioral commands that are sufficiently precise to allow for a distinction between compliant and non-compliant behavior. Second, rules need to be consciously devised. And third, as a result of the voluntary nature of transnational rules, it only makes sense to speak of rules if the behavioral commands they express are at least minimally effective.

It can hardly be disputed that the primary output of some transnational organizations are fairly precise behavioral prescriptions. For instance, Policy Principle 2.3 devised by the World Commission on Dams demands that "social and environmental aspects are given the same significance as technical, economic and financial factors in assessing options."[14] The related guideline specifies that project-level impact assessments "should include an Environmental Impact Assessment, a Social Impact Assessment, a Health Impact Assessment (...), and Cultural Heritage Impact Assessment" and that the "assessments should be sufficiently detailed to provide a pre-project baseline against

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[11] See Cashore 2002 and the appendix to this article for further examples.

[12] Falkner 2003; Hall and Biersteker 2002; see also Wapner 1995.

[13] Dingwerth 2007; see also Keohane 1984, 58; Krasner 1983, 2; Levy, Young and Zürn 1995, 273; Young 1989, 16. We include the qualification of minimal effectiveness to distinguish actual rules from potential rules (or "would-be" rules). This distinction becomes relevant in the context of transnational politics, but not necessarily in international politics, where rules are almost always legally non-binding.

[14] World Commission on Dams 2000, 223.

which post-project monitoring results can be compared."[15]  In a similar fashion, the Forest Stewardship Council has developed Principles and Criteria that require among other things that "the legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected."[16] The global principles and criteria are further specified in national standards. Among many other specifications, the German FSC standard for instance requires that "trees with woodpecker holes or other natural cavities are exempt from forestry use".[17]

That these rules are produced intentionally is also beyond doubt – most of the organizations listed in the appendix to this article have explicitly been established as standard-setters.[18] As a result, the third criterion of minimal effects is likely to be most contested. In practice, it is however relatively easy to see that, where they exist, transnational rules are often functionally equivalent to intergovernmental rules.[19] Thus, most of the processes analyzed in this article have been highly influential in their respective issue areas. The recommendations of the WCD have become the primary frame of reference for thinking and talking about large dams. The principles formulated by the Coalition for Environmentally Responsible Economies (CERES) have paved the way for environmental responsibility to enter the agenda of big business. The Sustainability Reporting Guidelines developed by the Global Reporting Initiative are considered as the leading standard according to which corporations account for their non-financial performance. And the FSC's Principles and Criteria constitute the global benchmark for sustainable forest management practices.

In practice, transnational rule-making organizations thus have wide-ranging effects on a diverse actors. To become effective, they rely on a mixture of rational incentives and appeals to social appropriateness. For instance, the FSC combines an instrumental "do X to get Y" logic – in this case, comply with the Principles and Criteria to obtain a certificate – with the presentation of its Principles and Criteria as a guideline for appropriate forest management. Similarly, the GRI spends a significant share of its resources on promoting sustainability reporting as a constitutive element of socially responsible – in other words, appropriate – business behavior, while at the same time hinting at the economic benefits of corporate reporting. In contrast, the WCD's normative framework relies more strongly on notions of social appropriateness to become effective. Thus, the WCD's Policy Principles help to determine whether a given large dam project is acceptable, but they neither provide a basis for certifying large dams as "sustainable", nor does the Dams and Development Project – as the successor of the WCD hosted by the United Nations Environment Programme (UNEP) – maintain an inventory of large dam projects that have used the WCD guidelines as a basis for their deci-

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[15]   Ibid.: 283.

[16]   Forest Stewardship Council 1994.

[17]   Forest Stewardship Council Arbeitsgruppe Deutschland e.V. 2004, section 6.3.c3.

[18]   On organizations that unintentionally produce transnational standards, see Sahlin-Andersson 2000.

[19]   Dingwerth and Pattberg 2007.

sion-making. In short, transnational rule-making organizations are clearly shaping the behavior of their addressees, but the mechanisms at work differ from case to case.

## The Similarity of Transnational Rule-making Organizations

The commonalities of transnational rule-making frequently transcend their defining characteristics. In fact, there is something akin to a standard model around which the design, rhetoric, and processes of transnational rule-making organizations converges. In terms of their design most transnational rule-making organizations operate on the basis of a division of labor between three governing organs: a board of directors that legally represents the organization and oversees its policies, a permanent secretariat that coordinates the organization's day-to-day activities and a larger stakeholder body that is most often assigned a consultative status within the organization. Moreover, procedures for the selection of board members also resemble each other. They usually aim at balancing representation of pre-defined stakeholder groups. To this end, board members are often selected directly by these groups or by an organization's members from these groups. Second, the rhetoric of transnational rule-making organizations displays further similarities. Most strikingly, the public communication of transnational rule-making organizations frequently focuses on process, not substance. For instance, transnational rule-making organizations usually put a strong rhetorical emphasis on inclusiveness, transparency, accountability and deliberation and spend a significant share of their resources on public relations activities that stress the participatory and open character of the organization. In practice, this rhetoric often translates into similar process elements such as public comments periods for policy documents, regional stakeholder consultations held on various continents or expert deliberations on specific policy issues. As a result, transnational rule-making organizations resemble each other closely. Whereas conventional NGOs may be organized in very different ways even where they focus on similar issues[20], transnational rule-making organizations appear highly similar despite their diversity in thematic foci.[21]

Roughly two thirds of the 21 organizations listed in the appendix to this article adhere more or less closely to the standard model. Their governance structure includes meaningful stakeholder participation and their communication is focused on process rather than substance. This is surprising since fulfilling any of the three features involves considerable costs. Thus, holding stakeholder assemblies is costly not only in financial terms but also because it raises the expectations of those that are invited or elected to attend. This, in turn, limits the degree of freedom for the other governing bodies and thereby also for the organization's initiators who frequently hold seats in these bodies. The World Commission on Dams had to learn this lesson when members of its stake-

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[20]  Wapner 1996.

[21]  Ibid. In contrast to these elements of the standard model of transnational rule-making organizations, other characteristics such as the organizational form (as a commission, foundation or membership association) or the level of institutionalization are more variable.

holder forum challenged the commission's final report on the ground that a draft version had not been discussed with forum members before publication.[22] The same holds true for the self-portrayal of transnational rule-making organizations as inclusive, transparent, accountable, and deliberative. Costs to convey such an image to the public are by no means restricted to the salary of the communications officer and a few dollars for a public relation campaign. In contrast, value-oriented talk – in particular if values are related to organizational processes – is itself costly, because stakeholders expect the organization to live up to its own values to be creditworthy.[23] Instruments to increase inclusiveness and accountability thus need to be developed, even if they may cost money (for instance for regional consultations), time (for instance for public comments periods) and organizational leeway (for instance when stakeholder forums recommend a specific course of action).

## Understanding Transnational Rule-Making Organizations

How can contemporary approaches to global governance assist in making sense of the emergence and proliferation of transnational rule-making organizations? This section first identifies two background conditions that facilitate the trend towards transnational organization and then explores to what extent rationalist social theories can account for the phenomenon.

### Empirical Background Conditions: The Rise of Non-State Actors and the Legalization of World Politics

The proliferation of transnational rule-making organizations is linked to two developments – the rise of non-state actors and the legalization of world politics. According to a widely shared narrative, reduced costs of communication and transportation have enabled non-state actors to coordinate across borders more efficiently and effectively, thus promoting the "rise of transnational civil society".[24] A "skill revolution" and an "organizational revolution" increasingly enable non-state actors to take over specific governance functions beyond the state, from agenda-setting to monitoring, socialization and enforcement.[25] At the same time, social interactions across borders are increasingly organized in a law-like fashion that includes not only the form of rules, but also the procedures for their making and for their adjudication.[26] Yet, these long-term trends can only account for some facets of the phenomenon described earlier. Thus, we may wish to interpret transnational rule-making as delegated non-state authority in areas in which governments consider this specific form of governance as more effective

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[22] Varma, Lafitte, and Schultz 2000; Varma 2001.

[23] Risse 1999; Schimmelfennig 1997.

[24] Florini 2000.

[25] Rosenau 2006; Keck and Sikkink 1998; Risse, Ropp, and Sikkink 1999.

[26] Abbott et al. 2001; Zangl and Zürn 2004.

or simply less costly than devising and implementing their own rules.[27] In practice, this is a plausible reading for only some transnational rule-making organizations, but not for those that cover politically contested issues that are highly sensitive to many governments – such as, for instance, forests or large dams. On a different reading, we may interpret transnational rule-making organizations as successful advocacy coalitions that succeed in issue areas that involve ideas about right and wrong and address problems that can be assigned to intentional actions of identifiable actors.[28] Again, this may be part of the explanation for the emergence of some cases – most notably the Kimberley Process on conflict diamonds – but it hardly helps to make sense of the Global Reporting Initiative or of ICANN. Finally, the legalization of world politics may help to explain why transnational rules are formulated in a quasi-legal language and why their creators are guided by values such as inclusiveness, transparency and deliberation. Yet, it can neither help us to understand why transnational rule-making organizations grow so speedily, nor why they choose highly similar and very costly governance structures. In sum, both trends therefore constitute a favorable world societal context within which transnational rule-making could emerge and become accepted as a new form of global governance.

## The Proliferation of Transnational Rule-making Organizations: Rationalist Explanations

How might rationalists explain the form and formation of transnational rule-making organizations? Obviously, they would point to cost-benefit calculations of the actors involved. As mentioned above, the interpretation of transnational rule-making as an instance of the state's outsourcing of specific functions and services to non-state actors faces difficulties. True, the benefits of allowing (or in fact inducing) others to govern themselves may often outweigh its costs: States may save time and money through delegation and costs are moderate in particular where a 'shadow of hierarchy' can be maintained. In practice, many transnational rule-making organizations however emerge and proliferate in issue areas where states are very reluctant to devise common rules – the cases of large dams and forests have already been mentioned. Consequently, an explanation that highlights the role of the state in consciously outsourcing key functions and services to non-state actors falls short of accounting for the broader phenomenon described in this article. Two variants of rationalist theories – functionalism and the theory of inter-organizational resource exchange – may therefore be better suited to the task at hand.

In short, functionalist social theory holds that structures develop to fulfill specific functions.[29] This view is based on the understanding that outcomes are the result of indi-

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[27]  Raustiala 1997.

[28]  Keck and Sikkink 1998.

[29]  Cf. Krasner 1988: 70.

vidual choices and ultimately, that "anticipated outcomes result in one single, most-efficient equilibrium".[30] A consequence of this perception is that change in behavior is understood to occur quickly and consequential as a reaction to changes in incentives or resources. Consequently, some theorists have explained the growth of organizations as a response to an increase in the number of purposes or tasks demanding attention. In Stephen Krasner's words, "prevailing modes of analysis in organizational theory explain organizational structures as rational adaptations to environmental circumstances".[31] Institutions are created "to overcome the deficiencies that make it impossible to consummate even mutually beneficial agreements" – in short, they are created because of their anticipated effects.[32] As a result, we should expect supply to follow demand and form to follow function.

Taken to the level of transnational rule-making organizations, a functionalist approach essentially suggests that globalization increases the demand for rule-based social coordination. As states fail to meet this demand, non-state actors step in and create transnational rule-making organizations. Each of these new organizations would then represent a most-efficient equilibrium formed out of the preferences of individual actors. At first sight, this is a powerful explanation for instance for transnational accounting standards or for the continued strength of the lex mercatoria. It may also be a powerful explanation for some elements of the standard model of transnational rule-making discussed earlier. Thus, the choice for stakeholder assemblies may be deemed a functional necessity that couples efficient decision-making by the board and secretariat with the possibility to control for a broader range of cooperating parties. Moreover, stakeholder bodies may be a particularly valuable tool to gather technical expertise in areas in which decision-making requires expert knowledge on a diverse range of issues. The same holds for procedural elements such as regional consultations – as long as they help to generate new information for decision-makers (either on substantive issues or on the interests of stakeholders in different regions) or to inform addressees about the (intended) rules, they may be well worth their costs.

Theories of network governance and in particular the theory of inter-organizational resource exchange tackle the question from a slightly different angle. They are embedded in recent scholarly debate in IR on the transformation of the global order from a territorial-based one to one of multiple spheres of authority in flexible and issue-specific arrangements.[33] A central empirical observation in this debate on the changing nature of the Westphalian system is the emergence of networked forms of organization that operate under a different logic compared to other ideal types of social organization,

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[30]  Ibid., 68.

[31]  Ibid.

[32]  Keohane 1984, 83.

[33]  Albert and Brock 2000; Held et al. 1999; Ruggie 1993; Zacher 1992.

such as markets and hierarchies. Whereas network governance has been discussed as a complement to and gradual innovation of older forms of policy-making within the domestic context (such as, for instance, corporatism), networks at the international and transnational level have been largely conceptualized as new forms of governance that potentially overcome the limitations of more traditional governance approaches.[34]

One way of theorizing such policy networks is to focus on the process of inter-organizational resource exchange and the underlying properties of network participants. From this perspective, policy networks are "a set of resource-dependent organizations".[35] Policy networks essentially constitute – and can therefore be explained in terms of – exchanges of resources among network members. The primary resources that are exchanged in such networks are money, knowledge, legitimacy and political influence.[36] Since these resources are widely dispersed among different parts of societies, organizations can frequently achieve their aims only through cooperation with other organizations. Rule-based cooperation among public and private actors thus occurs where organizations control complementary types of resources.[37] As in functionalism, this concept of inter-organizational resource exchange is based on the understanding that network participants have a set of clearly identifiable and relatively stable interests. Networks of different actors – or, in our case, transnational rule-making organizations – emerge wherever those actors have an incentive, based on their individual cost-benefit calculations, to create such networks or organizations.

Applied to our case, this variant of rationalist theorizing provides a modification of the functionalist reading. In the Forest Stewardship Council, for instance, participating NGOs can be seen as granting legitimacy in exchange for influence on the behavior of wood retailers. For the latter, the equation is reverse – they give others a say in determining their corporate behavior and receive an increase in social acceptance and reputation. For both sides, cost-benefit calculations are positive. Provided that none of the two sides has a better alternative, this explains why they cooperate. Accounting for specific organizational designs, rhetoric and processes is more difficult, but also possible. Thus, stakeholder bodies may be a seen as a compromise between NGOs' desire for influence and corporations' desire not to be influenced too much – in other words, as the price to be paid for the level of legitimacy they seek.

At least at the surface level, both approaches thus help us to make sense of transnational rule-making organizations and of their proliferation. At the same time, they are limited in accounting for the phenomenon in its entire breadth:

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[34] Witte, Reinicke, and Benner 2000. For a different view that equates global public policy networks with the transnationalization of corporatist arrangements, see Ottaway 2001.

[35] Rhodes 1996.

[36] Nölke 2006.

[37] For an explanation that draws on similar ideas, see also Cashore 2002.

First, in many of the cases included in the appendix, interests were by no means clearly identifiable and stable when individual organizations were created. Instead, they were commonly in flux. Moreover, pay-offs were anything but clear and future gains were hard if not impossible to calculate. For instance, when the Coalition for Environmentally Responsible Economies (CERES) began to get more institutionalised, neither the investment community and the environmental organisations, nor the endorsing companies knew what the outcome would be in terms of joint gains and mutual benefits. A CERES performance review of General Motors summarizes:

> The world's largest corporation was joining hands with a relatively unfamiliar, yet potentially very influential, coalition of environmental groups and socially responsible investors. The outcomes were uncertain, and there were many skeptics on both sides. [...] Together GM and CERES hoped to harvest potential benefits in admittedly unknown and probably rough terrain.[38]

Similarly, it is difficult to see whether the interests of Asea Brown Boveri (ABB), of Hydro-Québec or of the German development cooperation agencies were served by participating in and financing the World Commission on Dams prior to the publication of the final report – or, indeed, whether these organizations had any clear idea about the consequences of their participation in this endeavor in the first place. In practice, transnational institutions thus often emerge where the interests of cooperating partners are at best diffuse.

Second, both functionalism and the theory of inter-organizational resource exchange would expect transnational organizations to have primarily intended effects and only insignificant unintended effects beyond the initial win-win situation. In light of the empirical evidence available to date, this assumption is questionable. Once transnational rule-making organizations are created, their effects often transcend the ends their creators had in mind. As other organizations, they become gradually independent from their members and begin to develop an identity and life of their own. In several of the abovementioned cases, initially unintended discursive effects are thus significantly stronger than the intended regulatory effects of cooperation.[39] The primary effect of the World Commission on Dams, for instance, has been to change the large dams debate from a debate about whether or not to build dams to a debate about when and how to build dams – a shift that hardly fits the pre-WCD identities of both anti-dam activists and the dam industry.[40] From a rationalist point of view, it is difficult to account for such identity shifts in terms of interests and intentions.

Third, unless we allow for the ad-hoc assumption that in the light of incomplete information emulation is the most efficient strategy for new transnational rule-making organizations, rationalist approaches should lead us to expect more variety of organiza-

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[38] Coalition for Environmentally Responsible Economies 2002, 5. See also Pattberg 2007.

[39] Dingwerth and Pattberg 2007.

[40] UNEP Dams and Development Project 2006, 6.

tional forms and processes than we observe in practice. If the interests of specific actors in specific situations account for the emergence and design of transnational rule-making organizations, then it is difficult to see why so many organizations converge on the same standard model of transnational rule-making.

As a final and related point, theories based on inter-organizational resource exchange can explain the proliferation of transnational institutions in a variety of different policy areas only by reference to shifts in the resources demanded and supplied by different actors. In other words, a new organization can only emerge where the demand for a specific resource has increased or where its supply has become unstable. Accordingly, the simultaneous appearance of a relatively large number of similar organizations is usually explained by reference to abstract and general-level forces such as economic globalization, the revolutionary development of communication technologies or to shifting ideologies.[41] Given that independent variables such as "globalization", "technological change" or "ideological change" have been summoned to explain almost anything in today's social world, explanations based on these categories are ultimately unsatisfactory unless these categories are further specified and the social mechanisms that link them to the explanandum are made explicit.

## The Missing Link: Transnational Rule-Making as an Organizational Field

In sum, both functionalist approaches and network approaches may therefore be able to shed light on the form and formation of individual transnational rule-making organizations. Yet, they have clear limits in accounting for the dynamic behind the proliferation of a relatively large number of processes that are strikingly similar in rhetoric, process, and design even where being similar might involve significant costs. As a result, a rationalist explanation may be part of the story, but it cannot tell the whole story. In particular, it cannot explain why and how, given favorable background conditions, the dynamics that lead to the proliferation of a new type of global governance organization unfold. It is here where the notion of organizational fields can provide the missing link.

### The Notion of Organizational Fields

The concept of an organizational field has been developed in organization theory where it refers to "those organizations that, in the aggregate, constitute a recognized area of institutional life".[42] An organizational field thus includes communities of organizations with similar functions or roles in so far as these organizations are aware of each other and perceive each other as similar types of organizations. Beyond mutual awareness,

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[41]  See, for instance, Bartley 2003 on the emergence of the Forest Stewardship Council.
[42]  DiMaggio and Powell 1983, 148.

regular interaction is a further prerequisite for the existence of an organizational field. Examples of organizational fields include hospitals within or beyond a specific region, art museums, universities or transnational commercial arbitration organizations.[43]

The concept of organizational field is thus relatively straightforward. Its theoretical value lies in the alternative it offers to earlier concepts, in particular the more passive notion of an organizational environment. In contrast, as Richard Scott has noted, the notion of field "reminds us that environments of organizations are not random collections of resources and schemas, nor are they constructs defined by disembodied dimensions, such as complexity and munificence; rather, they are themselves organized."[44] In other words, while environments are given, fields are made — although the making of a field may not always be the result of conscious and intentional activities.

Organizational fields are usually treated as independent variables, that is, "as a collection of contextual factors or conditions affecting organization structures or processes".[45] This is also the role in which we see the organizational field in our case. Once the organizational field of transnational rule-making had been established, it shaped the structures and processes of its members. Both the emergence of the field and the subsequent independent effects it generated will be described in more detail in the following section. The general logic behind organizational field arguments is that isomorphism — the homogenization of interacting units subjected to the same environmental conditions — likely to occur within delimited organizational fields independently of whether or not it is functionally mandated. Instead of a functional imperative, "social fitness" or "the acquisition of a form regarded as legitimate in a given institutional environment" are regarded as the most important driving forces for homogenization within organizational fields.[46]

## Isomorphism within Organizational Fields

DiMaggio and Powell identify three mechanisms that promote homogenization within delimited organizational fields. The three mechanisms identified are coercive isomorphism, mimetic processes, and normative pressures.

Coercive isomorphism. As a first mechanism, isomorphism may simply be induced by regulation through government agencies or other authorized bodies. Yet, coercive isomorphism may also take on more subtle forms, for instance when dependence on a single or on similar donor agencies induces a preference for specific organizational structures. For instance, community organizations frequently face difficulties in maintaining their participatory structures. DiMaggio and Powell thus summarize that, "in general, the need to lodge responsibility and managerial authority at least ceremonially

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43    Scott 2001; DiMaggio and Powell 1991.

44    Scott 2001, 136.

45    Ibid.

46    Scott 2001, 153.

in a formally defined role in order to interact with hierarchical organizations is a constant obstacle to the maintenance of egalitarian or collectivist organizational forms."[47]

Mimetic processes. As a second mechanism, mimetic processes − the imitation of a specific organizational model (or elements thereof) by other organizations − is frequently observed within organizational fields, but much less frequently across them. In terms of the specific mechanisms in place, DiMaggio and Powell clarify that "models may be diffused unintentionally, indirectly through employee transfer or turnover, or explicitly by organizations such as consulting firms or industry trade organizations."[48] To illustrate their argument, the authors cite Japan's imitation of its perception of institutions of the modern Western state in the nineteenth century and the reverse imitation of successful Japanese business models by US corporations.

In its most general formulation, this second mechanisms thus contends that "organizations tend to model themselves after similar organizations in their field that they perceive to be more legitimate or successful."[49] Beyond this general statement, several factors are conducive to mimetic isomorphism, including a broad or diverse customer base, ambiguous or contentious goals, and uncertainty about the relationship between means and ends.

Normative pressures. As a third social mechanism, normative pressures induced by professionalization constitute a further source of isomorphic tendencies. On this account, homogenization occurs as professionals working within an organizational field develop definitions of their own positions, the content and methods of their work, and a "cognitive base and legitimation for their occupational autonomy"− in other words, as specific roles develop within an organizational field.[50] University education and professional networks, including professional associations, are identified by DiMaggio and Powell as two key channels through which such roles subsequently become enacted. Overall, the authors argue that

> Such mechanisms create a pool of almost interchangeable individuals who occupy similar positions across a range of organizations and possess a similarity of orientation and disposition that may override variations in tradition and control that might otherwise shape organizational behavior.[51]

The notion of isomorphism within an organizational field helps to close the gap that conventional approaches to transnational politics leave in terms of explaining the almost simultaneous emergence of similar transnational organizations in a variety of issue areas. It does so primarily by pointing to the social mechanisms that link favorable background conditions to the emergence of individual governance organizations

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[47]   DiMaggio and Powell 1983, 151.

[48]   Ibid.

[49]   Ibid., 152.

[50]   Ibid.

[51]   Ibid.

and that provide different avenues to account for the striking similarities in organizational design.

The explanation that we offer and that will be empirically illustrated in the following section is that the incremental and largely unintended development of a new organizational field of transnational rule-making, which induced a social preference for a specific organizational model for addressing transnational policy problems, led to isomorphic processes, thereby reinforcing the organizational field itself. The process itself can be seen as a three-stage dynamic. In the first phase, the institutional core of a new organizational field emerges out of a new problem constellation (insecurity), a new actor constellation (globalization and the rise of transnational actors), emerging social discourses around appropriate decision-making (global governance; stakeholder rhetoric), and a successful organizational model (blueprint) that corresponds to these discourses. In the second phase, every further application serves to solidify this new organizational model. Finally, as the organizational field matures its standard model beings appealing not only within the field, but also exerts pressure on organizations outside its boundaries.

We do not postulate that the development we describe in the following section is a necessary development of an organizational field. Instead, we narrate how a new organizational model of transnational rule-making emerged and subsequently became a global frame of reference — a new default option, so to speak — for all kinds of actors and policy problems. The emergence and establishment of the organizational model itself may be considered as more or less contingent. Yet, as a result of its discursive foundation in a powerful partnership and multi-stakeholder rhetoric, the development took on a strong dynamic once it had come underway.

## The Organizational Field of Transnational Rule-Making: Empirical Evidence

In the following section, we empirically illustrate how conceiving of the proliferation of transnational rule-making organizations as the emergence of a new organizational field helps to understand the developments described in this article. We discuss three distinct phases of the emergence of the organizational field, namely the formation of a core organizational model, the institutionalization of the field, and the maturation of the field, including the spillover of its elements into neighboring fields.

### Phase 1: Emergence of an Organizational Model

The Forest Stewardship Council, established in 1993, and the Coalition of Environmentally Responsible Economies, founded in 1989, can be considered as early examples of transnational rule-making organizations. Their own individual histories illustrate that organizational models do not appear out of nowhere. Instead, they represent

a growing consensus on a specific organizational model as opposed to other existing or conceivable models. At the same time, the early history of the FSC and of CERES illustrate that in the early 1990s, a clear organizational model for making transnational rules did not yet exist.

The latter point is most evident in the case of the FSC. When the organization was established in 1993, participants at the founding assembly in Toronto discussed almost any conceivable aspect related to the design of the organization. Thus, it was discussed whether to establish the FSC as a foundation or as a membership association; whether or not to include business representatives in the governing bodies of the organization; whether or not to establish quotas for different interests, for women or for developing country stakeholders; how decisions should be taken internally; and how board members would be held accountable by their constituencies. In fact, the largest part of the founding assembly was devoted to a relatively open – a less benign observer might say: chaotic – debate among participants about appropriate governance structures for the organization.[52]

When the decision was taken to establish the FSC as a membership association, the International Federation of Organic Agricultural Movements (IFOAM), established in 1972, served as a powerful blueprint.[53] Continuity between IFOAM and the FSC was further strengthened by including a former board member of IFOAM in the first board of the FSC, thereby incorporating existing knowledge about how to best operate a transnational rule-making organization. Moreover, IFOAM also provided the institutional model for certification as the primary policy instrument used by the FSC and later on also by a variety of other transnational rule-making organizations.[54]

In a similar way, CERES initiators built their organization more ore less from scratch. Similar to the FSC, they approached this task by adopting elements from organizations they perceived as both successful and related to their own case. Two ideas, one practical, the other more visionary, provided guidance in the formative phase of CERES. First, there is the system of standardized financial accounting that emerged in collaboration between public and private actors in the United States and is controlled and monitored by the Financial Accounting Standards Board (FASB). As Nash and Ehrenfeld comment: "[CERES] ambitiously aspired to play a role like that of the Financial Accounting Standards Board and to eventually formulate generally accepted principles for environmental reporting."[55] The second idea was the approach of using shareholder petitions to change corporate behavior, as in the case of the Sullivan Principles applied to US companies operating in South Africa under the Apartheid regime. The

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[52] Forest Stewardship Council 1993. Despite the openness of the debate, key values such as inclusiveness or accountability themselves were frequently reinforced by speakers and remained undisputed among participants throughout the assembly.

[53] Authors' interviews with individuals involved in the early history of the FSC process.

[54] Maser and Smith 2001, 83.

[55] Nash and Ehrenfeld 1997, 512.

Sullivan Principles originated in 1977 when Reverend Leon Sullivan, a Baptist minister, issued his code of conduct in an attempt to end discrimination against black workers in South Africa oppressed by the nation's policy of apartheid. This initiative helped to focus attention on the issue of racial injustice in South Africa within international business by promoting criteria for socially responsible investment practices. This strategy used by activists and concerned consumers to pressure corporate behavior in South Africa served as "the basic blueprint for CERES".[56] Similar to the provisions made in the Sullivan Principles, CERES organizers sought to establish an independent monitoring body to report compliance with their principles.

Over time, as organizations such as the IFOAM, the FSC, CERES and a handful others become aware of each other and interacted more frequently, a harmonization of governance processes evolved. For instance, CERES evolved from a US-centered organization to the GRI as a global organization, extended its substantive scope from environment to sustainability, and built up a full-fledged multi-stakeholder governance system (cf. below). Generally speaking, a set of standard organizational features for transnational rule-making organizations emerged. It included a set of standards for appropriate behavior of organizational members; decision-making procedures that follow a "multi-stakeholder approach" and guarantee inclusiveness, transparency and accountability; and a separation of rule-making and rule implementation. Until the mid-1990s, these features constituted little more than a toolbox for initiators and managers of transnational rule-making processes. Specific elements of this toolbox could be adopted and adapted to specific environments. That they nevertheless constituted the nucleus of an organizational model for transnational rule-making organizations is illustrated by the fact that the organizations discussed in this section began to converge on a common model, and that numerous new organizations made use of the toolbox when designing their own structures and procedures. Moreover, whenever the model was applied, the application serves to strengthen the model and the proliferation of similar organizations promoted interaction among them. Both developments generated and institutionalized an emerging organizational field in which the isomorphic dynamics discussed in the previous section could unfold.

## Phase 2: Institutionalization of the Organizational Field

The expansion of CERES and its development into the GRI illustrate the increasing strength of an organizational model. The GRI was set up in 1997 to harmonize and integrate existing non-financial reporting schemes. Several companies had approached CERES and raised concerns about the fragmented scope of reporting and its limited geographical reach. At the same time, the Tellus Institute, a major North American think tank in the field of sustainability, published its report Green Metrics, a study that compared existing reporting schemes and their requirements in a single matrix and

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[56] Ibid., 513.

identified overlaps between various schemes.[57] Based on this input, initial discussions on establishing a broader and harmonized reporting framework began, leading to the successful establishment of a GRI Steering Committee in December 1997. Shortly after, the United Nations Environment Programme (UNEP) could be won as a partner institution. The inclusion of UNEP not only enhanced the organization's public recognition, but also broadened its funding basis. Through cooperation with UNEP, the GRI had access to funds from the United Nations Foundation that proved vital in the early years of the organization.

When the GRI Steering Committee – playing the role of an interim board during the early stage of the organization's development – had to decide on a governing structure for the new organization, it commissioned a report from the consultancy Arthur D. Little Ltd. to evaluate possible options for the organizational design of the future GRI. The study compared nine existing transnational organizations. In doing so, it identified an organizational core that all of the organizations analyzed shared in one way or another – most notably, the triangle of a board of directors, a secretariat, and a stakeholder body.[58] The example of the GRI thus shows how consultants, by establishing and disseminating cases of "best practice", help to institutionalize an organizational field. They did so first by identifying "peers" (that is, other members of the field) and thereby drawing the boundaries of a given field, and second by comparing "similar" organizations according to specific standards.

A good illustration of the increasing acceptance of a standard organizational model is the establishment of the International Social and Environmental Accreditation and Labelling (ISEAL) Alliance in 1999. Comprising a membership of currently seven organizations, the ISEAL Alliance not only promotes the interaction among its members, but has also established a "Code of Good Practice for Setting Social and Environmental Standards" that specifies "general requirements for the preparation, adoption and revision of standards that address social and environmental practices" and thereby codifies a standard model for transnational rule-making organizations.[59] The ISEAL Alliance portrays its individual members as "international leaders in voluntary standard-setting and conformity assessment (…) in sectors ranging from forestry and agriculture to fisheries, manufacturing and textiles." As a group, ISEAL members are said to represent "a fast-growing movement to create a world where eco-

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[57] White and Zinkl 1998. The Tellus Institute and CERES not only shared the professional vision of corporate sustainability, but also office space in Boston between 1997 and 2003. Tellus also assisted the GRI in its early phase in staffing the GRI secretariat.

[58] Arthur D. Little Limited, 2001. Organizations examined include the Financial Accounting Standards Board (FASB), the Forest Stewardship Council (FSC), the Global Water Partnership (GWP), the International Accounting Standards Committee (IASC), the International Organization for Standardization (ISO), the Marine Stewardship Council (MSC), the Mining, Minerals & Sustainable Development Initiative (MMSD), the World Business Council for Sustainable Development (WBCSD), and the World Commission on Dams (WCD).

[59] ISEAL Alliance 2006a. ISEAL Alliance members include Fairrade Labelling Organizations (FLO), the Forest Stewardship Council (FSC), the International Federation of Organic Agricultural Movements (IFOAM), the Marine Aquarium Council (MAC), the Marine Stewardship Council (MSC), the Rainforest Alliance (RA), and Social Accountability International (SAI).

fast-growing movement to create a world where ecological sustainability and social justice are the normal conditions of business".[60] This portrayal can be seen as an active attempt to promote mimetic processes – the eight member organizations classify themselves as "best practice" and invite others to join. Although the effects of the ISEAL Alliance are likely to be limited, the organization is highly relevant as an example of the efforts of transnational organizations to create and implement a standard model of transnational rule-making. In terms of the legitimacy of standard setting, ISEAL acknowledges that its members do not have a monopoly, but that adherence to the ISEAL Code is essential to be creditworthy:

> ISEAL does not consider its members to be the only bodies that can legitimately develop environmental and social standards and conformity assessment procedures. Legitimacy in this area of work is determined by the suitability of the processes through which these standards are developed, adopted and implemented. The ISEAL Code of Good Practice for Setting Social and Environmental Standards provides a benchmark to assist standard-setting organizations to improve how they develop social and environmental standards.[61]

Beyond the ISEAL Code and the evolution of the GRI, a number of further examples show how a standard model for organizational transnational rule-making gradually evolves and how the density of interaction among field members gradually increases:

- The Marine Stewardship Council is explicitly modeled on the stewardship idea of the FSC. The organizational model itself is adopted only loosely – while the MSC uses certification and market instruments from the FSC model, its decision-making procedures and internal governance structures are more akin to those of the GRI. Nonetheless, the MSC needed to react to growing outside pressures targeted against its allegedly clandestine and non-transparent operations. In response, a stakeholder council now replaces the original advisory board. The pressures put on the MSC thus make visible an increasingly recognized model for how transnational rule-making ought to be organized.

- Industry-driven certification schemes – most notably the Pan-European Programme for the Endorsement of Forest Certification (PEFC) and the North-American Sustainable Forest Initiative (SFI) – were originally conceived to counter the influence of the FSC in the area of forest certification. Yet, in response to outside pressures, these schemes also needed to become more inclusive and transparent and incorporate key elements of the standard organizational model. As a result, even actions that were meant to block the efforts of transnational rule-making organizations eventually turned out to stabilize the organizational field.

- With a fixed and strict timeline for the consultations, a stakeholder forum, regional workshops, and public comments periods for official documents, interna-

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[60] ISEAL Alliance 2006b.

[61] ISEAL Alliance 2006a, Foreword.

tional multi-stakeholder consultations in the Mining, Minerals and Sustainable Development Process (MMSD) were closely modeled on the experience of the World Commission on Dams (WCD).

- The Kimberley Process Certification Scheme (KPCS) is modeled on certification schemes established in other sectors. Yet, differences in organizational design — the KPCS does not have its own permanent secretariat — and in the decision-making process, in which governments gradually took over from non-state actors, point to an adaptive flexibility of the model to different organizational environments. The gradual deviation from the standard model may thus be explained with reference to the issue at stake — in this case, to the strong security dimension of the rules.

- The Kimberley Process itself serves as a blueprint for the design of the Extractive Industries Transparency Initiative (EITI). In an attempt to curb corruption, EITI asks both corporations in the extractive industries and the governments of resource-rich countries to disclose their financial flows and revenues. In contrast to the Kimberley Process and in compliance with the standard model of transnational rule-making organizations, EITI does have a secretariat. Yet, due to its strong public dimension, the EITI secretariat is located with the British development ministry; it is thus less independent than the secretariats of other transnational rule-making organizations.

Observing convergence around a standard model of transnational rule-making processes, it remains open, which mechanisms are at work. Does convergence result from coercive or normative pressures, from mimetic processes or are we simply witnessing an exchange of resources among rational actors?

In terms of coercive pressures, the "high level of dependence upon a single or several similar sources of support" identified by DiMaggio and Powell is a case in point. As relatively new organizations on the scene of world politics, many transnational rule-making organizations receive funding from the same sources, most notably government agencies and a handful of private foundations predominantly based in North America. For example, the FSC generated over 14.3 million US$ in the period between 1996 until 2003, but only 17 percent were generated through membership fees and accreditation billings, while roughly 77 percent came from donations by, among others, the Ford Foundation, the Rockefeller Brothers Foundation, the MacArthur Foundation, and the Wallace Global Fund. In general, most of the organizations listed in the appendix to this article receive their funds from a relatively small range of private foundations and from government agencies; membership fees are significant in only few cases. It is reasonable to assume that the funding criteria of different private foundations and of different government agencies share some commonalities. Most importantly, applicants will need to convince funding agencies that their project is likely to be successful. Obviously, applications that can point to similarities with other success cases stand a better

chance to be funded. In that way, project-oriented third-party funding almost by necessity promotes isomorphism.

Mimesis seems at least equally relevant. In some cases, successful organizational models are simply copied by others. In other cases, external organizations facilitate or actively encourage mimetic processes. Such a service may be delivered by private or public organizations. For instance the ISEAL Alliance strengthens the standard organizational model of transnational rule-making organizations by requiring a peer review process that is thought to enhance the overall legitimacy of the organization.[62] Similarly, the UN Commission on Sustainable Development (CSD) has established a platform for the over 300 so-called Type-2-partnerships to interact with peer organizations and to compare their own structures and performance to that of others. For example, the CSD organizes a annual partnership fair to improve the diffusion of best-practice and success cases. Third, explicit comparison of transnational organizations by think tanks, consultancies or academics helps to bring about a consensus on what constitutes "best practice" in this new field. Thus, the UN Vision Project on Global Public Policy Networks was among the first to draw practical conclusions from a comparison of several transnational governance processes; a report by the Meridian Institute compares the governance systems of certification schemes; and several research projects have examined (and continue to do so) the effectiveness and legitimacy of transnational governance schemes.[63] Finally, best-practice awards, so-called "Teaching Cases" developed for executive education seminars as well as "handbooks" and "practical guides" for managing multi-stakeholder processes constitute further sources of standardization.[64]

Third, normative pressures may not play a strong role in the sense identified by DiMaggio and Powell, namely as professional norms infused into the environments of transnational organizations. The initiators and managers of transnational rule-making organizations hardly constitute a homogeneous 'class' or 'elite' educated in the same business schools. To the contrary, individual backgrounds are highly diverse. Nonetheless, interpersonal networks and an emerging profession of "global sustainability managers" are conducive to isomorphism. Interpersonal networks, for instance at the level of board memberships, link organizations to each other. Thus, the first board of the FSC included a former board member of the International Federation of Organic Agricultural Movements (IFOAM); current GRI chair Judy Henderson previously served as a commissioner in the World Commission of Dams; organizations such as Global Witness were central actors in both the Kimberley Process and Extractive Industries Transparency Initiative (EITI); and family ties link individuals in charge of central po-

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[62] ISEAL Alliance 2001.

[63] Reinicke et al., 2000; Meridian Institute, 2001; see also Witte, Streck and Benner 2003. Major research projects on the effectiveness and legitimacy of transnational governance organizations are currently underway at several European universities, including the Vrije Universiteit Amsterdam, the Freie Universität Berlin in Germany, and Lund University.

[64] Beffert and Benner 2004, 2005; Eckl 2006; Hemmati et al. 2002; Steets 2006. For a theoretical discussion see also Brunsson et al. 2000.

sitions in the FSC and MSC. Probably even more important, the prominent involvement of single actors in a variety of transnational rule-making organizations is a further force towards convergence. Two actors are particular noteworthy in this regard – the WWF, which is active in many NGO-business partnerships in the area of environmental politics, and consultancy firms as a central driver behind and participant in certification schemes. Finally, there is a sense of an emerging profession of "global sustainability managers" revolving around the norm that "sustainability has to pay off". For the members of this new managerial class, societies can only move towards sustainability when environmentally, socially or economically sustainable behavior creates added monetary value – an idea that lies at the heart of many, if not most transnational rule-making organizations.

## Phase 3: Maturation and Spillover into Neighboring Fields

That the field of transnational rule-making organizations has matured is best illustrated by two developments – the spillover of elements of its standard organizational model into neighboring fields, and the application of the model to cases where the model itself is not mandated by cost-benefit calculations.

Recent efforts of the International Federation of Accountants (IFAC) and of the International Accounting Standards Board (IASB) to become more inclusive, transparent, accountable, and deliberative illustrate the first point.[65] The two instances are particularly interesting since they show the internal and external normative pressure that the success of a new organizational model may exert on organizations that have existed prior to the emergence of the new model. In part, the IFAC and IASB thus respond to social pressures for inclusive, transparent, and deliberative decision-making that are inspired by the rhetoric and activities of successful transnational governance organizations in other policy areas. Beyond these private organizations, public intergovernmental organizations experience a similar pressure induced by the (perceived) success of the "multi-stakeholder" model of transnational rule-making. The fact that intergovernmental organizations increasingly open up their decision-making processes to non-state actors is difficult to understand from a purely functional perspective. Instead, it is linked to the normative appeal of a specific "multi-stakeholder model" of governance beyond the state. "To engage stakeholders" in one's own decision-making processes, it seems, has become a norm that intergovernmental organizations can nowadays disregard only at their own peril. With its tripartite structure that – at least rhetorically – gave equal weight to governments, civil society and business, the World Summit on the Information Society (WSIS) held in Geneva (2003) and Tunis (2005) exemplifies this the new global governance norm.[66]

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[65] Loft and Humphreys, 2005; Kerwer, 2005; McGrew, 2006.

[66] Dany 2006.

As a second illustration, the strength and pervasiveness of the standard organizational model of transnational rule-making is also reflected in organizational dysfunctionalities. Often costly and equipped with vague mandates, stakeholder bodies are a prominent site of such dysfunctionalities. While the standard organizational model includes a tripartite governance structure with a board of directors, a secretariat, and a stakeholder council or assembly, it does not spell out the precise roles of the three bodies. In practice, this frequently creates difficulties, in particular in relation to specifying the precise function the stakeholder body.

For instance, the stakeholder council of the GRI oscillates between quasi-parliamentary functions such as ensuring stakeholders' representation in decision-making and a more outreach-oriented function according to which the council primarily serves to increase awareness of the GRI and its guidelines. As interpretations of the precise function of the council frequently differ among the organization's constituencies, the potential for conflict increases. Given that the stakeholder council is relatively costly in terms of money and secretariat staff's work time, the simple adoption of the standard organizational model thus leads to a dysfunctional design. Similar problems can also be observed in other organizations. The World Commission on Dams, for instance, experienced severe conflict between the members of the stakeholder forum and the members of the commission. As in the case of the GRI, conflict resulted from different understandings of the precise role and competence of the stakeholder body.

Finally, the costly standard model is occasionally also applied to cases that do not include rule-making at all. Illustrative cases of the functional pathology are provided by the increasing number of multi-sectoral type-2 partnerships that have gained currency after the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg. Although these cooperative arrangements predominantly engage only in the implementation of widely accepted and internationally agreed goals such as the Millennium Development Goals or Agenda 21, several of them have modeled their governance schemes on the organizational blueprint of transnational rule-making organizations and adopted governance structures that seem overly complex given their relatively straightforward mandates.[67]

In sum, the third phase of the formation of an organizational field of transnational rule-making is thus characterized by the gradual spill-over of organizational features to neighboring arenas where specific elements of transnational rule-making may not be functional but are nevertheless implemented as a result of isomorphic pressures.

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[67] Bäckstrand 2006; see also Hale and Mauzerall 2004.

## Conclusions

Our article examines the emergence of a new organizational field of world politics, namely that of transnational rule-making. This development is notable in itself since it questions traditional assumptions about the locus of authority and about the mechanisms of legitimacy within the international system. At a more general level, the development also illustrates the added value of the organizational fields perspective for our analysis of world politics. In this concluding section, we summarize the main theoretical and practical implications of our argument.

Theoretical implications. Our study not only responds to calls within IR to better integrate findings from organizational studies into the discipline, but also to calls from organizational science for research that focuses on the field as a unit of analysis.[68] Our analysis illustrates the usefulness of this perspective. Furthermore, our findings support the hypothesis that "the ubiquity of certain kinds of structural arrangements can more likely be credited to the universality of mimetic processes than to any concrete evidence that the adopted models enhance efficiency."[69] It shows how the emergence of a standard model for transnational rule-making organizations and an increasing interaction among such organizations lead other actors to adopt the model. As the field becomes institutionalized and the model itself is no longer questioned, existing organizations begin to adapt to it while new organizations are actively created and designed around the model, thereby further strengthening the latter. Every enactment of the model in a newly built organization, whether loosely based on the standard model or fully replicating it, thus further stabilizes the model as such.

Based on this notion of an emerging organizational field, we gain a better understanding of why and how similarly structured transnational rule-making organizations proliferate quickly in different policy areas. Moreover, we understand why such organizations frequently invest a large share of their resources in efforts to legitimate themselves to the outside world. As a new type of global governance organization, transnational rule-making organizations need to gain the recognition of their members, their addressees, and their audiences. To do so, they appeal to widely known and accepted values associated with rule-making processes – hence the frequently observed emphasis on concepts linked to democratic theory on the one hand, and efficiency on the other hand. Finally, organization theory can also help us to understand organizational pathologies that result from isomorphic pressures in situations in which the standard model is either practically unnecessary or even dysfunctional.

The organizational field perspective is also capable of building bridges between the rationalist and constructivist literatures. In the case described in this article, actors only partly follow a 'logic of expected consequences', but rely, in many of their decisions, on a 'logic of appropriateness'. At the same time, both what is considered to be in the in-

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[68]  Davis and Marquis 2005.

[69]  DiMaggio and Powell 1983, 152.

terest of actors and what is considered as appropriate is constantly redefined as the organizational field develops. The dynamic in our case thus differs from that in others where centralized actors develop and teach a new norm and offer help in implementing it. Examples of such centralized norm dynamics are Martha Finnemore's account of UNESCO as a teacher of international science policy norms or Lechner and Boli's description of the similarity of local chess clubs.[70] In both of these cases – as in our case – the organization of national science policy and of local chess clubs is strikingly homogeneous across the world, although one could imagine and although there did exist different models before harmonization took place. Yet, this is as far as the similarities with our case go. In the field of transnational rule-making organizations, no equivalent to a UNESCO, to national chess federations or to the International Chess Federation exists. In our case, the norm developed horizontally, not vertically. In that sense, our analysis is a good illustration of the how agents and structures interact in the social world. The structure – that is, the standard model of transnational rule-making – only develops through the activities of the agents. At the same time, these activities solidify this structure so that it gradually becomes a social fact that determines the identities of actors as well as their conceptions of both what they consider appropriate and what they consider to be in their interest. Given our analysis, it thus seems wrong to reduce agency – as it is frequently done by world polity scholars – to only those instances in which actors challenge the structure.[71] In contrast, the activities of social agents may just as well solidify social structures. When and how they do are not only empirically open, but also highly intriguing research questions.

For sociological institutionalists, chess clubs, states and transnational rule-making organizations are essentially the same – they are organizations embedded in world culture. Their structure, size and purpose may widely differ. Yet, all of these organizations observe and interact with other organizations they perceive as peers, competitors or – more broadly – as 'like units' in some sense. In particular with regard to the latter aspect, transnational rule-making organizations may actually be considered as elements of an even broader field, namely that of global governance organizations. Seeing transnational rule-making organizations as global governance organizations helps us to see the many ways in which organizations such as the World Commission on Dams or the Global Reporting Initiative study, interact with and, in fact, copy specific elements of intergovernmental governance organizations. At the same time, transnational rule-making organizations capitalize on the current legitimacy crisis of intergovernmental organizations. By putting a strong emphasis on values such as inclusiveness, transparency, accountability and deliberativeness, they portray themselves as approaching the normative ideal of global governance organizations more closely than actual intergovernmental organizations such as the United Nations, the World Bank or the Interna-

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[70]  Finnemore 1993; Lechner and Boli 2005, 14-15.

[71]  Lechner and Boli 2005, 15.

tional Monetary Fund. In this way, transnational rule-making organizations enact, shape, and strengthen not only a specific conception of their own identity, but also a more general model of global governance organizations. This reading also illustrates that, as any new norm, the standard model of transnational rule-making organizations is not built from scratch. Instead, it resonates with more general norms about the adequacy of rule-making processes. In this specific case, the model builds on changing ideas about how global rules should be made – a shift from executive multilateralism in which rules were seen as legitimate as long as they were made by states to global governance in which rules are seen as legitimate as long as they address a specific problem effectively and efficiently and as long as the process of their generation is inclusive, transparent, and deliberative. At the same time, it also integrates expectations from the different sectors of society it wishes to integrate. In its emphasis of inclusiveness, transparency, accountability, and deliberation, the standard model integrates normative expectations about democracy prevalent in transnational civil society as well as expectations about good decision-making found in business norms. Since both communities may accept these elements for very different reasons, the standard model thus builds on the range of those norms that resonate in the different sectors of society transnational rule-making organizations wish to address. This aspect further illustrates how expected consequences and appropriateness cannot easily be dissected in accounting for the dynamics observed in this article. They clearly matter both, but they do not matter independently of each other.

Practical Implications. Beyond these theoretical implications, our findings are also practically relevant in at least three ways. Most importantly, they illustrate that the steering approaches that inform much of the contemporary global governance literature are founded on a weak empirical basis. In particular, they fail to acknowledge that social dynamics often acquire a life of their own, thereby rendering "steering" or "planning" virtually impossible.[72]

Second, a question that follows from our findings but that is often neglected in neo-institutionalist analysis itself is whose interests are primarily served by the emergence of new organizational fields. In our case, the emergence of an organizational field of transnational rule-making affects different actors in different ways. The actors that benefit most directly are consultancy firms who also act as an important driver behind homogenization. For them, the existence of only a few organizations itself is largely irrelevant in economic terms, since the market for their services is still in its infancy. In this regard, homogenization at least helps to keep the costs of consultation low. What is more important, however, is the money to be made out of the outcomes of transnational organizations. In many cases, outcomes such as certification schemes, reporting frameworks, accountancy standards or environmental management standards create new markets of significant size for the consulting industry. In this regard, we may

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[72] Brunsson et al. 2000.

therefore conclude that the emergence of transnational rule-making increases the influence of the consultancy sector in world politics. This result is largely in line with neo-institutionalist theorizing that focuses on the rationalization dynamics in society at large.[73] Yet, while most actors of global governance have been analysed in great detail, a closer look at the changing role of consultancies in world politics is still lacking.

Third, these comments show that transnational rule-making organizations are highly political entities. They are backed up by discourses of "multi stakeholder processes" and "global governance" that provide the ideational foundation for most transnational rule-making processes.[74] The discursive shift from a citizen rhetoric to a stakeholder rhetoric that is involved in the proliferation of transnational rule-making organizations goes to the heart of democratic theory as it revolves around who should participate in the making of norms and rules. As David Humphreys aptly comments,

> NGOs will use concepts such as multistakeholder governance and participation to pry open political processes for civil society. Business and private sector actors will use these same concepts to gain a louder decision making voice for themselves, while governments will be content to see other actors stepping forward to assume functions that were previously the domain of the state. The question then becomes: who has more power in such 'open' and 'transparent' dialogues?[75]

If, in this way, we interpret the proliferation of transnational rule-making organizations as at least partially a result of changing norms of global governance, then the developments described in this article not only constitute an empirical, but also a normative challenge for scholars and practitioners of global governance. By shedding light on the social dynamics behind the proliferation of transnational rule-making organizations, we hope to make a first contribution to face this challenge more effectively.

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[73] Djelic and Sahlin-Andersson 2006; Drori, Meyer and Hwang 2006; Ramirez et al. 2003.

[74] Eckl 2006.

[75] Humphreys 2004, 71.

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# Appendix

Note: Unless stated otherwise, the information provided in the table is based on the websites of the initiatives provided in the first column of the table.

| Organization (Acronym, Founding Year) | Issu area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and Process |
|---|---|---|---|---|
| **AccountAbility (AA, 1999)** | Accounting/assurance.<br><br>AA 1000 assurance standard covering "principles that define a robust and credible assurance process, the essential elements of a public assurance statement, and the independence, impartiality and competency requirements for assurance providers." | • Collaborates with the Global Reporting Initiative.<br>• The standard is "intended to complement other standards in which stakeholder engagement is an important element (…) as well as issue-specific standards on, for example, labour, human rights and corruption (e.g. GRI Sustainability Reporting Guidelines, ISO standards, SA8000, IAASB standards and ISEAL member standards)." | Standard structure with<br>• an international multi-stakeholder council elected by the organization's membership,<br>• an operating board with legal responsibility for the organization's activities, nominated by the council and subject to election at the<br>• annual general meeting of the organization's members;<br>• a secretariat that organises the day-to day work. | • Explicit rhetorical emphasis on "extensive international consultation process" that draws on "the practical experience and perspectives of the business, public and civil society sectors." |
| **Apparel Industry Partnership (AIP, 1996)**<br><br>(Note: Information on the Apparel Industry Partnership is based on Bobrowsky 1999.) | Labor/worker rights.<br><br>Voluntary code of conduct with external review based on nine general standards that define decent and humane working conditions. | • Low level of interaction with similar organizations due to its early initiation in 1996.<br>• Precursor to the Fair Labor Association.<br>• Key players such as the Interfaith Center on Corporate Responsibility (ICCR) and Business for Spcial Responsibility (BSR) are also core members in later initiatives such as e.g. the Global Reporting Initiative. | The standard model is not yet applied. Instead, facilitated by the White House the AIP functions as a US-based forum for business corporations and NGOs to negotiate a code of conduct for the apparel industry. | • While multi-stakeholder rhetoric plays a role, substantive issues are clearly more central to the debate than the process itself. |
| **Caux Round Table Principles for Business (1986)** | Business conduct.<br><br>Principles for the moral conduct of business activities. | • Interacts primarily with other business forums for CSR.<br>• Affiliation with the UN Global Compact which also cooperates with other initiatives such as the GRI.<br>• Individual affiliated organizations are also members of or consultants to other CSR initiatives. | Only limited application of the standard model. The Caux Round Table is governed by<br>• Global Governing Board composed of nine distinguished business leaders;<br>• a World Advisory Council composed of committed business leaders;<br>• an Academic Advisory Council;<br>• CRT Fellows (i.e., members) and Affiliated Organizations. | • Process and rhetoric differ substantially from those of other field members (e.g., no multi-stakeholder rhetoric). |

| Organization (Acronym, Founding Year) | Issue area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and process |
|---|---|---|---|---|
| **Coalition for Environmentally Responsible Economies (CERES, 1989)** | Corporate reporting.<br><br>Corporate code of environmental conduct that includes a principle on reporting guidelines on environmental performance. | • Precursor to and initiator of the Global Reporting Initiative;<br>• Strong personal ties between CERES initiators and GRI Steering Committee/Board. | Partial application of the standard model with board of directors (18 individuals) and secretariat; no stakeholder body. | • Some emphasis on multi-stakeholder approach;<br>• Strong emphasis on facilitating cooperation between investors, companies and NGOS |
| **Common Code for the Coffee Community (4C, 2003)** | Agriculture/coffee.<br><br>Code of conduct targeted at coffee producers, industry, and traders. The code lists 31 principles and specifies criteria a "traffic light system" for each principle. Verification is based on a combination of self reporting and independent verification by accredit certifiers. | • Relatively low interaction (yet, the initiative is only getting started);<br>• Only few of the partner organizations and of the organizations represented in the Steering Committee are also taking part in other initiatives (World Bank; Rainforest Alliance; International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations; International Institute for Sustainable Development);<br>• The plan to establish national *Common Code Bodies* to support implementation essentially builds on the FSC model. | Variation of the standard model, including<br>• A Steering Committee that represents the contributing stakeholder groups;<br>• Expert Working Groups on social, economic, and ecological issues;<br>• A consultative "4C Support Platform" comprising stakeholderrs as well as experts;<br>• A Secretariat that coordinates the activities of the Working Groups, maintains communication with both the Steering Committee and the groups involved. | • Very strong emphasis on process;<br>• E.g. explicit emphasis on the tripartite multi-stakeholder structure and on decentralization. |
| **Ethical Trading Initiative (ETI, 1998)** | Labor/ Workers rights.<br><br>ETI Base Code provide a standard for company performance that is applied to suppliers of corporations based or operating in the UK. The organization's aim is "to ensure that the working conditions of workers producing for the UK market meet or exceed international labour standards". | • Some of the organizations represented in the board of directors are also represented in other initiatives (e.g. Gap Inc. is also active in Social Accountability International). | ETI mostly applies the standard model. It is governed by<br>• a board of directors whose 9 members are elected by their respective caucus groups;<br>• four ETI caucus groups (trade unions; NGOs; food companies; general merchandise companies) that meet four times per year and inform the board of directors;<br>• tripartite working groups on specific issues;<br>• a secretariat staffed with 13 individuals and based at the British development ministry. | • Strong emphasis on multi-stakeholder nature; but only moderate level of participatory process elements of the standard model. |
| **Extractive Industries Transparency Initiative (EITI, 2002)** | Good governance/ corruption.<br><br>EITI Principles and Criteria demand regular publication | • The EITI was announced at the 2002 World Summit on Sustainable Development together with other public-private partnerships. Global Witness is a core member of EITI | Partial application and trend towards full implementation of the standard model:<br>• Biennial EITI plenary conferences;<br>• A Secretariat (currently hosted by | • The organization's communication is focused on substance, but includes process as a second central theme.<br>• The distinction between principles, criteria and more specific indicators |

| Organization (Acronym, Founding Year) | Issue area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and process |
|---|---|---|---|---|
| | of all payments of corporations in the extractive industries to governments and of revenues of governments received by corporations in these industries. | and of the Kimberley Process.<br>• Civil society documents within the EITI process frequently refer to the Kimberley Process (and occasionally also to the Forest Stewardship Council) as a model for their own organization. | the UK Department for International Development);<br>• An International Advisory Group with representatives from industry, governments, NGOs, and investors;<br>• Plans to establish a multi-stakeholder Board of Directors that gives strategic guidance to the organization. | provided in complementary guidance documents (here: the EITI Source Book) is borrowed from other transnational rule-making organizations (e.g., FSC, GRI, WCD). |
| **Fair Labour Association (FLA, 1999)** | Labor/workers rights.<br><br>Member companies and so-called licensees (in different categories) pledge to adhere to the FLA's code of conduct which is itself based on the 1997 code developed by the Apparel Industry Partnership. | • Successor of the Apparel Industry Partnership.<br>• Low level of interaction; e.g. the FLA reporting scheme is not linked to the Global Reporting Initiative or other initiatives. | Only some elements of the standard model:<br>• The Board of Directors acts as the supreme authority.<br>• No separate stakeholder bodies, but the stakeholder idea is central in Board elections.<br>• 6 companies are appointed by the majority of participating companies; 6 labor/NGOs are appointed by serving members, 3 universities are appointed by university advisory council. | • Low relevance of process in the organization's communication to the outside world;<br>• No participatory elements associated with the standard model (e.g. regional consultations, public comments periods etc.). |
| **Fairtrade Labelling Organisations International (FLOI, 1997)** | Labor/fair trade.<br><br>Fairtrade standards including certification and award of a label. | • Member of the ISEAL Alliance (see below). | The FLOI applies the standard model:<br>• A Board of Directors holds the supreme power over the organization; its composition reflects the organization's major constituencies;<br>• A Meeting of Members elects the Labelling Initiatives' Board members<br>• The (multi-stakeholder) Standards Committee suprevises and guides the standards;<br>• A Secretariat that includes its own Standards Unit (similar to the "Policy and Standards Unit" of the Forest Stewardship Council). | • Strong rhetorical emphasis on process (e.g.: Proposals for new or revised standards are "published for formal consultation in line with the ISEAL Code of Practice on Standards Setting", and "consultation with a wider stakeholder group is desired").<br>• The distinction between generic standards and product-specific standards also appears in other transnational rule-making (and certification) organizations. |
| **Flower Label Program (FLP, 1998)** | Environment/workers rights.<br><br>Detailed regulation on health, safety, environmental and workers rights issues in the flower produc- | • Modelled on the FSC with its distinct three-chamber system of representation and the independent certification. | The FLP applies the standard model with<br>• a general annual meeting as the highest decision-making body;<br>• a board of directors that represents the four constitutive chambers of | • Emphasis on the joint nature of the program that unites traders, workers, environmentalists and human rights activists. |

| Organization (Acronym, Founding Year) | Issue area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and process |
|---|---|---|---|---|
| | tion industry; combined with third party certification. | | (human rights organisations; trade unions; florists and retailers; FLP-certified producers) • FLP exceutive manager and small staff for specific tasks. | |
| **Forest Stewardship Council (FSC, 1993)** | Sustainability/forestry. Principles and criteria for responsible forest management paired with a certification and labelling scheme. | • Modelled on the International Federation of Organic Agricultural Movements, including personal ties to former Board members of IFOAM; • Strong participation of the WWF as a central actor in many transnational rule-making organizations; • Member of the ISEAL Alliance (see above). • FSC itself serves as a model for both certification organizations and for membership associations. | Standard structure with • a General Assembly with environmental, economic and social chambers as the supreme authority; • a Board of Directors elected by the general assembly of FSC members. • a Secretariat that organizes the day-to-day work and whose Executive Director is appointed by the Board; • national FSC organizations with own competencies in translating the Principles and Criteria into standards. | • Strong rhetorical emphasis on values such as inclusiveness, transparency and North-South parity; • Multistakeholder nature is essential to the organization's self-perception; • Procedural elements include thematic working groups, national FSC bodies |
| **Global Reporting Initiative (GRI, 1997)** | Sustainability/corporate reporting. Framework for organisational reporting on their social, economic and environmental performance. | • Expands on the ideas of CERES (see above) both thematically and geographically and was initiated by the same people; • Organizational model was based on a consultant's study of different multi-stakeholder organizations, including the World Commission on Dams, the Forest Stewardship Council and others; • Personal ties (at Board level) with the World Commission on Dams; • Collaborates with AccountAbility in view of its AA1000 standard. | Highly elaborate structure based on the standard model and encompassing • a board of directors elected by the organization's constituency groups; • a permanent secretariat based in Amsterdam; • a stakeholder council that encompasses representatives from different stakeholder groups elected by so-called Organisational Stakeholders; • a so-called Technical Advisory Committee; • working groups on specific issues. | • Strong rhetorical emphasis on inclusiveness, openness and transparency as well as on the multistakeholder nature; • Common procedural elements such as public comments periods, regional roundtables or expert working groups. |
| **International Federation of Organic Agriculture Movements (IFOAM, 1972)** | Agriculture/organic farming. Global standards for organic agriculture combined with a certification scheme. | • Member of the ISEAL Alliance (see below); • Served as a blueprint for the Forest Stewardship Council. | IFOAM applies the standard model and is governed by • the IFOAM General Assembly as the supreme authority; • the IFOAM Word Board elected by the members of the general as- | • Organizational communication focuses on substance rather than process. • But: Emphasis on inclusiveness and open membership as a core value of the organization. |

| Organization (Acronym, Founding Year) | Issue area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and process |
|---|---|---|---|---|
| | | | sembly; <br>• several committees appointed by the board of directors; <br>• IFOAM regional groups, regional initiatives and interest group initiatives. | |
| **International Social and Environmental Accreditation and Labelling Alliance (ISEAL Alliance, 1999)** | Sustainability/ good governance. <br><br>ISEAL's Code of Good Practice for Setting Social and Environmental Standards (2004) provides a procedural standard for good practice in devising substantive sustainability standards. | • ISEAL is an umbrella organization of currently eight transnational rule-making organizations. <br>• Central purposes are to improve communication among and promote awareness of other standard-setters and to harmonize organizational procedures. <br>• ISEAL currently has eight full members (FSC, IFOAM, FLO, IOAS, MAC, MSC, SAI, Rainforest Alliance) and two associate members (GEN and Chemonics International). | Mostly follows the standard (association) model with <br>• Annual General Meetings; <br>• a Council of Management composed of representatives of the member organizations that legally represents the organization; <br>• Secretary that organizes the day-to-day work of the organization. | • Strong rhetorical emphasis on openness and transparency. <br>• Procedures for Council elections are similar to those of other transnational rule-making organizations. <br>• Public comments periods for policy documents. <br>• Regular revisions of policy documents. |
| **Marine Aquarium Council (MAC, 1999)** | Environment/conservation. <br><br>Product and process standards on ecosystem, collection and holding and transport of marine organisms; combined with third party certification and labelling. Addressees are collectors, retailers, and traders. | • Member of the ISEAL Alliance (see above); <br>• Inspired by the Forest Stewardship Council and by the Marine Stewardship Council. | The MAC partially follows the standard model, but provides for a stronger role for the board. Governing bodies include <br>• a board of directors in which - environmental (conservation) and social interests have a majority and <br>• a permanent secretariat based in Honolulu. | • Emphasis on equal stakeholder representation and independent certification; <br>• Standard development assisted by the Standards Advisory Group (SAG), including 80 stakeholder representatives (equal representation from Asia, the Pacific, North America and Europe. |
| **Marine Stewardship Council (MSC, 1997)** | Sustainability/fisheries. <br><br>Principles and criteria for sustainable fisheries, combined with third party certification and label. Standards apply to management and chain of custody. | • Partly built on the model of the Forest Stewardship Council, including personal ties among Secretariat members; <br>• Central role of the WWF as a key player in several transnational rule-making organizations; <br>• Member of the ISEAL Alliance (see above). | The MSC partially follows the standard model but provides for a strong role of the board of directors. Governing bodies include <br>• 15 person board with decision-making power; <br>• 23 staff international secreatariat including a Chief Executive Officer; <br>• a stakeholder council (representing public and commercial interests in 8 categories); <br>• technical advisory board (15 seats); | • Emphasis on stakeholder representation through the stakeholder council (30-50 individuals) |

| Organization (Acronym, Founding Year) | Issue area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and process |
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| | | | • national and regional working groups. | |
| **Mining, Minerals and Sustainable Development (MMSD, 1999)** <br><br> [Note: Information on the MMSD process is in part based on Danielson 2006.] | Sustainability/mining. <br><br> The central output of the MMSD process is a final report that includes recommendations for best practice in view of responsible business practice in the mining industry. | • The MMSD process, including its mandate and governance structure, is essentially built on the organizational model of the World Commission on Dams. <br> • Individuals and organizations represented in the governing bodies of the MMSD process were also represented in the governing bodies of other transnational rule-making organizations (e.g. UNEP representatives were also involved in the Global Reporting Initiative). <br> • Collaboration with the Global Reporting Initiative in joint workshops (August and November 2001). | MMSD applied the standard model. It was governed by <br> • a so-called Work Group that essentially functioned as a secretariat; <br> • a so-called Assurance Group that effectively figured as the board of directors of the process; <br> • a so-called Sponsors Group in which organizations that financed the process could supervised the progress made; <br> • an independent project coordinator selected by the World Business Council on Sustainable Development as the main sponsor of the MMSD process. | • Strong emphasis on process in official communications; <br> • The MMSD process includes global workshops, regional sub-processes, public comments periods and other participatory elements. |
| **Programme for the Endorsement of Forest Certification Schemes (PEFC, 1999)** | Sustainability/forestry. <br><br> Criteria and indicators for mutual recognition of national forest certification programmes based on the intergovernmental Helsinki process (MCPEFE) criteria. Combined with a certification scheme and label. | • PEFC is a business initiative founded in response to the success of the Forest Stewardship Council. | PEFC follows the standard model only to a very limited extent. As the highest authority, the PEFC Council represents the different national initiatives under the PEFC umbrella. Voting power is determined by amount of wood harvest; social and environmental representatives can be members without voting rights. National initiatives are organized by forest owners. | • Limited multi-stakeholder rhetoric. <br> • As its core values, the PEFC lists sustainability, credibility, accountability and adaptability. |
| **Social Accountability International (SAI, 1997)** | Labor/workers rights. <br><br> Voluntary standard (SA 8000) for "managing ethical workplace conditions throughout global supply chains" with third party certification. | • Member of the ISEAL Alliance (see above); <br> • Organisations represented on the advisory board are also represented in other initiatives (e.g. the Ethos Institute of Business & Social Responsibility is also active in the Global Reporting Initiative). | SAI partially adheres to the standard model. It has <br> • a board of directors composed of 3-7 individuals; <br> • a permanent secretariat with 16 staff members; <br> • an advisory board that acts as a stakeholder body and provides the board of directors with expertise. | • Stakeholder rhetoric is central to the organization's communication. <br> • Yet, standard process elements (regional consultations, public comments periods etc.) are mostly absent. |
| **World Commission on Dams (WCD, 1998)** | Sustainability/large dams. <br><br> Policy recommendations for best practice in relation to planning and building | • Personal ties (at the Board or Commission level) to the Global Reporting Initiative; <br> • The attention given to the WCD as a | The WCD applies the standard model and is governed by <br> • a 12-member independent commission at the centre of the decision-making process; | • Strong rhetorical emphasis on the multi-stakeholder nature and on a fair balance among groups and regions; |

| Organization (Acronym, Founding Year) | Issue area and type of rules | Interaction with other organizations | Organizational structure | Rhetoric and process |
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| | large dams, including the design of decision-making processes. Addressees are primarily governments and the dam industry, but also dam critics. | model for global future decision-making created a momentum for many subsequent initiatives; awareness of the WCD process reached an extraordinary level; <br>• The MMSD (see above) was explicitly modelled on the WCD. | • a permanent secretariat responsible for organizing the decision-making process; <br>• an advisory stakeholder forum consisting of approx. 70 organisations from different constituencies and geographical regions. | • Regional consultations; <br>• Public comments sought for policy documents; <br>• Thematic reviews commission on specific aspects of the decision-making process. |
| **Worker Rights Consortium (WRC, 2000)** | WRC was created in 2000 by college and university administrations, students and labor experts. It has developed a model code of conduct that serves as a basis for its own investigations of working conditions in factories around the globe. | • Individuals and organizations represented in the governing bodies of the WRC are also represented in the governing bodies of other transnational rule-making organizations (e.g. the AFL-CIO is also active within the Global Reporting Initiative), | The WRC partially applies the standard model and is guided by <br>• a 15-member Governing Board whose members are elected by their constituency groups. <br>• a larger advisory council representing a broader stakeholder basis. <br>• a permanent secretariat with 11 staff members based in New York. | • The organization's rhetoric is focused on substance; communication on process plays a marginal role. |