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The organizational ecology of global governance

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Abstract

The ecology of governance organizations (GOs) matters for what is or is not governed, what legitimate powers any governor may hold, and whose political preferences are instantiated in rules. The array of actors who comprise the current system of global governance has grown dramatically in recent decades. Especially notable has been the growth of private governance organizations (PGOs). Drawing on organizational ecology, I posit that the rise of PGOs is both required and facilitated by disagreements between states that block the creation of what might be otherwise effective intergovernmental organizations (IGOs). In a form of "double-negative regulation," states block IGOs, which in turn leave open niches that are then filled by PGOs, which then both complement and sometimes substitute for state law. The organizational ecology approach outlined here extends and refocuses inquiry in systematic ways that give us a fuller understanding of how and why PGOs have emerged as one of the most striking features of the contemporary world order. The key innovations in this paper are to (a) shift the level of analysis from single agents or populations of agents to the entire field of GOs, including states, IGOs, and PGOs and (b) draw on principles of ecology to understand the composition and dynamics of systems of governance.

Keywords

Globalization, global governance, transnational civil society, foundational theory, governance, state sovereignty

The ecology of governance organizations (GOs) matters for what is or is not governed, what legitimate powers any governor may hold, and whose political preferences are

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instantiated in rules. The array of actors who comprise the system of global governance has grown dramatically. Especially notable has been the growth of private governance organizations (PGOs) such as the International Accounting Standards Board (IASB) and the Forest Stewardship Council (FSC) discussed briefly later.[1] The rise of PGOs has been greeted enthusiastically by many who see them as progressive manifestations of global civil society, and I should note that I intuitively share this enthusiasm. But our understanding of how and why PGOs have arisen is incomplete. Most analysts explain the growth of PGOs as a response to essential functions otherwise unfulfilled in global politics. This is not incorrect. Yet, our understanding of the emergence of PGOs is enriched by organizational ecology.

Drawing on ecological theory, I posit that the rise of PGOs is a response to disagreements between states that block the creation of what might otherwise be effective intergovernmental organizations (IGOs). Observers have, of course, recognized that disagreements between states have blocked action by IGOs and opened the door for PGOs. An organizational ecology approach, however, grounds this observation in a larger theory with three specific implications. First, an organizational ecology approach stresses the importance of looking at governance as a field and not just a single population of agents.[2] In other words, the approach turns our attention to the interactions of populations of organizations. It also prompts us to ask what is missing. What is absent is often as important as what is present, and organizational "holes" are revealed only by theory and plausible counterfactuals. Second, the approach highlights that ecologies are interactive and complex with often unintended consequences. Like all evolutionary theories, organizational ecology presumes there is no designer who manipulates situations to bring about an intended result. Rather, what we observe is the product of local decisions by many different agents. Third, an ecological approach helps us understand how populations are both competitive and synergistic. In global governance, organizations compete to set rules and, by attracting adherents, gain resources from a pool that is in the short run fixed. Too many sets of rules are equivalent to no rules at all—each actor can then simply follow the rules it prefers (Locke, 2013: 15–16)—and all organizations require resources to survive. At the same time, the ways in which private transnational governance has evolved promote specialization and differentiation between agents and, thus, create new populations. Where public regulation often fuses rule making, monitoring, and enforcement in a single organization (e.g. the United States Food and Drug Administration), private governance is dependent on the cooperation of the regulated entities and, thus, cannot commit to objectivity. As a result, new populations of independent auditors and monitors have arisen to implement private regulations, a synergistic response to how a particular ecological niche has been filled.

Finally, and more generally, an organizational ecology approach prompts the question of whether the particular path-dependent ecology that has emerged is socially optimal. This is more a question than a conclusion, but one worth asking. All rules are biased, reflecting the interests of some actors and not others. Who governs matters. Although PGOs represent global civil society, their structure, organizational needs, and the requirement of self-financing risk creating a neo-liberal bias in global governance. This is not so much a matter of counting PGOs at the international level compared to, say, the domestic array of GOs within democratic states. Rather, it flows from the diffuse nature of support for civic PGOs versus the concentrated interests of business PGOs that are already filling governance niches. How biased in favor of business this emergent ecology is depends, in part, on the counterfactual of what regulation by IGOs might entail. Would IGOs represent better the interests of labor, consumers, and other diffuse social actors than the stakeholder models of the current system of private governance? This is a challenging question without a clear answer, but one with important normative implications.

The literature on global governance has moved, appropriately, from a focus on states to IGOs and now to PGOs.[3] This paper shifts the level of analysis to the field of GOs and draws on principles of ecology to understand the systems of governance. These principles are summarized in the first section. The section "Global governance: concepts, definitions, and populations" identifies the types of GOs that exist alongside states. The section "GOs and state structure" looks at the ecologies of limited states and how their rich arrays of organizations "check and balance" one another, and then at failed and totalitarian states where the ecology has "tipped." This section introduces the ideas that follow from an organizational ecology perspective in a context that is already relatively well understood. The section "The ecology of global governance" reasons by analogy to the system of global governance, focusing on how disagreements between states have blocked the formation of IGOs and left open governance niches that are then filled by PGOs. This process is illustrated briefly in the cases of financial accounting and forest sustainability. The final section turns to possible alternative organizational ecologies and their welfare implications. The key question here is the porousness of public governance structures in states and through states in IGOs to the influence of special interests versus the structural influence of business in stakeholder models of private governance.

An ecological approach to organizations

Although the literature on organizational ecology is now large, few scholars have applied its insights to questions of global governance.[4] The hallmark of an ecological approach is "population thinking" (Hannan and Freeman, 1989). Although the unit of analysis is the organization, the level of analysis is the organizational field. A population is defined as a collection or set of organizations that are "alike in some respect" (Hannan and Freeman, 1989: 166), relatively homogenous (Scott and Davis, 2007: 116), or have a "common dependence on the material and social environment" (Hannan and Freeman, 1989: 45). An organizational field, in turn, is the set of "organizations that, in the aggregate, constitute a recognized area of institutional life" (DiMaggio and Powell, 1983: 143). The field, in short, is the population of organizational populations, including the absence of some types of organizations that might be expected theoretically or that have been found in other similar environments. In neither case is the focus on any specific organization, except insofar as it is representative of a population. The relevant population or field is an analytic question defined by the theorist on the basis of pragmatic judgments derived from the research question (Fligstein and McAdam, 2012).

A second hallmark is resource scarcity. Populations are assumed to be constrained by the need for resources. In the natural world, resources are food and water, sunshine, mates, and other essentials. For organizations, resources include revenue, members, and possibly legitimacy (Stroup and Wong, 2017). As with populations, what constitutes a resource is a pragmatic judgment postulated by the analyst. In the section "Policy bias in the global ecology," I emphasize the importance of resources for PGOs in configuring their interests and, in turn, the rules they adopt. Those organizations that are most efficient in acquiring resources are most likely to survive, those that are less well suited to this task will not. The tighter the resource environment, the greater the selection pressure on organizations. Resource scarcity, however, does not imply that organizations are "optimal" in any sense (Hannan and Freeman, 1989: 17–23 and 35–40). Due to various regulatory mechanisms, it may be impossible for a new, more "efficient" organization to gain a foothold within the population or field. Path dependence is a characteristic of many systems that may lead them far from efficient outcomes (David, 1985). Nonetheless, organizations compete for resources, at least at the margin. In any given field or population, for instance, there is a finite amount of money that can be raised by donations, which then limits the number of PGOs that can survive on that revenue stream. At this limit, PGOs will either disappear or innovate in some way to raise money from another finite revenue source, which may require a different strategy or fulfilling some alternative function. In this way, resource scarcity defines the carrying capacity of any environment.

Resource scarcity leads ecologists to emphasize "niches" or specific environments in which different types of organizations can prosper (Hannan and Freeman, 1989: ch. 5). The greater the number of niches, the more types of organizations (populations) we can expect to find in a field. As new niches arise, new populations will form or existing organizations will adapt to the resources opened up by that specific environment. For GOs, niches are usually created by the demand for new rules and regulations, such as those that arise from market integration or technological change. Entrepreneurial organizations may create niches for themselves that no one else previously recognized—the equivalent of Apple developing the "smartphone." The first mass membership-based advocacy organizations like Amnesty International may be the PGO equivalent (Wong, 2012). Even entrepreneurial organizations can survive, however, only if a demand for rules exists and the "consumers" are willing to support organizations that set those rules. This is especially true for GOs that cannot mandate contributions from the community they regulate; even when organizations can invest resources in ways that enhance their capabilities for the future, some other actor—an "angel investor"—must be willing to provide the initial "stake." In the case of PGOs, the "startup funds" have often been provided by some philanthropic foundation, but PGOs are expected to become self-supporting (Bartley, 2007).

New niches may also create additional niches and, thus, synergies between populations. The rise of publicly traded firms, for instance, created a demand for auditors and credit-rating agencies that were not necessary for family-owned businesses (Olegario, 2003). One organizational form spawned a need for other organizations—or in the language of organizational ecology, created additional niches filled by new populations. With new niches, organizations differentiate, rendering the field more heterogeneous and often more complex. Where organizations compete within populations and sometimes across if they share the same resource, niches encourage specialization, oftentimes leading to entirely new populations. Competition and synergies can occur at the same time.

Recognizing the importance of resource scarcity and niches, an ecological approach theorizes regulatory processes, or principles that describe how populations within a field interact (Carroll, 2016). Three regulatory processes are of interest for organizational ecology.

1. *Positive regulation*. A is complementary to B. A classic example is the relationship between food sources and species that eat that food. Similarly, after 1945, more states with more potential conflicts of interest led to the (at least initial) growth of IGOs to improve cooperation. In similar ways, state action in the Kyoto Protocol acted as "coral reef" that attracted PGOs into what became a larger regime complex (Green, 2013). Positive regulation is often produced by new niches that encourage specialization.
2. *Negative regulation*. A blocks B. With negative regulation, two populations will be inversely related to one another or, perhaps, in equilibrium until one experiences some exogenous change. Outbreaks of the rinderpest virus cause reductions in the population of wildebeest. Likewise, once a PGO issues a standard and that standard becomes widely adopted (becomes a focal institution), that governance niche is "filled" and the rules become hard (but not impossible) to displace. As discussed further in the section "The ecology of global governance," even states can be shut out of a niche by PGOs meeting the demand for rules.
3. *Double-negative regulation*. A negatively regulates B, which negatively regulates C. Double-negative regulation is especially likely in fields with a "keystone" population (Carroll, 2016: esp. 120–127). Examples include sea otters that eat sea urchins that eat kelp; the recovery of the sea otter population along the West Coast of the United States has led to a thickening of kelp beds. In the same way, states, desirous of maintaining their sovereignty and autonomy, block the creation of IGOs to regulate, say, environmental emissions (negative regulation), which then leaves open a niche to be filled by PGOs.

Finally, due to regulation and feedback effects, organizational ecologies may experience cascades that produce more extreme populations within fields. Cascades are more likely if keystone populations are present. In a natural system, the elimination of a "top predator" may cause dramatic changes in the system: farmers killed off wolves in North America, leading to an explosion of deer populations that led to the disappearance of several varieties of trees on which deer feed. As discussed below, domestic political systems may also tip toward failure or tyranny through similar cascades. In an organizational ecology, it may be difficult to anticipate the effects of one's actions; outcomes are, then, the unintended by-product of many independent decisions. In a dynamic and complex system, exogenous technological change may open niches of governance that organizations race to fill. In this way, an exogenous change may cascade through the field. An ecological approach is at least open to the possibility of complex systems dynamics that are ruled out by functionalist approaches to governance. In the section "Policy bias in the global ecology," I raise the question of whether the current global governance field may be at such a tipping point.

Global governance: concepts, definitions, and populations

Governance is the exercise of rule by an actor over some limited community. Rule can be wielded by a variety of actors, not just states. Governance is thus broader than mere government, a characteristic on which nearly all definitions agree (Rosenau, 2002; Young, 1994: 15–16). Global or transnational governance, in turn, is the exercise of rule across national borders, including by IGOs that possess authority over their member states and PGOs that propagate rules governing communities located in two or more states.

Governance comprises three main functions: making (including attempting to influence), monitoring, and enforcing rules. Rules can be formal laws or informal social norms. Enforcement is often but mistakenly limited to the legitimate use of coercive force, which Weber (1978) took to be the defining characteristic of the state. But rules can also be enforced by a variety of means, including ostracism or expulsion from the community and its benefits. Hunter–gatherer societies ostracize individuals who do not obey the elders. Parents threaten to disown their unruly children. Religions excommunicate sinners. Professional associations ban incompetents and transgressors. Indeed, the famous Lex Mercatoria that governed trade at the medieval Champagne fairs worked entirely by the threat of denying merchants the opportunity to trade at future fairs (Milgrom et al., 1990). Even states deport "undesirables." Exclusion can be an enforcement mechanism equal in power to the legitimate violence wielded by a state.

Different agents may specialize in one or the other of these governance functions, though many include all three. Some standard-setting organizations may simply issue a standard that is then self-enforcing, requiring little monitoring. Other organizations, like Amnesty International, may influence norms and focus on monitoring state behavior. In an organizational ecology approach, the governance field comprises populations of organizations that perform at least one governance function.

Central to the literature on global governance is the idea that many different types of organizations govern. States, of course, assert a claim to rule that is compulsory within a given territory. At the same time, other governors exist alongside states. They include families, where parental authority wanes as children mature; clans, tribes, or other lineage groups, in which elders are recognized to speak for the group and enforce standards of behavior; and religions, which propagate rules governing social, sexual, and dietary practices. In these examples, members are often "born" into the community, though they may choose to exit, and are governed by their rules regardless of their place of residence. Other GOs that individuals may choose to join are corporations, which govern work and allow for gains from specialization within integrated production systems; unions, which negotiate wage contracts and other terms of employment for their members; and professional associations, which set standards of practice (the bar association for lawyers), many of which are now transnational in scope. The range of GOs is large.

States have not in principle, and certainly not in practice, displaced other GOs, even within the territories over which they claim jurisdiction. The compromise embodied in notions of Westphalian sovereignty, which is often understood to define the triumph of the modern state over alternative GOs, is subtle (Krasner, 1999). Westphalian sovereignty does not imply that state authority is the only type of rule—even at the national level. Instead, it establishes only the supremacy of state authority when it conflicts with rules issued by other actors (Osiander, 2001; Philpott, 2001). Non-state rule, in other words, can be and often is more restrictive than state authority, but it cannot directly contradict it. Rabbis can require that food labeled Kosher meet their more restrictive standards, for instance, but they cannot require Jews to consume food that violates public health and safety standards. The Westphalian compromise does not obviate other forms of rule; it just nests them inside the authority of the state. When facing compelling demands for action and the absence of institutional veto players or affected interests that seek to block change, states can enact laws that trump other governance initiatives. In this sense, states remain the ultimate authorities within their jurisdictions. Nonetheless, the balance between the types of GOs within a society varies dramatically, as we shall see in the next section.

What holds within a single jurisdiction, in turn, holds even more so at the global level, where states cannot even claim to be ultimate authorities (Eriksen and Sending, 2013). If anarchy means anything at the international level, it means that there is no single authority; but this does not preclude the existence of multiple rulers governing different territories (states) or, more interestingly, different issue areas. Anarchy suggests a broad range of GOs will always be at play.

Both within states and at the global level, the balance between various types of GOs is important because who makes rules matters. Rules are always made by someone for some purpose. Though rules may be functional and move communities closer to the Pareto frontier, they can have distributional implications that favor some individuals or communities over others. Rules made by a democratic state responsive to all citizens might well differ from the rules made by a business or professional association that leaps into an open governance niche. Environmental organizations make rules based on scientific principles, whereas religious authorities make rules according to God's will. The organizational ecology and the competition between GOs within it determine who gets to make the rules over what, which in turn determines the policies and practices we observe. Political outcomes are, in this sense, a product of the organizational ecology.

GOs and state structure

In a relatively simple form of negative regulation, it is the rich array of GOs that checks and balances liberal states, while too many competing organizations can produce state failure and too few can lead to totalitarianism. As James Madison wrote, "in framing a government, which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed, and in the next place oblige it to control itself" (Hamilton et al., 1961: 246). This is almost a truism. Governing the governor is a necessary part of any stable political system. Yet, effective checks and balances are by no means guaranteed, with the balance between too many and too few GOs of different types easily tipped toward extremes. A rich ecology of GOs appears necessary to sustain limited government, especially in the face of determined minorities seeking to overthrow the system or popular movements spurred by the passions of the moment. But even a rich ecology is no guarantee of stability. As recent trends in the United States and Europe demonstrate, leaders and groups can undermine the "guardrails" embedded in constitutions and enforced by GOs (Hacker and Pierson, 2020; Levitsky and Ziblatt, 2018). A balanced ecology may be a necessary, but not a sufficient condition for stability.

In limited states, GOs check and balance one another in a rough equilibrium. This helps produce stability or, by definition, state consolidation. Some believe that Madison's dilemma is solved by institutionalized checks and balances within the government, perhaps by a legislature separate from the executive and both monitored by an independent judiciary. Madison himself believed that a more varied society would divide along more dimensions and prevent one faction from dominating others. These solutions to Madison's dilemma are no doubt important. But there are many liberal democracies that lack a separation of powers or that are smaller and less heterogeneous than the United States. The array of GOs of varying types is a third and, in ecological approach, equally important way of limiting state power.

In virtually all societies, a range of GOs existed prior to states in their Westphalian form and then co-evolved with those states. In the United States, for instance, many GOs existed alongside early colonial administrations. Indeed, religious authorities were prevalent in colonial America—even dominant in some areas, notably New England—with many communities founded by religious dissenters. Other "societies" as they were often called ruled functionally defined communities (such as merchants, tradespeople, etc. (Taylor, 2001)). The American states were formed around these pre-existing entities.

Concerned with maintaining their autonomy and rule over their communities, these diverse GOs limited state authority. The protections for religious freedom in the federal constitution were not unintentional. Churches of all denominations were forceful advocates of the separation of church and state. By advocating for their autonomous rights, these religious authorities built restrictions over their affairs into their state. The US government, in other words, was born limited *without* certain powers it might otherwise have claimed. With their authority preserved, in turn, churches continued to be important GOs, pushing back against subsequent efforts by the state to infringe on their rights. In more modern form, large corporations use their financial muscle and ability to mobilize their many employees to restrict the regulatory powers of the state (Wilks, 2013). Civil society organizations sometimes offset the power of corporations, more often not, but are also in a constant battle of checking and balancing the rule of others and their efforts to capture the state. Reformers rue the immobilism that results from this continual struggle of "vested interests," but this is a natural product of a relatively balanced ecology.

Limited states, or what North et al. (2009) call "open access orders," occupy an intermediate space where multiple GOs balance one another. How ecologies obtain balance remains unclear and is possibly the product of historical accident. Yet, once formed, if one organization threatens the rights of others, the latter mobilize their members to resist. The accountability and transparency of limited governments is, in this way, endogenous to the organizational ecology. States or any GO rarely want to be transparent as an end in itself, but are only held to account or compelled to provide information by other mobilized groups and their organizations. By negatively regulating one another, these organizations promote a healthy balance in which no organization obtains hegemony.

By double-negative regulation, a healthy ecology also allows new organizations to flourish. By checking the power of the state, new niches are more likely to be filled by

PGOs, ensuring that the organizational ecology remains rich and robust. The rise of the internet is a clear example. In the face of technological change, the Internet Corporation for Assigned Names and Numbers (ICANN) was formed among early adopters to set protocols necessary to allow users to communicate with one another, largely within the federally funded scientific community. Backed by this initial community, the ICANN has retained its power to set technical rules as well as enforce broad principles of freedom and openness. With state power limited, a niche was filled by another entity that then prevented the state from claiming authority over the internet (Lipscy, 2017: ch. 7). This largely private regulatory regime, in a form of synergy, has allowed other PGOs to play important roles in governing social media. The rules and balance between different GOs have evolved over time, and states have periodically attempted to assert their authority—so far, with only partial success. But the initial array of rulers that negatively regulated the state permitted the growth of yet more GOs that, in turn, further restricted the state's powers.

By contrast, failed states and totalitarian states possess "too many" and "too few" GOs, respectively. Failed states typically fail because non-state rulers are too strong and block the consolidation of effective central authority (Lake, 2016). Although the proximate reasons for state failure are many, a fundamental problem of fragile states is that traditional authorities remain primary governors of people's lives (Boone, 2014; Mamdani, 1996). Existing before the state, tribes, clans, and sectarian organizations shape the state at its inception and beyond, as in the United States but now with greater virulence. This is the problem in Somalia today, where multiple clans prefer the low-level equilibrium in which they are "trapped" to the possibility of an effective state controlled by rivals (Leeson, 2007).

Conversely, political systems with too few GOs are prone to predatory rule. North et al. (2009) regard this as the "natural order" in which a small group seizes the state and precludes other organizations from arising. Even limited states, however, can tip into totalitarianism, especially if one or more organizations seize control of the state and repress other GOs. In this feedback process, prior political struggles have typically already begun to thin out GOs by economic hardship, loss in war, or the decay of social trust. Once in power, authoritarian leaders attack other GOs because they represent alternative centers of power and resistance and attempt to co-opt or undermine churches, unions, and especially the professional media that might otherwise hold them to account. By eliminating or at least constraining the independence of these GOs, state authority can then fill the political space (now vacant niches), claiming a totalizing rule. Weak, already dysfunctional societies, like Weimar Germany, appear most susceptible to this kind of negative regulation by the state that undermines competing authorities and allows the state to triumph.

The ecology of global governance

The global political system is a rich ecology of different GOs, perhaps not as dense as some domestic systems, as in limited states, but richer than some totalitarian systems. The field includes states themselves, of course, as primary actors. It also includes IGOs and PGOs that set, monitor, and enforce rules in defined spheres. Although we do not have any inventory of GOs at the global level, just as we have no inventory of GOs within countries, the global ecology appears by all accounts to be growing in number and diversity.[5] In an economically, politically, and environmentally integrated world, new demands for global governance are rapidly creating new governance niches and organizations are rising to meet the demand for rules, with some national organizations going transnational, early transnational organizations broadening their scope, and entirely new organizations sprouting up.

One striking fact of the early 21st century is the stagnation of IGOs and the growth of PGOs. While IGOs and their emanations grew rapidly in the early postwar period, by the 1970s, the momentum had waned. In the case of corporate social responsibility, for instance, there were numerous attempts to establish IGO codes of conduct through the United Nations (UN), the Organization for Economic Co-operation and Develoopment, and International Labor Organization, all of which were stillborn (Lim and Tsutsui, 2015: 2). Only in the 1990s did private initiatives take off at the national level, followed by the more successful global initiatives (Kinderman, 2015). The failure of states to act either on their own or through some IGO is often noted in narratives of PGO development, but typically as a passing aside without seeming theoretical import.[6] This is crucial to the approach here in which it is the actions of one population of GOs that create opportunities for other populations, and in which the absence of action is as meaningful as its presence. Whereas in domestic political systems PGOs negatively regulate states, in global governance, states negatively regulate IGOs, which, in turn, leave open governance niches that are then filled by PGOs. It is not that states are intentionally transferring authority to PGOs. Rather, by providing rules and acquiring stakeholders and, thus, legitimacy in the making of those rules, PGOs gain authority despite the best intentions of states (Cashore, 2002). PGOs govern, as a result, not because they are "better" than states or IGOs, but because an open governance niche draws in PGOs that, once established, raise the bar for other GOs. In some cases, rules formulated by PGOs are then taken up by states if only because they are the ones available, further legitimating the role of the PGOs. This creates a highly interdependent ecology in which states, IGOs, and PGOs both compete against and complement one another.

The global ecology of GOs evolved differently than many domestic ecologies. Where PGOs sometimes preceded the formation of states, and limited their authority, states preceded the creation of IGOs almost by definition—certainly so in the North, perhaps less so in the global South where independence came later. Jealous of their sovereign powers, states—and, it should be stressed, their citizens as well—have typically limited IGOs to the role of "orchestrators" rather than independent authorities (Abbott et al., 2015). Instead of transferring or delegating authority to IGOs, founding states limit IGOs to the role of agenda setters and perhaps negotiating forums. In guarding their prerogatives, states can block IGOs, but not the consequences of that negative regulation, unless they are willing and able to fulfill the demand for rules themselves. This is the "opening" or niche into which PGOs have moved and survived because of the governance services they provide.

As long recognized, states are still the primary GOs in the world today. Although they may be in retreat in the face of market pressures and PGOs, as argued by Strange (1996), they remain dominant actors when they choose to exert their authority. Yet, policy disagreements between states make the creation of new institutions to solve problems of global concern difficult. For this reason, some see the condition of international anarchy as immutable (Waltz, 1979). Importantly, states actively inhibit the rise of GOs that might usurp their authority. Even though checks and balances might be necessary for a healthy political system, they are the product of political struggle, not the goal of any actor. States often aim to block the formation of competing GOs or negatively regulate alternative populations. Negative regulation is likely to be especially prevalent in the case of IGOs, which are legal emanations of states themselves. States may delegate technical tasks to IGOs, but are seldom willing to transfer rule-making power to organizations that they cannot control, with the European Union (EU) being an important exception. In turn, few IGOs have succeeded in building constituencies independent of their member states to support the construction of authority at the global level.[7] With international business deeply dependent on the free flow of goods and capital around the world, the World Trade Organization is a rare example of an IGO that has developed some independent authority (Barton et al., 2006), though it too has been ineffective in the emerging tariff war between the United States and China.

Negative regulation of IGOs is common. Consider the arguments by the United States against the International Criminal Court (ICC). While originally supportive of the idea, the United States now opposes the ICC on the grounds that it may usurp powers that properly belong to states. Fearful of precedents created by activist judges, the United States has consistently sought to undermine the ICC through “Article 98” or bilateral immunity agreements that exempt its citizens from the court’s jurisdiction. While the United States might be extreme in its protection of its sovereignty, even in the case of the EU—which has acquired more independent authority than any other IGO—growing opposition focuses on its intrusiveness (Zurn, 2018). A major force behind Brexit, for example, was the desire by many British conservatives to reclaim sovereignty from Brussels. Precisely because they often disagree on how to address issues of common concern, states refuse to transfer significant powers to IGOs that might otherwise respond to global challenges. Nonetheless, and illustrating the potential of IGOs, when interests in the EU are sufficiently aligned that it can adopt regulations, its large internal market can create a cascading “Brussels effect” that then sets a world standard (Bradford, 2020). Nonetheless, we should be careful in generalizing from cases where an IGO has acted successfully to cases where conflicting interests between states block action (Locke, 2013).

One of the most significant IGO initiatives in recent years is the Guiding Principles on Business Practices and Human Rights (GPs).[8] Yet, this too illustrates the limits placed on IGOs. After delicate negotiations between multiple stakeholders, the UN Secretary General’s Special Representative for Business and Human Rights, John Ruggie, was able to gain approval of a set of norms intended to guide businesses in the conduct of their affairs. Building on the International Bill of Rights, near universally accepted by members of the UN, the GPs aim to create a norm that businesses have an obligation to respect human rights, and that states have an equal obligation to ensure that firms operating in their territories fulfill that obligation. Faced with fundamental conflicts between human rights advocates who want strong legal standards and the business community that favors “best practice” measures, Ruggie (2013: xxii, 37, 57, 67–68) decided not to pursue a legal agreement but, rather, to establish a voluntary standard that would, if it attracted sufficient support, gain adherents over time. Norms matter, of course; but in anticipating disagreements between states, the GPs were intentionally limited. To the extent they carry any force, it is through their adoption as a standard by PGOs who then monitor and hold businesses to account, including critical (typically pro-business) organizations such as the International Chamber of Commerce and the International Bar Association (Ruggie and Sherman, 2017). As of March 2020, only 23 countries had adopted the recommended National Human Rights Action plans called for by the GPs.[9] Although this is one of the most successful initiatives by an IGO in decades, conflicts within and between states preemptively thwarted any official standard. The GPs represent, at best, a hybrid form of governance in which states, IGOs, and PGOs reinforce one another in rule making and enforcement. This case suggests that getting states to work together on a binding standard, even when they supposedly agree on the basic human rights principles that underlay it, is extremely difficult. One might also tell a similar story about the Paris Accord, which defaulted to Nationally Determined Contributions that allow countries to define their individual aspirations to reducing greenhouse gas emissions.

By negatively regulating IGOs, states leave open governance niches that are then filled by PGOs. The advantage shared by PGOs is that they do not require permission or support from states to formulate and disseminate rules. As long as there is some demand for rules—either because those who should follow the rules prefer a common standard rather than multiple standards or consumers want to purchase goods that are produced ethically—PGOs can seize upon the absence of IGO authority and offer a set of private regulations. PGOs cannot require anyone to accept their rules, of course; but if they are subsequently taken up by producers or consumers, these private regulations can acquire significant force. Once adopted, in turn, rules by PGOs are hard to displace, even by states. Filling an open niche can be relatively easy, as some rules are often better than no rules. To displace one set of rules with another, however, requires new PGOs or even states to offer rules that attract more adherents than the existing rules. For states in particular, this will likely provoke the distributional battles that prevented them from adopting rules in the first place (Locke, 2013). Once private rules are established, states often simply adopt them as their own. In this way, the absence or at least slower growth of IGOs is leading, perhaps ironically, to the growth of new PGOs with broad rule-setting powers. Two well-understood and documented cases illustrate this double-negative regulatory process.

As recounted in by Buthe and Mattli (2011), problems with the absence of any international accounting standards slowly became evident as finance became more internationalized. In 2002, a study by *Forbes* magazine found 26 different accounting standards in use by the top 500 non-US international companies. Most dramatically, the listing of Daimler-Benz on the New York Stock Exchange produced wildly different views of the company's balance sheet as its $375m profit under German accounting rules was converted into a $1.1b loss under US rules. Because different accounting methods matter, especially for politically powerful business constituents, states were unable to harmonize rules on their own. In the aftermath of the Asian Financial Crisis of 1997–1998, the G-7 states turned to the International Accounting Standards Committee (IASC) to promote an international standard, a PGO founded in 1973 by 16 accountancy bodies from nine countries (Buthe and Mattli, 2011: 68). In this move, a small group of relatively similar states turned not to an IGO that might be blocked by differing national interests, but to a PGO already occupying a governance niche, if ineffectively. In this double-negative regulatory process, states forewent the option of an IGO, which, in turn, created the potential for the growth of a PGO. Stymied by the potential veto of members, the problem states foresaw, the IASC transformed itself in the IASB in 1999, which operated under rules that allowed for more effective decision-making. The IASB quickly issued the International Financial Reporting Standards (IFRS), which were then formally adopted by the EU in 2002 and later the United States (Buthe and Mattli, 2011: 71–72). This uptake by key states then served to legitimate the IFRS as the de facto global standard even as it continued to have important distributional implications for other countries and firms.

The FSC is a prime example of non-state market-driven (NSMD) regulation (Cashore et al., 2004). The FSC first emerged from conversations among various environmental groups and gained momentum with support from the World Wide Fund for Nature (WWF) (Bartley, 2003: 440). With the failure of the Earth Summit in 1993 to reach a global forest convention, environmental activists along with the WWF created the FSC the following year (Overdevest, 2010: 53; Overdevest and Zeitlin, 2014: 30). Once again, the failure of states to agree to more universal or binding regulations created an opportunity for a PGO to enter and fill an open niche. Fearing blockage by the vested interests that undermined agreement in Rio, the FSC sought to balance the influence of environmental, business and other interests, creating three equal "chambers" of environmental, economic, and social interests each with members from the North and global South. In 2009, the FSC had 833 voting members from 92 countries (Overdevest, 2010: 54). Decision-making is by deliberation and supermajority voting in all three chambers (Overdevest and Zeitlin, 2014: 30). The FSC eventually articulated 10 principles governing forest products, including land tenure and use rights, community relations, worker's rights, environmental impact, management plans, monitoring, and preservation of old growth forests (Cashore, 2002: 507). To receive an FSC label, producers must demonstrate control over the entire supply chain (Overdevest and Zeitlin, 2014: 31).

The FSC was quickly challenged by a number of industry-led certification programs that emphasize procedures and "best management practices" over outcomes (Cashore, 2002: 508). Various national industry groups were organized into the Programme for the Endorsement of Forest Certification (PEFC) in 1999. Originally a bottom-up industry association, the PEFC did not include other stakeholders or mandate third-party monitoring of performance and left considerable discretion to each member firm and country. Competing with the FSC, the PEFC was eventually forced to upgrade its standards and procedures. Since 2003, the PEFC has applied a set of minimum standards, which have been periodically upgraded. Importantly, public procurement policies have been an important driver of changes in the PEFC. Under discussion for years, the European Commission proposed in 2008 that all timber imported into the EU be certified as sustainably produced. The regulation was approved by the European Parliament and Council in 2010 and entered into force in 2013. This regulation requires that all timber be "legally" harvested, with FSC certification being taken as evidence of this status. This move led the PEFC to upgrade its standards and procedures and, since 2008, some but not all EU countries have been accepting its national-level certifications as evidence of legality as well (Gulbrandsen, 2005: 79). Competing against the PEFC, however, the FSC also had to be attentive to its producers. This created, as Bartley (2018: 17) writes, a “race to the middle. . .as industry-driven initiatives made reforms to increase their credibility and the FSC revised its labeling rules to increase its market share.”[10] The impact of certification on forest cover appears to be positive but limited (Marx and Cuypers, 2010), and in any case interacts with local state governance structures to produce differential outcomes (Bartley, 2018). As in accounting standards, uptake by national governments of the rules set by PGOs both legitimates those rules and facilitates their diffusion through non-coercive means.[11]

The NSMD regulations have also been adopted in fisheries and other environmental issues (Dauvergne and Lister, 2013). On greenhouse gases, the United Nations Framework Convention on Climate Change Secretariat lacked consensus in setting an international standard. Stepping into the open niche, the World Resources Institute and World Business Council on Sustainable Development undertook an initiative that has become the focal standard, now incorporated into some national legislation (Green, 2014: ch. 5). In the case of aquaculture, the role of Walmart as a “lead firm” led to a considerable upgrading of the Best Aquaculture Practices standard for sustainable harvesting (van der Ven, 2018). When consumer demand for sustainably produced goods is sufficiently high, and production assets are sufficiently generic that buyers can change suppliers without great cost, PGOs can promote sustainable practices that cascade through global supply chains. Of course, there are cases in which consumer demand for sustainable products is insufficient for NSMD certification, consumers are ignorant and accept weak certification regimes, or producers are concentrated and self-certify or even seek to mislead consumers. But in the best cases, the absence of legally enforceable standards can open space for PGOs to play important roles in setting standards and certifying products.

In NSMD regulation, we can also see important synergies at work. In all of these instances, uptake of private standards by governments was important to their success. Once a standard is formulated and a critical mass of actors adhere to that standard, states can avoid nasty political battles by simply signing onto existing rules. In this incremental process of diffusion, private standards become focal solutions that are hard, though not impossible, to displace with a more or less restrictive public law. Equally important, the rise of new GOs creates incentives for other organizations to form as well. This is not just emulation, with fisheries following forests—though that is important. Rather, private standards setting bodies need complements. To be credible, PGOs cannot both write and monitor their rules. This is not the case for public bodies like banking regulators. Public regulators often set rules, inspect facilities or processes, and penalize violators all within the same organization. But because private standards are entirely voluntary and PGOs work closely with the regulated entities to induce their cooperation, there is the potential for rules to lack credibility (Gourevitch et al., 2012). This has led to the rise of independent auditors who monitor production and identify problems that, if not corrected, may lead to decertification. Like other exemplary NSMD programs, the FSC separated rule setting from monitoring by delegating inspections to independent auditors (accredited to the FSC) who must publish summaries of their reports on public websites (Cashore, 2002: 513). Based on these audits, the FSC issues corrective action requests to resolve deficiencies required for continued certification (Overdevest, 2010: 55). In a classic case of synergy, one type of PGO (rule setters) has led to the growth of complementary PGOs (monitors), with each being dependent on the other. This synergistic specialization and differentiation has led to a richer organizational ecology and system of global governance. GOs are clearly growing at the international level, but it is not just for functional reasons or because private standards are somehow more efficient. Rather, the growing presence and role of PGOs is the result of complex interactions within the organizational field.

Policy bias in the global ecology

While growing and more diverse overall, this emerging global ecology of GOs is potentially skewed toward a pro-business, free market neoliberalism that promotes yet further globalization. Although attributing greater intentionality to governments than is necessary in an ecological frame, Bartley (2018: 4) captures this concern: "As governments offloaded regulation to the private sector to promote a neoliberal model of governance. . .," a system has emerged that "generally accepts rather than challenges the power of northern transnational corporations and NGOs." This is especially likely for PGOs dependent on income from those who are subject to the standards and regulations they promote. Without doubt, many PGOs are founded, led, and staffed by individuals who are motivated by strong ethical beliefs. Yet, PGOs are also typically more dependent on those whom they seek to regulate than states and, thus, are possibly more sensitive to their interests. The concern here is not that business-affiliated PGOs are necessarily biased. Rather, as in any ecological approach, the question is about the field of GOs and the balance between populations of organizations fulfilling different roles in different niches. What is missing here—or possibly missing—are civic PGOs representing broader interests in global society.

Governance niches can only be filled when there is some organization able and willing to produce the rules demanded by a community. The advantage of PGOs that allows them to fill governance niches that states or their IGO emanations cannot themselves agree to enter nonetheless limits their freedom of action. PGOs, like all organizations, must survive and function in a world of scarce resources. They must meet a payroll, fund their activities, and fight for their "product" (rules) in the face of competition from other GOs. To survive requires resources. Although foundations have been critical in funding PGOs in their nascent stages (Bartley, 2007), in many cases, resources must be provided over the long run by the beneficiaries of the new rules, the only group that can be reliably expected to "pay" for those rules in some voluntary, but reliable, fashion.

With business willing to provide funding for organizations setting rules they want or find tolerable, the voluntary nature of PGOs appears to be producing policies possibly skewed toward those they seek to regulate (Bartley, 2018: 260). The neoliberalism of the current system of global governance is not so much a question of numbers of organizations, though that may be important, but rather of bias introduced by the need for PGOs to raise scarce resources from voluntary contributions or by "selling" their standards. For businesses and trade associations that believe they can profit from rules formulated in acceptable ways, solving the collective action problem may be relatively easy. For consumers, workers, or the poor, collective action problems are daunting. It appears, for instance, that the profit motives from seeking single standards that businesses can then use across the globe are favoring the creation of new authorities in areas of concern to business and, within those areas and practices, organizations that favor further global economic integration (Buthe and Mattli, 2011). Even in eco-conscious consumer standards, for example, PGOs are typically dependent on the licensing fees paid by the firms they are designed to regulate and, thus, walk a fine line between business profits and meeting consumer demands for sustainably produced goods. In examining the incentives of GOs, we see at least the potential for funding from self-interested parties to skew rules in a neoliberal direction. With states and IGOs thwarted by distributional battles (Locke, 2013) and consumer and civic organizations facing larger collective action problems, the ecology appears to be tipping toward pro-business PGOs and neoliberal regulations.

To see this problem at work, consider the cases discussed above. The IASB is funded by a mix of public and private sources (Buthe and Mattli, 2011: 74–75). Approximately 28% of all revenue derives from selling licenses, training, and online services.[12] The remainder comes almost entirely from members, with the major international accounting firms being the largest contributors (24%), followed by the European Commission (19%) and China (11%, from a mix of government agencies and state-owned enterprises). In the case of the national contributions from Germany and the United States, these are derived almost entirely from major multinational firms—including Daimler AG. While the European Commission and central bank contributors are partially insulated from private interests, the majority of the revenue directly and indirectly comes from business firms. Although the standards are merely “technical,” the Daimler-Benz case nicely demonstrates that standards matter not only for the companies whose value may vary under different accounting rules, but also for investors, consumers, tax authorities, and others. With most contributors businesses and large economies of scale in adoption, the IASB has an incentive to create minimally acceptable rules for the broadest possible user pool. And with the rules now widely in use, it would be hard for states, if they were so inclined, to recapture the authority they have yielded to the PGO. The net effect of this regulatory move has been to facilitate and deepen global financial integration, furthering the neoliberal project under the private authority of the beneficiaries of that authority.

NSMD regulation works differently, but with similar effect. Counting on consumers to pay higher prices for sustainably produced goods, producers buy certification from PGOs such as the FSC and its accredited auditors. It is the willingness of producers to pay for certification that drives the ecology. Indeed, 78% of FSC’s revenue comes from fees paid by certification holders, with the rest coming from donations, commercial services, and memberships.[13] The PEFC receives 74% of its revenue from its national bodies, which themselves comprise mostly firms within the industry, with the remainder coming from the somewhat opaque category of “sponsorship income,” which, if the list of “stakeholder members” equates to sponsors, is almost entirely major logging, lumber, and paper companies.[14] Producers want not the highest standards, or even standards that will ensure goods really are sustainable, but standards that will convince consumers to pay more for their products than the increased costs of producing sustainably entails. This same calculus holds for lead firms, often seen as driving this process in cases like fisheries. The higher the standard, the greater the costs of production (usually) and the higher the price that must be charged to consumers. When goods are easily substitutable, there are strict limits on how high the standards on any product can be within any voluntary system of governance. In the case of Rugmark intended to certify that handmade rugs are produced without child labor, for instance, limited resources from sales of certification constrained the number of inspectors, who were able to visit looms no more than once every 3 years, suggesting that the certification system was extremely porous and the certification itself lacking in credibility (Nooruddin and Sokhey, 2012: 72). With voluntary standards and PGOs financially dependent on income from certification itself, competition from the uncertified fringe restricts just how high standards can reach.

We should be cautious in generalizing from a few examples. Even as certification schemes are heavily dependent on the companies whose practices they seek to regulate, environmental organizations that rely more on individual members like the WWF or Greenpeace have very different incentives, yet are important elements of the ecology. The WWF, for instance, derives the majority of its revenues from individuals, in-kind contributions, and government grants, with only 4% of its income coming from corporations.[15] Such membership-driven PGOs provide a useful civic corrective, but of course typically face significant collective action problems. Overall, the private structure of PGOs and the collective action problems of global civil society suggest that the field of GOs today may be tipping in a neoliberal direction.

The consequence of this skew, of course, also depends on the relevant counterfactual.[16] Suppose that states did not block the creation of an IGO, thereby inhibiting the rise of a PGO. What might be the policy outcome? An optimistic model comes from the Brussels effect noted earlier, where distributional conflicts have been relatively small and the EU has been able to set global standards in some areas (Bradford, 2020). Where distributional conflicts are more salient, however, businesses would still have an incentive to lobby any IGO for regulations they prefer, while the collective action problems facing consumers, labor, and global civil society would remain. The question, then, is whether an IGO with state members would be more inclusive in its representation and decision-making than PGOs now in play. There is likely to be considerable variation here. In more "technical" standard setting, where the effects of one standard over another are somewhat removed from the experience of consumers or global civil society, the intense interests of business are likely to produce a similar result under either form of governance. Even if states through their IGO were to be more directly involved in setting standards, they are likely to be "captured" by business interests and, thus, to favor neoliberal policies. In the case of child labor, indeed, Rugmark was ultimately undermined by an Indian government–led certification program (Kaleen) that was captured by industry and competed against Rugmark's attempt to capitalize on its certification label (Nooruddin and Sokhey, 2012). It is not obvious that public regulation by an IGO would necessarily be better than standards promoted by a PGO. Indeed, many IGOs might look more like the PEFC in its early years, which upgraded its standards only in competition with the FSC. We should be careful in using successful cases of public regulation as a benchmark to compare private regulations that emerge precisely when states and IGOs have been unable to act effectively.

On the other hand, where consumers and labor are mobilized as, say, voters, states and their IGO emanations might be more attentive to civil society interests than the multi-stakeholder models currently used by many PGOs. To the extent that resource scarcity is a driving force in the global governance ecology, and who provides the necessary resources matters for the rules produced by PGOs, states and IGOs able to tax producers, consumers, or populations in general would likely produce somewhat less biased policies than at least some of the PGOs that have emerged in recent decades. Where consumer demand for, say, eco-conscious goods can drive some NSMD programs, it is the resource constraints that limit PGOs and their inability to tax beneficiaries that suggests public standards might be preferred to private standards.

Analysts of private governance suggest two proposals for reform, both of which from an ecological perspective are likely to be limited. First, PGOs should be more transparent in their funding and stakeholders. Greater transparency would undoubtedly be welcome. The glossy annual reports produced by PGOs tend to extol their virtues and obscure their finances. But as with all GOs, transparency is endogenous and will arise only when the public or competing organizations demand greater accountability. Thus, this recommendation in some ways assumes the solution, requiring a more balanced ecology that does not exist yet. Second, others recommend that private regulation should be supplemented by public power (Locke, 2013). Despite the obvious synergies in uptake of private standards by public authorities, however, there have been few actual cases of joint regulation. This is a recommendation more than a proven "technology" of regulation, though it certainly seems worthwhile to experiment with more hybrid models of public–private regulation. Yet, public–private partnerships assume that states or IGOs have broader constituencies or are more responsive to civil society than are PGOs, on which there is, as I have suggested, likely considerable variation. Perhaps the most beneficial effect of greater public involvement might arise at the intersection of these reform proposals in public agencies, mandating greater transparency in finances and PGO procedures.

The possible skew toward neoliberalism in private governance is worrisome not because the organizations themselves are normatively questionable, but because the ecology and the policies it produces may be tipping in a single substantive direction that needs to be checked and balanced by other GOs embodying broader social interests. Rodrik (2011) and others have criticized the current system as one of "hyperglobalization." Indeed, neoliberalism run amok has stimulated a populist backlash in which those harmed by international market forces demand that their states reclaim their national sovereignty (Bickerton et al., 2006). Yet, as states and others adopt the standards issued by PGOs, the skewed ecology appears increasingly hard to overcome. The risk is that through a path-dependent process of double-negative regulation, PGOs will build a neoliberal bias into the system of global governance. There is a certain triumphalism in the literature on PGOs, an enthusiasm for private governance over the stale hands of states or the ineffectiveness of IGOs. An ecological perspective opens the question, however, of alternatives to PGOs, why those alternatives do not exist, and what—if they existed—they might look like. PGOs are clearly better than no governance at all. Whether they are always and everywhere preferred over the regulations that might otherwise be produced by states or IGOs is a question that demands attention. While the evidence presented here is admittedly only suggestive—even speculative—the trend is concerning.

Conclusion

In a recent view of transnational governance, Roger and Dauvergne (2016) identify two schools in the literature—one, a structural perspective that highlights, following Strange (1996), the diffusion of power in the world system; and, the second, a more functionalist approach that explains the rise of PGOs by the tasks they perform. In treating global governance as a field and, more specifically, an organizational ecology of diverse populations, this paper falls somewhat between these approaches. On the one hand, states are complicit in their own "retreat" to borrow Strange's (1996) description. In protecting their sovereign prerogatives, coupled with an inability to agree among themselves on rules governing globalization, states have blocked the creation of potentially effective IGOs, leaving open new niches that PGOs have arisen to fill. Other scholars have, of course, noted the failure of states to adopt sufficient regulations has spurred the growth of PGOs, but thinking of the field of global governance as the ecology of resource-constrained and competing organizations highlights the complex conditions and interactions that have led to the rise of PGOs in many issue areas.

On the other hand, PGOs do emerge to satisfy needs within the system, but an organizational ecology approach focuses attention on the broad array of possible GOs and especially on the missing IGOs that challenges a simple functionalism. Most important, organizational ecology opens the possibility that any field of GOs might not be socially optimal. Self-interested organizations in a complex system regulate one another and, thereby, configure their environment, opening and closing possibilities. Once a niche is filled, this changes the opportunities for other organizations, creating a path-dependent system. PGOs may be functional, in this view, but we should not assume they are optimal even for the narrow task they perform.

Rules matter. They privilege some actors and harm others, especially when there are distributional implications from alternative outcomes. Who fills a governance niche or who makes which rules is critically important. Although it remains an open question without any clear answer, an ecological approach prompts us to at least ask if the rules emerging at the global level are biased and, if so, whether they are biased in normatively desirable or objectionable ways. The independence that allows PGOs to occupy governance niches that states otherwise block is the main worry. Their dependence for survival on the voluntary participation of those they regulate is a potential source of bias in the rules governing globalization—and given who is being regulated and how resources are channeled to the PGOs, the bias is likely to be in a neoliberal direction. Too little attention, in my view, has been paid to this possibility. The answer is likely to vary considerably across organizations, issue areas, and sets of rules, depending on how the PGOs are themselves structured and the nature of the functions they perform. But as PGOs proliferate even as populist movements react to the free movement of goods, finance, and people across national borders, it would behoove analysts to inquire into the neoliberal bias that might just possibly undergird both globalization itself and the opposition to globalization.

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Notes

1. There are continuing differences over what to call these organizations. Roger and Dauvergne (2016) call the entire subject transnational governance, but here I emphasize organizations as the unit of analysis. Abbott et al. (2016) refer to private transnational regulatory organizations (PTROs), which limits the domain to regulation. At the risk of further confusion, I use private governance organizations (PGOs).
2. There have been many appeals to field theory in the literature on private transnational governance, but most studies nonetheless focus on a single population, e.g. Dingwerth and Pattberg (2009) and Loconto and Fouilleux (2014). Bartley (2003) confines his study to states and PGOs, and Bartley (2007) focuses on the relationship between foundations and PGOs.
3. On early global governance, see Young (1994). On private organizations in global governance, see, among others, Avant et al. (2010), Buthe and Mattli (2011), Green (2014), and Hall and Biersteker (2002).
4. For an exception, see Abbott et al. (2016). See also Jung and Lake (2011).
5. For a possible method of assessing organizations by "value," see van der Ven et al. (2017).
6. Bartley (2003, 2018: 4) argues this negative regulation is, in part, a function of the neoliberal political context prevailing in the 1990s.
7. For a contrary view, see Johnson (2014).
8. See https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf
9. See International Chamber of Commerce: https://iccwbo.org/media-wall/news-speeches/what-is-the-importance-of-the-ruggie-framework-for-business-and-human-rights/ (accessed 14 March 2020).
10. On the limits of upward harmonization, see Kinderman (2019).
11. On the interaction of states and PGOs, see Gulbrandsen (2014) and Andonova et al. (2017).
12. Figures from the IFRS Annual Report for 2018, pp. 26 and 38–41. Available at https://cdn.ifrs.org/-/media/feature/about-us/funding/annual-report-2018.pdf?la=en (accessed 18 June 2020).
13. Figures from FSC Annual Report 2018, pp. 56–57. Available at: https://annual-reports.fsc.org/en#downloads (accessed 18 June 2020).
14. PEFC Annual Report 2019, pp. 20–21. Available at: https://cdn.pefc.org/pefc.org/media/2020-04/428b28a8-8f04-45c0-af1c-d911bc0039b5/430e50ab-6653-50a6-875b-449823c04679.pdf (accessed 18 June 2020).
15. See World Wildlife Fund Annual Report for 2019, p. 32. Available at: http://assets.worldwildlife.org/financial_reports/37/reports/original/WWF-AR2019-FINALPAGES.pdf?1582917951&_ga=2.172903979.926075631.1592436566-1025158361.1592436566 (accessed 18 June 2020).

16. Evaluating counterfactuals in this area is difficult. For assessing the long-term impact of certification regimes versus legal rules on forestry management, for instance, see Bartley (2014), Cashore and Stone (2012), Gulbrandsen (2005), and Overdevest and Zeitlin (2014) .

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