Democracy 3.0: Constituency, Representation & the Multistakeholder Model

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Internet & Internet Governance
Multistakeholder Approach
Francis Fukuyama

THE END OF HISTORY AND THE LAST MAN

Author of The Origins of Political Order

FRANCIS FUKUYAMA

POLITICAL ORDER AND POLITICAL DECAY

From the Industrial Revolution to the Globalization of Democracy
Fourth Wave of Democracy

JOSHUA KURLANTZICK

DEMOCRACY IN RETREAT

The Revolt of the Middle Class and the Worldwide Decline of Representative Government

What's gone wrong with democracy and how to revive it

A SIX-PAGE ESSAY

The Economist

Saving Ukraine
Cameron woos Merkel
Does inequality damage growth?
Corporate fraud: the enemy within
Taking on Mexico's tele-garchs
Pre-Requisites of Democracy

Strength of Bureaucracy

Economic Conditions

Culture & Rule of Law
America and Britain are having a competition on who can fuck themselves up the most. Britain is in the lead, but America has a Trump card.
Dictatorial Democracy

...is where freedom of speech but you have the administration I won't listen
Authoritarian Non-Democracy
Democracy 3.0?
Democracy 1.0: Athenian Democracy – Direct Democracy

Democracy 2.0: People Revolutions – Representative Democracy
State of Democracy
How will democracy be changed by the Internet and Internet Governance Experiments?

State of Internet & Internet Governance
How is the multistakeholder model going to change global collaboration and governance?
Is the Multistakeholder Model Democratic?

Can the Multistakeholder Model be Democratic?

Redefining “Democratic”? Should the Multistakeholder Model be made more Democratic?

Constituency
How do we define constituencies? What relevance do their boundaries have?

Accountability

Representative
What kinds of leaders do we really want? What does “representation” mean?
PEACE!
Multistakeholder Model Practice in Taiwan and Deliberation

Democracy 3.0: Accountability and Representation in the A geographical Constituency and Rough Consensus Model

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2016.07.28
Definition of Internet Governance

• Narrow definition
  – Jon Postel, ICANN, IETF
  – DNS Root, IP addresses, Internet protocols

• Broad definition
  – Internet-centric issues (names and numbers)
  – User-centric issues (capacity building)
  – Policy context of the Internet (privacy, human rights, etc)

• Hybrid, multi-jurisdictional concept
Multistakeholder Model vs. Multilateral Model

• Multilateral Model
  – multiple countries working in concert on a given issue
  – the practice of coordinating national policies in groups of three or more states

• Multistakeholder Model
  – an organizational framework or structure which adopts the multistakeholder process of governance or policy making, which aims to bring together the primary stakeholders such as businesses, civil society, governments, research institutions and non-government organizations to cooperate and participate in the dialogue, decision making and implementation of solutions to common problems or goals.
  – A stakeholder refers to an individual, group or organization that has a direct or indirect interest or stake in a particular organization
Characteristics of Multistakeholder Process

• Involvement of stakeholders in the learning process
• Stakeholders work towards a common goal
• Work involves different sectors and scale
• The objective is focused to bring about change
• Deal with structural changes
• Agreements are created based on cooperation
• Stakeholders deal with power and conflict consciously
• Bottom-up and top-down strategies are integrated in governance and policy making
• Example
  – ICANN, APNIC, IETF ..etc
Issues with Multilateral Model

• Diminish open and global net, prioritizing national control
• Reduce the value of the Internet, enhanced by every new users
• Trust in government regulation, moving back to a future of pre-liberalization of telecom
• Create a stronger ITU, but embedded in a multistakeholder organization, such as IGF with other multilateral institutions
• Lack of an appropriate regulatory model for the Internet
Issues with Multistakeholder Model

• Effectiveness of the multistakeholder model in Internet governance
• Limited to communication and coordination
  – Soft power vs. authoritative decisions
• Concerns over representation of regions, nations, and stakeholders
Multistakeholder Model Practice in Taiwan

Inquiry for harmful content

Due Process

Submit

Government authority

Submit

ISP/ICP

Notice / take down

internal policy / take down
Continue

• Functions
  – Coordination and facility
  – Additional layer for public policy enforcement
• Position: independent self-regulated entity
• Structural review from multistakeholder model perspective
  – Governance: bylaws, membership, board structure, board election procedure, sustainability of operation (finance), regulatory framework for policy enforcement
  – Operation: policy development process (PDP), due process, COI with external entities
  – Accountability and transparent
    • The obligation of an organization to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner
Recommended Practice for Designing a Multistakeholder Model

source: IISD
Process Flow of Tools

source: IISD
Institutional Features of Private International Authority

1. Informal Industry Norms and Practices
2. Coordination Services Firms
3. Production Alliance
4. Cartel
5. Business Associations
6. Private Regime

# Public Goods/Policy Governance Models

<table>
<thead>
<tr>
<th>Governance Model</th>
<th>Non-state Actors</th>
<th>Governments</th>
<th>Private Self Regulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Regulation</td>
<td>X</td>
<td>O</td>
<td></td>
</tr>
<tr>
<td>Co-Regulation</td>
<td>(Neoliberalism)</td>
<td></td>
<td></td>
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<tr>
<td>Delegation</td>
<td>(Tanja, Borzel, 2007)</td>
<td>(Knill, 2002)</td>
<td></td>
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</tbody>
</table>

**Governance Capability & Capacity for Public Goods**

- **Non-state Actors**: X - presence, O - partial presence, 0 - absence
- **Governments**: O - absence, X - presence

*Source: edited by Dr. Kenny Huang*
Governance With/Without Government

Governance by government

Public regulation
No involvement of private actors

Consultation/cooptation of private actors
Participation of private actors in public decisionmaking
(for example private actors as members of state; delegation; outsourcing)

Co-regulation/co-production of public and private actors
Joint decisionmaking of public and private actors
(for example social partners in tripartite concertation; public-private partnerships)

Delegation to private actors
Participation of public actors
(for example contracting-out; standard-setting)

Governance with government

Private self-regulation in the shadow of hierarchy
Involvement of public actors
(for example voluntary agreements)

Public adoption of private regulation
Output control by public actors
(for example *erga omnes* effect given to collective agreements of social partners)

Governance without government

Private self-regulation
No public involvement
(for example private regimes; social partner autonomy)

source: Tanja Borzel, 2010
The Shadow of Hierarchy

source: Tanja Borzel, 2010
Implications for The Shadow of Hierarchy

• The shadow of hierarchy
  – the state threatens – explicitly or implicitly – to impose binding rules or laws on private actors in order to change their cost–benefit calculations in favor of a voluntary agreement closer to the common good rather than to particularistic self-interests.

• Implications to governments
  – the higher the government’s capacity for hierarchical policy-making, the fewer incentives it has to cooperate with non-governmental actors.
  – weak states are unlikely to engage in governance with non-state actors because they might fear a loss of autonomy

• Implications to non-state actors
  – it generates important incentives for cooperation for non-state actors
Monopoly and Regulatory Competition Model

• Monopoly and anti-competition
  – The main problem with private self-regulation is the anti-competitive incentives flowing from their monopoly power

• Restrict supply of the professional service
  – private self-regulation will have been granted for monopolistic control for a certain territory, thus have the power to restrict supply of their professional service

• Regulatory competition model
  – Subjecting these organizations to competition from other self-regulatory organisms might stimulate more welfare enhancing behavior (Kay and Vickers, 1990)
Take Away

• Monopoly assessment
• positional vulnerabilities in the public goods governance regime
• Applicability for a regulatory competition model
• government regulations vs. self-regulated policies
• Sustainability: short term and long term strategy
Thank You Question?
Constituency & Representation

DON’T LET OTHERS SPEAK FOR YOU

VOTE
Constituencies & Stakeholder Groups

• Is the Multistakeholder model “democratic”? Can/Should it be made more democratic?

• What is the impact of stakeholder group representation on democratic principles such as apportionment?

• What happens when stakeholder groupings and boundaries shift or needs to be changed?

• How could/should systems reflect such dynamics?
IAB Chairman: I am a Representative, but I cannot and do not represent the IETF.
THE MYTH OF THE STRONG LEADER

POLITICAL LEADERSHIP IN THE MODERN AGE

HENRY MINTZBERG

REBALANCING SOCIETY

RADICAL RENEWAL BEYOND LEFT, RIGHT, AND CENTER
<table>
<thead>
<tr>
<th>RFC7282: On Consensus and Humming in the IETF</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lack of disagreement is more important than agreement</td>
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<tr>
<td>• Rough consensus is achieved when all issues are addressed, but not necessarily accommodated</td>
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<tr>
<td>• Humming to start a conversation, not to end</td>
</tr>
<tr>
<td>• Consensus is the path, not the destination</td>
</tr>
<tr>
<td>• 100 for, 5 against might not be rough consensus</td>
</tr>
<tr>
<td>• 5 for, 100 against might still be rough consensus</td>
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</table>
Global Public Interest
“Why do you always have to be so paternalistic?”

Paternalistic Leadership

Government? Rethink People?
In a multistakeholder model that is inherently ageographic, is geographical diversity relevant?

Do representative selection mechanisms tend to favour individuals from particular cultural backgrounds?

Would cultural diversity be more relevant?

How is cultural diversity be defined and measured?
POLITICAL NEUTRALITY IS SIMPLY A BIAS FOR THE STATUS QUO.
Other Reference Slides

Not part of presentation
…no government in any major developed country really works anymore… Modern government needs innovation. What we have now is roughly 400 years old. The invention of the nation-state and of modern government in the closing years of the 16th century was certainly one of the most successful innovations ever. Within 200 years they conquered the globe. But it’s time for new thinking…

Government – not businesses or nonprofits – is going to be the most important area of entrepreneurship & innovation over the next 25 years.
Market Failures & Bailouts

Democracy

Welfare Demands

Campaign Financing

The Democracy Dilemma

Two Wolves and a Sheep Voting on What’s for Dinner
ICANN & IETF
Nomination Committee (NomCom)

ICANN: Multistakeholder Elections

IETF: Random Selection (Sortition)
Deliberative Democracy Now!
### Counterpoll as a Thought Experiment:
**Single Vote Against Least Preferred Candidate**

<table>
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<tr>
<th>Single Vote</th>
<th>Multiple Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vote for one option.</td>
<td>Vote for any number of options.</td>
</tr>
</tbody>
</table>

- **Natural Risk Averse tendency**
- **Basic Instinct of being more efficient at identifying harm**
- **Voters unlikely to know candidates well**

- **Reduce polarization & duopoly**
- **Reduce Attachedness**
- **Curb Betting behavior (selecting the winner)**

- **Single Primary Leadership Elections**
- **Dependent on Plurality System**
- **Introducing minority veto rights**
Deriving Wisdom of Crowds from Elections

Mode (Majoritarian Voting) Median? Mean?...
Taiwan Presidential Election 2000

泛綠: ~40%
泛藍: ~60%

陳水扁 39.3% 宋楚瑜 36.8% 連戰 23.1%
Egyptian Presidential Election 2012

Mohamed Morsi: 24.78%
Abdel Moneim Aboul Fotouh: 17.47%
Hamdeen Sabahi: 20.72%
Amr Moussa: 11.13%
Ahmed Shafik: 23.66%

51.73% \( \checkmark \) \( \checkmark \) \( \checkmark \)
48.27% \( \times \) \( \times \) \( \times \)

~25%  ~15%  ~20%  ~5%  ~10%  ~25%  ~40%  ~60%  ~35%
**Brief Contemplations on Counterpoll Advantages**

| More Scientific          | • Natural Risk Averse tendency  
|                          | • Basic Instinct of being more efficient at identifying harm  
<table>
<thead>
<tr>
<th></th>
<th>• Voters unlikely to know candidates well</th>
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</table>
| Reduce Electoral Side-Effects | • Reduce polarization & duopoly  
|                          | • Reduce Attachedness  
|                          | • Curb Betting behavior (selecting the winner) |
| Minority Voices          | • Single Primary Leadership Elections  
|                          | • Dependent on Plurality System  
|                          | • Introducing minority veto rights |
“Stakeholder” refers broadly to anyone who has an interest in the Internet. Within ICANN, stakeholders include:

- The multistakeholder community functions on bottom-up consensus building which, by design, is resistant to capture due to the openness, diversity and equal division of authority among participants.
- ICANN’s multistakeholder community supports the success of the Internet’s DNS.
- The Internet is essential to all aspects of our lives – as individuals, companies, government and civil society – and how the Internet is managed and how policies are made affects us all.
- Civil Society includes Not-for-profit and non-governmental organizations, activists, as well as researchers, academics and non-commercial end-users with an interest in the development and deployment of the Internet and public policy related to the DNS.
ICANN’s Global Multistakeholder Community

Today’s Community of Communities

In the same way the Internet is a network of networks comprised of computers and devices, the ICANN community is a community of communities comprised of people and organizations.
ICANN’s Global Multistakeholder Community

- Business
  - Private-sector companies
  - Trade associations

- Government & Governmental Organizations
  - National governments
  - Distinct economies recognized in international fora
  - Multinational governmental and treaty organizations
  - Public authorities (including UN agencies with a direct interest in global Internet Governance)

- Academic
  - Academic leaders
  - Institutions of higher learning
  - Professors
  - Students

- Technical
  - Protocol developers
  - Equipment and software developers
  - Network operators
  - Technical researchers

- Internet Users
  - Non-governmental Organizations
  - Non-profits
  - Non-commercial Users
  - Think Tanks
  - Charities

- Domain Name Industry
  - Registries
  - Registrars
  - Domain organizations
The ICANN Community At Work

The Bottom-Up Multistakeholder Model

The collective efforts of the ICANN community culminate in a common shared goal:

*A single, interoperable Internet supported by stable, secure and resilient unique identifier systems.*

The ICANN community includes various stakeholder groups such as:

- Generic Names Supporting Organization
- Government Advisory Committee
- At-Large Community Civil Society (Internet users)
- Root Server System Advisory Committee
- Security & Stability Advisory Committee
- Domain Name Business
- Internet Users
- Academic
- Technical
- Non Profit – Non Commercial
- Business & Governmental Organization
- Civil Society (Non-Commercial Stakeholder Group)
The ICANN Community At Work

Civil Society and the Bottom-Up Multistakeholder Model

At-Large Community
The ICANN Community At Work

Civil Society and the Bottom-Up Multistakeholder Model

At Large Structures (ALS)

Non Commercial Stakeholders Group

Non Commercial Users Constituency

Non Profit Operational Concerns

Generic Names Supporting Organization

At-Large Community

POLICY / ADVICE