



# Capture and crush: Gas companies in the fracking dispute and deliberative depoliticization



C.E. Wilson<sup>a,\*</sup>, T.H. Morrison<sup>b</sup>, J.-A. Everingham<sup>a</sup>, J. McCarthy<sup>c</sup>

<sup>a</sup> Centre for Social Responsibility in Mining, Sustainable Minerals Institute, University of Queensland, Brisbane, Queensland, Australia

<sup>b</sup> ARC Centre of Excellence, James Cook University, Townsville, Queensland, Australia

<sup>c</sup> Graduate School of Geography, Clark University, Worcester, MA, USA

## ARTICLE INFO

### Keywords:

Metagovernance  
Collaboration  
Deliberative democracy  
Participation  
Resource governance  
Depoliticization

## ABSTRACT

Multi-stakeholder governance arrangements involving co-operation between public and non-state actors are a vital part of the governance landscape for addressing social impacts resulting from resources development. Yet, the current mantra for ‘collaboration’ has gained relative credibility and legitimacy without scrutiny of the democratic characteristics and quality of these institutional arrangements. This article responds to this normative concern by examining the implications for the democratic legitimacy of multi-stakeholder governance arrangements in cases where private resource extraction companies, who do not necessarily act in the public interest, exercise a ‘metagovernance’ role. We explore this topic through a qualitative case-study comparison of affordable housing governance in regions impacted by unconventional gas development in Australia and the United States. We argue that while multi-stakeholder governance arrangements convened by resource extraction companies can support situations of democracy under certain conditions, resource extraction companies structure the processes within these collaborative arrangements to the benefits of specific actors, notably the extractive companies themselves and other profit-orientated actors. In particular, we illustrate the depoliticizing effects of these institutions, whereby in some cases, they are used to constrain debates about the social impacts of extractives development, and circumscribe certain types of actors from participation in deliberative debate and decision-making. We underscore the importance of state intervention in ensuring communicative processes induced by corporate actors proceed according to the principles of deliberative democracy.

## 1. Introduction

Momentum for the use of multi-sector governance arrangements by resource extraction companies to address the social development challenges associated with the industry has proliferated dramatically over the past decade (Porter et al., 2013; ICMM, 2011; Hamann, 2004). This phenomenon reflects in part a number of antecedents. The first is the evolution of industry priorities regarding the need for resource extraction companies to make a positive contribution to the communities in which they operate (IIED, 2002). The hope to gain a ‘social licence to operate’ from affected communities in particular has prompted companies to develop and engage in constructive and co-operative relationships with external stakeholders (Bice and Moffat, 2014). Second, the restructuring of the state in many advanced liberal nations has resulted in an institutional void in rural and regional areas, with resource extraction companies partnering with other institutions in an attempt to provide the services and social infrastructure affected

by the process of state withdrawal (Cheshire, 2010; Cheshire et al., 2014; Morrison et al., 2015). Resource extraction companies with operations in developing nations find themselves similarly enrolled to compensate for government weakness or state failure (Borzel and Risse, 2010). Finally there is increased understanding that the social impacts of extractive development tend to result from the ‘aggregation and interaction of the effects of the activities of multiple actors, none of whom have direct control over their interplay’ (Everingham, 2012, p. 97). Scholars and policymakers consequently prescribe ‘collaborative’ multi-stakeholder governance based on dialogue, deliberation, plurality, and the reciprocal sharing of resources and knowledge to mitigate these characteristics (Porter et al., 2013; Cheshire et al., 2014). In this context, private resource extraction companies increasingly work alongside other societal actors in ‘authoritative decision-making that was previously the prerogative of sovereign states’ (Cutler et al., 1999, p. 16). Such a trend seems likely to strengthen in the near future as the industry adjusts its contributions to the achievement of the Sustainable

\* Corresponding author at: Centre for Social Responsibility in Mining, Sustainable Minerals Institute, University of Queensland, Level 4, Sir James Foots Building (47A), Staff House Road, Brisbane, Queensland 4072, Australia.

E-mail address: [c.wilson7@uq.edu.au](mailto:c.wilson7@uq.edu.au) (C.E. Wilson).

<https://doi.org/10.1016/j.geoforum.2018.04.004>

Received 16 December 2017; Received in revised form 27 March 2018; Accepted 3 April 2018

0016-7185/ © 2018 Elsevier Ltd. All rights reserved.

Development Goals (SGDs), a task which is expected to involve ‘unprecedented cooperation and collaboration’ (CCSI, 2016, p. 2).

Disturbingly, however, the proliferation of multi-stakeholder governance arrangements related to the challenges of the resource extraction industry has gained credibility and acceptance, largely without careful analysis of the democratic and political consequences of these institutions. Recent studies examining the involvement and influence of resource extraction companies in governance highlight that these private actors are not simply passive participants in multi-stakeholder governance, but may also be actors ‘apart’ who are capable of being simultaneously engaged in decisions concerning the broader processes of how governance should be formulated and implemented (Wilson et al., 2016). This process is described in governance literature as ‘metagovernance’ and refers to the ‘strategic attempt (by certain actors) to structure and manage governance networks’ (Sorensen and Torfing, 2016, p. 445), typically with the intent of realizing a particular set of goals. Empirical extractives sector scholars have neglected private metagovernance, despite the growing body of political science literature that uncomfortably recognizes ‘rule-making’ in various sectors as increasingly performed not only by governmental actors, but also by private actors (Hahn and Weidtmann, 2016; Cutler et al., 1999). In this literature, a key concern is that increasing recourse to private actors – who are usually neither elected nor organized according to democratic principles – and their processes in governance can undermine social goals related to higher levels of democratic participation (Lemos and Agrawal, 2006; Wolf, 2006). There is also rising concern about post-political situations, whereby the processes of neoliberalisation act to restrict the possibility of democratic decision-making to the confines of the logic of the market (Brenner and Theodore, 2002; Swyngedouw, 2005). While not directly related, these streams of literature suggest that the magnitude of democratic implications invoked by non-state actor participation in network governance is far-reaching, therefore warranting a critical gaze on the extractives industries.

This article responds to the normative concerns raised above to examine the implications for the democratic legitimacy of multi-stakeholder governance arrangements in cases where private resource extraction companies, who do not necessarily act in the public interest, exercise a metagovernance role. To this end, we ask: What implications does the convening, structuring and facilitating of multi-stakeholder governance arrangements by resource extraction companies have for democratic governance? Do these metagovernance actions undermine industry attempts to deepen engagement and collaboration, or do they expand opportunities for meaningful citizen-industry engagement? And finally, how can policymakers best negotiate this increasing ‘privatization’ of rule-making for deliberative engagement on social development challenges in resource-rich regions? To explore these questions, we examine multi-stakeholder governance arrangements responding to affordable housing challenges in communities impacted by unconventional gas development in two case study locations: (1) the Surat-Basin Region in Queensland, Australia, and (2) the Northern Tier Region of Pennsylvania, United States (U.S.). Drawing on qualitative research conducted over a period of four years, we argue that while multi-stakeholder governance arrangements convened by resource extraction companies can support situations of democracy under certain conditions, resource extraction companies structure the processes within these collaborative arrangements to the benefits of specific actors, notably the extractive companies themselves and other profit-orientated actors.

The article begins by charting the contours of governance beyond the state and the problematic issues associated with new multi-stakeholder institutions in the context of representative democracies. We then address suggestions that the democratic legitimacy of these arrangements can be strengthened through deliberative democracy and metagovernance. Turning to the case studies, we empirically tease out the contradictory tendencies of ‘collaborative’ and ‘participatory’ governance arrangements convened by resource extraction companies. In

particular, we illustrate the depoliticizing effects of these institutions, whereby in some cases, they are used to constrain debates about the social impacts of extractives development, and circumscribe certain types of actors from participation in deliberative debate and decision-making. Accordingly, we propose the value of state intervention in ensuring communicative processes induced by corporate actors proceed according to the principles of deliberative democracy. Given the extent to which the terms ‘partnerships’ and ‘collaboration’ are entrenched in industry vernacular, we hope the results presented in this article incite further critical discussion and scrutiny in regard to the democratic characteristics and quality of multi-sector institutional arrangements.

## 2. Network governance and the democratic deficit

Multi-stakeholder ‘networked’ forms of decision-making have come to comprise a core feature of the institutional landscape of governing in the 21st Century. In its most basic form, network governance is a situation in which autonomous, but interdependent, organizations interact and self-coordinate their actions through interdependencies of resources and interest (Rhodes, 1997). Many governance theorists agree that the spread of governing capacity to networks of public and private actors is necessary from an efficiency perspective to tackle the increasing un-governability of complex and conflict-ridden policy problems in modern society (Kooiman, 2000; Rhodes, 1997; Mayntz, 1993). However, given that they do not rely exclusively on the authority and expertise of the state, these multi-stakeholder forms of governance pose problems for traditional ways of understanding the rule and activities of the state. In particular, the increased involvement of a wide range of actors in new modes of governing is described as having circumscribed government’s capacity for governing (Rhodes, 1994) and caused a blurring of responsibilities between public and private actors (Stoker, 1998). In representative democracies, concerns about the diminished role of the state in decision-making situations have led scholars to question the democratic legitimacy of multi-stakeholder governance arrangements (Klijn and Skelcher, 2007; Sorensen, 2002).

For our purposes here, legitimacy is a ‘particular quality of the social and political order that relates to institutions, norms and rules, rather than actors’ (Risse, 2006, p. 185). Institutions, rules and organizations are legitimate if they conform to principles that can be morally justified (Buchanan, 2002). Thus, democratic legitimacy relates to consideration of whether the institutions, norms and rules in operation respect the basic principles of democracy or ‘rule by the people’ (Beetham, 1991, p. 5). These principles include such matters as citizen participation, inclusiveness, equality, accountability and transparency. To understand the respective sources of legitimacy, scholars also distinguish between the ‘input’ and ‘output’ dimensions of legitimacy (Scharpf, 1999). Input legitimacy refers to the participatory quality of the decision-making process leading to rules, laws, regulations and policies (Risse, 2006, p. 185), or ‘the probability that those being ruled have some say in the process of rule-making itself’ (Risse and Kleine, 2007, p. 72). In contrast, output legitimacy is concerned with the problem-solving quality (i.e. effectiveness) of these rules and laws as outcomes in the interests of ‘the people’ (Risse, 2006, p. 185). Other scholars (Easton, 1965) emphasize the importance of throughput legitimacy, which concerns the quality and transparency of the decision-making process itself (i.e. people understand and respect the process) (See Table 1).

The traditional representative model of democracy confers legitimacy on institutions, and rules of the state, where congruence between the state and society occurs through mechanisms of elected representation (Klijn and Edelenbos, 2013). However, networked forms of governance pose a threat to representative democracy (Sorensen, 2002). This is because network governance demonstrates alternative patterns of interest-representation, decision-making and accountability than presented in representative democracy. Because governance

Download English Version:

<https://daneshyari.com/en/article/7353522>

Download Persian Version:

<https://daneshyari.com/article/7353522>

[Daneshyari.com](https://daneshyari.com)