Emanuela Bozzini | Bernard Enjolras (eds.)

Governing Ambiguities

New Forms of Local Governance and Civil Society

Nomos

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Introduction: Governing ambiguities: dynamics, institutions, actors

Emanuela Bozzini and Bernard Enjolras

Introduction

It is generally accepted that the role of local government is changing. Over the last decade most European countries have reformed local governments: the competences and powers of local authorities, and relations between centre and region, have been considerably modified in Britain, France, Italy, the Netherlands and elsewhere, thus favouring a process of decentralization.[1] The implementation of the European Union's structural funds has also been an important driver of change in local operations, introducing partnership working and thus opening up policy processes to a wider range of local actors. Local service delivery and funding have been widely restructured; the private and the voluntary sectors have become actively involved, with the aim of increasing efficiency and responsiveness to local needs. Furthermore, the need to renew local democracy has led to a search for new ways of including citizens and citizen organizations in local policy-making and politics, thus initiating a period of intense democratic experimentalism.[2] Research shows that in the Netherlands and France a majority of municipalities have experimented with participatory forms of governance.[3] In the UK local authorities start an average of nine initiatives for public participation and consultation a year, and employ a wide range of participatory devices to involve citizens in public life, from traditional forms of consultation to more innovative devices inspired by the deliberative ideal.[4] In Germany the tradition of 'Plannungzelle' is now a well-established practice and in Italy similar devices are employed in local planning.[5] Innovations for public participation vary, though it is of note that forms of partnership working, participatory budgeting

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1   P. John, *Local Governance in Western Europe* (London: Sage, 2001).
2   J. Cohen and C. Sabel, "Directly-Deliberative Polyarchy," *European Law Journal* 3, no. 4 (1997); G. Smith, *Democratic Innovations. Designign Institutions for Citizens Participation* (Cambridge: Cambridge University Press, 2009).
3   L. Blondiaux and Y. Sintomer, "L'impératif Délibératif," *Politix* 57, no. 20 (2004).
4   V. Lowndes, L. Prachett, and G. Stoker, "Trends in Public Participation: Part 1 Local Government Perspective," *Public Administration* 79, no. 1 (2001): 210.
5   L. Bobbio, "Le Strategie Dei Processi Decisionali Inclusivi," in *Rassegna Ragionata Delle Procedure Di Negoziazione-Concertazione E Delle Normative E Dei Metodi Di Valutazione Dei Progetti Infrastrutturali*, ed. P. Bellaviti (Milano: PIM, 2000).

and some deliberative devices like citizens' juries and consensus conferences appear to be operating in almost all European countries.

Such changes in policy and politics have often been summarized as a shift 'from government to governance'. This expression has been widely used to describe transformations at the national level but – as the above examples show - it also characterises local public dynamics. Civil society associations and business organisations are increasingly involved in local government[6], which has developed network-based forms of coordination. This book contributes to the ongoing debate: how can we understand the dynamics, actors and institutions in changing patterns of local governance? To what extent does the paradigm of network governance – identifying a transition from hierarchy to networks – reflect what is actually going on at the local level? Does this paradigm encompass the institutional complexity of local governance practices?

In the rest of this introduction we discuss how the academic literature addresses changes in local governance, assessing multiple understandings of governance and their implications. We focus on the emergence of networked governance and discuss it critically, highlighting how governance arrangements imply a number of ambiguities that cannot be understood by reference only to network activities. Our main thesis is that changes in local governance entail, rather than a clear cut transition from vertical coordination to horizontal coordination, a complex set of institutions, coordination mechanisms and institutionalized practices that mix vertical and horizontal coordination, thus generating ambiguities.

Governance: an emerging concept

The concept of governance is an ambiguous one, with multiple meanings.[7] Back in 1997 Rhodes noted that governance has been employed in a variety of ways to signify either a 'new process of governing; or a changed condition of ordered rule; or the new method by which society is governed'.[8]

Most of these meanings cluster around what might be called a "post-political" search for effective regulation and accountability. Institutional mechanisms other than representative democracy- including civil society and the business sector - are increasingly involved in both policy-making and its implementation. The literature on transformations of governance highlights two distinct – albeit related - trends that have led to current developments. First, the introduction of

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6   G. Stoker, *Transforming Local Governance* (Basingstoke: Palgrave MacMillan, 2004).

7   J. Pierre, ed. *Debating Governance* (Oxford: Oxford University Press,2000).

8   R. A. W. Rhodes, *Understanding Governance: Policy Networks, Governance, Reflexivity and Accountability* (Buckingham: OUP, 1997).

commercial practices and management styles within the public sector in the '70s and '80s have contributed to the creation of a new model of public service, different to that of public administration under hierarchical control and directly accountable officials. Customer-orientation and efficiency are the main catchwords of these fundamental transformations in service delivery. The introduction of market logic to the public services brought with it ideas of competition and choice as the best ways to assure the optimal achievement of local goals. This contributed to a blurring of the boundary between the state and the market.

Secondly, new ways of coordinating activities - through networks, partnerships, and the setting up of deliberative devices - have grown up, replacing centralized and hierarchical forms of representation. Such participatory social governance embraces a wide range of actors: labour unions, trade associations, firms, local authority representatives, social entrepreneurs, civil society organizations and community groups. Here the need is to enhance responsiveness to an increasingly differentiated economic and social environment. 'One-fits-all' policy measures - characteristic of the welfare era – have given way to the need for more localized and specific policy solutions. Consequently, gathering local knowledge from a variety of local private, public and third sector actors becomes an essential strategy for service delivery. Social and economic networks are given a new role in policy processes.

Studies on governance can be divided into a) state-centred approaches, which focus on state institutions' capacities to adapt to on-going global transformations and b) society-centred approaches, which focus on various forms of formal and informal public-private interactions and on the role of policy networks. In this introduction we refer mainly to the latter. According to Rhodes (1999: xvii) governance refers to "self-organizing, inter-organizational networks with the following characteristics:

- Interdependence between organizations. Governance is broader than government and includes non-state actors.
- Continuing interactions between network members, caused by a need to exchange resources and negotiate shared purposes.
- Game-like interactions, rooted in trust and regulated by rules of the game negotiated and agreed by network participants.[9]

According to this understanding, networks are a particular form of public-private interaction based on coordination and are thus an alternative to hierarchical or market systems. Networks are a "set of relatively stable relationships which are of non-hierarchical and interdependent nature linking a variety of ac-

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9   ———, "Foreword: Governance and Networks," in *The New Management of British Local Governanc*, ed. G. Stoker (London: Macmillan, 1999), xvii.

tors who shares common interests with regard to a policy and who exchange resources to pursue these shared interests acknowledging that co-operation is the best way to achieve common goals".[10]

Main differences with traditional forms of public management are in particular their focus on the operation of public agencies, the stress on command and control as the main instrument by which public programs operate, on rule-compliance as the main logic of action and on hierarchy as the predominant line of interaction. In contrast, the governance approach emphasizes the central role of network relationships. Governance means that governments, rather than acting alone, must increasingly engage in co-regulation, co-steering, co-production, co-operative management, and other forms of interaction that blur the boundaries between government and society as well as between the public and the private sectors.[11] These governance shifts are reflected in policies based on "partnership" that entail "joined-up solutions" to complex social problems. These solutions, according to the new paradigm, depend on a wide range of actors - including civil society - working together across boundaries.

Such transformations in how society is governed have prompted a vast and fruitful debate among academics. As Sørensen and Torfing note, it can be useful to distinguish between first and second generation research on network governance. The first generation of governance research was mainly concerned with identifying that something new was going on, and with conceptualizing network governance as distinct from state and market.[12] The emphasis was on the fact that policies are the result of governing processes that are not completely controlled by public authorities, but involve "pluricentric" networks. The main focus then was on the distinctive features of network governance. Second generation studies tend to broaden the research agenda and are more concerned with the actual functioning of networks and their implications for policy processes.

This book therefore belongs to the second generation of research on governance in that it investigates how institutional arrangements and practices of governance work and the extent to which these are congruent with the normative paradigm of governance as self-organizing, self-steered, cooperative networks. The papers in this volume are original in that, rather than portraying a clear-cut paradigmatic image of governance as self-organized and autonomous coordina-

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10   T. Borzel, "What's So Special About Policy Networks? An Exploration of Hte Concept and Its Usefulness in Studying European Governance," EIoP 016(1997): 1.
11   J. Kooiman, Governing as Governance (London: Sage, 2003).
12   E. Sørensen, Torfing, J., "Governance Network Research: Towards a New Generation," in Theories of Democratic Network Governance, ed. Eva Sorensen, Torfing, Jacob (New York: Palgrave, 2007).

tion through networks, they emphasize the ambiguities that characterize local governance initiatives.

We argue that ambiguities are constitutive of and consubstantial to governance as practice and concept. From this point of view, governance is not reducible to any given logic, but has to be analyzed and interpreted from several perspectives and entails a plurality of intertwined social processes. Ambiguities arise because governance by definition is located at the interface of government and society. The shift from government to governance as a modus operandi of public authorities entails a paradigm shift in the understanding of how government influences and acts upon society. It is a shift from a model of mechanical and hierarchical influence and action (where actors in society are subordinated to government and obey its injunctions) to an interactive model where citizens are viewed as independent agents and where the success of government policies is dependent upon their active collaboration. Even when governance is centred on civil society and involves the self-coordination of actors within policy networks, their action is oriented toward government and located at the interface between society and government.

If the theory of network governance is helpful when analysing some features of the structures and practices of governance, the empirical analysis of local governance gathered in this book reveals that these structures and practices must not only be understood as networks, but also as institutional mixes of coordination mechanisms, with network coordination as one option, along with hierarchy and the market. Our perspective therefore stresses that neither the theory nor the analysis of governance can be limited to network governance, but must also account for the complexity and ambiguities of concrete governance practices and strategies.

The ambiguities of network governance

Governance, located as it is at the interface of government and society, is characterized by at least four features that generate ambiguity.

First, governance involves a plurality of actors, individuals and organizations with different rationales and goals and belonging to different institutionalized spheres of society: the state sphere, the public sphere, the private sphere and the market sphere.[13] The state sphere includes the political and judicial institutions and public administrations; the public sphere is composed of voluntary associa-

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13   T. Janoski, *Citizenship and Civil Society* (Cambridge: Cambridge University Press, 1998).

tions, media, social movements, political parties and unions; the private sphere is the sphere of family, friends and acquaintances, and within the market sphere individuals operate as consumers and firms as producers. Each of these spheres is characterized by different rationalities, justifications and principles of justice.[14] According to this account, the public sphere (voluntary associations, social movements, political parties, religious organizations, unions) composes most of civil society, with its overlaps with the private, state and market spheres making up the rest. Consequently, governance is not a function of any one of those institutional spheres, but is located between them, being neither private nor public, market nor state. Governance is located at the confluence of these different spheres, in each of which actors operate according to different values, rationales and justifications. This leads to an ambiguity of social roles: an individual may be both a citizen, a representative of a voluntary organization, and a representative of a public authority. It also leads to difficulties in reaching shared understandings about goals and priorities for local areas, about timings for deciding and implementing policies and about the appropriate criteria for the evaluation of governance outcomes.

Secondly, governance entails the setting up of several coordination mechanisms - market, hierarchical and network - that involve different logics of action and different institutional settings. Governance does not necessarily imply a clear cut coordination mechanism but involves often a mix of several coordination mechanisms. It therefore generates ambiguities. Network coordination may, for example, function "in the shadow of hierarchy" or within the persistence of hierarchy. As contributions to this volume show, well-established political arrangements co-exist with new, emerging forms of politics. As Stoker notes "we have entered a post-elected local government era and are moving to a new era of local governance populated by a more diverse and varied set of institutions and processes".[15] We argue that such coexistence is a specific feature of current local governance and that interactions and tensions among coordinating mechanisms have to be addressed explicitly in both theoretical and empirical terms.

Thirdly, governance may originate either in a bottom-up process, in which actors are self-organizing, or as a result of a top-down process in which public authorities define the institutional setting for interactions between government and society and actively "mobilize" society. Even when governance originates in self-organizing dynamics, government-driven institutionalization processes – formal and informal rules defining relations of competition and cooperation,

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14 L. Boltanski and L. Thévenot, *On Justification: Economies of Worth* (Princeton: Princeton University Press, 2006); M. Walzer, *Spheres of Justice: A Defence of Pluralism and Equality* (Oxford: Basic Books, 1983).

15 Stoker, *Transforming Local Governance*, 9.

forms of communication, etc. - often contribute to delimiting and constraining autonomous actors' self-organizing and self-steering potential. The institution-alization of governance thereby generates an ambiguous situation in which autonomous actors are confronted by the heteronomy of rules defined by state actors (meta-governance).

Fourthly, the horizontal coordination that differentiates governance from gov-ernment is not free from power and domination. Asymmetrical distributions of resources, asymmetrical dependency between actors within interdependent rela-tions, and an uneven distribution of definitional power, contribute to an unequal distribution of power among actors. Ambiguity appears because governance re-quires, as a condition for horizontal coordination and cooperation, that actors be formally equal when they are, in fact, unequally powerful. First generation re-search on governance networks acknowledged such asymmetries but viewed them as unproblematic, since actors are dependent on each other for resources and are formally free to leave networks. In these conditions, it has been argued, no actor is in position to exert control over the others. Contributions to this book show that this is not always the case and that power relations are a crucial issue to be addressed in research on new forms of local governance.

The structure of the book

Our approach to governance underlines the need for a broader look at govern-ance, beyond networks and network governance. The focus on ambiguities, which are consubstantial to governance, raises the question of how these ambi-guities are handled and resolved through the institutionalization of practices. We also consider the social, political and policy outcomes and consequences of these institutional solutions. As a result, contributions to this volume explicitly address ambiguities in governance dynamics, institutions and actors, and shed light on their complex interactions. Most chapters present a comparative perspective on governance arrangements, providing detailed information from case studies in a number of crucial policy sectors: health care, rural and urban development and local planning.

The book collects a set of local/national experiences that allows for the elabo-ration of conceptual issues through the idea of governance ambiguities. The book is divided into three parts.

Part I, "Ambiguities, hybridity and failures", addresses the issue of the institu-tional resolution of ambiguities through different institutional mixes, hybrid or-ganizations and institutionalized partnerships, and the possibility that attempts to resolve ambiguities will fail. The chapters in Part I examine the coexistence of

traditional and new forms of governance and the tensions that arise between competing criteria for success, accountability and legitimacy.

Following this introduction, Subsequent chapters highlight the implications of the persistence of hierarchical relationships in network governance. Petrella and Richez-Battesti suggest that civil society organizations have substantially different roles to play in top-down and bottom-up governance arrangements (Petrella and Richez-Battesti, chapter 2). The authors show how difficult it may be to find a balance between competition and innovation in a multi-level institutional structure. Finally, Ferreira highlights contrasting interpretations of what constitute governance achievements and failures, providing evidence of changing and contrasting criteria for the assessment and the evaluation of policy delivery (Ferreira, chapter 3). Gasparre, (chapter 4),

Part II, "Networks, participation and community", focuses on the social outcomes of governance in terms of participation and community building and illustrates the ambiguities and tensions between civil society's community-based autonomous mobilization and participation in self-organized networks on the one hand and the instrumental use of community-based social networks by public policies and public authorities on the other.

The literature on networks and participatory governance emphasises the developmental value of participation: forms of collaborative governance are expected to foster solidarity, a sense of common identity among participants and a shared understanding of the public good. Back to the tradition of civil society, participation in local civic associations is a 'school for democracy'. In short, through direct involvement citizens acquire basic democratic skills and contribute to the smooth functioning of democracy.

A second vision stresses the instrumental value of network governance and its positive effects on the quality of decision-making. In a complex and fast changing political environment, identifying feasible and effective policy solutions is becoming harder and harder. A possible way out, it is argued, involves extensive consultations with stakeholders and citizen participation and involvement in policy processes. Better knowledge of, and extensive discussions on, policy problems and options lead to more informed and more effective collective decisions. Accordingly, the success of forms of network governance derives from their effectiveness and ability to provide solutions for intractable policy problems.[16]

Chapters in part II address both of the above interpretations of the effects of participatory governance. Purdue investigates the extent to which participatory forms of local governance are able to deliver community cohesion in ethnically

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16   M. Hajer and H. Wagenaar, eds., *Deliberative Policy Analysis: Understanding Governance in the Network Society* (Cambridge: Cambridge University Press, 2003).

divided communities (Chapter 5). Lelieveldt, Dekker, Torenvlied and Volker examine different forms of mobilization and participation in civil society organisations; their strategies and organisational characteristics, in order to assess the factors that influence their potential for networking and bridging (Lelieveldt et al, Chapter 6).

The final two chapters of part II focus on the instrumental value of participation and question the impact of public participation on policy outcomes (Polizzi, Chapters 7), on the quality of public services (Morgan-Trimmer, Chapter 8). The general aim of part II is to assess the extent to which network governance lives up to its promise in terms of community renewal, efficacy and effectiveness.

Part III, "Decision-making, democracy and power", is concerned with the political dimension of governance, and institutional arrangements as they effect decision-making, democracy and power relations. The institutional settings in which local governance takes place appear as normative frameworks regulating power relations and defining the processes for public deliberation, decision-making, and democratic participation. In turn, these regulative frameworks may have broader social and political effects by empowering certain actors (such as experts) and disempowering others, through the valorisation of certain forms of knowledge and skills, thereby raising issues of democracy and accountability. In the literature governance arrangements are variously interpreted as a fruitful development for empowering citizens, or as a threat to citizens' abilities to exercise control over collective decision-making. For instance Rosenau noted: "Given a world where governance is increasingly operative without government, where lines of authority are increasingly more informal than formal, where legitimacy is increasingly marked by ambiguity, citizens are increasingly capable of holding their own by knowing when, where and how to engage in collective action".[17] The chapters in part III examine this argument critically, shedding light on the consequences of governance for accountability, representation and public control over binding collective decisions. The institutionalisation of different concepts of deliberation are explored. Enjolras investigates institutional settings for the regulation of civil society-state relationships, discusses well-established concepts of neo-corporatism and policy networks, and develops the idea of deliberative corporatism to indicate new trends in Norwegian local governance (Enjolras, chapter 9). Bozzini takes as her starting point the thesis that in new forms of participatory governance the principle of deliberation has to be made workable by local actors. Crucial choices have to be made in relation to criteria for the selection of participants, for decision making and for accountability. Bozzini investigates

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17 Rosenau 1992: 291, quoted in Rhodes, *Understanding Governance: Policy Networks, Governance, Reflexivity and Accountability*, 58.

models for the institutionalisation of deliberation in the context of European policy on local development and highlights different understandings of deliberation, democracy and participation (Bozzini, chapter 10). Finally, Palmen addresses the crucial issue of the representativeness of networks; questioning at the theoretical and empirical levels one of the commonest assumption in network governance literature, that of a direct link between participation and representation (Palmen, Chapter 11).

Concluding remarks

Our main thesis is that governance is a mix of coordination mechanisms and that it therefore necessarily generates ambiguities. In 2007 Sørensen and Torfing presented the network governance paradigm and highlighted its main features. First, "governance networks articulate a number of private, semi-public and public actors who, on the one hand, are dependent on one another's resources and capacities and, on the other, are operationally autonomous in the sense that they are not commanded by superiors (...)". Second, "the members of governance networks interact through negotiations that combine elements of bargaining with elements of deliberation". Third, "the negotiated interaction ... proceeds within a relatively institutionlised framework". Finally, "the governance networks are self-regulating since they are not part of a hierarchical chain of command and do not submit themselves to the law of the market".[18]

The contributors to this book question this description and its identifying of a specific form of state-society regulation. In the light of case studies analysed in this book we argue that the idea of hybrid (mixed) governance better fits the practices of local governance. Our tentative hypothesis - illustrated from different angles gathered in the chapters of this book - is that of the emergence of a hybrid type of governance. Hybridity – the mixture of pure and discrete origins – is an important feature of governance processes. The roots of the concept of hybridity can be found in various bodies of literature.

In the literature of transaction-costs economics[19], hybridity describes intermediary forms (like networks) between market and hierarchy, defined as a point on the continuum between market and hierarchy. In contrast, other approaches argue that networks have to be fundamentally distinguished from market contracts

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18   Sørensen, "Governance Network Research: Towards a New Generation."
19   O. Williamson, "The Economics of Organizations: The Transaction Cost Approach," *American Journal of Sociology* 87, no. No. 3 (1981).

and hierarchical organization.[20] Powell[21], for example, emphasizes the "distinctive features of networks" as a form of organization. While affirming the distinctiveness of networks, Hutter and Teubner also highlight their hybidity, not as a mix between market and hierarchy, but between individual action and corporate action.[22] They point out the hybrid character of new organizational forms, which incorporate elements of the network, and which, expressed in the terms of system theory, "make it possible to attribute action simultaneously to individuals and organizations".

From this viewpoint hybrid governance can be characterized by the interplay of network and hierarchy as coordination mechanisms. An explanation for hybrid governance may be the non compulsory character of participation in governance processes, and the consequent low costs of exit options. Networks entail ethical principles of coordination that are based on reciprocity and trust between actors.[23] From this viewpoint, networks are moral communities based on trust, and the absence of opportunism is a necessary condition for network interactions. However, game-theory approaches show that the cooperative or non-cooperative nature of interactions depends upon the structure of a network.[24] Cooperative peer group organization (without hierarchical coordination) is more advantageous than individual market transactions because of "involvement relations (in the sense of A. Etzioni) from a calculative to a more nearly quasi-moral mode".[25] This type of organization is vulnerable to abuse by free-loaders. In contrast, hierarchy - defined as a mode of interaction in which a superordinate is able to specify a subordinate's choice – entails the superordinate's ability to coerce and/or reward the subordinate and may imply different forms of legitimacy. However, as pointed out by Scharpf, "the reach of hierarchical authority is constrained by the exit options that are available to the target population".[26] Hierarchy can be considered a necessary feature of governance because of coordination failures and particularly collective action failure. Because the reciprocal and flexible

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20 M. Hutter, Teubner, G.,, "The Parasitic Role of Hybrids," *Journal of Institutional and Theoretical Economics* 149, no. 4 (1993); G. Teubner, "Double Bind: Hybrid Arrangements as De-Paradoxifiers," *Journal of Institutional and Theoretical Economics* 152, no. 1 (1996).

21 W. Powell, "Neither Market nor Hierarchy: Networks Forms of Organization," *Research in Organizational Behavior* 12(1990).

22 Hutter, "The Parasitic Role of Hybrids," 707.

23 Powell, "Neither Market nor Hierarchy: Networks Forms of Organization."

24 F. Scharpf, *Games Real Actors Play: Actor-Centered Institutionalism in Policy Research* (Boulder: Westview Press, 1997).

25 O. Williamson, *Markets and Hierarchies: Analysis and Antitrust Implications* (New York: Free Press, 1975), 321.

26 Scharpf, *Games Real Actors Play: Actor-Centered Institutionalism in Policy Research*, 173.

character of network coordination authorizes lower levels of commitment than hierarchy it may be preferred as a means of coordinating non-compulsory and flexible involvement in governance processes by various stakeholders. However, network coordination is less stable and more subject to free-loader problems than hierarchical coordination. The stability, continuity and durability of cooperation necessitated by governance processes may be more reliably achieved by hierarchical coordination. Hybrid governance, combining both hierarchical and network features, may thus develop as a result of the pragmatic adjustment of governance processes and institutional structures to the shortcomings of both coordination mechanisms.

To sum up, the coexistence of different coordinating mechanisms, of top-down and bottom-up dynamics, and the tensions arising from the multiple roles played by social and institutional actors, are sources of ambiguity that we consider to be inherent in new local governance. From this perspective, research needs to go beyond the concept of networks and network governance as a distinct, clear-cut model of regulation, and to examine the ambiguities that arise at the intersection of state, market and society. We hope that the papers collected in this book represent a positive step in this direction.