

Oxford Handbook of Governance

Edited by

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The Hebrew University of Jerusalem and the Free University of Berlin

Oxford University Press
Oxford, United Kingdom

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ABSTRACTS

PART I: INTRODUCTION

Chapter 1:

From "Big Government" to "Big Governance?", David Levi-Faur

This chapter explores the origins and various meanings of the concept of governance and presents governance as a research agenda on order and disorder, efficiency and legitimacy, in the context of the hybridization of social, economic and political modes of controls. The second part discusses the relations between the governance agenda and our era of change. The third examines the various facets of governance as structure, process, decision mechanisms and strategy. The fourth part presents a pure and hybrid mode of governance as the interaction between particular spheres of authority and decision mechanisms. The fifth section suggests four approaches to the relationship between governance and government in the context of state theory and in particular explains the implications of the theory of regulatory capitalism for understanding governance. The sixth section concludes.

Chapter 2:

Governance as a Political Theory, Guy Peters

Governance has become an important approach to political science, and one of the most commonly used terms in the discipline. This chapter discusses governance as a possibility for a paradigm in political science. The chapter develops a generic model of governance that can be used in a variety of settings. Unlike some of the literature in governance this approach does not assume any particular set of actors are responsible for governing, but instead posits a generic process and criteria for achieving governance. As well as dealing with governance in general, this approach also examines a number of possible adjectives to delimit the term and apply it in different ways. One of the more important of these terms is “good governance” that has been used by numerous international organizations to guide reforms in the countries to whom they provide aid. Finally, if governance is to be a paradigm for the discipline then scholars must have some ideas about measurement, and this chapter discusses some options for measurement.

Chapter 3:

Waves of Governance, Rod A. W. Rhodes

In the study of public administration and public policy, recent changes in the pattern and exercise of state authority have been described as a shift from government to governance; from a hierarchic or bureaucratic state to governance in and by networks. This chapter identifies three waves in the literature discussing the changing state: network governance, metagovernance, and interpretive governance with its notion to the stateless state. Finally, the chapter identifies the research agenda prompted by this conception of the stateless state under the headings of the ‘3Rs’ of rule, rationalities and resistance, and gives an example of the interpretive approach ‘in action’.

Chapter 4:

The Many Faces of Governance: Adaptation? Transformation? Both? Neither?,

Laurence E. Lynn, Jr.

In the early 1990s, new meanings of the generic term “governance” began to appear in professional discourse. Long defined as the action or manner of governing – of directing, guiding, or regulating individuals, organizations, or nations in conduct or action – governance began to refer to “new” or “changed” types and forms (or tools) of collective action said to be transforming the steering of advanced and many developing societies. This “new governance” is now often depicted as taking place beyond the retreating reach of government authority: the role of civil society and of deliberative democracy are said to be growing at the expense of the state and representative, democracy. This chapter argues that the concept of governance is inherently comprehensive of both government and civil society and that redefining it so as to restrict its scope to certain types and forms of societal direction is arbitrary and misleading. Moreover, to the questions, “What do we know about how governance is evolving?” and “Is the evidence sufficient to warrant claims that governance is being transformed?”, the answers are “not nearly enough” and “no”. The best evidence suggests, in fact, that, while new types and forms of governance are emerging, the reach of the state appears to be undiminished; change is adaptive and path dependent, not paradigmatic. Indeed, under the pressures of globalization, a “new regulatory state” may be the most significant emerging model of societal governance. The research community must provide this important field of teaching, research, and public policy with rigorous conceptual and empirical foundations, not fashionable coinages and unsubstantiated claims.

Chapter 5:

New Governance as Regulatory Governance, Orly Lobel

New governance has recently emerged as a school of thought focusing on the significance of institutional design and culture for effective and legitimate regulation. This chapter analyzes the field of new governance from a regulatory perspective and examines the ways in which governments can effectively regulate markets from both a theoretical and practical lens. New governance as regulatory governance focuses on the ways that government and the private sector can successfully operate together - a distinct departure from traditional command-and-control regulation. The chapter explains the reasons for this shift away from traditional regulation toward regulatory governance and provides examples of the benefits of new governance’s approach as applied in environmental law, occupational safety, discrimination law, financial regulation, and organizational sentencing guidelines. In these contexts, the self-regulation structure of new governance relies on internal reporting, and the chapter therefore stresses the importance of private reporting to support the regulatory process. The chapter concludes by recognizing some of the limitations of regulatory governance and identifying directions for further research.

Chapter 6:

Governance: An Interdisciplinary Perspective, Peer Zumbansen

Has governance replaced government? Has governance eclipsed state-based regulation? And, has governance substituted a law-based order? Or, does the concept of governance capture the adaptation of the state to societal complexity? What are the methodological, historical and spatial parameters of governance? For the purpose of this volume, the chapter can but point to the different variations on a theme, as governance occupies an ambivalent place in past and present discourses on political (or, legal or economic) order and society. Its central contention is that governance constitutes a welcome opportunity to take a step back from learned ways of understanding legal regulation, ‘intervention’ and institutional power. ‘Governance’ emerges as the new guest at the table, changing the conversation, prompting everyone to revisit and question seating order, choice and arrangement of silverware, and in the process grow aware of the trajectories and ends of their conversation. In the course of the night the guest will be questioned as to her particular contribution, her status and politics, given the ubiquitous use of governance, promising change, reform, flexibility and adaptation against the background of a radically transformed relation between ‘state’ and ‘society’ in a post-welfare-state and globalization context. The elusive nature of regulation in this changed context finds expression in a proliferation of norm-entrepreneurs and rule-producing sites, in an intersection of public-private, national-international processes of will-formation and contestation, of rule-production and enforcement. In this landscape, governance captures a paradigm shift both within interested disciplines – ranging from legal studies, sociology, political science, anthropology, political philosophy, history, economics and geography – and in a connecting, intersecting manner, suggests a more comprehensive, multidisciplinary theory of order. Seen in this light, governance addresses the semantic challenge posed by a functionally differentiated (world) society.

PART II: THERETICAL LENSES

Chapter 7:

Governance Networks, Jacob Torfing

This chapter reviews the recent contribution of political science and public policy research to understanding the role, functioning and impact of governance networks. It defines the concept of governance networks, reflects on its empirical forms and show how we can avoid some of the common misunderstandings pertaining to the notion of governance networks. There has been a dramatic proliferation of governance networks in the last decades, and the chapter presents competing explanations of this and provides an overview of theories of governance networks. Finally, it discusses how the functioning and impact of governance networks can be improved through metagovernance before the conclusion points out some crucial questions for further research.

Chapter 8:

Information and Governing: Cybernetic Models of Governance, Guy B. Peters

Information is one of the most important resources in governing. As governments and their collaborators attempt to steer toward their collective goals, they require adequate information about the nature of their societies in order to make good policy. They also require information about their consequences of their own interventions so that they can improve policy. One way of conceptualizing the use of information in the relationship between government and the society is to consider governance as a cybernetic process. The cybernetic concept of governance was developed by Karl Deutsch but has been applied only infrequently. Such a model is one aspect of a general commitment to command and control models of governance, such as those developed in the Bielefeld project. . This chapter develops this model and links it to the analysis of complex policy and governance problems. Further, some of the concepts of a cybernetic model, such as lag, lead and gain are discussed and related to processes of governing. The chapter also examines a number of other models of governing that rely heavily upon information and responsiveness of the governance system to changes in the environment. While any automatic response model of governing does raise both practical and normative issues, the development of a more cybernetic understanding of governance may assist in understanding how the public sector and associated structures respond to information.

Chapter 9:

Governance and Complexity, Volker Schneider,

The article compares governance theory with developments in complexity theory focusing on the emergence and evolution of social order. This problematique strongly overlaps with core questions of governance theory. The broadest meaning of governance is the production of social order by purposeful political and social intervention – either by authoritative decisions or by the establishment of self-governing institutional mechanism (e.g. networks). Governance structures range from hierarchical decision-making to a variety of decentralized forms of coordination including norms and institutions. This chapter argues that various streams of complexity theory offer a broader and deeper theoretical foundation for theories of governance than existing approaches. Complexity theory was initially developed in the physical and biological sciences. However, social scientists rapidly recognized its potential in formulating dynamic theories of the evolution of social systems. Whereas the various approaches differ in detail, they share common elements. These include their emphasis on multiple heterogeneous actors, complex networks, and the explicit modeling of multiple feedbacks actor systems, the introduction of learning and adaptation at the level of purposive agents, and the recognition of the multi-layer nature of social systems, in which phenomena at higher levels emerge from (but are not necessarily fully determined by) interactions at lower levels, thus creating a variety of equilibria and orders.

Chapter 10:

Good Governance, Bo Rothstein

Good governance is a relatively new concept that has made a strong impact in some of the highest policy circles since the mid-1990s. The concept has received most attention in circles dealing with developing countries and the so called transition countries. The good governance agenda is concerned with the issue of whether a society is in possession of the political, legal and administrative institutions that make it possible to enact and implement policies that can broadly be understood as “public goods”. In this chapter, the intellectual and policy background to the rise of this concept is presented together with the central empirical findings. These show that measures of good governance, which mostly relates to the output side of the political system, often have a strong and positive relation to outcomes that are seen as indicators of human well-being. It is noted that compared to measures of democracy, good governance has a substantially stronger impact on human well-being. A central issue for this concept is if it should be confined to procedures or if substantial policies should be included. Another question is if a universal definition is possible or if good governance should be expected to be different in different cultures. A third question is if the concept relates to policy formulation or policy implementation. The conceptualization of good governance is discussed in relation to other central concepts in this area such as corruption, the rule of law, democracy and efficiency. It is argued that good governance cannot be confined to any of these concepts. Based on the type of rights-based liberal political theory launched by philosophers such as Brian Barry and John Rawls, a suggestion for a universal definition of good governance is presented, namely *impartiality* in the exercise of public power.

Chapter 11:

Governance and Learning, Fabrizio Gilardi and Claudio M. Radaelli

The governance turn in political science refers, implicitly or explicitly, to mechanism of learning. Horizontal arrangements and multilevel settings operate with a logic different from the traditional hierarchic logic of government. Although hierarchy and authoritative decisions have not disappeared, the governance turn has shed light on how public policy emerges from relative decentralized, network-based interaction between multiple public and private actors. This opens the way to alternative ways of decision-making and new modes of governance. Thus, the debate on learning has been re-kindled by the literature on governance and its (more or less) 'new' modes. Governance debates have also taken the analysis of learning beyond the level of public policies. Learning theories and empirics have also potentially useful insights for our understanding of governance - the relationship is a two-way street. This chapter aims to systematize this discussion. The first section puts forward four types of learning, namely reflexive social learning, instrumental learning, political learning, and symbolic learning. The second section discusses a series of theoretical problems that emerge when learning is used in the context of governance, and especially the difficulty of moving from the micro to the meso or macro level. The third section

considers the challenges that researchers face when attempting to study learning empirically, both qualitatively and quantitatively. The final section discusses the normative implications of learning. We argue that learning needs not lead to uniformly positive outcomes and the concept should not be conflated with a technocratic view of governance.

Chapter 12:

Experimentalist Governance, Charles F. Sable and Jonathan Zeitlin.

A secular rise in volatility and uncertainty is overwhelming the capacities of conventional hierarchical governance and ‘command-and-control’ regulation in many settings. One significant response is the emergence of a novel, ‘experimentalist’ form of governance that establishes deliberately provisional frameworks for action and elaborates and revises these in light of recursive review of efforts to implement them in various contexts. Robust examples can be found in the United States and the European Union (EU) in domains ranging from the provision of public services such as education and child welfare to the regulation of food and air-traffic safety, and the protection of data privacy, as well as in transnational regimes regulating, for example, global trade in food and forest products. In this chapter we analyze the properties of these experimentalist governance processes, and show how their distinctive mechanisms for accountability, monitoring, and compliance enforcement respond to the demands of a world in which precise policy goals and methods of achieving them cannot be determined *ex ante*, but must instead be discovered in the course of problem-solving. By way of conclusion, we contrast conventional and experimentalist governance approaches to the problem of power disparities, and discuss the distinctive way experimentalist reforms aim to overcome such structural barriers to change.

PART III: GOVERNANCE AND THE REFORM OF THE STATE

Chapter 13:

Governance and Institutional Flexibility, Jon Pierre

Administrative reform could be divided into public management reform and governance reform. Departing from that distinction, the chapter argues that while both types of reform, for different reasons, aimed at instilling a higher degree of institutional flexibility in the public sector, this objective was most significant for management reform. To some degree, new modes of governance do not entail profound changes within the state but rather in how the state conducts its exchanges with other societal actors in collaborative forms of governance.

Chapter 14:

New Public Management and Governance: A Comparison, Erik Hans Klijn

In the last two decades two major approaches have emerged as alternatives to classical bureaucratic government, the new Public management and the governance approach. Although both learn to some extent from each other and evolve by taking

ideas from one another they, in many ways, can be positioned as opposites with which governments can tackle the increasing complexity of policy processes, implementation and service delivery. While the new public management focuses on getting the goals right and then leaves the implementation to separate bodies, governance is very much preoccupied with combining different perceptions on goals and tries to improve inter-organizational cooperation. This chapter compares both perspectives.

Chapter 15:

Governance and Innovation in the Public Sector, Eva Sørensen

The demand for public innovation is increasing. Public administration theory offers two distinct strategies for enhancing the public sector's capacity to innovate its policies and services: a NPM-strategy and a governance strategy. Both view interaction between public and private actors as an important innovation driver, but call for different ways of designing this interaction. The first strategy puts its faith in the design of competitive games while the latter views collaboration as a main driver of innovation. Rather than choosing between competition and collaboration, however, a strategy for enhancing public innovation should aim to exploit both.

Chapter 16:

Governance and State Structures, Niamh Hardiman

Governance has a structural dimension, which underpins the interactions between state actors and organized interests, and which also shapes the terms on which substantive policy debates take place. Over the three decades since 1980, a shift is apparent in the prevailing assumptions governing the appropriate relationships between states and markets, states and societies. The emergence of a neo-liberal orthodoxy conditioned ideas about institutional change which resulted in a reconfiguration of state structures and from which important changes in governance capabilities resulted. The global financial crisis presents new challenges to these structures, the implications of which will take time to unfold. This chapter focuses on three areas in which variation in the design of state institutions may be discerned. The first concerns the redrawing of the boundaries of state power and public administration associated with the trend toward privatization, regulation, and devolved governance, in the broad movement known as New Public Management. More recently, the dissociating aspects of these reforms have themselves come under scrutiny, resulting in new efforts to secure centralized coordination. This overlays the existing dispersal of powers, resulting in often complex administrative patterns.

The second theme involves the trend toward delegated governance, that is, the creation of institutions intended to operate at arm's length from government, in the interests of policy objectivity or technical competence. Non-majoritarian institutions solve some administrative problems. But new ones arise in turn, such as the appropriate means of ensuring appropriate performance, and the issue of how best to secure accountability from institutions that must function at a remove from democratic deliberation. The third concerns new issues in economic governance,

especially in the areas of fiscal politics and financial regulation. Membership of the Eurozone has resulted in a shift in the balance of competences between domestic politics and European institutions. The roll-out of the global economic crisis exposes limitations not only in the institutional design of the Eurozone but in the political coordinating capacity of the EU itself. The old balance between states and markets in domestic politics has been displaced, but a new system for coordinating national and European interests is not yet in place.

Chapter 17:

New governance and Policy Instruments: Are Governments Going ‘Soft’? Amos Zehavi

General arguments about the shift from government to governance imply significant change in the policy instruments available to government and their effectiveness. More specifically, several commentators have made a distinction between ‘hard’ and ‘soft’ instruments, which mainly differ in the degree of coercion that their use involves, and have argued that in the ‘new governance’ age there has occurred a pronounced shift from the former to the latter type of instruments.

This chapter argues that not only is the movement from hard to soft instruments questionable, the very distinction between hard and soft policy instruments is an inadequate foundation for analysis of governance effectiveness and feasibility. Instead, it is proposed that the governance literature should make use of Vedung’s carrots, sticks and sermons policy instrument classification. Furthermore, the literature that deals with different characteristics of policy instruments, primarily efficacy and feasibility, should be incorporated into discussions of governance effectiveness. The policy instrument literature provides important insights on both the effectiveness of different instrument mixes and on how specific policy context (e.g., national and policy sector environments) influences the use of policy instruments. A description of the evolution of non-government school governance in Australia, from a policy instrument perspective, is employed to illustrate the proliferation of different types of policy instruments and demonstrate how instrument mixes can achieve effective results.

Chapter 18:

Governance and Administrative Reforms, Tom Christensen and Per Lægreid

This chapter focuses on three issues. First, we address the concepts of governance, networks and partnership in a reform context. Second, we examine the typical features of the post-New Public Management reform wave, especially those relating to governance. Third, we ask to what extent the latter reform movement has replaced previous reforms or whether it has merely supplemented them. We argue that the organizational forms of public administration are increasingly complex and multifunctional. Post-NPM reforms have rebalanced existing administrative systems. Some aspects of the old public administration have been combined with NPM and post-NPM features to create new hybrid and compound organizational forms in which governance elements coexist with other reform features. Post-NPM reforms imply an increased focus on governance, integration and horizontal coordination in line with a

governance approach, but also enhanced political control. The emergence of post-NPM reforms can be attributed to a combination of external pressure from the technical and institutional environment, learning from NPM reforms and deliberate choices by political executives.

Chapter 19:

Governance and State Capacity, Felicity Matthews

This chapter explores the extent to which state capacity has been challenged through the shift from 'government' to 'governance'. Within the governance literature, the notion of a 'hollowed-out' has been deployed to argue that the state's capacity to control the policy process has diminished. Against this, others have instead emphasized the continuing resource advantage of states to argue for a countervailing process of 'filling-in.' Nonetheless, the debate between 'hollowing-out' versus 'filling-in' risks overstating the observable exogenous challenges to state capacity, and in turn neglecting the ways in which states have sought to fetter their powers, or have missed opportunities to shore-up their capacity. This chapter therefore seeks to address this lacuna to highlight the role of political actors in shaping state capacity, in particular highlighting the prevailing influence of governing norms and traditions, and the ways in which these have affected the response of states to the challenges associated with the governance narrative. In doing so, this chapter argues that a 'paradox of state capacity' has emerged: a simultaneous process wherein states have sought to develop new forms of state capacity whilst at the same time transferring key competencies to a range of semi-independent organizational forms. Viewed from this perspective, the paradox of state capacity complements the analytical leverage of existing scholarship, whilst illuminating the linkage between governance debates and broader socio-political concerns including rising public expectations; anti-political public sentiment; the impact of the global financial crisis; and the emergence of significant and long-term policy challenges.

Chapter 20:

Governance and Patronage, Mathew Flinders

The central argument of this chapter is that patronage forms a central but under-acknowledged element of modern governance that offers elected politicians a vital mechanism through which to attempt to steer and co-ordinate an increasingly fragmented state. Patronage also need not be corrupt, sleazy or secretive but can in fact provide new opportunities for public participation and political recruitment. In order to develop these arguments this chapter distinguishes between 'open patronage' and 'closed patronage'. This dichotomy helps not only release the concept of patronage from a great deal of the negative normative assumptions that have to some extent restricted the standard of research in this field but it also begins to highlight the relationship between patronage and forms of regulatory governance. In order to drill-down still further the chapter then examines the evolving link between patronage and governance (and also the governance of patronage) in three countries. This brief

comparative analysis underlines the role of patronage as a form of linkage across a number of levels (politician-bureaucracy, bureaucracy-public, public-politicians) and allows us to locate the topic of patronage back within the contours of a debate about the changing dilemmas of governance in the final section.

Chapter 21:

The impact of governance: a normative and empirical discussion, Erik Hans Klijn, Arwin van Buuren and Jurian Edelenbos

Although governance is a well established approach not much research has been done on its impact. Nevertheless the question whether it delivers what it promises (i.e. more effective, efficient and legitimate dealing with complex problems) is one of the most important questions for governance studies. Governance processes are erratic and goal-seeking and the perceptions on outcomes differ between the parties involved. Therefore it is difficult to apply solid and objective criteria for evaluation of a phenomenon that is characterized by dynamics, uncertainty, learning and goal evolution. This chapter provides a critical overview of three different kinds of impact that can be used in such a context, i.e. the impact on processes (cooperation and trust-building), the impact on content (joint fact-finding, joint problem-defining and joint image-building), and the impact on democratic legitimacy (accountability, voice and due deliberation).

PART IV: ACTORS, STRATEGIES AND GOVERNANCE STYLES

Chapter 22:

New Governance or Old Governance?: A Policy Style Perspective, Jeremy Richardson

In its original formulation, the policy style concept focused particularly on two contrasting ways of making public policy, namely, *impositional* and *consensual* policy styles. The consensual style emphasised governing via extensive consultations with interest groups and other policy actors via policy communities and policy networks. These two 'poles' (impositional and consensual) might be seen as *hierarchical* and *non-hierarchical* styles of governing. The current intellectual fashion for portraying modern governmental processes as 'new governance' places great emphasis on the ways in which governments incorporate private actors in various ways, usually via policy networks of some kind. In fact, this mode of governing is not at all new and has been described and analysed by scholars for over half a century. Thus, new governance is anything but 'new'. Moreover, policy styles can and do change over time and there is some evidence that hierarchical government, can re-emerge under certain circumstances, at least at the national level. In contrast, the European Union seems wedded to extensive consultation with private actors in policy networks of various types in the formulation and making of EU public policy.

Chapter 23:

NGOs: Between Advocacy, Service Provision, and Regulation, Christopher Todd Beer, Tim Bartley, and Wade T. Roberts

Theories of governance often assume a substantial role for Non Governmental Organizations but only rarely make sense of the character and tensions of NGO activity. As their name indicates, NGOs tend to be conceptualized more in terms of what they are not (i.e., “non-governmental”) than in terms of their distinctive roles in governance. This chapter discusses three modal activities of NGOs—advocacy, service provision, and regulation—and the multi-level character of NGO projects. As advocates, NGOs mobilize attention and resources toward a variety of social problems, often by linking local concerns to global audiences. As service providers, NGOs play prominent roles in the delivery of development assistance, especially in failed and weak state contexts. In some arenas, NGOs have also become quasi-regulators of business activity, either through their own “naming and shaming” activities or by shaping private regulatory bodies. Yet even within each of these activities, NGOs are far from monolithic. Instead, the multi-level character of NGO projects is crucial to recognize. We discuss several theoretical perspectives on the relationship between NGOs at transnational and local levels, which variously portray international NGOs as seeding, supporting, or controlling local NGO activity.

Chapter 24:

Agents of Knowledge, Diane Stone

This chapter addresses knowledge *agents* in governance: That is, individuals who are experts or policy entrepreneurs communicating scientific research; organizations like universities, think tanks and philanthropies; and knowledge networks. These agents have helped propel the shift from government to governance in a triple devolution. First, there has been a sideways partial delegation of governance responsibilities to non-state or private sector knowledge agents. Second, an upwards decentralization of governance into an intersecting array of new global and regional decision making forums of mixed public-private composition. Finally, knowledge agents have intrinsic governance capacities in their power to define problems, shape the climate of debate or engage in standard-setting and rule making.

PART V: ECONOMIC GOVERNANCE**Chapter 25:**

The Governance of Markets: On Generating Trust in Transactions, Frans van Waarden

Governance goes beyond ‘government’ in that it entails the steering of choices of social actors to e.g. pay and/or obey, not only and so much by the typical inducement instruments of a state, notably the promise to deliver public goods and the threat of force, both produced by a hierarchic bureaucracy. Rather, governance relies also on more voluntary incentives, such as monetary stimuli, information, social contact and

contract, non-monetized exchange and social approval, respect, esteem, admiration, e.g. for observing social norms. These inducements can come from sources that do not usually apply brute force, notably markets and civil society. Where such incentives are used as instruments for public policy, we speak of ‘governance’.

Markets may provide instruments for governance; yet they are also objects of governance. Markets are not spontaneously emerging and persisting social orders, but require governance to work well. A central problem of markets is that of trust: transaction partners need to have some minimal degree of trust in what they are exchanging - goods, services, money - and therefore usually also some trust in the transaction partner, otherwise they may not engage in a transaction. Without transactions, there would be no markets, employment, income, prosperity, economic growth.

This trust problem of markets can and has been solved by a variety of governance mechanisms provided by markets, civil societies and states. This chapter will chart and compare them. Each mode of governance has its specific strengths and weaknesses, and in combination - i.e. in governance - they can compensate with their assets for the liabilities, limits and weaknesses of the other modes.

The chapter also takes issue with the idea - prevalent in the current ‘governance’ literature - that such governance would be a new phenomenon. History and anthropology provides abundant evidence that markets, civil societies, and states in all kinds of combinations have provided manifold solutions for the trust problem of markets in different times and places. If there is anything new, it might be the piling up of governance arrangements on each other, to satisfy the new need for the minimization of risk and distrust.

Chapter 26:

Governance After the Crisis, Graham Wilson

The Global Financial Crisis (GFC) called into question many trends in governance that were hitherto popular. Indeed, some of these trends such as faith in markets, deregulation and insufficiently strict regulation were often sad to have caused the GFC. Not surprisingly, in the immediate aftermath of the GFC, it seemed likely that these trends would be reversed. However, the striking and puzzling fact is that very little change in governance has occurred since the GFC. The chapter attempts to explain why.

Chapter 27:

Modes of Economic Governance: The Dynamics of Governance at the National and Firm Level, Dieter Plehwe

Research on modes of economic governance aims to explain the existing variety of institutional forms of economic relations and to inform the search for superior alternatives. Academic and political interest in alternative modes of economic governance at the national (Varieties of Capitalism) and the firm (Corporate Governance) level of analysis has been strong. The varieties of capitalism literature was useful in informing the existence, endurance and dynamics of national differences despite processes of convergence via Europeanization and globalization. The literature of Corporate Governance was useful in analyzing performance oriented comparisons of alternative modes of corporate governance and especially in contrasting shareholder and stakeholder oriented governance arrangements. In both the national level and at the firm level it seemed for at least two decades that the Anglo-Saxon model of economic liberalism and shareholder oriented modes of governance is prevailing. The financial and sovereign debt crisis may reverse the trend.

Chapter 28:

The Governance of Central Banks, Ellen E. Meade

The earliest central banks date from the late 17th century. In the modern world, the central bank is a creation of government, rather than the private banker to the king, an organization shaped by public law, with delegated formal powers and dominated by technocrats, rather than an organization ruled by public law and dominated by private actors. Policy delegation in a democratic society creates an inevitable trade-off between the desire to have officials be accountable, on the one hand, and the need, on the other hand, to create an environment in which those officials will choose the best policies for society over the long run. Governance addresses this trade-off. In his famous 1873 treatise *Lombard Street*, Walter Bagehot ([1873] 1915, p. 229) wrote about the need to amend governance, to “adapt its structure most carefully” with the changing role of the central bank. Over the past two decades, central bank governance has changed considerably in many countries. In this chapter, I discuss important elements of governance: independence, accountability, and transparency. Moreover, I distinguish these elements, which are important for the *external* governance of the central bank – the institution’s public face, its role and responsibilities in society – from other elements that pertain to the *internal* governance of the central bank’s monetary policy committee.

PART VI: GOVERNANCE OF RISKS

Chapter 29:

Risk and Governance, Elizabeth Fisher

The relationship between risk and governance is not straightforward. Risk plays many different roles in both governance and traditional forms of governing including: that it is promoted as part of new public management; regulatory subject matter is re-characterised in terms of risk; enforcement and criminal justice is understood as being concerned with managing risk; and the overarching relationship between the state and its citizens is conceptualised in terms of risk. While each of these roles is different, there is in each case the promotion of quantitative knowledge. Taking account these different developments, risk and governance can be seen to overlap in three different ways. First, in some circumstances, risk is a technique of governance. Second, a focus on risk enables governance by de-shackling ideas of risk assessment and risk management from the hierarchical state. Third, a focus on risk in governing highlights how governance regimes and the issues they govern are co-produced. These overlaps highlight the need for governance scholars to think more carefully about the role of knowledge and expertise in governance. This is particularly in terms of the efficacy of that role, the relationship between that role and accountability and legitimacy, and the need to reflect on the process of co-production.

Chapter 30:

The Governance of Science and Technology: Challenges and Tensions, Susana Borrás

This chapter suggests that the governance of science and technology is characterized by three sets of persistent tensions, namely the tension between the self-organization of S&T and the politics of purpose; the tension between hierarchy, network, or market forms of organizing interactions; and the tension between the role of citizens and that of scientific experts in the decisions about collective problems and their solutions. The main argument of this chapter is that these three tensions have become more intense during the past few decades, and that they reflect the overall move from government to governance. The main point is that during the past few decades there has been considerable multiplication and sophistication of the institutional arrangements that mediate and govern the three tensions mentioned above. Tensions that were once resolved in a rather straightforward and hierarchical way are now subject to many different co-existing and heterogeneous institutional arrangements that define solutions in complex, dynamic, and overlapping ways. The natural question that emerges from this is whether this multiplication and heterogeneity of institutional arrangements is having an impact on the effectiveness and legitimacy of S&T governance. Addressing this question would require a renewed research agenda for the social sciences cutting across strict disciplinary boundaries. The final section of this chapter suggests that such a renewed research agenda would need to focus on

bringing forward a ‘systems’ approach to the study of effective S&T governance, and an empirical approach to the study of legitimate S&T governance.

Chapter 31:

Climate Change Governance, Thomas Bernauer and Lena Maria Schaffer

This chapter provides an overview of global climate change governance. It starts with a brief introduction to the climate change problem and an account of international institutions in this policy area. The chapter argues that the appropriate governance structure for mitigating GHG emissions is a multi-level one, including a global agreement and implementation at national levels. However, it also illuminates the reasons why establishing an effective global governance system has turned out to be extremely difficult. Even though cooperation at the global level has progressed only very slowly, there is strong variation in policy output and emissions behavior (policy outcomes) across countries. The chapter discusses how such cross-national variation can be explained. After having moved from the global (systemic) to the national level of analysis, it also explores climate policy-making at the subnational level. The chapter notes that sub-national climate change policies are, from an analytical viewpoint, particularly interesting in the context of federal political systems.

PART VII: DEMOCRATIC GOVERNANCE

Chapter 32:

Participatory Governance: From Theory to Practice, By Frank Fischer

Participatory governance, as a subset of governance theory, emphasizes democratic practices. Grounded in the theory of participatory democracy more generally, it offers a theory and set of practices for public engagement through deliberative processes. Advanced largely as a response to a “democratic deficit” in contemporary political systems, it extends the citizens’ role beyond that of voter or watchdog to include direct deliberative involvement with pressing policy issues. It seeks to develop practices that are founded on a more equal distribution of political power, a fairer distribution of resources, the decentralization of decision-making processes, the development of a wide and transparent exchange of information, the establishment of collaborative partnerships, an emphasis on inter-institutional dialogue, and greater accountability. As a reform strategy, it has been embraced by a significant number of major domestic and international organizations.

Specifically, this chapter examines the implications of participatory governance for political representation, its contribution to service delivery, and impact on social equity. It illustrates these issues through discussions of citizens panels in Europe and the United States, participatory budgeting in Brazil, and people’s planning in India. It

also examines the theory of “empowered participatory governance” as an effort to pull together the various threads of the participatory governance theory and its practices. And it underscores the role of collaborative expert-citizen interactions often associated with participatory governance.

The assessment of these participatory activities shows them to offer significant insights into questions and issues long ignored by traditional democratic theory. But the overall picture that emerges offers a story of mixed outcomes ranging from very impressive to disappointing. The task of sorting out the positive and negative elements contributing to the success and failure of such participatory governance thus takes on particular importance. It should be the first priority of those engaged in both the theory and methods of the practice.

Chapter 33:

Forms of Democratic Governance, Amit Ron

The people as a collective can have a voice only in a metaphorical sense. Democratic legitimacy depends, at least in part, on the institutions that form what counts as the voice of the people. In the first part of the chapter, I develop a working definition of the institutions of democratic governance as those institutions that try to form the voice of the people in an environment where there is no guarantee that the voice of the people will prevail. Then, in the second part, I offer a classification of different forms of democratic governance based on the way they understand their relationship with their environment. In doing so, I seek to explore the way the design of different institutions of democratic governance depend on their understanding of the social and political challenges that they are facing.

Chapter 34:

The New Citizenship & Governance: Alternative Intersections, Susan D. Phillips

Governance needs a concept of citizenship. Rather than referring simply to the conferral of political rights by nations states, ‘citizenship’ has become an important vehicle for assessing the reciprocity of relationships among citizens and between citizens and the state. In particular, the ‘new citizenship’ emphasizes the important roles of civil society organizations (CSOs) as places for participation and the exercise of responsibilities by citizens. This chapter outlines the modern concept of citizenship, examines the challenges facing CSOs in their multiple roles, and explores the intersections of citizenship and governance.

To what extent is the nature of citizenship changing, and how are governments adapting to the demands of both citizenship and governance? The analysis suggests that there is no simple answer as the nexus of citizenship and governance is unfolding in different ways in different places. Where there is a political vision and social architecture that supports CSOs as constructive forces in democracy and public

policy, rather than merely as providers of services, governance and citizenship may be mutually reinforcing, working together as an integrated regime. But, this is still rare. The enthusiasm for collaboration in theories of governance has masked several other key aspects of contemporary government, some of which are closing rather than opening spaces for engagement with civil society. The continuing emphasis on accountability, as well as the legacy of markets and their regulation, is leading to more regulatory citizenship. Under certain conditions, particularly in the transnational arena, there is some evidence of a more autonomous model in which CSOs are working around instead of with governments. Given the unfolding differences and associated challenges in government-civil society relationships, the chapter urges both better theory and more intense empirical analysis of these intersections.

Chapter 35:

Collaborative Governance, Chris Ansell

Collaborative governance is a strategy used in planning, regulation, policy-making, and public management to coordinate, adjudicate, and integrate the goals and interests of multiple stakeholders. In specific policy areas, this generic strategy is known under many names, including community policing, site-based school management, collaborative planning, regulatory negotiation, watershed management, and community health partnership. It is often used where conventional governing strategies have failed, where public agencies and non-state stakeholders must cope with both interdependence and conflict, and where incentives are strong to exercise “voice” over “exit.” Advocates of collaborative governance believe it can help stakeholders discover opportunities for mutual gains and creative problem-solving. More ambitiously, a number of scholars and practitioners believe it is a strategy that can rejuvenate democratic trust in government by enhancing public participation and deliberation. These claims rest on whether collaborative processes can actually succeed. Can opposing stakeholders actually work together in a collaborative fashion? Can they get beyond their differences to deliberate in good faith? Can they commit to the process of collaboration? Research suggests the answer is a cautious “yes,” but that expectations must be tempered by an understanding of the difficulty of achieving collaboration.

Chapter 36:

The Democratic Quality of Collaborative Governance, Yannis Papadopoulos

Collaborative forms of governance can be considered to increase the quality of democracy by including civil society actors in the policy-making process, and by favoring less hierarchical forms of regulation where negotiation and deliberation with policy-takers are the norm. On the other hand, they may be characterized by limited pluralism, or by a lack of transparency that inhibits accountability, and these drawbacks can be accentuated by the lack of procedural formalization. In addition, these forms of governance may be uncoupled from the representative circuit that provides democratic legitimacy to collectively binding decisions on the basis of

formal authorization. For instance, the presence and influence of elected officials in governance networks may be limited, and oversight by parliamentary bodies of decisions prepared or implemented through collaborative governance can be weak (so that the ‘shadow of hierarchy’ does not act in a disciplining manner). These aspects should be carefully scrutinized empirically, because ‘real world’ configurations of collaborative governance arrangements may significantly vary with respect to them.

Chapter 37:

Participatory Governance in Public Health: Choice, but no Voice, Yael Yishai
Public health policy making has been dominated by physicians, traditionally monopolizing power by virtue of their medical expertise. The underlying question is to what extent has this monopoly been cracked down by sweeping economic, social, and political changes? Has policy making in the health domain turned more participatory and accommodative, granting patients a substantial voice on matters of medical attention? Rising costs (including out of pocket) of medical care, individualization of society and the expansion of participatory politics could serve as triggers for change. Studies on health policy reveal, however, that transformation has been sparse. Relationship between physicians and patients did undergo change as patients turned into customers, having a choice between services and providers. Consumerism has been sustained by knowledge, based on internet information, and by widening opportunity available for vocal criticism and litigation. There is little evidence, however, of the effects of the expanding consumerism in the health market on patterns of policy making. A democratic deficit has been noticed denoting the absence of participatory and accommodative practices. The reasons for this deficit are rooted in bureaucratic and economic powerful structures mitigating against the inclusion of patients in the policy process. But the major reason for the democratic deficit in the health policy domain continues to lie in the power of expertise. Monopolization of power does not provide essential conditions for participatory governance, namely, equality among participants, mutual benefit and authoritative drive toward democratization.

Chapter 38:

A Return to Governance in the Law of the Workplace, Cynthia L. Estlund
Governance-based strategies of regulation, which seek to channel regulatory resources inside regulated entities, often with the help of non-state actors, toward the accomplishment of public objectives, are supplanting “command-and-control” strategies across many areas of regulation in much of the world. But reliance on governance as a regulatory strategy is not especially new in the labor field. Indeed, collective representation and bargaining in the workplace within a publicly administered legal framework – let us call it “Old Governance” – has many features associated with “New Governance,” including the robust participation of stakeholders in self-regulation and its regulation. In recent decades, the decline of collective

bargaining has coincided with the rise, first, of direct regulation of terms and conditions of employment, and more recently of new forms of governance-based workplace regulation, or “regulated self-regulation.” One important question is whether those new institutions will comport with key prescriptions of New Governance theory, by which stakeholder participation is crucial to both the efficacy and the democratic legitimacy of regulatory strategies that rely heavily on firms’ self-regulation. In the U.S., the rise of regulated self-regulation has taken place without any insistence that the affected workers have an organized, collective voice in the process; for union representation has declined, while neither unions nor employers have been willing to countenance alternative forms of robust worker representation. In Europe and other capitalist democracies, both trade unions and other institutions of worker representation, such as works councils, are in a better position to supply workers’ participation within regulated self-regulation, thus contributing to both its efficacy and democratic legitimacy. The institutions and habits of Old Governance are thus playing crucial roles, for better and for worse, in the emergence of participatory forms of New Governance in the workplace.

Chapter 39:

Governance and Voluntary Regulation, Colin Provost

Self-regulation is an important means by which business behavior is regulated in the global economy, and it remains an important mechanism of regulation, despite its perceived connection with the financial crisis of 2007-09. But why do businesses wish to regulate themselves? Why would governments allow businesses to regulate themselves? Most importantly, what determines whether or not such regulatory institutions are effective? In this chapter, I utilize a transaction costs approach to answer these questions. First, governments can implement strict, precise regulations, but they are likely to require high levels of monitoring and enforcement, while yielding high levels of business non-compliance. Therefore, government can benefit from reduced transaction costs if businesses effectively police themselves. Second, businesses have several motivations to regulate their behavior, not least that they are more likely to be brought into compliance with existing regulations and they can benefit from having a socially responsible reputation. Third, voluntary regulation does not simply involve hoping that businesses will improve their regulatory record. Effective programs require transparency, auditing and the ability to sanction firms by independent, third parties. Additionally, in the context of trade association programs, mechanisms such as mandatory membership, ought to be in place to prevent firms from free-riding off the positive reputation generated by the program. I conclude with some thoughts about the application and direction of self-regulatory programs in the future.

Chapter 40:

E-governance and E-democracy: Questioning technology-centered categories, Eran Fisher

E-governance is commonly conceived as the first and necessary step in revitalizing democracy. It promises to make government practices not only more efficient but also more open and interactive, to make information more accessible, and to shift power from government to individuals. E-governance is therefore seen as leading to e-democracy (described here as the evolutionary model) or at the very least as compatible with it (complementary model). The chapter offers a critique of these prevailing theses by questioning two of their fundamental assumptions: that e-governance and e-democracy are essentially policy decisions made by governments to improve governance practices and revitalize democracy, and that these projects materialize by implementing new information and communication technology. Instead, the chapter proposes to take into account both the social and political context within which these projects emerge, and the role of technology discourse in the legitimation of a given political culture and a given constellation of power. Rather than follow policy-defined conceptualizations, the chapter argues that we should identify and criticize the problematic assumptions behind those concepts and offer alternative, more theoretically-based concepts by uncovering the broader social transformations of which these policies are part. In light of this critique the chapter concludes by offering an alternative model (contradictory model) according to which e-governance is not necessarily compatible with e-democracy, and a project of e-governance might actually exacerbate the democratic deficit that e-democracy is set to solve.

Chapter 41:

The Fifth Estate: A New Governance Challenge, William H. Dutton

The rise of the press, radio, television and other mass media created an independent institution: the 'Fourth Estate', central to the governance of pluralist democratic processes. The Internet has enabled a new, 'Fifth Estate', through the networking of individuals in ways that create a new source of accountability not only in government and politics, but also in other sectors. This chapter explains how the Internet has become a platform for networking individuals in ways that can challenge the influence of other more established bases of institutional authority, and that can be used to increase the accountability of the press, politicians, doctors and academics by offering networked individuals with alternative sources of information, opinion and social support. The concept of a Fifth Estate is used to capture a variety of empirical findings, focusing on how people use and trust the Internet, and a distinction between networked individuals and institutions. The chapter begins by defining what is meant by the Fifth Estate, relating this to earlier conceptions of estates of the realm. It then explains how this conception is linked to theoretical perspectives on the politics of the Internet, and to governance in the context of several arenas, from government and democracy to education and business. The chapter concludes with a thesis that the

further development and vitality of the Fifth Estate rests less on new policy initiatives than by responding to the strategies of its enemies – the other four estates – of the Internet realm.

Chapter 42:

The Governance of Privacy, Abraham L. Newman,

Democratic societies have long struggled to strike a balance between information processing and personal privacy. Starting in the 1970s, distinct regulatory regimes emerged – Comprehensive and Limited systems – which entailed distinct oversight structures and coverage scope. With the rise of digital networks, issues concerning data privacy have become transnational as personal information easily passes across borders. International data exchange, then, poses an important global governance challenges as different national rule systems come into conflict with one another and individual citizens quickly find details of their intimate behavior accessible to foreign governments and firms. To meet these governance challenges, transgovernmental networks of privacy regulators have formed, which have forged regional and global efforts to resolve multi-jurisdictional conflicts. European data protection authorities, in particular, have been instrumental in framing pan-European efforts and promoting policy convergence globally. In parallel, private sector initiatives have attempted to minimize uncertainties caused by differing national privacy regimes. While both transgovernmental networks and transnational private authority have made many contributions to resolving data privacy challenges, their efforts naturally raise important questions concerning democratic accountability.

PART VIII: EUROPEAN GOVERNANCE

Chapter 43:

The European Union – A Unique Governance Mix?, Tanja A. Börzel

This chapter argues that EU does not represent a particular type of governance but features a mix that includes market, networks and hierarchy. The analysis of this governance mix reveals several characteristics of the EU that have been largely overlooked in the literature. First, the EU heavily relies on hierarchy in the making of its policies. Its supranational institutions allow for the adoption and enforcement of legally binding decision without the consent of (individual) member states. Second, network governance, which systematically involves private actors in the policy process, is hard to find in the EU. EU policies are largely formulated and implemented by governmental actors. Third, political competition among member states and their territorial authorities (regions, provinces) has gained importance in European governance. Member states increasingly resort to mutual recognition and the open method of coordination where their heterogeneity renders harmonization difficult. Overall, the EU is less characterized by network governance and private interest government, but rather by inter- and transgovernmental negotiations, on the one hand, and political competition between member states and subnational

authorities, on the other. Both operate in a shadow of hierarchy cast by supranational institutions. This governance mix does not render the EU unique but still distinguishes it from both international organizations and national states.

Chapter 44:

Multi-level Governance in the European Union, Ian Bache

Multi-level governance has emerged from the study of European Union (EU) cohesion policy to being widely used by academics and policy-makers to capture the governance of the EU as a whole. It draws attention to intensified and increasingly complex interactions between political authorities organized at different territorial levels and between actors from public, private and voluntary sectors and raises important questions about the mechanisms, strategies, and tactics through which decisions are made in contemporary politics and their implications for democratic accountability. It foregrounds concern with changes to the role, power and authority of the state within and beyond national boundaries.

Multi-level governance is a concept that draws attention to important changes along a number of dimensions: domestic and international, state and society and centre and periphery (Piattoni 2010) and highlights the importance of understanding the critical relationship between territorial and functional jurisdictions in this changing landscape. It highlights how competences have slipped away from states, both supranationally (to the EU) and subnationally, but also that state adaptation and innovation in responding to the changing landscape is a characteristic feature of complex multi-level governance. While making a significant contribution to our understanding of contemporary governance, multi-level governance is criticized for its lack of conceptual clarity and specifically for not providing tools or mechanisms that explain the dynamics of multi-level governance and how these shape policy outcomes. Moreover, while its advocates see multi-level governance as normatively superior to more state-based governance arrangements, critics point to the potential dangers for democratic accountability in complex multi-level governance.

Chapter 45:

Institutional Change in European Governance: The Commission's Implementing Powers and the European Parliament, Adrienne Héritier and Catherine Moury

The chapter conceptualizes and theorizes institutional change in European governance. It focuses on the increasing role of the European Parliament under the so-called comitology procedures dealing with institutional change of both formal and informal rules. Designed institutional changes are deliberate attempts to create new institutions or change existing institutions in a formal decision-making process. Based on the assumption of institutional rules as incomplete contracts, we argue that extant formal institutional rules will be re-negotiated in the course of their application. The redefinition of the originally designed rules frequently leads to the creation of informal rules which, in turn, may be formalized in a second stage of the policy process. The theoretical explanations of the change of governance rules will be

illustrated by the institutional change in European decision-making in the areas of comitology, in particular by the process in which the Parliament systematically increased its competences in delegated legislation.

Chapter 46:

EU External Governance and Europeanization beyond the EU, Frank Schimmelfennig

Europeanization is not limited to the member states. Principles of European governance such as regionalism, market regulation, or liberal democracy as well as the EU's issue-specific rules and modes of governance have effects and diffuse beyond the EU's borders. Based on a typology of Europeanization mechanisms, this chapter reviews how (effectively) the EU spreads its model of governance across the globe. The comparison of EU relations with "quasi-member states", candidate countries, the European neighborhood, other OECD countries, and far-away regions shows that the mechanisms and conditions of Europeanization vary significantly across contexts. In general, however, EU market power and supranational regulation are the most important factors in making non-member states adopt the modes and rules of EU governance – either as a result of direct conditionality or through indirect externalization. Where these factors are absent or weak, the EU needs to rely on socialization and imitation – albeit with limited and superficial effects.

PART IX. GLOBAL GOVERNANCE

Chapter 47:

Governance and Global Policy, William D. Coleman

Global public policy refers to policy-making that takes place on the global rather than the regional or the national scale and that is expected to affect, if not be part of, governance of all parts of the world. The global character of the policy-making involved raises particular challenges for how we conceptualize and how we research public policy. Building on contributions from several scholars in the field, this chapter discusses three key properties of global public policy. First, the policy problem to be solved is global in scope, not national, nor regional, nor even inter-regional in scale. Second, decision-making is polycentric not state-centric. Third, like nation-state level policy-making, the boundaries between policy areas are often blurred in global policy-making to the point that it is difficult to determine which agency, organization, or department is responsible for addressing a given problem. At the nation-state level, this situation involves bureaucratic competition but that competition can be mitigated by the intervention of executive authorities. In global policy-making, however, no such overall executive authority exists with these kinds of powers.

Chapter 48:

Global Governance, International Order, and World Order, Arie M. Kacowicz

This chapter explores the concept of global governance by looking at its analytical, theoretical, and normative implications. I present two major arguments: First, in our contemporary age of globalization there is an increasing need for global governance, as in the previous period of "complex independence" as depicted by Keohane and Nye (1977) there was a functional need for international regimes and other international institutions to manage it. Second, global governance should be understood within a logical continuum of governance, ranging from international order (Bull's "anarchical society") to world government.

With all the imperfections and limitations of both the theoretical concept and the realities of global governance, it is an essential and indispensable ingredient to make sense of our world. If world government is an unfeasible ideal, while the anarchy (or *laissez faire*) of the markets is a recipe for financial global crises, then we have to compromise for an intermediate solution, ranging between international order and world government. In a similar way that the realities (not the theory!) of complex interdependence demanded the creation of functional international institutions (including international regimes) to cope with it, in our post-Cold War age of economic globalization and global issues we have to explain and understand that set of political practices, actors, and institutions, both public and private, that improve coordination, provide global public goods and compete and coexist with the still vibrant and vivid nation-states (themselves major agents of global governance) in providing a political equivalent and response to the functional demands of globalization.

Chapter 49:

Governance in Areas of Limited Statehood, Thomas Risse

From a global as well as a historical perspective, the modern and consolidated nation-state with a full monopoly over the means of violence and the capacity to effectively enforce central decisions is rather exceptional. Outside the developed OECD world, we find areas of "limited statehood", from developing and transition countries to failing and failed states in today's conflict zones and – historically – in colonial societies. Areas of limited statehood lack the capacity to implement and enforce central decisions and/or the monopoly on the use of force. If "limited statehood" is not a historical accident or some deplorable deficit of most Third World and transition countries that has to be overcome by the relentless forces of economic and political modernization in an era of globalization, the concept and the empirical reality of governance have to be reconceptualized. We have to ask ourselves how effective and legitimate governance is possible under conditions of limited statehood and how security and other collective goods can be provided under these circumstances. This chapter begins by introducing the concept of limited statehood. Second, I show that we can observe governance and the provision of collective goods even under conditions of limited statehood. Third, I discuss conceptual issues that arise when

governance is applied to areas of limited statehood. I reveal the Western and Eurocentric bias of contemporary social science notions of statehood and governance. I conclude by discussing some of the political consequences if we take the concept of limited statehood more seriously.

Chapter 50:

Governmentality in Global Governance, Alexandria Jayne Innes and Brent J. Steele

This chapter examines the concept of governmentality, originally introduced by Foucault, and the contribution offered to better understanding of global governance. Most writings on governmentality deal with this concept and framework of analysis in the domestic context of states and other societies and groups. This chapter focuses on how governmentality can be helpful in understanding the “conduct of conduct” (or meta-governance) in international politics. We discuss various governmental practices and technologies, such as ranking and rating systems, travel warnings, and civic tests to immigrants to show how states themselves are the object of governmentality and how states employ governmentality to their citizens in the international context.

Chapter 51:

Global Multi-Level Governance, Michael Zürn

Global governance can be conceptualized as a specific form of multi-level governance. In doing so, this contribution puts forward three claims. First, political institutions on the global level today possess a significant level of authority, but achieve their effect only by interacting with other political levels. Second, global multi-level governance displays specific features when compared to other national or regional multi-level governance systems. Finally, these specific features point to the built-in deficiencies of global governance.

Chapter 52:

Re-ordering the World –Transnational Regulatory Governance and its Challenges, Marie-Laure Djelic and Kerstin Sahlin

Taking transnational regulatory governance seriously, we treat it in this chapter as a dependent variable. Processes of emergence and stabilization are of particular interest. We emphasize the complex, step-by-step, sometimes bumpy and highly historical dimension of these processes. Regulatory change, as it characterizes our contemporary transnational world is generally associated with struggles, conflicts, resistance, negotiations and painful integration. It is often incremental and nevertheless potentially highly consequential, with a strong transformative impact. We propose that a contemporary frontier for social scientific research is to extend and reinvent our analytical tools in order to approach regulatory governance as a complex and fluid compound of activities bridging the global and the local and taking place at the same time within, between and across national boundaries. In order to characterize

the dynamics of transnational regulatory governance, we revisit some key conceptual debates. A combination of perspectives allows us to better capture the multiple levels and dimensions of transnational regulatory governance in the making. We conclude the chapter with a brief discussion of the more recent challenges to transnational governance, particularly in a post-crisis world.