

10 Open Institutions and Their “Relevant Publics”: A Democratic Alternative to Neoliberal Openness

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The Field of Open Development

Information and communications technologies (ICTs) are transforming our societies in fundamental ways. Early on, ICTs were largely regarded as useful *tools* to better achieve various social and economic objectives, an approach that underpinned the field of ICTs for development (ICTD) (Rosenberger 2014). It has increasingly become evident, however, that the social impact of ICTs is deeply structural, and theorists have sought more robust concepts and theories to capture the role of ICTs in development.

Open development is one such attempt. ICTs indeed deconstrain information flows and social relationships and thus can be considered as promoting openness, possibly leading to positive results. In an earlier paper (Singh and Gurumurthy 2013), we had broadly defined openness to mean decreased constraints on social interactions. *Openness* is now well understood in relation to certain sectors, such as open government, open knowledge, and open technology. It has also been applied to some other fields, such as education, science, and health. In each of these areas, there are a set of benchmarks, some more accepted than others, to suggest whether and why a practice belongs to open *X*, *X* being government data, knowledge, educational resources, and other materials.¹ Such benchmarks are contextual to the area or sector and do not necessarily apply across sectors. One way to understand open development is to consider it a field that encompasses the aggregate of all the *open X* forms, with a broad family resemblance (Davies 2012).

But this begs the question, why do we need a distinct term called *open development*? The idea behind open development, as argued by Smith and Reilly (2013a, 4), is to harness “the increased penetration of information and communications technologies to create new organizational forms that

improve the lives of people.” Thus, it can be said that “networked organizational forms” provide development practice with a new paradigm to effect change. The theoretical field of open development, however, reflects a tension between the normative and the positivist character of openness. Smith and Reilly (2013b, 15), for instance, observe that “new open networked models... will not necessarily lead to social good.” Other scholars, such as Buskens (2013, 341), consider open development as “enabling and enhancing equity, sharing, and connectedness” and “as a critique on the existing utilitarian, growth-driven, econocentric mainstream worldview.”

Our starting point is that development is certainly a normative discipline, and open development also needs to be seen as such. The visible impacts of ICTs are often powerful and spectacular. It is hence vital to distinguish between what may simply be far-reaching changes arising out of the new organizational possibilities afforded by ICTs and those that endure as equitably beneficial to people. Emphasizing the end goals of open development is particularly important given recent technological advancements. The last couple of years have highlighted that big data, which demands different theoretical treatment than information, and “digital intelligence” may be the real game changers (Singh 2017, 1). As a social nervous system running across all sectors, big data and artificial intelligence (AI) are likely to fundamentally change the way our social institutions are organized (Singh 2017).

Benkler (2006, 32) considered “radical decentralization of intelligence in our communications network” to be the key contemporary transformative force. With big data and AI-based processes, we are witnessing an opposing trend—a movement toward the radical *centralization* of intelligence across our social systems. This has direct implications for how the benefits of ICTs will be distributed.

Our approach takes a normative view of open development, laying out the building blocks of how the concept connects to a better distribution of power in society and its various institutions. The open Internet, as a global communication system with no central control or administration, and its unregulated institutional ecosystem based on *free*, although actually non-transparent and unequal, contracts among private Internet service providers (ISPs) along with users, have over time seen a neoliberal takeover by big corporations (McChesney 2013). In fact, the Internet’s openness itself is employed as a mantra for a new social design, which is what gives the term *openness* its newfound currency and vitality.

Google’s smart cities company, Sidewalk Labs, is conceptualizing a city that is developed from the “Internet up,” where the organizational logic and efficiencies of the Internet will ab initio inform a city’s various systems (Doctoroff 2016). Technology evangelists speak breathlessly about smart solutions to practically every social problem, which are based on new, disruptive digital business models. The successful businesses get cannibalized by big corporations, which are orchestrating the economic reorganization of whole sectors through platform-based digital ecosystems. Jack Ma, the head of China’s e-commerce giant Alibaba Group Holding Limited (2016), has proposed a new global digital trade platform involving virtual free trade zones.

Our engagement with the normative aspects of open development is a response to such digitally enabled social reorganization, wherein *openness* is appropriated as the key value and premise to further a neoliberal private ordering (Morozov 2013).² We seek to posit how the promise of ICTs and their *openness* can be captured for a new age democratic public order. Our concept of democracy proceeds from the standpoint of ordinary citizens. The new democratic possibilities from ICT-induced openness must privilege the participation and empowerment of marginalized citizens, countering what Gaventa (2006, 21) describes as “neoliberal or liberal representative understandings” that “often remain hegemonic.”

Openness and *open development* must be placed in relation to a larger institutional framework, going beyond their application to specific artifacts or processes. ICT-based affordances create the possibility for new institutional designs wherein all stakeholders or communities relevant to an institution are more closely and continually able to deliberate and influence the institution and its functions. We refer to such institutional redesign as ICT-induced *openness* and the resulting institutions as *open institutions*. We consider such an institutional transformation process as a generalized socialization of the idea of participatory democracy, as it gets applied not only to major political organizations but to all social organizations.

The first section of the chapter provides a definition of *open development* as consisting of a movement toward *open institutions*. This definition places the customary constituents of *openness*—transparency, participation, and collaboration—in a situated institutional setting, as a set of social relationships among specific social actors. The next section focuses on the social actors who enjoy an enhanced role in the work and positive outcomes of

an institution that is opening up. These actors are defined as the “relevant public” of the institution. The following section shows how such an institutional definition, focused on the crucial element of *public interest*, addresses the key problem of *open washing*, whereby practices that do not actually benefit the wider community nonetheless get promoted as *open* processes or initiatives. The next section explores how *public interest* is determined, and its fulfillment judged, in the specific context of an institution whose openness is being examined. A discussion of how the proposed paradigm of *open institutions* and *open development* can form the basis of a new democratic reordering of society, rather than a neoliberal ordering, which is the dominant digital macrotrend, follows. The chapter concludes by proposing that such democratic *opening* of institutions is the most appropriate way to address the problem of institutional capture that ails our democratic political systems, often providing the justification for their neoliberal, corporatist replacement.

Open Development as Open Institutions

We propose an institutional definition of *open development* as the use of ICTs for institutional redesign to bring about structural changes that enhance transparency or information sharing, participation, and/or collaboration, in a manner that is primarily motivated by, and contributes to, the public interest. This definition foregrounds institutional change, defined as change in entire classes of organizations, causing deep shifts in the ideas that govern institutions and consequently the rules and practices associated with such ideas (Halal 2008). Open institutions consist of ideas, rules, and practices of openness that change a whole class of organizations.³ While our definition focuses on institutions and deep change, we also refer in our discussion to organizations as particular instantiations and sites of such institutional change. One can speak about organizational or institutional change, depending on how deep and far-reaching a change is.

To provide an example illustrating the difference between anchoring a change theory at an organizational and at an institutional level, let us consider the institution of school versus a particular school as an organization. On the one hand, we can speak about changes in a school, such as closer teacher-student interaction or the ease with which students can opt in or out of specific subjects. Such organizational changes can lead a particular school

to achieve different educational outcomes than similar schools. On the other hand, considering what is happening with the advent of digital possibilities, completely new paradigms of personalized learning are possible. Students can self-determine their pace of learning, the role of the teacher is also transformed, and methods of both teaching and learning change dramatically. As the new paradigm is absorbed across society, a shift affecting the very institution of the school is evident. Analyses of institutional and organizational changes are not mutually exclusive but take place along a continuum.

Returning to our definition of open development, in theory, greater transparency through information sharing, participation, and/or collaboration tends to cause a better distribution of power in favor of the community of stakeholders that an institution or organization caters to. This enhances the achievement of public interest inherent in the social function of that institution or organization and reduces its capture by insiders or holders of powerful roles.

Our definition of *open development* contains six elements. Open development is about (1) institutions; (2) the context of the social impact of ICTs; (3) deliberate design; (4) the wider structural changes effected; (5) how such changes increase transparency, participation, and/or collaboration; and (6) ensuring that the changes are motivated by, and contribute to, the public interest.

Development is generally recognized as consisting of sustained institutional change (Chang 2007). A theory of open development must therefore be anchored in relation to institutions. As an open education practitioner observed, “People make things possible. Institutions make them last” (Caulfield 2016, n.p.). Moreover, it is at the institutional level that the nature of different interests and power relationships, which are basic to understanding development, can be appropriately observed and analyzed.

The concept of open development arose as an attempt to understand and analyze ICT-induced social changes. The second element of the definition relating to the context of the social impact of ICTs is therefore a priori in charting a field of interest.

The third element draws on development as a set of deliberate actions that are generally collective, whether the deliberateness is explicit (as in public spending) or implicit (as in the social contract). It should be noted that in espousing this position this chapter departs from the methodological individualism of mainstream openness theorizations, which is its key

difference with other approaches in this area. We believe that social facts are best illuminated through the application of multiple lenses and perspectives. As an illustration, it is not the discrete daily actions of thousands of Wikipedia contributors that by themselves comprise open development but instead the coming into existence of rules and conditions for such actions, which obviously takes place at a higher institutional level. As the contributor community evolves and the emergent and explicit rules and norms are integrated, the institutional system acquires some degree of collective deliberateness. The *deliberate design* element of the definition is important because development normally refers to a process of induced (institutional) change and not merely performance.

Fourth, open development changes must not be one-off but should be structural, producing conditions for stable, positive outcomes. These changes should result in sustained enhancement in one or more of the three generic social processes that are commonly enabled by ICTs in institutions and organizations: transparency, which includes, for the purposes of this discussion, access to informational resources; participation; and/or collaboration. A focus on these processes has been the tradition in the field of *openness* and *open development* (Cyranek 2014; Harvey 2011; Smith and Elder 2010). Regarding how and why institutional and structural changes affect transparency, participation, or collaboration, we take a situated, power-relational view of these processes. To consider transparency (or information sharing), participation, or collaboration as standalone actions or processes is not very meaningful and does not provide much analytical or theoretical value in a social change or development context. These processes must hence be seen as being embedded in social relationships with implications for social power.

Both transparency and participation clearly connote a set of inside and outside actors. Collaboration may not inherently reflect such an inside-outside quality and may be taken to be distributed across a large number of actors. However, given that collaboration is rarely an evenly distributed process, it is normally possible to identify a core, organizing space and an outside, community space in relative terms, even if there is a certain continuum between the two. Openness, as enhancement in one or more of these three processes, therefore refers to a change in the nature of the corresponding social relationships. Such a change almost always entails a power shift between two kinds of actors: organizational actors and what can be called the relevant public.

Regarding organizational transparency, information is often considered a nonrivalrous resource (sharing it costs nothing or a negligible amount) to the holder of information, who may even benefit from such sharing. Information's real value, however, lies mostly in its application to material contexts. This value is generally rivalrous. Someone may lose as someone else gains. Organizational transparency comes mostly at the cost of the interests of organizational inside actors even as it benefits outside actors. This is why, as the open data literature suggests, we find that government initiatives often put out information that is politically insignificant for citizens (Cañares 2014; Michener 2015). Transparency, then, is not about the extent of organizational information shared but instead about the public interest intention that is involved, which can be judged by the resultant power shifts, if any, toward outside actors. Hence, providing access to organizational information can be considered transparency only if seen in the context of a relationship between an organization and its outside actors and when it leads to a shift in power in favor of the latter. Such a shift would mean that the public interests, or the outside actors, are now better represented in organizational operations and outcomes than before.

Similarly, allowing outside actors to share their views on organizational matters is not by itself increased participation. It could merely be providing "voice without agency" (Singh and Gurumurthy 2013). For it to constitute participation, any such action must change the power relationship between actors inside the organization and the outside actors. Likewise, collaboration, in the openness context, implicitly favors distributed power-sharing structures. Collaboration involves a large number of distributed actors creating value together and is also expected to lead to a better distribution of such value. Crowdsourcing free or underpaid labor for corporate gain cannot be considered collaboration. Collaboration is not only a social relationship with power implications. True collaboration implies a certain pattern of power distribution that does not discriminate unduly against actors who may not be centrally involved with organizing the collaboration.

Thus, it is apparent that the terms transparency, participation, and collaboration are only meaningful when they involve a shift of power from a set of inside (organizational) actors to those outside (community). For an institution undergoing openness, the important category of *outside actors* whose power must be enhanced, if these processes are to be effective, is the *relevant public*.

One of the most significant elements of the definition concerns the introduction of the concept of *public interest*. Public interest represents the widest articulation of social good or positive social objectives. We have avoided getting into specific definitions of the social objective(s) involved, which could be social development, economic growth, and building people's capabilities, among others. In a context where *openness* is increasingly being co-opted as a core constituent of neoliberal reordering of society (Betancourt 2016; Foster and McChesney 2011), a clear distinction between *public* and *private* interest is important. Open development must not just contribute to the *public interest* but also be motivated *primarily* by an intention toward public interest. Activity motivated by private interest may masquerade as *open development* and may contribute to public interest in the short term, but the sustainability of that contribution cannot be guaranteed. This has caused the pernicious phenomenon of *open washing*, which will be discussed later in this chapter.

Invocation of *public interest* in our definition also brings a focus to the actual recipient of the benefits of *openness*. At the highest generalization, it could just be the larger public, as understood in political and media theories, but one of the key ideas that our definition of *open development* contributes is identifying a specific public for a given institution or organization, as the group that *receives* and benefits from the latter's openness.

Relevant Publics

If *open development* is about developing new ICT-based processes for greater transparency, participation, and collaboration *with respect to* a specific *relevant public*, it becomes important to be able to identify such a public. The traditional notion of a general public, which is employed by political and media theory, is not appropriate in this context because it is not possible for institutions to develop adequate ICT-enabled relationships with everyone, nor would it be efficient to try to do so. In fact, it is because of the nebulous nature of the undefined *public* that public interest organizations may escape accountability to their constituencies. This can result in institutional capture, a concept that is discussed in detail later.

At the outset, it should be clarified that in proposing our concept of *relevant publics*, we use the term *public* in the sense of a political agent rather than in the discursive sense of a public sphere. We build on John Dewey's (1927) concept of *public* as a category that arises in response to a collective

problem. Insofar as any public institution is supposed to be constituted in relation to some collective or public problem (and the problem, in positive terms, could be how to utilize an opportunity), it makes sense to speak of relevant publics for public interest organizations. The public sphere also has a structural impact on political actions, and new theories of networked public spheres should have relevance to the concept of *relevant publics*. Such an exploration is not attempted in this chapter, but it remains an important area for future study.

Most definitions of openness aspire to a universal reach of openness—of transparency, participation, and/or collaboration. While morally justifiable, there are practical and theoretical problems with addressing a universal set of outside actors. Effective ICT-enabled structural relationships between institutions and their relevant publics can only be developed if the latter are identified with a sufficient degree of clarity. The ICT-based means for such relationships need to be contextual and made available proactively to the specific relevant public. Many critiques of open data practices illustrate this point; it is not enough to simply put data out there for *anyone* to access and use.⁴ To be meaningful, open data practices must be oriented toward the actual needs of their specific *relevant publics*.

Open data should accordingly be structured and presented in an appropriate manner, and adequate means should be ensured for its purposeful use by the group(s) that it is intended for. For instance, Reilly and Alperin (chapter 2, this volume) stress that actors engage in regimes of open data stewardship that create different types of social value. For data to be considered really open in an institutional sense, the actors, stewardship regimes, and value created for specific publics must be understood. One way to determine the relevant public could be through self-identification: whoever shows interest in relating to a public interest organization constitutes its relevant public. Even so, to design effective *openness* relationships, the concerned public interest organization would need to make an assessment of what its relevant public actually is. In many cases, self-identification may not be the appropriate criterion at all.

Where rivalrous resources are involved, it may be necessary to restrict them for use by certain publics, excluding others. This would require rules-based delimitation of the relevant public. Elinor Ostrom considers laying clear group boundaries (Walljasper 2011) the first principle for the management of commons, a concept that is related to openness.

Legitimate exclusions can apply even for access to information, normally regarded as nonrivalrous, because, as stated earlier, the real value of information is mostly in its application to material (and rivalrous) contexts. A local farmers' collective may share agricultural information among its members but justifiably exclude commercial agriculture companies from accessing it. Participation in decision-making and collaboration, for production and distribution, has even clearer justifications for the marked-out boundaries of relevant publics. Furthermore, it is important to note that not all kinds of collections and aggregations of interest can be called publics. Publics must uphold some generally accepted definition of public interest, such as promoting farmers' livelihoods. But a business cartel would not qualify, although many kinds of business associations will be considered as being in the public interest. Publics must also be sufficiently inclusive. Arbitrary exclusions would not meet the public interest criterion.

It is often just the nature and objective of a set of activities, projects, or organizations to cater to a clearly identified group, even while working for the public interest. An education system that freely shares educational resources only among those registered as students in a country may still qualify as an instance of open development. Principles of open development would, in turn, encourage providing students some degree of say regarding which resources are made available and how. A community development project can have as its relevant public a small community or a section of it, say the adolescent girls of that community. Free sharing of informational resources only within such a relatively small group may not make for a huge openness claim, but employing ICTs to include the group in decision-making and developing resources together renders it an open development project.

Definitions of openness or open development that are centered on process, action, or artifacts, demanding universal access, participation, and collaboration, are unable to adequately account for cases where there is a *justifiably* limited or circumscribed reach of openness. Identifying a relevant public through contextualized rules and relationships helps researchers and practitioners avoid glossing over who exactly openness intends to serve.

The Problem of *Open Washing*

Analyzing motivation for public interest is more important for recognizing *open development* than understanding outcomes alone. Determining the

motivation for public interest is necessary to counter the potential for corporate and other powerful organizations to co-opt openness to pursue their own interests. Open washing refers to instances when institutions claim to practice openness but engage their *relevant publics* only in a limited and self-serving manner—for instance, when companies offer “free” data but require that users employ proprietary platforms to actually make use of the data, as is in the case of Facebook’s Free Basics. Open development requires the means to identify underlying motivations instead of relying only on the immediate outcomes of organizational practice.

Shifts in relative power between inside and outside actors (the *relevant public*) related to an institution or organization are better assessed from the intention of a public interest. However, organizations are often judged largely based on their performance related to a series of outcomes. Yet an outcome may be incidental and secondary to an actor’s primary motive. Intention, on the other hand, is normative. Although more difficult to assess than actual outcomes, it represents a lasting quality of an organization. Structural changes, which we are interested in here, may or may not immediately cause a positive outcome. Likewise, an immediate positive outcome may not represent a structural change and hence a sustained result. It is even possible that some immediate outcomes that appear positive may actually be related to structural changes that are harmful in the mid- to long term. The manner in which major digital companies, formerly celebrated as exemplars of digital virtues, are currently facing strong public backlash over issues such as privacy, net neutrality, anticompetitive behavior, and tax avoidance testifies to this fact.

The real intentions of an organization in multiactor conditions may not be clearly evident as long as a win-win situation prevails. However, such intentions and the relative power between actors are revealed when conflict between the interests of different actors arises. Conflicts of interest are normal in any context where private interests are being pursued, and they are bound to surface sooner or later.

It is especially important to make a distinction between public and private interests in times of rapid technological change, as is being witnessed currently. When new technologies provide everyone many new opportunities that were previously unknown, it is typically viewed as a win-win situation between technology providers and users. In this context, the private interests of technology providers may be obscured owing to the

power differentials between such providers and technology users. When rapid technological change leads to structural shifts and new social designs is precisely when distinctions between public and private interests are most important to make in order to form appropriate norms to guide social action in new situations. Unfortunately, concepts and theories of openness have not been very successful in meeting this imperative. In fact, they have likely been guilty of adding to the confusion.

Today's digital corporations are the agencies behind large-scale innovation, production, and provision of digital goods and services. Users experience enhanced agency, especially in terms of freer information flows and communication, because of the digital possibilities made available by these corporations. Many key digital services are provided apparently free (as the personal data-related costs remain invisible), and in a monopolistic fashion, because of the winner-takes-all nature of the sector. This makes the corporations look like *pro bono* providers of public goods—further bolstering their false image of openness oriented toward the public interest. Prior slogans such as Google's "Don't be evil" and Facebook's "Digital Equality" present corporate activities as being motivated primarily by the public interest. Major digital corporations have co-opted the virtues and good image of openness to further their business interests, and they benefit from the cooperation of public interest actors by projecting win-win situations. Such acts have been referred to as *open washing* (Murillo 2017).

When Google publicly shares its maps and enables access to application programming interfaces (APIs), loose conceptions of *openness* allow Google and others to call it an act of openness, undertaken in the public interest. This is similar to the case of people's *participation* in shaping trending news topics on Facebook. Such actions and processes motivated by private interest that may secondarily contribute to public interest must be distinguished from those primarily motivated by public interest. Whether the nature of actions and outcomes is easily distinguishable or not, norms framing private or public interests are clearly different. The latter should therefore be the focus of an institutional inquiry. Such an inquiry is important because monopolistic digital corporations have illegitimately squatted on the field of openness, making digital openness a contentious subject among public interest and development actors.

Organizational intention is a matter of norms, providing a better measure of public interest than outcome. As discussed, such norms and intentions are

most discernible in situations of conflict of interest. It is useful, for instance, to see how digital corporations react to proposals for public interest regulations in the digital sector in areas such as net neutrality, privacy, and tax avoidance.

Open-washing digital corporations not only derive good publicity from the endorsements made by public interest actors. They increasingly use these actors as a cover to entrench very exploitative power structures in emerging digitally mediated societies. The ostensibly *free and open* global digital infrastructure, which resists public interest regulation, has become an open mine for the most important resource in the digital society—big data.

The primary focus of practically every large digital business today is on building *digital intelligence* (Singh 2017) by invasively collecting personal data. Such intelligence provides rentier positions that can be exercised to control entire sectors globally. Seeking open data flows across borders is the typical *openness* pitch in this regard. Both privacy and trade justice activists have found this problematic.⁵ Such new digital developments, where digital intelligence is the central transformational factor, are not separable from processes or actions that usually get studied under the openness rubric. These developments have complicated the field of open development. In times of such complex society-wide changes, any theory that uncritically focuses on a narrow set of promising processes and characteristics stands on weak ground. An institutional approach to open development attempts to address these shortcomings.

Contextual Public Interest for an Open Organization

We have defined open development as a shift by organizations toward sustained ICT-enabled sharing, participation, and/or collaboration, with the aim of furthering public interest. A central issue remains: how is public interest determined? This is in fact the central question with regard to the political organization of our societies.

It is possible to determine whether an organization is motivated by public interest by establishing the primacy of public interest in the institution’s organizational design, inferred through the rules and sustained actions of the organization.⁶ This constitutes a technical determination of *public interest motivation* through institutional analysis. It is enough to employ such an institutional analysis of public interest motivation to practically apply our definition of *open development*, both for evaluation and for new

organizational designs. However, some subjective elements remain in such a determination.

Adam Smith claimed that people acting per their private interests form the “invisible hand” that best ensures public interest, at least for economic production and distribution. Neoliberals seek to extend this invisible hand to all social affairs. Philanthropists and civil society groups determine public interest on the basis of private knowledge or inclinations. They also employ experts frequently. Mark Zuckerberg may say that he runs Facebook in the public interest. If people point to the profit-making aspects of the business, it can be justified as necessary to sustain the public interest work of Facebook. It can therefore become difficult to ascertain public interest, not only from the nature of outcomes but also from intentions, when the profit motive can be presented merely as instrumental to the larger public interest orientation. To address this subjectivity problem, we would like to take our theory beyond technical determination by exploring the possibilities for democratic-political determination of public interest, directly and explicitly, by the *relevant publics* within the specific context of a given organization or institution engaged in *open development*.

Perhaps the only dependable measure of public interest is what the public considers public interest, although there are enough democracy skeptics who raise doubts as to whether the public best understands what public interest is or is capable of meaningfully expressing it (Lippmann 1927). The public conveys its interest in elections to constitute state power. Public interest is also conveyed, albeit much less definitively and effectively, through participatory democracy, which is mostly aimed at the state, and through the public sphere. Regarding state power, today there is great dissatisfaction with political processes, including elections. In any case, such an articulation of public interest, at the level of the nation, the state, or even locally, does not translate well into actual institutional design or the work of various public bodies, as well as public interest organizations outside the public sector. The open development approach is most concerned with these meso- and microlevels.⁷ This is not to undermine the relevance of state-centric articulation of public interest, conveyed to these institutions through political, legal, bureaucratic, and regulatory processes that are important to society's political and social organization.

One of the most promising features of the network society is that entirely new opportunities have opened up for determining what public interest is,

not only for the overall polity as traditionally done but also for the specific contexts of a given institution or organization. With public interest organizations developing close ICT-based structural relationships with the sections of the public most affected by its functions, a granular kind of participatory democracy at the meso- and microlevels is made possible. Such relationships pertain both to ICT-based transparency and to participation in decision-making, the precise nature of which will be contextual to the organization concerned.

In the current times of prevalent distrust of institutions across the globe, it is often cynically concluded that public interest is simply what the people controlling institutions consider or present to be public interest. This is called *institutional capture*. A university or a public health body, for instance, may selectively undertake some kinds of ICT-based structural changes and justify them on the basis of public interest; for example, by adopting ICTs to carry out some of its administrative tasks but not to make the functioning more transparent and inclusive. Some of these actions or nonactions may not be considered to be in the public interest by outsiders. Increasingly, the response to the institutional capture problem has been to subject more and more social institutions to private sector practices, which is also called the *neoliberalization* of society. New Public Management, for example, is one such trend (Vabø 2009).

The promising alternative to this problematic neoliberal so-called solution is for public interest institutions to employ ICT-enabled openness to develop deeper and more stable structural relationships with their relevant publics, enabling better contextual discovery and fulfillment of the public interest. Here, the public interest requirement for *openness* of an organization is determined not just by norms shaping its outcomes but also from adoption of democratic participation of the *relevant publics* in its decision-making processes. Such new relationships can improve the efficiency of institutions and organizations as well as contribute to making them more just, reordering them in ways that are democratic.

Such democratic *openness* is as relevant to the voluntary sector as to the public sector. The former works in the name of public interest but without any clear means of assessing what public interest is. When public interest institutions and organizations develop such direct and horizontal relationships with their relevant publics—through ICT-enabled transparency, participation, and collaboration—this constitutes *open development*.

Public Systems in the Network Age

Open institutional design allows closer interaction between public interest organizations and their relevant publics. This section first delineates how such a relationship can be materially structured around the elements of transparency, participation, and collaboration. An *open institution* must, by default, make information about itself available to the relevant public and, to the extent possible, to the whole public. Any nondisclosure must be clearly justified by predefined exceptions. These exceptions should be open to discussion and the influence of the relevant public through digital (and other) means. Similar participation must extend to all key organizational decision-making processes. Depending on the nature of public interest work, the relevant public should be provided with ICT-enabled and other collaborative avenues for developing, as well as utilizing, the organization's resources. Such a collaborative approach to developing public goods is especially relevant for digital public goods but not limited to them. Considerations of efficiency will need to be taken into account in all these new processes without allowing them to become a cover for insiders' vested interests.

In the pre-ICT/Internet age, because of transactional constraints, the default for large public interest institutions and organizations was set to nearly zero horizontal interaction with outside actors. This meant general nontransparency, nonparticipation, and noncollaboration, with very selective possibilities on an as needed basis for information sharing, participation, and collaboration. In open institutional design, with the cost and means of large-scale interaction across distance completely transformed, the default should be set in the reverse direction. There needs to be a clear and demonstrated need and specific reasons to close off information sharing, participation, and collaboration. Such an open by default criterion has already been applied to information-sharing practices by governments in the *open government* field.⁸ This needs to be broadened across all public interest organizations, including the public interest aspects of private organizations,⁹ and it should be taken beyond information sharing to include participation and collaboration.

Employing these criteria, it is possible to evaluate the extent to which public interest organizations have *opened up* or are pursuing *open development*. This approach also provides the benchmarks and design principles for new organizations. Practicing open development will mean that existing

organizations undertake a design overhaul to meet these requirements to the maximum extent possible. New organizations must begin with such a template as the default design before contextual features are added. Despite what it seems, this is not such an extraordinarily drastic prescription; almost every business of a considerable size today is undergoing significant redesign to cater to the context of the digital network society. Public interest organizations cannot afford to lag behind in a context where a historically significant contest is under way between the public interest sector and the corporatist organization of society. The relative effectiveness of digital mutations in these two areas may turn out to be crucial to the outcome of this contest. While an organization's identified relevant public is immediately most significant to it, accountability to other publics, including the overall public, is important. Publics then become a graded and networked system, with some degree of hierarchies.

Earlier, we argued why the concept of public-ness is better than openness at capturing new development possibilities arising from ICT adoption (Singh and Gurumurthy 2013). We conceptualized the term *network public* as (Singh and Gurumurthy 2013, 188) "much more than the 'networked public sphere' described by Yochai Benkler and others. Network public covers a much wider public institutional ecology, consisting of various public and community institutions in their diverse functions. Basically, the network public represents the public segment or aspect of the network society, formed of its spaces, and its flows."

The public sector produces and provides public goods. In the network society, this function is best performed through a networked system: "A network public model will consist of networks of public authorities, development agencies, progressive techies, and the community in general, working together to build and sustain various digital and socio-technical artifacts and platforms that underpin our digital existence (software, social media, search engines, and so forth)" (Singh and Gurumurthy 2013, 188). This description is an example of producing digital public goods, but the concept applies to all kinds of public goods.

The *network public* was described as a network age innovation "at the boundaries between the state and the community" (Singh and Gurumurthy 2013, 188), and the concept of deepening democracy was proposed as a good starting point for it. A network public includes "creat[ing] an effective space for development dialogue and discourses" (Singh and Gurumurthy 2013, 189).

In the paper just mentioned, we had critiqued open development models and theories as being not very useful and had presented a “public”-centric alternative model and theory. In this chapter, we attempt a reconciliation to explore whether our framework can be accommodated within a particular way of looking at open development.

Open development like open institutions outlines how the network public model can realistically take shape. For open institutions, relevant publics will have full access to an organization’s informational resources. Public interest bodies will include relevant publics in their decision-making processes, fulfilling the aspiration of true participatory democracy. Relevant publics will participate in production and distribution of public goods through new networked forms, rendering the processes both more efficient and just. This ideal type of *public network*, with open institutions engaging in structured democratic relationships with *relevant publics*, can anchor itself at different levels: global, national, subnational, and local. It also extends across functional focuses that define different public interest institutions.

Two specific areas are suggested as instantiations for applying the proposed framework of *open development* as open institutions. Community development projects can be evaluated for their *openness* with respect to their communities. New development projects can take into account *open institutional* design principles to develop close, ICT-mediated relationships with their communities. Another area where this concept can be usefully employed is with respect to digital platforms, which are becoming the central infrastructure of digital societies. Such platforms should be evaluated for *openness* on the basis of the criteria we have presented. New platforms should be designed with these criteria in mind, with regulators playing an oversight role.

The proposed open institutional design is an ideal or typical description. It provides a set of standards that can be used to assess the extent of openness of an organization and the degree to which open development is being pursued in a given space. Such judgments would be made against not an abstract notion of complete openness but a contextual one of plausible improvements and evolution.

Open Institutions as Antidote to Institutional Capture

In stressing the networked nature of public interest institutions and their relevant publics, a frequent mistake is to go to the need for, and benefits of, a

certain, continued hierarchical relationship among them. A hierarchy within the network of public interest organizations means that higher layers in the hierarchy provide the outer *constraining rules* for institutions at lower levels. This is like a multiple-shell structure of nested networks, quite like Ostrom's eighth principle for commons management, which is to "build responsibility for governing the common resource in nested tiers from the lowest level up to the entire interconnected system" (Walljasper 2011).

In the network age, the state will retain its central role in the production of public goods and of society-wide coordination. Many functions would, and must, continue to take place at hierarchically higher levels of the *network public*, such as those potentially involving conflicts of interest between relevant publics of different organizations at a lower level or where the benefits of scale are very high. The key democratic principle of subsidiarity will be observed, whereby the rules extended to the next lower layer are to be the minimum required for the latter's effective functioning. Such *outside rules* for public interest organizations will lay the principles for (1) identification of the *relevant public* and (2) how transparency, participation, and collaboration will generally be structured. To leave these tasks entirely to the concerned institution or organization is a recipe for institutional capture. Institutional capture is perhaps the single most significant problem of social organization that we face today. A politically organized society is blamed for a high degree of institutional capture. This justification, although not completely untrue, cannot be allowed to justify an alternative corporatist organization of society, which seems well under way.

Strong institutional improvements are required as we witness the network age assault on the public sector, which is denied its key social coordination role. In pushing back the public sector, or the state, from this role, it is substantially being taken over by transnational corporations. This can be witnessed in the manner in which digital corporations are often seen as providing key public goods, among other things. Big business increasingly seeks self-regulation, which is a nebulous concept, including through employing its global muscle against nationally bound public systems. It has also begun to develop captive *community* and stakeholder groups that provide a veneer of publicness to the neoliberal governance model of multistakeholderism that they promote. The situation produces new kinds of institutional captures that take advantage of the structural and normative fluidities amid shifts from rigid hierarchical to networked institutional and

organizational forms. New forms of capture must be analyzed and understood anew. To resist these new age captures, appropriate hierarchically ordered networks rather than complete self-organization of every layer of networked systems becomes fundamentally important.

Public interest institutions have traditionally been designed in an inward-looking manner that is function focused. Public input and participation have largely been limited to elections of public authorities, complemented lately by sporadic processes of participatory democracy. There is a new opportunity in the age of digital networks to employ a fundamentally different design for social institutions. Here, the imperative of participation by and accountability to the *relevant public* is almost as important as the functional purpose of an institution. Better engagement of relevant publics by public institutions can help them effectively determine their agenda and outcomes, not only at macro levels (national, state, and local bodies) but also at meso- and micro- social levels (institutions and organizations).

Although it may appear counterintuitive, such a new participatory focus can also improve institutional efficiency on the premise that the public knows its interest best (the wearer knows best where the shoe pinches). Democratic participation is often seen to connote somewhat chaotic conditions causing harm to efficiency, as expressed in the quip, “a camel is a horse made by a committee” (with great injustice to the natural languid beauty of camels).

An open institutional context, if developed appropriately, may take us beyond such an efficiency versus participation trade-off. This is the core idea behind the peer-to-peer (P2P) movement, best expressed in the great success of free and open source software. Public participation in institutional workings further serves the ideological purpose of ensuring the most equitable distribution of power plausible in the society without compromising its various institutional efficiencies to unacceptable levels. Public institutions will be able to produce and distribute public goods in a much better way, employing the best collaborative possibilities.

Whereas the P2P movement focuses on the economic element of coproduction as the key ingredient of *openness*, we have stressed the political element of codetermination by a community or public of how organizations and institutions function. This is only a matter of different emphasis, since meaningful P2P production also requires codetermination, and codetermination of *open development* would be in vain if it did not lead to real concrete and useful outcomes. The economic and political approaches to

openness, respectively, of the P2P movement and our conception of *open development*, are therefore complementary.

A new social arrangement with *open institutions* in intensive interaction with their relevant publics will be considered open not because it minimizes prior community and public rules or institutionalization in favor of flexible *pragmatic* relationships; that is the neoliberal model. On the contrary, it will be open because it is fundamentally designed with an outward orientation for effective control by its relevant publics and against capture by insiders.

Progress toward such an ideal constitutes *open development*. As mentioned, the focus here is not just on institutional accountability; it includes distributed, collaborative mechanisms of production of public and other economic goods, and their equitable distribution. Open markets, from an open institutional perspective, will be an important part of this new ecology. Such markets will be open not because they defy regulation but because they will be framed by collectively developed rules for fair play.

A few caveats are in order. Whether people will actually engage in multiple relevant publics to which they may logically belong will have to be ascertained. The following questions should be kept at the forefront of further research: Would public apathy not be greater rather than less in such complex contexts? What would aid and incentivize participation, and do ICTs have a role to play here? What is the cultural context of such granular participatory democracy? Will the complexity of the new requirements of engagement allow institutions to capture participation and fake legitimacy, while weakening the current state-based controls and accountabilities? Even if lots of people actually engage, what are the trade-offs vis-à-vis the effective operation of an organization in contexts where resources are always limited? Does it at all effectively address the faults of multistakeholderism, where the level of participation can become dependent on the level of resources that one possesses, which tends to skew outcomes?

These are difficult questions on matters of fundamental social importance. For sensitive and important matters, it is wise not to rush to destroy what one is not sure how to rebuild. This is our major concern with regard to the anti-institutional, anarchist tendencies of certain openness proponents. While the weakest and most marginalized people and groups are in the greatest need of transformational change, they also possess the least risk-taking capacity. They most need the support of strong public interest institutions. Efforts to induce change need to be analyzed through robust institutional frameworks,

which disproportionately focus on marginalized interests. At the same time, it is important to be bold and counter the neoliberal ideological framing of the pervasive digitally inspired social changes currently under way through alternative theories that are adequate to the novel context. Abdication in this regard can be equally harmful to public interest.

Notes

1. The Open Government Partnership, for instance, lays out basic benchmarks of an open government in its Open Government Declaration (Open Government Partnership 2011).
2. In a 2013 op-ed piece in the *New York Times*, "Open and Closed," Evgeny Morozov quotes Jeff Jarvis, whom Morozov describes as an "Internet pundit," as stating that "owning pipelines, people, products, or even intellectual property is no longer the key to success. Openness is."
3. Since both institutions and organizations can be thought of as a collection of rules, March, Friedburg, and Arellano (2011) discuss the unclear boundaries between the analytical categories of institution and organization, gleaned by examining stable rules and how they change over time. We likewise emphasize the institutional aspects of organizations in terms of their enduring rules over time. Such an emphasis is especially important in these formative times of digital societies, where long-term socioinstitutional designs are currently being set. We place "open development" and "open institutions" in this larger context.
4. See Mungai and Van Belle (chapter 5, this volume) and Moshi and Shao (chapter 12, this volume).
5. For a critique from a privacy perspective, see Malcolm (2016), and for a trade justice viewpoint, see James (2017).
6. We understand that institutions and organizations, especially in complex new contexts, can take up a variety of functions, some more easy to associate with public interest than others. The public interest test in such cases is the element of primacy and whether private interest actions are nested in higher public interest norms or vice versa. It is in this sense that the market, a fair and just one, is a public interest institution, while a huge number of private interest activities are nested within it. But if private interests overwhelm the nature of market relationships, as in institutional capture of the market, one will be unable to keep considering the institution of the market as being in the public interest. Karl Polanyi's concept of a market's embeddedness in social institutions comes to mind here. It is possible for corporate actors to take a series of actions that actually are *primarily* motivated by public interest (the *primacy* element will have to be assessed), and, if these meet other conditions of the definition, they can very well be considered as open development.

7. The state’s current political processes may have limitations at the macro level of the government and with regard to public interest articulation. This condition can also be improved by applying the open development concept to the level of government as an institution, toward an *open government*. Such a conception of *open government* would be much wider than the usual application of the term, going beyond transparency to involve thorough participatory democracy and the collaborative production of public goods.

8. The Government of Canada employs the concept of “open by default” in its Canada Action Plan on Open Government (Government of Canada 2014).

9. It is not just those organizations that are solely devoted to the public interest that are considered public interest organizations. See the European Union’s definition of a public interest entity at BDO Global, [https://www.bdo.global/en-gb/services/audit-assurance/eu-audit-reform/what-is-a-public-interest-entity-\(pie\)](https://www.bdo.global/en-gb/services/audit-assurance/eu-audit-reform/what-is-a-public-interest-entity-(pie)). Corporations with publicly traded shares are also considered public interest entities. Any undertaking can be designated a public interest entity depending on “the nature of their business, their size or the number of their employees.” In the same way as no property is absolutely private, and public authorities have various kinds of rights to it, every organization has some public interest aspect. Our definition of *open development* will apply to public interest aspects of all organizations.

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