

**TRANSNATIONAL PHILANTHROPY, POLICY  
TRANSFER NETWORKS AND THE OPEN SOCIETY  
INSTITUTE**

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## **Transnational Philanthropy, Policy Transfer Networks and the Open Society**

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### **Abstract**

The Open Society Institute (OSI) is a private operating and grant-making foundation that serves as the hub of the Soros foundations network, a group of autonomous national foundations around the world. OSI and the network implement a range of initiatives that aim to promote open societies by shaping national and international policies with knowledge and expertise. The OSI provides an excellent case study of the strategies of transnational activism of private philanthropy. It is an institutional mechanism for the international diffusion of expertise and 'best practices' to post communist countries and other democratizing nations. This paper avoids assumptions that civil society is an entirely separate and distinguishable domain from states and emergent forms of transnational authority. Focusing on the 'soft' ideational and normative policy transfer undermines notions of clear cut boundaries between an independent philanthropic body in civil society and highlights the intermeshing and mutual engagement that comes with networks, coalitions, joint funding, partnerships and common policy dialogues.

# **Transnational Philanthropy, Policy Transfer Networks and the Open Society Institute**

## **Introduction**

Founded in 1993 by the billionaire philanthropist George Soros, the Open Society Institute (OSI) is a private operating and grant-making foundation based in New York City that serves as the hub of the Soros foundations network, a group of autonomous foundations and organizations in more than 60 countries. OSI and the network implement a range of initiatives that aim to promote open societies by shaping national and international policies with knowledge and expertise. This paper evaluates its roles and activities as a transnational policy actor through the analytical lens of firstly, policy transfer and norm brokerage and secondly, transnational networks.

OSI provides an excellent case study of the strategies of transnational activism of private philanthropy. OSI is an institutional mechanism for the international diffusion of expertise and ‘best practices’ to transition countries of Central and Eastern Europe (CEE) and the former Soviet Union (fSU). The ‘open society’ discourses of transition and reform is multi-faceted. On a local level, OSI implements a range of initiatives to support the rule of law, education, public health, and independent media. At the same time, OSI works to build alliances across borders and continents on issues such as combating corruption and rights abuses. The idea is to give ‘voice’ to communities, and emerging policy elites, in transition countries through capacity building, the spread of ‘best practices’ and country-specific translation of ‘open society’ values.

The discussion will draw upon the related literatures of policy transfer and policy diffusion (Ladi, 2005; Levi Faur, 2005; Simmons, Dobbin & Garret, 2006). These ideas will be connected to recent scholarship on knowledge networks (Parmar, 2002; Stone & Maxwell, 2004). In undertaking this conceptual synthesis, this paper is concerned to widen our understanding on two fronts:

First, an objective is to broaden cognition of the potential domains *where* policy transfer takes place from its horizontal intergovernmental focus to vertical supra-

national policy venues. In this regard, this paper is distinctive from some international relations analyses operating within a frame of methodological nationalism that explain norm diffusion in terms of its impacts only upon *domestic* politics (Checkel, 1997). The focus here will be on a transnational actor seeking to inform and give shape to the domains of global and regional governance in addition to national and sub-national venues of policy making. This is in line with the argument that civil society actors represent a new logic of governmentality (Sending & Neumann, 2006). The involvement of non-state actors, and specifically transnational philanthropy, in certain fields of policy making and policy delivery can promote the ‘transnationalization of policy’. The spread of policy and practice does not always occur in a simple bilateral exchange between sovereign states but can be complemented or by-passed by transnational policy networks.

Second, the aim is to extend the range of *who* (or what) engages in policy transfer and the diffusion of international norms to include transnational non-state actors such as OSI and including the various academics, specialists and consultants engaged by OSI in knowledge networks or in ‘global public policy networks’ (Reinicke & Deng, 2000). Rather than treating such arrangements only as extensions of state action, networks can develop their own interests and objectives as well as powers and influences, allowing them to transcend the state. Transnational policy communities of experts and professionals share their expertise and information and form common patterns of understanding regarding policy through regular interaction via international conferences, government delegations and sustained e-communication (Bennett, 1991: 224-25); that is, an international policy culture. By focusing on the role of international actors in transferring policy and diffusing knowledge, a dynamic for the transnationalization of policy comes into analytical sight. In particular, ‘soft’ forms of transfer – such as the spread of norms and expertise in which non-state actors play a more prominent role – complements the hard transfer of policy tools, structures and practices pursued by government agencies and international organizations.

As a philanthropic entity, OSI has multiple identities as a global, regional, national and local policy actor. To be sure, its capacities as a policy actor at all these levels are quite limited and constrained. However, given OSI’s resources, its innovative

organizational form, and overt policy (transfer) ambitions, analysis of this network's regional and global impact is long overdue (Stubbs, 2005: 79).

The paper is structured into two parts. The first section outlines the concept of policy transfer, knowledge networks and their connection to global public policy via transnational philanthropy. The second section applies some of the ideas of the preceding two sections to the Open Society Institute which is portrayed as having the multiple character of different kinds of network. Sometimes it conforms to the concept of a transnational advocacy network (TAN). For instance, the OSI's East-East Program is an exchange program to "develop advocacy networks for the transnational promotion of open society" (OSI, 2004: 156). Occasionally, parts of OSI display features of a knowledge network or epistemic community (Haas and Haas, 1995) while at other times the OSI is a stakeholder alongside other international partners in 'global public policy networks'.

The legitimacy and credibility of OSI's expertise is drawn through a circular process between the knowledge it produces and the audiences that help legitimize and institutionally consolidate that knowledge. It becomes a mutual validation process, but one that helps give intellectual credibility to OSI norm advocacy and policy transfer. This credibility construction so as to better inform policy deeply implicates OSI in global governance. Its guise as an independent philanthropic network, sponsoring autonomous foundations in the separate domain of (global) civil society becomes questionable.

## **1. Policy Transfer, Networks and Philanthropy**

### *Policy Transfer*

Policy transfer is a transnational policy process whereby knowledge about policies, administrative arrangements or institutions in one place is used in the development of policy elsewhere. The objects of transfer can include (i) policies, (ii) institutions, (iii) ideologies or justifications, (iv) attitudes and ideas, and (v) negative lessons (Dolowitz, 1997). Additionally, there are different degrees of transfer in that actors engage in straight-forward copying of policy, legislation or techniques as well as

various forms of emulation, synthesis and hybridization, and inspiration (Dolowitz & Marsh, 1996: 351).

Policy and normative transfers can be either voluntary or coercive or combinations thereof. Terms such as ‘lesson-drawing’ portray transfer as a voluntary and somewhat rational activity (Rose, 1993). Other terms emphasize compulsory conformity; that is: ‘penetration’ by international policy actors (Bennett, 1991). By contrast, the more atmospheric term of ‘diffusion’ has been used in World Bank circles (Stiglitz, 2000). For this institution, the word has more neutral overtones of a natural, gradual and apolitical process. In some of the international relations literature, the word ‘diffusion’ been used in more precise manner to recognize the roles played by agents and the prospects for individual and organizational learning where interdependent decision making by national governments is promoting policy transfer. But this literature leans towards methodological nationalism when it asserts that: “International policy diffusion occurs when government policy decisions in a given country are systematically conditioned by prior policy choices made in other countries” (Simmons, Dobbin, & Garrett, 2006). Assuredly, policy diffusion occurs between countries. However, this paper goes beyond this hypothesis of interdependence to suggest policy transfer helps create transnational policy spaces as well.

The mechanisms of transfer are multiple. One mechanism is *coercion* such as exercised directly or indirectly by powerful nations or international organizations. The Bretton Woods institutions have long been accused of dispensing ‘one-size-fits-all’ policies coercively imposed through loan conditionality (although institutions such as the World Bank now use the discourse of “putting countries in the driving seat” – Stiglitz, 2000). Coercion is not at the disposal of a non-state actor like OSI. Yet, ‘soft’ ideational modes of coercion – such as reflected in accusations from politicians that OSI actors played a catalytic behind-the-scenes role in the Rose and Orange Revolutions of Georgia and Ukraine – suggest that norms and policy activity promoting them can have (counter-) hegemonic impact. Russian President Vladimir Putin accused George Soros of orchestrating the ‘color revolutions’. The contagion

potential of “powerful pro-democracy groups in neighboring countries apparently represent a very effective power resource for would-be democratizers” (Gray, 2006).<sup>1</sup>

Similarly, *competition* as a mechanism of diffusion has been seen primarily as consequence of economic competition among countries. States compete with each other to attract foreign capital. “Simplifying regulatory requirements, ameliorating investment risks, and reducing tax burdens” are often viewed as efficient policy choices but there are also “those who see competition producing a “race to the bottom” as countries slash taxes and social spending, environmental and labor regulations, to win over investors and export markets” (Simmons, Dobbin, & Garrett, 2006). Rather than competition, the literature on Europeanization has stressed *harmonization* as a policy dynamic of political and economic convergence. Convergence also occurs among non-state actors who are increasingly subject to common standards imposed by their donors on project design, budgeting and reporting when competing for grants. Even so, the competition in ideas and spread of counter-hegemonic projects also happens when bodies like OSI engage in ‘soft’ policy transfer of opposition ideas, alternative experts and ‘open society’ norms.

Transfers of ideas or programs are sometimes underpinned by a deeper process of *learning*. Here, the emphasis is on cognition and the redefinition of interests on the basis of new knowledge that affects the fundamental beliefs and ideas behind policy approaches (Hall, 1993). The concept of learning has been subject to numerous interpretations (Bennett & Howlett, 1992: 277; Checkel, 1997) but can be contrasted to simple copying or emulation. Policy scholars suggest that cross national lesson-drawing occurs via transnational ‘epistemic communities’ (Rose, 1993) or that policy oriented learning occurs within advocacy coalitions (Sabatier, 1991). It is also a concept that resonates with George Soros’ idea of reflexivity.<sup>2</sup>

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<sup>1</sup> A number of interviewees distanced the OSI from such interpretations, considering such journalistic portrayals to be over-simplification of the role that OSI played and a gross over statement of its influence. “We are not the driving force behind oppositions in Ukraine or Georgia ... they would be there anyway” (interview 3).

<sup>2</sup> John Gray (2006) paraphrased Soros’ position as follows: “social objects are partly created by human perceptions and beliefs, and when these perceptions and beliefs change, social

Learning can lead to the development of ‘consensual knowledge’ by specialists and epistemic communities about the functioning of state and society. When consensual knowledge is developed at a transnational level, the potential exists for the exchange of ideas providing impetus for policy transfer. Learning in transnational networks helps promote an ‘international policy culture’ but it is not automatically the case that learning will institutionalize in national government policy or be put into practice at local levels. Learning is uneven and imperfect across different actors within a policy network, as well as highly differential in implementation. Political and bureaucratic interests are constrained by electoral considerations, issues of feasibility, funding shortfalls, war or famine; that is, factors that prevent ‘harder’ institutional forms of transfer. Certain actors may have a greater capacity for learning whereas others may adopt lessons for symbolic purposes or as a strategic device to secure political support or development assistance rather than as a result of reformed policy understanding. In short, there may be transfer of policy knowledge but not a transfer of policy practice. With regard to OSI, it would require extensive fieldwork with national foundations and interviews with staff to assess how open society values are imbibed and translated into practice, if at all, and the degree to which the OSI normative frame is, or is not, accepted within different communities of a country. Even so, learning is not restricted to the nation-state level. OSI itself is a ‘learning network’. Learning can also occur through its partnerships with other international organizations or non-state actors. Again, whether the OSI normative frame is accepted throughout the Network, or among staff of OSI offices, can be a case of tactical or instrumental learning (to secure a job or project funding), rather than a deep philosophical commitment.<sup>3</sup>

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objects change with them. This introduces an element of uncertainty into our view of the world: ... we can never have objective knowledge of society”.

<sup>3</sup> Among responses from interviewees during discussion about the extent of staff commitment to ‘open society’ values (broadly defined), it twice occasioned the view that OSI was not about “indoctrination”. The only ‘regularized’ expression of OSI mission and values was in induction sessions provided for new Board members of national foundations introducing them to the history, structure and mission of the organization.



Indeed, one interviewee (#3) stated that the term ‘open society’ was “a label used as a reflex without thinking about it”.

‘Open society’ principles as conveyed by the OSI have had mixed reception within the organization in the development of its organizational culture, as well as within target countries and communities. National foundations have faced real difficulties in Belarus, Uzbekistan and Tajikistan due to the oppressiveness of the incumbent regimes towards OSI as well as other non-governmental actors. Norm diffusion and policy transfer can meet substantive opposition.

Alongside government agencies and officials at the state level, key actors in the mechanics of policy transfer are international organizations and non-state actors such as NGOS, think tanks, consultant firms, law firms and banks. These non-state actors can have considerable agenda setting influence when they function as part of ‘transnational advocacy networks’. Recognition of non-state and international organization roles complicates understanding of policy transfer processes beyond that of simple bilateral relationships between importing and exporting jurisdictions to a more complex multilateral environment and the transnationalization of policy.

This paper is concerned primarily with non-state policy transfer, albeit recognizing that there is dependency of this third form on the two other modes of transfer. Non-state actors in transnational advocacy networks may be better at the ‘soft transfer’ of broad policy ideas (Keck & Sikkink, 1998). That is, influencing public opinion and policy agendas as ‘norm brokers’ (Acharya, 2004; Ruggirozzi, 2006). Certainly OSI is involved in the spread of best practices on transparency themes at a country and region wide level (interview 6). Philanthropic capacity building, expertise based organizations like the Open Society Institute transfer knowledge, practice and people. In theory, bodies like the OSI have the institutional capacity to scan the international environment and undertake detailed evaluations of policy that will help prevent the simplistic, ad hoc copying of policy that leads to inappropriate transfer and policy failure. The strong local ethos of OSI and the autonomy bestowed on national foundations is designed to promote the most favorable environment for learning and ‘local ownership’ of policy ideas (Carothers, 1996).

The ‘soft’ transfer of ideas and information is relatively easy. It is a more difficult enterprise first to see ideas or knowledge about ‘best practice’ structure official thinking or public discourse and secondly, to ensure that those ideas become institutionalized. Notwithstanding evidence of considerable degree of information sharing, policy research and expert advice incorporated in OSI head offices and the various national foundations, the causal nexus between transferred policy ideas and their adoption is muddled by many intervening variables. While some ideas may capture the political imagination, many more fall by wayside. Non-governmental modes of knowledge transfer and normative diffusion are more extensive than harder transfers of policy tools and practice. The non-governmental status of a philanthropic body is a major structural constraint to policy transfer. OSI cannot bring about policy transfer alone but is dependent on governments, international organizations and local communities to see policy ideas accepted and instituted. Ideas have the power of persuasion, but they need institutions. Accordingly, non-state actors are often to be found in partnership or coalition on either an ad hoc or more permanent basis with government departments and agencies, international organizations or with other NGOs.

### *Networks*

Principal in its armory to inform policy debate and educate opinion has been OSI’s structural properties as an international network. There are at least three types of network concepts relevant to analyzing OSI operations:

- Global Public Policy Networks are tri-sectoral and share interests. That is, they are alliances of government agencies and international organizations with business (usually corporations) and civil society Reinicke & Deng, 2000).<sup>4</sup> Actors invest in these GPPN networks to pursue material interest but have in common a shared problem. Their interactions are shaped by resource dependencies and bargaining. They tend to cohere around international organizations and governments that have publicly entered into a policy partnership for the delivery of public policy.

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<sup>4</sup> The Global Public Policy Initiative – GPPi – has produced numerous empirical studies of these networks: <http://www.gppi.net/about/>

Examples include the Campaign to Ban Landmines, the Global Water Partnership and the Intergovernmental Panel on Forests. There are, however, many more networks. Virtually, all draw in experts and advisers along with various NGOs, community groups and business interests specific to the policy focus of the network. Over time the network may become institutionalized with the creation of formal arrangements such as advisory committees, consultation procedures and recognition by state and multilateral agencies in the implementation of policies to gradually become governance structures.

- Transnational advocacy networks encompass a range of non-governmental organizations and activists with shared beliefs. These networks seek to shape the climate of public debate and influence global policy agendas and are much less integrated into policy-making than GPPNs. They are bound together by shared values, dense exchanges of information and services, and a shared discourse. They are called advocacy networks because ‘advocates plead the causes of others or defend a cause or proposition’. TANs give ‘normative resonance’ to cause groups by pulling together the symbols, language and ‘cognitive frames’ that portray ‘morally compelling’ issues in a concrete manner to which the public can respond. Participants in advocacy networks can sometimes lack the status of recognized professional judgment of ‘experts’. However, these networks have been prominent in ‘value-laden debates over human rights, the environment, women, infant health and indigenous peoples, where large numbers of differently situated individuals have become acquainted over a considerable period and have developed similar world views’ (Keck & Sikkink, 1998: 8-9). These networks cohere around ‘principled beliefs’ – normative ideas which provide criteria to distinguish right from wrong – unlike epistemic communities (below) which form around ‘causal beliefs’ or professional understandings of cause and effect relationships. Consequently, transnational advocacy networks (TANs) are more effective in valuing ‘grass roots’, traditional and non-scientific knowledge.
- Characterized by shared scientific understandings, an ‘international knowledge network’ is “a system of coordinated research, study (and often graduate-level teaching), results dissemination and publication, intellectual exchange, and

financing across national boundaries” (Parmar, 2002: 13). The primary motivation of such networks is to create and advance knowledge as well as to share, spread and, in some cases, use that knowledge to inform policy and apply to practice. The expertise, scientific knowledge, data and method, analysis and evaluations that help constitute knowledge networks provides the experts within them with some authority to inform policy (Stone & Maxwell, 2004). The knowledge credentials and expertise of network actors (PhDs; career profile in a think tank, university or government research agency; service on blue ribbon commissions or expert advisory groups, etc) bestows some credibility and status in policy debates that gives weight to their recommendations. It is an elitist view of experts informing policy. Although from quite different theoretical standpoints, the category includes the concepts of epistemic communities (Haas & Haas, 1995), “transnational expertised institutions” (St Clair, 2006) and neo-Gramscian ‘embedded knowledge networks’ (Sinclair, 2000).

Due to the diversity of its operations, OSI can be seen at various junctures to be exhibiting features of all these three types of network. This does not mean that OSI is a schizophrenic or incoherent organization. Instead, due to its decentralized structure and diversity of projects, some initiatives are more normative in character and typified by advocacy, whereas in other instances, OSI initiatives are more technical and social scientific.

#### *Civil Society and Transnational Philanthropy*

Civil society feeds on, and reacts to, globalization. There is a complex relationship between firstly, economic globalization, and secondly, the thickening in international rule of law and new forms of political authority as another driver of globalization, then, thirdly global civil society as the other ‘driver’ of globalization.<sup>5</sup> These drivers are creating new transnational processes of policy making. Rather than network density and diversity disrupting hierarchies, opening participation and dispersing power, networks can also represent new constellations of privatized power. Instead of

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<sup>5</sup> For a discussion of the debates on conceptualising global civil society see the semi-annual Global Civil Society produced at the London School of Economics.

being civil society manifestations of bottom-up, non-statist globalization, networks are viewed here as ‘mutually implicated’ in the affairs of states and international organization (Baker, 2002: 936; also Sending and Neumann, 2006). As will be discussed, there is considerable blurring at global and regional domains of civil society where authority is not only embedded in the state.

One neglected aspect of global civil society is the ‘elite’ forms of associational life. This includes a variety of groups with different modes of membership, networking and organization. This diversity can only be itemized here with a few examples:

1. Foundations such as the Bill and Melinda Gates Foundation; the Ford Foundation or the Aga Khan Foundation that provide funding and resources to other civil society organizations or GPPNs;
2. Policy Dialogue Groups such as the World Economic Forum (WEF – Pigman, 2002) in Davos which acts as a transnational convener of opinion leaders in government, business, academe and NGOs;
3. Promotional groups such as Freedom House that are activist engaged in the advocacy of certain values and ideals.
4. Business Associations such as the Trans Atlantic Business Dialogue or the Global Business Coalition on HIV/AIDS;
5. Scientific associations and research groups; for instance, the Global Research Alliance or the Global Development Network.

These are professional bodies with substantial financial resources or patronage as well as a high international profile. They are aimed at influencing policy. This sphere of global civil society is not only hierarchical, but accessible primarily to those with resources; that is wealthy, westernized professionals and their agencies. It is an uneven playing field characterized by both intense competition for funds, resources, donor patronage or political recognition as well as collaboration and gate-keeping.

In this rough schema, OSI overlaps with all types. First and foremost, OSI is a philanthropic body and is often involved in funding or patronizing the other types of groups listed above. For instance, Soros has been a speaker at Davos for the World Economic Forum. Secondly, some of its constituent elements operate as policy dialogue venues. East-East supports exchanges among actors from civil society in

order, inter alia, to share best practices and lessons learned in social transformation.<sup>6</sup> Third, OSI advocates normative projects. For instance, EUmap is a monitoring and advocacy program that works with national experts and nongovernmental organizations to encourage broader participation in the process of articulating the EU's common democratic values as well as in ongoing monitoring of compliance with human rights standards throughout the union.<sup>7</sup>

Fourth, and although OSI is not a business association, it has a number of programs aimed at promoting entrepreneurship as well as 'economic and business development'.<sup>8</sup> Finally, OSI supports various research groups and think tanks inside and outside its organizational domain. Although it is legally separate from OSI, parts of the Central European University (CEU) are connected with OSI activities.

OSI can be contrasted to (but is not unconnected with) the anti-globalization movement, often portrayed as 'bottom up' globalization. It is a diverse and quite fragmented aggregation of groups and interests, sometimes convening at public meetings like the Global Social Forum, an example of so-called "contemporary progressive civic transnational advocacy" (Khagram, 2006: xx). Groups in the anti/alter-globalization movement frequently decry limited access into and lack of accountability of international organizations. Their role in the deliberative processes of multilateral forums has not been normalized in the manner accorded to the associations of corporate actors or other groups at the elite end of global civil society. As a consequence, the decision-making processes of the international institutions remain contested domains of legitimacy.

Access is partly conditioned by official recognition and public perceptions of legitimacy to participate. The authority and legitimacy for non-governmental public

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<sup>6</sup> <http://www.soros.org/initiatives/east/about>

<sup>7</sup> <http://www.soros.org/initiatives/eu>

<sup>8</sup> <http://www.soros.org/initiatives/business>

action in global affairs is not naturally given but cultivated through various management practices and intellectual activities. The private authority of WEF or Freedom House or OSI rests in large degree with their establishment as non-profit or charitable organizations. Their executives can argue on the one hand, they are not compromised by the need to generate profits in tailoring policy analysis to the needs of clients, and on the other hand, that they have independence or autonomy from bureaucracies and political leaders. Indeed, the Annual Reports of the Soros Foundations Network are littered with references to the ‘independence’ and ‘autonomy’ of the national foundations (see also Carothers, 1999: 273).

Another strategy to enhance legitimacy is rhetorical resort to the professional and scientific norms of scholarly discovery and intellectual investigation. Universities, including CEU, have long held this status. Think tanks set themselves apart from other non-state actors as independent knowledge organizations, and often cultivate a reified image as public-minded civil society organizations untainted by connection to vested interest or political power. Mixed sources of funding from private or independent philanthropy reinforce this discourse of dispassionate expertise and critical distance.

A related rhetorical tactic is when non-state actors adopt the mantle of protectors of the principles and philosophies underlying democratic societies. Numerous organizations lay claim to participation in public debate by ‘representing’ the interests of minorities or the human rights of oppressed communities and future generations.

The ends of both the donor and the grantee organization are served. Such discourses of authority and legitimacy are a necessary component in effectively diffusing ideas and propelling them into official domains. Via these three discourses of conduct – non-profit legal and financial independence; dispassionate scientific endeavour; and democratic representation – credibility is manufactured for non state actors. But in creating their credibility, they become ‘harnessed to the task of governing’ (Sending & Neumann, 2006: 656).

Civil society dialogues with governments and international organizations have become more frequent where such groups are treated as ‘partners’ and ‘stakeholders’

in international development and global governance. It is within this context that the Open Society Institute can be found. Like most private philanthropic enterprises, the OSI is a legally independent organization. However, various units of the OSI are to be found in partnership with UNDP, the World Bank or parts of the European Commission. As OSI expands its “global agenda, partnerships with other donors are becoming ever more significant” (OSI, 2006: 174). Many more organizations that are recipients of OSI grants are likewise enmeshed in regional policy dialogues, international alliances or multilateral initiatives. Instead of global civil society being a flat open sphere for apolitical ‘associational life’, ‘social engagement’ and ‘non-governmental public action’, it is also a politicised domain traversed by rich and powerful groups and networks seeking influence through policy analysis and quiet diplomacy or lobbying. With their substantial financial resources, foundations are in a prime position for promoting norms and setting agendas for policy debate.

For some, private philanthropy is a privileged strategy for generating new forms of “policy knowledge” convergent with the interests of their promoters (Guilhot, 2008; Parmar, 2002). This is apposite when assessing the purposes of the OSI and its sister institution CEU regarding the political and ideological functions of philanthropic initiatives aimed at higher education.

... it gives us indications regarding the strategic value of these fields as laboratories of social reform – both as the training ground of new elites and as generators of policy knowledge. Investing in higher education does not only earn philanthropists some social prestige: it allows them to promote “scientific” ideas about social reform and to define the legitimate entitlements to exercise power by reorganizing traditional curricula and disciplines. Educational philanthropy allows specific social groups, using their economic and social capital, to shape the policy arena not so much by imposing specific policies as by crafting and imposing the tools of policy-making (Guilhot, 2008: forthcoming).

Indeed, the inspiration for the organization originates with George Soros (and advisors around him) and in particular, his fascination with the work of Karl Popper. In *The Open Society and its Enemies* (1945), Popper argued that totalitarian ideologies have a common element: a claim to be in possession of the ultimate truth. Ideologies such as communism and Nazism resort to oppression to impose their



version of truth on society. The ‘open society’ is presented as an alternative that holds there is no monopoly on truth and that there is a need for institutions to protect human rights, freedom of speech and freedom of choice. After making billions from hedge fund speculation, Soros established the Open Society Fund with the objective of “opening up closed societies; making open societies more viable; and promoting a more critical mode of thinking” (Soros, 1997).

However, the interpretation and implementation of the ‘open society vision’ as held by Soros, by the Board members and by directors of major OSI programs, is dependent on its staff and their values and interests. Moreover, the recipients of fellowships, scholarships and higher education support grants are motivated by their own interests. The ‘open society’ is “an abstract idea, a universal concept” (Soros, 1997: 7). It will be put into practice in a multiplicity of imperfect, unintended but creative ways. This is all the more the case given that OSI operates as a decentralized network. In the words of interviewee 1:

“OSI is not one institution... it has a flat structure” “Everything is free standing”. Sometimes, there is a “failure to capitalize and develop the multiplying effects” of OSI initiatives. This is because “you have the freedom to do what you want”...

Rather than this being seen as poor control and problematic coordination, this diversity is welcomed. OSI is a more complicated organization than a mere cypher and disseminator of Soros’ philosophy. OSI functions as a vehicle for public action as well as private interest, and not only the private interests of its founder. Organizational coherence and unity of purpose is further confounded by its fragmented character. As interviewee 5 put it: OSI is “an octopus of an organization”... “one part does not know what other parts are doing” ... and there is “no system wide strategic planning”.

## **2. The Open Society Institute, Transnational Advocacy and Crafting Policy Expertise<sup>9</sup>**

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<sup>9</sup> Quotations are not referenced in this section but are based on interviews from October 2006. They are supported by participant observation and personal conversations with OSI related staff in Budapest over the period January 2004 through March 2006.

Most information about the Open Society Institute is found on its web-site. There is very little independent scholarly material available to access and evaluate the OSI. By contrast, there is a considerable amount of journalistic material that focuses on George Soros as the billionaire hedge fund speculator and philanthropist. The focus is on the individual rather than the organization. Similarly, more attention is devoted to the Bill Gates the individual, rather than to the operations of the Bill and Melinda Gates Foundation (see for example, *The Economist*, 2006).

This methodological individualism is detrimental. It deflects social science attention away from organizational manifestations of non-governmental public action. By focusing on the individual donor as the source of funding, a tendency comes into play where the motivations of the philanthropist are assumed to guide and direct the operations of the foundation. Analysis is foreshortened without delving into the organizational 'black box'. Removed from sight is the internal politicking, the deviations from principles, the poor implementation records, the experiments, mistakes and financial misappropriations that may or may not occur. Importantly, other stakeholders of an organization also shape its vision and strategies.

On its web-site, the Open Society Institute is introduced as:

... a private operating and grantmaking foundation, (that) aims to shape public policy to promote democratic governance, human rights, and economic, legal, and social reform. On a local level, OSI implements a range of initiatives to support the rule of law, education, public health, and independent media. At the same time, OSI works to build alliances across borders and continents on issues such as combating corruption and rights abuses.

OSI was created in 1993 by investor and philanthropist George Soros to support his foundations in Central and Eastern Europe and the former Soviet Union. Those foundations were established, starting in 1984, to help countries make the transition from communism. OSI has expanded the activities of the Soros foundations network to other

areas of the world where the transition to democracy is of particular concern.<sup>10</sup>

OSI has been built as an international network but it overlays and funds a series of national foundations. The foundations network consists of national foundations in 29 countries, foundations in Kosovo and Montenegro, and two regional foundations, the Open Society Initiative for Southern Africa (OSISA) and the Open Society Initiative for West Africa (OSIWA) while a third initiative for East Africa is in gestation. OSISA and OSIWA, which are governed by their own boards of directors and staffs from the region, make grants in a total of 27 African countries.

The two main central offices are located in New York and in Budapest with additional independent offices in Brussels, London and Paris. These two offices provide administrative, financial, and technical support to the Soros foundations. OSI-New York operates initiatives, which address specific issues on a regional or network-wide basis internationally, and other independent programs. OSI-New York is also the home of a series of programs that focus principally on the United States.

The Soros foundations operate as autonomous organizations with a local board of directors and considerable independence in determining how to implement the ideals of the open society. Due to the strong ethos of localism and of budgetary control of national boards, “the Soros national foundations are often perceived in their host countries as being organizations *of* those countries” rather than subordinates of OSI-NY or subject to the personal whims of Soros (Carothers, 1999: 273). In addition, there have been gradual pressures on the national foundations to become more self sufficient and less reliant on OSI funds. To varying degrees, these foundations participate in Network wide activities coordinated from New York and Budapest. Given the concern with transnational advocacy and global public policy, this paper is primarily focused on the network wide activities as these initiatives are those that are most transnational in design.

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<sup>10</sup> <http://www.soros.org/about/overview>, accessed 17<sup>th</sup> March 2006

For instance, an early program developed out of New York, and now managed from London, is the ‘East-East: Partnership Beyond Borders’ program. After 1989 with the onslaught of East-West exchanges, Soros wanted to provide opportunities for an ‘East-East’ “communications space”. A remarkably low-cost program, it was designed to educate people into the idea that there could be more to learn from each other rather than going to the West (Paris, London or New York) where inappropriate models, different historical and economic circumstances and mismatch of experience could occur. East-East has been “de-mystifying” who you can learn from. Rather than displacing East-West exchanges, the East-East program is “additional or supplemental”. East-East is rooted in the national foundations. The program works because it is “bottom-up” and where the London-based director relies upon people in the national foundations “who have the pulse” and can deliver ideas and plans on what kinds of exchanges are needed or wanted. “The national foundations fill in the content”. East-East also serves as a mechanism to link the national foundations to prevent them working in isolation (interview 1.). In once clear example of policy transfer, one initiative was “to help European Union actual and prospective candidate countries learn from the experiences of Central European countries that succeeded in acquiring EU membership” (OSI, 2006: 138). But whether such exchanges promote policy learning, or merely the dissemination of information and techniques, remains a moot point.

The multiple snowballing of programs and initiatives has meant that diversity, plurality, innovation and creative responsiveness to very different local political, economic and social circumstances has been the order of the day. This ethos is dominant vis-à-vis a bureaucratic emphasis on audit and financial accountability. There is a sense of creative chaos among a “concentration of very talented people” (interview 1). Soros “is a man who believes that OSI is driven by its philosophy”.<sup>11</sup> He is also averse to bureaucracy. Consequently, there is less attention to monitoring and evaluation of organizational methods and impact. Yet, for an organization that advocates ‘best practice’ on transparency and local government budgeting through projects such as Revenue Watch, its own internal practices are a step behind that of the general thrust of the Network’s public advocacy (also Carothers, 1996: 22).

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<sup>11</sup> Personal conversation with OSI Board member, Budapest 21<sup>st</sup> March 2006

A matter for discussion in interviews concerned tendencies to “universalization” within the OSI. That is, the assumption that there is commonness of the Eastern European experience (a homogenization of the different country and local experiences) and a policy belief in the replication of the experience in other venues. That is, what was done in Eastern Europe can be transmitted into Central Asia. Such a development in thinking loses what was innovative and special in the encouragement of “local knowledge” and “local ability” via the national foundations during the 1990s. The bureaucratization of OSI as the organization consolidates has prompted a universalizing dynamic that it is in tension with the ‘reflexive’ spirit favored by Soros. It presents a challenge for OSI given limited resources and insufficient expertise that prompts a default to “second world lessons for third world contexts ... we need to avoid this” (interview 7).

As the national foundations are encouraged to become more autonomous and independent of OSI, a subtle transformation is occurring. OSI gradually moves away from a ‘bottom-up’ strong contextual approach to capacity building of local and national communities. A dynamic is growing of a ‘top down’ professionalized mode of policy interaction with decision makers. That is, “more like a traditional foundation with program officers in New York” (interview 5). In short, OSI is moving away from public action that is focused on capacity building at local and national levels (built in the historical context of post-communist transitions) to public actions also aimed at transnational levels and at higher level policy processes. “The losers are the traditional national foundations” (interview 7). This centrifugal dynamic has created a more vertical set of relationships within OSI constituent parts, and with its grantee organizations.

### *Open Society Policy Transfer and Norm Brokerage*

OSI is a transnational transfer network. It is engaged in explicit form of normative transfers. Thus in many respects it can be described as a TAN. Indeed, the OSI motto – “Building a Global Alliance for Open Society” – is indicative of the organization function of brokering norms.

A 'norm broker' is an agent that generates, disseminates and institutes norms regarding a political-economic model. The term 'norm' includes standardized knowledge and ideas, principles and practices that are usually framed into paradigms or policy proposals (Riggirozzi, 2006). However, the extent to which norms find acceptance or institutionalization is dependent to some large degree on 'norm takers'; that is, how "local agents reconstruct foreign norms to ensure that norms fit with the agents cognitive priors and identities" in a dynamic process of 'localization'. Norm takers "build congruence between transnational norms ... and local beliefs and practices" (Acharya, 2004: 239-241).

In other words, policy change does not entail a one-way exercise of power and imposition of paradigms, but rather the capacity of the amalgamation and compromise between the OSI and local knowledge(s) found within community groups, local and national governments. The brokerage role articulating between global ideas and local expertise can make the difference between achieving consensual long-term reforms, or failure from the lack of support and legitimacy for the reform of institutions (Riggirozzi, 2006).

The OSI operates as a norm broker for 'open society' values or paradigm. That is, "rule of law; respect for human rights, minorities, and minority opinion; democratically elected governments; market economies in which business and government are separate; and thriving civil societies" (OSI, 2003: 187). At a more specific level, OSI engages in policy transfer primarily as a generator and disseminator via network wide initiatives, and less so as an implementer. The national foundations have been more closely involved in implementation. And these foundations can be seen as both norm brokers and exercising choice as norm takers.

OSI has played a prominent role in the region "promoting policy research, evaluating policy options, initiating and disseminating best practices, and monitoring policies...". As the "Communist menace" receded in the early 1990s, it "pursued individual grant making for scholarly research, academic advancement of the local expert communities, and enhancing diversified civil societies and independent media"

(Krizsán and Zentai, 2004: 169-70).<sup>12</sup> In particular, OSI funds a number of think tank initiatives including the new European Council on Foreign Relations (ECFR) which will “promote a more integrated European foreign policy with open society values at its core”.<sup>13</sup> It is partially emulating the US Council on Foreign Relations.

The Local Government and Public Sector Initiative (LGI) and PASOS are good examples of the OSI as a generator and disseminator of policy ideas. PASOS is the Policy Association for an Open Society – a network of policy institutes from 23 Central and Eastern Europe countries and the Newly Independent States.<sup>14</sup> It provides institutional infrastructure for pooling and exchanging policy-related knowledge. LGI is an older OSI initiative to promote democratic and effective governance in the countries of the Soros Foundations Network. It has specialized in financial management reforms. To that extent, it operates more as a disseminator and grant-maker than a generator of governance knowledge. LGI provided start-up funds for PASOS.

An important component of PASOS activity is to improve the capacity of the participating centers through exchange and sharing of best practices in a collaborative manner. LGI has targeted both managerial capacity of the centers and their capacity to prepare better policy documents and advocacy (through training workshops and mentorship). Considerable attention is dedicated to twinning centers and sharing of good practices. One area where policy transfer has already been facilitated by LGI as a ‘knowledge broker’ concerns the spread and adoption of ‘quarterly economic indicators’ in Ukraine, Moldova and Kazakhstan in national accounting systems (Ionescu et al, 2006).

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<sup>12</sup> The Director of CPS, Viola Zentai was initially employed by the OSI when the Center for Policy Studies was established, but is now full time employed by CEU.

<sup>13</sup> Email From: Mabel van Oranje-Wisse Smit Sent: Friday, June 08, 2007 12:24 PM

<sup>14</sup> Aside from PASOS and ECFR, other think tank projects supported by OSI include a network of human rights related think tanks co-ordinated from Budapest  
[http://www.soros.org/initiatives/hrggp/focus\\_areas/think](http://www.soros.org/initiatives/hrggp/focus_areas/think) .

One PASOS member is the Center for Policy Studies (CPS), an academic unit based at CEU. CPS is an important link between the OSI and the CEU. CPS conducts “research and advocacy” on public integrity and anti-corruption; social diversity and equal opportunities; rural development and equal opportunities. Project areas where there is an impetus for policy transfer include research work on “European Integration and Policy Making’ and the European Commission funded program on ‘economic cultures’. The latter aims at identifying the types of cultural encounters in the European economy during and after the enlargement, mapping the major cultural gaps and strategies to bridge them, and enable the EU to draw lessons for the next rounds of accessions.

CPS incubated a Masters of Public Policy that eventually spawned an independent Department of Public Policy at CEU. In tune with the wider objectives of the University, it is “aimed at training professionals to become sensitive to transnational policy/global governance” (Matei, 2008). CPS also manages the International Policy Fellowship initiative (Pop, 2006). The motivation for this program is largely to counter ‘brain drain’ by giving in-country fellowships to researchers and activists who have potential as open society leaders. Policy transfer occurs through the mentoring process of fellows who gain professional advice on how to write policy documents, spark public discourse in transition countries, and propel their ideas into official domains (OSI, 2003: 159).

The transfer undertaken is of western standards of policy professionalism. Indeed, one of the most popular and widely utilized publications of LGI has been *Writing Effective Policy Papers* (Quinn & Young, 2002). The book adapts Anglo-American ideas of policy writing for post-transition regional audiences adapting to new policy environments. Its authors are regular participants in various capacity building workshops organized by OSI and other multilateral donors in the region. They transfer professional experience and provide ‘hands-on’ technical advice about public policy processes.

Notwithstanding historical and individual ties between OSI and various parts of the University, the relationship between the two is increasingly marked by different trajectories. Like many universities, disciplinary boundaries are hardening in that



scholars stick to their departments and research interests. Employment contracts no longer require CEU staff to devote 20 days work to OSI. The pursuit of academic norms has implications in providing little incentive for faculty to engage with OSI. The University ploughs its own furrow in its pursuit not only to “help to create regional identity” but also to cultivate “Awareness among actors in the region about the need to work for regional and global solutions” (Matei, 2008).

### *The ‘Global Turn’ and the ‘Policy Awakening’*

From the end of the 1990s, the Network engaged itself in various debates regarding global transformations and as a consequence, ventured to reach out to new regions of the world (Palley, 2002). The programs of the Network sought to critically examine issues of emerging democracies not only in a post-socialist but in a global context (Krizsán and Zentai, 2004). As Soros become interested in globalization, he was less inclined to close down OSI as originally intended (interview 2).

The ‘global’ strategy was also pushed by the accession of the new 10 member states to the EU. This ‘global turn’ is perceived by interviewees 1. and 3. as a horizontal stretch of OSI activity across geographies than a vertical conceptual expansion of influencing global debates and international organization. This view can be contrasted to the public opinion of George Soros who stated: “Our global open society lacks the institutions and mechanisms necessary for its preservation, but there is no political will to bring them into existence” (Soros, 1997: 7). One event to mark the newly re-fashioned goals of the OSI was a conference in 2001 at the Central European University for its 10<sup>th</sup> Anniversary conference. For CEU and its sister institution OSI, the conference was a venue to publicize their joint commitment to the ‘global open society’ and the objective “to articulate critical and policy views in the global public sphere” (Krizsán and Zentai, 2003: 37, 35). An objective has been to get the “network programs to think global, to spread expertise” (interview 7)

Through the mechanism of the Chairman’s and Presidential Grants, there are further signs of the global agenda. Grant giving to transnational advocacy programs (interview 7) is especially apparent in the fields of human rights and anti-corruption.

In 2003, funding went to bodies such as Global Witness<sup>15</sup>, the Data Foundation (for educating the US public about debt relief, aid and trade), the Altus Global Alliance<sup>16</sup>, TIRI,<sup>17</sup> and long standing OSI partners such as Human Rights Watch and the International Crisis Group (OSI, 2003: 190).

Another indicator of the ‘global turn’ is the degree of interaction and partnership between OSI and international organizations such as the World Bank, the European Union, UNDP and the WHO as well as a range of other non-state international actors (OSI, 2006: 174). One important example has been the long standing record of work of OSI regarding Roma communities, support for the establishment of the European Roma Rights Center and the regional Roma Participation Program amongst other initiatives. Much work involved surveys and data gathering simply to understand the dimensions of the situation faced by Roma. In mid 2003, the OSI in conjunction with the World Bank initiated the ‘Decade of Roma Inclusion: 2005—2015’. The two institutions have subsequently brought to the partnership most regional governments as well as that of Finland and Sweden, the European Commission, UNDP and the Council of Europe (Krizsán and Zentai, 2004: 175-80). Others in OSI also see the Roma Decade as a success albeit more as a “rhetorical device” (interview 3) and an “empty frame” to fill (interview 5). Even though Roma concerns are advocated in regional or global institutions, bring about a change in attitudes and practice in local communities and national administrations is a slower process.

As such, the ‘global turn’ has many dimensions. It includes the internationalization of civil society at national and sub-national levels through capacity building initiatives to

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<sup>15</sup> <http://www.globalwitness.org/>

<sup>16</sup> [http://www.vera.org/project/project1\\_1.asp?section\\_id=9&project\\_id=69](http://www.vera.org/project/project1_1.asp?section_id=9&project_id=69) Established by the Vera Institute of Justice

<sup>17</sup> <http://www.tiri.org/> TIRI was originally an acronym for Transparency International Research Institute (spun-off from Transparency International after a leadership dispute) but the organization prefers to be known as TIRI. It describes itself as one of “a new generation of global policy network”.

educate local communities and policy actors into the impact of globalization and regionalization. Additionally, OSI partners with international organizations and governments, sometimes in arrangements that are similar to ‘global public policy networks’ (OSI, 2006: 174). OSI was a late donor to the Campaign to Ban Landmines. It has also partnered with the Consultative Group to Assist the Poorest, and the Global Fund to Fight AIDS, Tuberculosis and Malaria, all of which are considered GPPNs (Reinicke & Deng, 2000). Indeed, the Roma Decade partnership can be thought of as such a network. Elsewhere OSI has been described more generally as a ‘global democracy promotion public policy network’ (Sisk, n.d).

The global turn is also apparent in the re-articulation of the Network’s driving principles for a ‘global open society’. On this later score, the OSI displays many features of a TAN: It is a human rights advocacy network. But there are also some important differences from the TAN concept. The OSI network “is a more formal and institutionalized network with an established bureaucracy, relatively secure funding and gradually centralising structure” (Krizsán and Zentai, 2004: 171).

Rather than resembling an ‘epistemic community’ in its strict definitional sense, OSI nevertheless operates as, and with, knowledge networks. For instance, OSI supports research in the public health field such as the international effort on extremely drug-resistant tuberculosis (XDR-TB).<sup>18</sup> Additionally, the Public Integrity Education Network (jointly run by CPS at CEU and TIRI, and part funded by OSI) is a network of universities and civil service colleges in 60 countries engaged in the development of new courses and resources in the field of governance, integrity and administrative reform.

Notwithstanding the different orientation or composition of these networks, they act as vehicles for the international diffusion of norms, ideas and practice. However, the global turn is not an evenly spread dynamic throughout OSI. Few of the national foundations work on regional issues, or on international organizations, or even on

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<sup>18</sup> Accessed 30 April 2007 at:

[http://www.soros.org/initiatives/health/focus/phw/news/drugresistant\\_20070314](http://www.soros.org/initiatives/health/focus/phw/news/drugresistant_20070314)

other countries. “Most work on public policy”; that is, work at the national level (interview 4).

Related to the ‘global turn’ is its ‘policy awakening’. As OSI has matured, it has advanced from a focus on capacity building to using built capacity to influence policy. For instance, as stated by the former LGI Research director:

We... have started to gradually move towards new forms of international development. Beyond traditional action-oriented, grant-giving and capacity-building activities, we are actively involved in policy design and policy-making (Gabor Peteri, preface to Quinn & Young, 2002).

Institution building and open society advocacy has not been supplanted. However, recognition that “the collapse of a repressive regime does not automatically lead to the establishment of an open society” prompted more nuanced, targeted and policy focused approach in the Network (Soros, 1997: 10-11). Indicative of the policy awakening is the support given to PASOS and other think tanks as well as the International Policy Fellowships.

This ‘policy turn’ has been by design, but was also an economic necessity:

Grant making in 1990s style is no longer feasible. The US dollar was stronger and went a long way. We have expanded our reach, so foundations have become smaller in real dollar terms (interview 3.);

The global and policy turn happened simultaneously. We had focused on generalized civil society development but resources were starting to decrease. We concentrate on policy change now rather than a thousand flowers blooming (interview 7.)

The focus on policy work and policy development is succeeding civil society development, and represents a more self conscious approach in OSI. At the same time, there is an “on-going internal discussion” about the crisis of sustainability for many civil society organizations in Central and Eastern Europe (interview 5, also, Koncz, 2006).

OSI combines activities with normative aspirations and advocacy as a TAN alongside scientific analysis that might be associated with a knowledge network. The Network has “functioned as a mechanism of bridging knowledge production and policy...” (Krizsán and Zentai, 2004: 169). The organization is sufficiently broad and flexible to encompass a variety of differently motivated actions. While there are contradictions or tensions inherent in such combinations, there are also potential benefits in consolidating the mission of the OSI. The network structure potentially facilitates the incorporation of local expertise into more traditional and elite research approaches. Parts of the Network can be engaged in policy from conceptualization through to policy advocacy, concrete action and monitoring, although this does not happen as often as hoped (Krizsán and Zentai, 2004: 174, 182).

Its image as a relatively rigorous knowledge actor is a significant source of authority for OSI. Many of its operatives have social status as experts and reputable policy analysts. Many OSI operations are think tanks or other types of research and analysis organization. Attributed as public-spirited and with a steadfast commitment to independence, objectivity and scholarly enterprise bestows authority on OSI in a dynamic that also boosts the reputations of the individuals associated with it. These groups (and sometimes the media in its quest for expert commentary) legitimate OSI staff as ‘serious’ and ‘expert’ persons. To maintain their organizational reputation and repudiate accusations of politicization, advocacy and lobbying, or ideological polemic, OSI executives have encouraged engagement with academic communities. In this regard, the strong relationship and physical proximity of OSI-Budapest to its sister institution, the Central European University is important.

In sum, the OSI has been in constant renegotiation and reconstruction of its identity and in pushing out its socio-political boundaries as a transnational actor. As a transnational network it does not operate in separate domains at global/regional levels that are apart from the national/local. Instead, it is engaged in making critical cross cutting links. In re-inventing itself from a norm broker in opposition to communism and advocating open society values to a body with stronger research capacity, it has also sought to bridge social science and praxis. Finally, although it is a non-state actor, its partnership activities and policy aspirations substantially blur the distinctions of OSI as an independent civil society organization.

### **3. Global Policy and Non Governmental Public Action**

The source of OSI power and influence does not lie in numbers; it does not have or seek electoral support, and it is not a social movement. Nor does it have the power and authority of public office; it is outside the international civil service of intergovernmental organizations and state bureaucracies. In terms of material power, OSI is puny compared to that of corporations and the economic clout of business, notwithstanding the hundreds of millions ploughed in by its founder. Instead, the sources of its power in policy lie in the appeal of its norms, knowledge and networks. That is, the norms of the open society and human rights bolstered by knowledge creation through think tanks, university and policy fellowships that is jointly disseminated and advocated through collective action of alliances, partnerships and networking.

OSI seeks to provide the conceptual language, the normative paradigms, the empirical examples that then become the accepted assumptions for those making policy. OSI does not act alone in such intellectual action, but more usually in coalition with like-minded thinkers and activists in journalism, the professions, universities and so forth. Through its networks, OSI has ‘boundary transcending’ qualities. It draws together intellectual resources allowing the OSI to do the work of articulation between the national, regional and global levels of governance. The very concept of ‘open society’ has also been represented by Soros as one that has boundary transcending qualities:

... the open society as a universal concept transcends all boundaries. Societies derive their cohesion from shared values. These values are rooted in culture, religion, history and tradition. When a society does not have boundaries, where are the shared values to be found? I believe there is only one possible source: the concept of the open society itself (Soros, 1997: 7).

However, rather than just transcending boundaries, the OSI – and numerous other transnational actors – are carving out new transnational spaces for public action. The Habermasian notion of a public sphere goes some way to accommodating this idea of a realm for the evolution of public opinion (Hodess, 2001: 130). However, this notion is based predominantly on debate and dialogue, neglecting in considerable degree the

variety of institutional developments that populate this space and the global policy processes that networks form. Instead of a simple co-option into governance, OSI is proactive in the creation transnational policy transfer processes through its own international network infrastructure and identity, as well as through its multiplicity of policy partnerships.

Within this sphere of global policy debate and networking, OSI has been consolidating its own credibility and authority in part by creating its own audiences and reference points. Funding intellectuals, NGOs, the CEU and other academic centers helps build clientele relationships between these grantees and OSI, as well as with other foreign donors. By no means is this exceptional to OSI, but a common feature of philanthropic foundations (Roelofs, 2003: 188). The point, however, is that OSI subsidizes various experts and intellectuals to inform civil society and professional or bureaucratic audiences. Instead of the linear transmission of knowledge with OSI as a conveyer belt of policy ideas, a circular process is in operation whereby the constituencies of OSI are sources of legitimation of OSI as a “transnational expert institution” (St Clair, 2005). Recognition of OSI supported think tanks as centers for expert, scientific and authoritative advice occurs because of the scholarly credentials and output of these organizations. It also happens because of the relationship with public institutions and donor groups that have a vested interest in the general belief that policy institutes and are rational social tools for policy planning. Commissioning and funding studies, these interests want independent and rigorous analysis. On the other side of the coin, these international agencies can then legitimize their policy position by arguing that they are interacting with and consulting independent civil society organizations. Moreover, the various policy networks of the national foundations further embed OSI in a range of official actions and public policies. Clear distinctions between state and non-state, public and private, actors become blurred.

OSI becomes a ‘meta-NGO’ where its primary purpose is to provide support to other NGOs and groups but can “end up ‘governing’ other NGOS” (Stubbs, 2005: 81). And in taking a ‘global turn’ in its ‘policy awakening’ OSI-NY and Budapest become more distant from local associations and closer to international organizations and other ‘transnational expert institutions’.

To conclude, this paper avoids assumptions that civil society is a separate and distinguishable domain from states and emergent forms of transnational authority. Focusing on the 'soft' ideational and normative policy transfer undermines notions of clear cut boundaries between an independent philanthropic body in civil society and highlights the intermeshing and mutual engagement that comes with networks, coalitions, joint funding, partnerships and common policy dialogues. While OSI has origins as a grass roots civil society actor in the post communist countries, it has become an elite global policy organization.



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Allison Giffen, Policy Analyst, Washington DC. 6<sup>th</sup> March 2007

Robert Kushen, Director of International Operations , OSI New York, 26<sup>th</sup> February  
2007

Mary Frances Lindstrom, Cambridge House, Open Society Foundation office,  
Hammersmith, London, 7<sup>th</sup> December

Bronwen Manby, Cambridge House, Open Society Foundation office, Hammersmith,  
London, 7<sup>th</sup> December

Jonas Rolett, Regional Director for Southern Central and Eastern Europe, Washington  
DC. 6<sup>th</sup> March 2007

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