The European Governance Debate

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Introduction

In this paper we aim to take stock of the European governance debate in order to assess whether it is developing into a new political science paradigm based on clear concepts, sound theories, an expansive research agenda and a particular set of methods. Before proceeding it should be noted that despite ongoing integration processes, Europe is a divided social and political territory with striking differences between North and South and between East and West. As such, any talk about a special ‘European’ debate should be treated with caution. Nevertheless, when comparing Europe with North and South America and with South-East Asia there is more that unites than divides the European countries in terms of political cultures and institutional legacies. Moreover, conferences convened by the ECPR, the EGPA and large-scale EU projects such as NEWGOV and CONNEX, together with a growing number of national and European journals, have facilitated European-wide debates on new developments in politics and governance. The European debates on governance are heavily informed and inspired by similar North American debates and sometimes also by Australian contributions. Still, inspiration from outside Europe is sifted through the experiences of national conditions and developments in the European countries and assessed in relation to the reality of the European Union. As such, we believe that it is warranted to speak about a distinctive European debate on governance.

The European governance debate emerged in the beginning of the 1990s.¹ The new focus on ‘governance’ – a new term which is difficult to translate across European languages – was triggered by the problematization of traditional forms of government. As Bob Jessop (2002) succinctly puts it, we are witnessing a three-fold development that involves the denationalization of statehood, the de-statification of politics, and the internationalization of policy making. Processes of de-territorialisation and re-territorialisation are weakening the link between state and nation. Old and new state powers are displaced upwards to international and transnational organisations; downwards to local governments, public service institutions and user boards; and outwards to emerging cross-border regions and global city networks. Consequently, state power is exercised at a variety of different and tangled scales. At the same time, the state is gradually loosing its monopoly on public policy making as an increasing number of private actors such as interest organisations, NGOs, citizen groups, consultancy firms and private businesses become involved in the formulation and implementation of public policy. Last but not least, the national space for making and amending public policy is transgressed as policies are increasingly being uploaded to and downloaded from international policy arenas.

This three-fold development has given rise to the widespread, but still strongly contested assertion that we are witnessing ‘a shift from government to governance’. Numerous books and journal articles begin by making this claim that clearly has a high signalling value as it urges us to look for processes of public governance rather than for the role of the formal institutions of government. However, the implicit danger of the assertion of a shift from government to governance is that it tends to create a far too simplistic image of a unified past and future and that it invokes the idea of a zero-sum game, according to which governance is necessarily expanding at the expense of government. In order to avoid these problems we should rather see governance as a ‘new perspective on an emerging reality’.

Today, it is commonly accepted that public policy making is not congruent with the formal institutions of government. In some areas and at some levels there is still considerable room for unilateral action on the part of the state and the bulk of public services and transfers are still handled by large-scale public bureaucracies. Nevertheless, multilateral action through which a plethora of public and/or private actors are working together to solve problems and exploit opportunities is becoming a more and more frequent response to the growing fragmentation, complexity and dynamism of our present societies. In this new and emerging reality, characterized by an uneven and combined development of uni- and multilateral action, the traditional pluralist model that sees government as a privileged and relatively insulated locus for the translation of political support and demands from individual voters and competing interest organisations into legitimate policy outputs and effective policy outcomes is rendered obsolete. The notion of governance is offering a way out of this impasse by providing a new perspective on the policy making process that emphasises the plurality of policy arenas, the mutual exchange of knowledge, resources and ideas, and the blurring of the lines of demarcation between the public and the private realm.

The European governance debate is relatively new, but it is rapidly developing into a new paradigm for studying public policy. In this paper we aim to assess how far the debate has come in this development. First, we provide a brief sketch of the political and institutional conditions for the emergence of the European governance debate. We then consider the various attempts to define governance and offer our own definition of the concept. In order to make the assessment of the paradigmatic quality of the governance debate more manageable we narrow down our focus to a discussion of network-types of governance. Hence, in the third section, governance networks are defined, some caveats are flagged and the empirical significance of governance networks at different levels is assessed. The empirical assessment is followed by a brief account of the theoretical underpinning of the European governance debate, including a presentation and comparison of some of the main European theories of network governance. The assessment of the theoretical approaches brings us to a review of the research agenda that highlights the new and emerging research questions within the second generation of governance network research and also points to some areas of neglect. Our assessment of the European governance debate is completed with a few critical reflections on the development and deployment of qualitative and quantitative methods in the study of interactive forms of governance.

The rise of governance in Europe

The rise of the governance debate can be traced back to the Trilateral Commission (Crozier, Huntington and Watanuki, 1975) which in the mid-1970s initiated a world-wide discussion about the ‘overload of government’, resulting from the mounting expectations of the citizens and the
limited capacities of public bureaucracies, and about ‘the ungovernability of society’, allegedly caused by the decline of public-spirited values. This bleak diagnosis was particularly troublesome for the Western European welfare states that had deep faith in the governing capacity of the state and high ambitions with regard to the possibility of governing society and the economy. The economic crisis further contributed to what was generally known as the legitimacy crisis of the modern welfare state. The crisis paved the way for neoliberal governments and policies that aimed to solve the problem of government overload by means of privatizing public enterprises, contracting-out public services, and commercializing the remaining public sector. In continuation with the neoliberal project, New Public Management reforms sought to limit the role of elected government to the formulation of overall policy objectives and to place the responsibility for the production and delivery of public services in the hands of private contractors and quasi-autonomous public agencies operating on the basis of contracts and agreements with government agencies. In response to the increasing ungovernability of society, New Public Management aimed to mobilize the resources and commitment of private organizations and firms in public governance through the formation of partnerships and to enhance the exit and voice options for the citizens in public service delivery through enhanced consumer choice and the creation of user boards.

With the UK as the epicentre New Public Management reforms spread throughout Europe in consecutive waves. In the countries where New Public Management caught on, it resulted in an increasingly fragmented public sector, which in turn stimulated the need for institutional mechanisms that could provide horizontal coordination in order to avoid duplication of efforts and create synergies. At the same time, an increasing number of traditional policy problems such as physical planning, regional development and environmental protection were re-described as ‘wicked problems’ and a series of new crosscutting policy problems such as preventive health care, public safety and the enhancement of the employability of the unemployed came to the fore. This development further strengthened the call for horizontal coordination through institutionalized interaction among relevant public and private actors. New forms of joined-up government, relational contracts between public purchasers and private providers, public private partnerships and governance networks were typical responses to the call for crosscutting coordination and multilateral action (Rhodes, 2000).

In the European Union the problem was quite different. Here the primary problem was the growing concern for the ‘democratic deficit’. The EU Commission’s whitepaper on European Governance (2001) and the work of influential academic commentators (Scharpf, 1999) recommend the creation of governance networks, partnerships and other forms of participatory governance as a crucial means for democratizing the European Union by enhancing the input and output legitimacy of EU-policies.

The political and administrative interest in new forms of interactive governance was strengthened and supported by new developments in European political science. The research on steering and control conducted at the Max Planck Institute in Cologne (Marin and Mayntz, 1991; Mayntz, 1993a, 1993b) and at the Center for Interdisciplinary Research in Bielefeld (Héritier, 1996) has emphasized the systemic limitations of both hierarchies and markets. Hierarchies have problems dealing with societal complexity and markets are ridden by collective action problems. The inherent problems of hierarchies and markets call for the development of new modes of governance based on negotiated interaction among interdependent policy actors. Jan Kooiman (1993) has summarized the new insights in the claim that no single actor, public or private, has the knowledge and capacity to solve complex, dynamic and diversified problems. Kooiman and many of his Dutch colleagues in see the formation of complex networks as the solution to this challenge (Kickert, Klijn and
Koppenjan, 1997), while other researchers view contract-based partnerships between public and private actors as the way ahead (Hodge and Greve, 2005). The focus on networks and partnerships resonated well with the works of a number of British scholars who had been criticizing the notions of corporatism and neo-corporatism for their narrow focus on the tight cooperation among public authorities, trade unions and business organisations and developed a more open and flexible notion of policy networks that both covered relatively tight and exclusive policy communities and relatively loose and inclusive issue networks (Marsh and Rhodes, 1992; Rhodes, 1997; Marsh, 1998).

The call for the development of new mechanisms of governance was embraced by both researchers and practitioners, and from the mid-1990s there has been a notable surge in interactive forms of governance throughout Europe and at all levels. The growth of governance mechanisms can be explained, partly, by the favourable conditions for collaboration between public and private actors which are present in terms of the unique combination of relatively strong states and relatively strong civil societies. Despite national and regional differences, the Western European countries are generally characterized by the presence of strong, unified and legitimate states that are capable of forming and managing complex networks and partnerships and of preventing them from being captured by private business interests. At the same time, most European countries have relatively strong democratic traditions and reasonably well-organized civil societies with highly professional interest organisations, NGOs and citizen groups that are perfectly capable of engaging in institutionalised cooperation with government agencies.

Defining governance

With more than 50 million hits in a recent Google search ‘governance’ is currently one of the most fashionable political science terms in the world. Part of the attraction is that governance signals a weakening of the state-centred view of power and societal steering that has been problematized by recent empirical and ideological developments. Another part of the attraction is that ‘governance’ turns private markets and civil society actors into instruments of public policy instead of seeing them as passive targets of public regulation. This view chimes well with both the neo-liberalist individualism and the post-modern de-centring of society since they tend to invoke the principle of ‘regulated self-regulation’ that permits individual and collective actors to work together to find joint solutions, while maintaining a large degree of operational autonomy.

Governance is a popular, but notoriously slippery term. This is evidenced by the fact that governance is often used in conjunction with a particular prefix. Hence, ‘good governance’ refers to the recent endeavour of international organisations such as the United Nations and the World Bank to assess and measure the quality of the governing institutions and practices in developing countries in terms of their stability, interaction, transparency, responsiveness, procedural fairness, effectiveness and adherence to the rule of law. ‘Global governance’ refers to attempts to devise regulatory policies in response to global problems such as AIDS, poverty and global warming in the absence of an overarching political authority. ‘Corporate governance’ refers to the institutionalized interaction among the many players – including shareholders, management, the board of directors, employees, customers, financial institutions, regulators and the community at large – involved in the process of directing and controlling private business firms. ‘Project governance’ refers to the cooperative practices and exercise of leadership that help to ensure that specific projects based on collaboration among several actors lead to innovative and yet feasible solutions to. Last but not
least, it should be mentioned that ‘public governance’ has become a buzzword in the consecutive waves of public sector reforms that are inspired by the New Public Management doctrine. The governance literature contains many other conceptual constellations that further expand the application of the notion of governance. However, adding a particular pre-fix to the notion of governance does not help us in defining what governance means. We need a generic definition of governance that can subsequently be used in radial categorizations of different kinds of governance.

Some contemporary commentators have defined governance in terms of either the formation of a collective will out of a diversity of interests (politics), a system of rules shaping the actions of social and political actors (polity), or a political steering of social and economic relations based on soft, cooperative policy instruments such as persuasion, voluntary coordination, or procedures for benchmarking of public performance (policy) (for an overview see Treib, Bähr and Falkner, 2005). However, these different definitions do not really capture the distinctiveness of governance, because they fail to show what governance adds to the traditional notions of politics, polity or policy.

Therefore, let us briefly consider some of the alternative definitional strategies that have been advocated by European researchers. First, Jessop (1998) defines governance as ‘heterarchy’ which tends to share a number of traits with civil society. However, the association of governance with civil society gives rise to an unwarranted normativism as it is often assumed that governance is more consensual, egalitarian, trust-based and deliberative than state and market because it reproduces the intrinsic values of civil society.

Second, Meuleman (2008) and Pierre and Peters (2000) tend to see governance as a general concept for any pattern of ordered rule including hierarchical government. Although this broad definition facilitates analysis of how different modes of governance, typically bureaucracies, markets and networks, are combined in various countries and policy areas, it betrays the fundamental idea that governance implies a problematization of the role and nature of unicentric forms of government.

Third, going in the complete opposite direction, Scharpf (1994), Mayntz (1993a, 1993b), Kooiman (1993) and Klijn (2008) tend to equate governance with network governance and thus create a very narrow definition of governance that excludes every form of policy interaction that is not organized in terms of a stable, horizontal network.

Finally, Bevir and Rhodes (2003) tend to see governance as a new neoliberal language game that leads to different interpretations and institutionalizations in different political and cultural contexts. The problem with this post-foundationalist view is that it becomes difficult to put bounds on governance. Governance becomes everything and, thus, nothing.

Alternatively, we shall here define governance as the complex process through which a plurality of social and political actors with diverging interests interact in order to formulate, promote and achieve common objectives by means of mobilizing, exchanging and deploying a diversity of ideas, rules and resources. This definition emphasizes three distinctive features of governance. First, governance refers to a complex process rather than a set of more or less formal institutions. Second, the process is driven by a collective ambition to define and pursue common objectives in the face of the presence of divergent interests. Third, the process is decentred in the sense that common objectives are formulated and achieved through the interaction of a plurality of actors from the state, the economy and civil society.
Emphasising the process element makes governance research akin to both ‘policy analysis’ and ‘implementation studies’ that are also looking at processes. Hence, governance research aims to combine process-oriented analysis of the relation between policy inputs and policy outputs (policy analysis) with process-oriented analysis of policy outputs and policy outcomes (implementation studies). Yet, at the same time, governance research aims to transcend the narrow focus on political and administrative processes taking place within the formal institutions of government. Highlighting the collective ambition to formulate and achieve common objectives is equally important as it takes us beyond the notion of ‘strategic alliances’ that fails to capture the shared ambition of the actors involved in governance to solve problems or meet new challenges through exchange, coordination, or joint action. Finally, stressing the decentred character of governance makes it clear that governance cannot be reduced to ‘steering’, at least not in the traditional sense where steering refers to the government’s exercise of sovereign power in order to achieve particular, pre-given goals.

Defining governance as a decentred process through which policy is formulated, selected and implemented tends to exclude the kind of uni-centric, top-down government that is supposed to have existed prior to the New Public Management inspired reforms that have swarmed the public sector from the mid-1980s and onwards. By contrast, governance can be said to include a variety of interactive policy processes. Some of these take the form of governance networks that aim to respond to complex, conflicting and ill-defined policy problems by facilitating negotiated cooperation among relevant stakeholders on the basis of interdependency (Marcussen and Torfing, 2007). Others take the form of quasi-markets that aim to respond to problems associated with public monopolies by enhancing negotiated competition in public regulation and service delivery through the establishment of relational contracts between public authorities and private providers (Denters et al., 2003). Finally, policy interaction may take the form of public-private partnerships aiming to mobilize private resources and entrepreneurship in joint venture projects in public construction and infrastructure provision (Hodge and Greve, 2005). These interactive governance arrangements seldom exist in pure forms and combinations of the three basic forms of governance are frequently found throughout Europe.

**Governance networks**

In Europe there are many examples of the formation of public private partnerships and the construction of quasi-markets linking public purchasers and private providers; especially in the UK which seems to have pioneered the development of many of the New Public Management inspired governance arrangements. The long-lasting tradition for corporatist involvement of private interest organisations in public policy means that governance networks are well developed in Europe, especially in the Northern and Western European countries where tripartite systems have been particularly strong. Governance networks exist at all levels and in most policy areas. They are found in all phases of the policy process and the EU strongly advocates for the formation of governance networks with civil society actors in order to enhance democratic ownership to public policy. The broad relevance of governance networks for understanding governance in the European context makes it particularly interesting to focus on network types of governance and this is exactly what we intend do in the remaining part of this paper.

Governance networks are commonly defined as: 1) a relatively stable horizontal articulation of interdependent, but operationally autonomous actors; 2) who interact with one another through
ongoing negotiations; 3) which take place within a regulative, normative, cognitive and imaginary framework; 4) facilitate self-regulation within limits set by external forces; and 5) contribute to the production of public purpose. Other defining features might be added, but this definition captures the essence of that which is commonly referred to by the notion of governance networks (Sørensen and Torfing, 2007a).

Let us attempt to unpack this dense definition of governance networks by considering each of the defining features in turn. First, governance networks bring together a number of public, semi-public and private actors who, on the one hand, are dependent on one another’s resources and capacities in order to get things done, and, on the other hand, are operationally autonomous in the sense that they cannot be commanded by other network actors to think or act in a certain way. The interdependent relations between the network actors mean that they are horizontally, rather than vertically, related. However, the horizontal relations between the network actors do not imply that they are equal in terms of authority and resources. There might be an asymmetric allocation of material and immaterial resources among the network actors, but since participation is voluntary and the actors are free to leave the network, and since the actors are mutually dependent on one another’s resources no single actor can fully exercise their power to exert hierarchical control over anyone else.

Second, the members of governance networks interact through negotiations that combine elements of bargaining with elements of deliberation. The network actors may bargain over the distribution of resources in order to maximize outcomes; however, in order to facilitate some degree of cooperation, coordination and collaboration, the bargaining process must be embedded in a deliberative process that facilitates trust building, mutual learning and common understanding. Nevertheless, deliberation within governance networks will seldom lead to unanimous consensus, since it transpires within a context of intensive power struggles that breed conflict and social antagonism. Hence, consensus is better understood as a collective agreement based compromise and tacit acceptance of decisions despite various grievances.

Third, the negotiated interaction between the network actors does not take place in an institutional vacuum. Rather, it proceeds within a relatively institutionalised framework that is shaped and reshaped in the course of action. In the beginning, when a governance network is formed, there are no agreed upon institutional framework that determines where and how a legitimate decision is to be taken. However, the ongoing interaction of the network actors will eventually lead to the formulation of an incomplete and precarious framework of rules, norms, values and ideas that conditions the future interaction in the network by defining what is considered as ‘appropriate action’.

Fourth, governance networks are relatively self-regulating, as they are not part of a hierarchical chain of command and do not submit themselves to the laws of the market. Rather, they aim at regulating a particular policy field or problem area on the basis of their own ideas, resources and dynamic interactions, and they do so within a regulative, normative, cognitive and imaginary framework that is adjusted through negotiations between the participating actors. Nevertheless, governance networks always operate in a shadow of hierarchy as public authorities and other legitimate and resourceful actors aim to facilitate, shape and constrain the network’s capacity for self-regulation. Governance networks that are metagoverned in this way only enjoy a ‘bounded autonomy’.
Fifth, governance networks contribute to the production of public purpose within a certain policy area. Public purpose is an ensemble of visions, values, plans, policies and regulations that are claimed to be valid for, and directed towards, the general public. As such, the network actors are engaged in political negotiations about how to identify and solve emerging policy problems and provide new opportunities that affect the lives of the citizens. Networks that do not contribute to the production of public purpose in this broad sense, but merely aim to enhance the private or personal gains, cannot be counted as governance networks.

Governance networks, as defined above, may have different functions. Some governance networks merely contribute to the exchange of knowledge, information and ideas in order to facilitate knowledge–based action, while other networks aim to coordinate actions of the participants in order to maximize the aggregated effect of their combined efforts. More ambitious governance networks might even attempt to arrive at a common understanding of emerging policy problems and formulate joint solutions. Governance networks may also take different forms as they might be: self-grown from below or initiated from above; open and loosely connected or closed and highly integrated; short-lived or relatively permanent; and have a sector-specific or society-wide scope. Last but not least, it should be mentioned that governance networks have many different labels as they are frequently referred to as think tanks, public boards and committees, commissions, partnerships, planning cells, etc. The different labels, forms and functions of governance networks attest to the broad relevance of the concept for describing the contemporary forms of interactive governance.

Having carefully defined governance networks and emphasised their empirical variability, it is necessary to advance a few caveats in order to avoid some common misunderstandings. The first caveat is that the proliferation of interactive forms of network governance is not, as some scholars have suggested (Rhodes, 1994, 2007; Jessop, 2002), resulting in a ‘hollowing out of the state’. The growth of interactive forms of governance in the shape of networks and partnerships is not mitigating the role and impact of the state. The state may have lost its privileged position in public policy making, but many of the former state powers remain in place and new capacities are developed as central and local state agencies take on the task of metagoverning governance networks at different levels. As such, state power is not reduced, but transformed and exercised in new and subtle ways (Pierre and Peters, 2000).

The second caveat is that governance networks, despite the recent proliferation and the surge of scholarly attention, are by no means a new phenomenon. In many countries and policy areas there are long traditions for the corporatist involvement of the social partners and other relevant actors in the formulation and implementation of policy. As a matter of fact, interaction between public and private actors is a key feature of modern government and a constitutive trait of liberal democracy. What is new, however, is that political theorists and central decision makers increasingly view governance networks as both an efficient and legitimate mechanism of public governance. This is evidenced by the increasing reliance on governance networks at all levels of government (Marcussen and Torfing, 2007).

The last caveat is that governance networks are no panacea. When it comes to the exercise of public authority, there are good reasons for placing this task in the hands of public bureaucracies that can be held accountable for their action and inaction. Likewise, when it comes to the production and delivery of fairly standardized public goods and services, private markets might give us good value for public money. Governance networks have little to offer in relation to these public tasks, but have
their relative strength in relation to the large amount of ‘wicked problems’ in public governance where the nature of the policy problem is uncertain, specialized knowledge is needed, and there are many relevant stakeholders from different sectors and levels and a high risk of conflict (Klijn and Koppenjan, 2004).

Although we should be cautious not to talk in sweeping and totalizing terms about the emergence of a network society (Castells, 1996), governance networks are clearly proliferating to an astonishing extent. However, governance networks seem to spread unevenly throughout Europe and across different levels. Dark networks associated with crime and corruption seems to foster a somewhat reluctant approach to the inclusion of citizens and organised interests through governance networks in some parts of Southern Europe. Likewise, the relative weakness of civil society and the lack of experiences with plural democracy in Central and Eastern Europe tend to make the formation of governance networks an up-hill struggle. By contrast, Northern and Western Europe seem to be swamped by the formation of networks linking fragmented public agencies and bring together public and private actors.

There are no systematic, Europe-wide studies of the scope and impact of governance networks at various levels. However, there are some indications suggesting that networks – for entirely different reasons – have become a common and increasingly important governance mechanism at the local, regional and transnational levels, whereas the national level has experienced a decline in the use of interactive forms of governance, at least when we talk about the more formal type of networks in terms of policy preparing commissions. Hence, at the local level, where there are often a lot of overlapping jurisdictions, a high degree of institutional fragmentation and a large number of competent organisations and user groups, it is extremely difficult to formulate and implement policy without facilitating a network-based interaction between the relevant and affected actors. As soon as the local authorities begin to think in terms of policy problems instead of policy programs, it becomes clear that they must interact with other public and private actors in order to get results. At the regional level, there is a growing emphasis on developing the structural competitiveness of the regional economy in the face of global challenges. This endeavour calls for cross-sectoral collaboration through the formation of strategic growth alliances, territorial pacts and other kinds of networks. Finally, at the transnational level, the absence of majority rule and the absence of a clear conception of the common good has turned the European Union into a networked polity (Kohler-Koch and Eising, 1999) which is based on the creation of policy networks in and around the committees, the formation of transnational networks responsible for formulating norms and guidelines within the Open Method of Coordination, and the construction of local and regional partnerships as a precondition for receiving Structural Fund money (Esmark, 2007). Furthermore, the growing concern for the democratic deficit of the European Union has spurred attempts to consult with stakeholders and involve civil society actors in the development of the European Union and its policies.

At the national level, the situation is more uncertain and ambiguous. On the one hand, corporatist involvement of the social partners have failed to materialize in some European countries and in countries where tripartite relations have been relatively entrenched there has been a weakening of the corporatist structures (Gobeyn and Johnpoll, 1993; Ferner and Hyman, 1998). There are also reports that the use of formal bodies for consulting with key stakeholders are in decline (Christiansen and Nørgaard, 2003). As such, national governments might be trying to keep interest organisations at an arms length in order to enhance the room of political manoeuvring at a time where the sovereignty of nation states is under pressures. On the other hand, there are examples that
formal consultations with relevant stakeholders are replaced with informal consultations (Ferner and Hyman, 1998) and in most EU member states governance networks seem to be formed in relation to questions about the Europeanization of national legislation (Kassim, Peters and Wright, 2000). In sum, we seem to be witnessing a relative decline in network governance at the national level, but also some important counter-tendencies.

**Theories of network governance**

The increasing prominence of governance network research is rooted in theoretical developments in organization theory, political theory, policy analysis, Europeanization studies and International Relations studies. The conception of organizations as open systems adapting to changes in the environment (Mintzberg, 1979) – and the subsequent recognition that this environment consists of other organizations – paved the way for a new focus on the interorganizational exchange of information and resources taking place through relatively stable forms of network-based negotiation (Benson, 1978; Aldrich, 1979). Likewise, the recognition of the limits of the corporatist and neo-corporatist image of ‘Iron Triangles’ which link state agencies and social partners in tightly organised decision making arenas, spurred the attempts of political theorists to distinguish between different kinds of more or less integrated policy networks that may include a broader range of public and private actors (Kenis and Schneider, 1991; March and Rhodes, 1992).

If both organization theory and political theory gradually arrived at some notion of governance networks, the real break-through for the new focus on governance networks came in the field of policy analysis. Decision-making theorists revealed the limits of the rational decision-making model in the face of the complexity of increasingly fragmented policy processes in which social and political actors struggle to link problems and solutions in highly contingent policy decisions (Cohen, March and Olsen, 1972; Kingdon, 1984), and implementation theorists demonstrated the failure of comprehensive planning and top-down programming in the face of the fierce resistance of street-level bureaucrats, user groups and interest organizations (Pressman and Wildawsky, 1973; Lipsky, 1980). Some people went even further arguing that policy analysis should begin by identifying a certain policy output and then undertake a backward mapping of the complex networks and processes that led to the production of this policy output (Hjern and Porter, 1981; Hjern and Hull, 1984; Elmore, 1985).

While these arguments were developed in relation to national and local policy making, Europeanization and International Relations scholars claimed that governance networks also play a crucial role on the European and global scene. As such, the empirical discovery and analytical description of the European Union as a networked polity in which public and private actors negotiate within and across multiple levels (Kohler-Koch and Eising, 1999) and the current transformation of international regimes into transnational networks where private actors play an increasingly important role in policy making (Strange, 1988, 1996) have further contributed to the development of theories of network governance.

The current debate on governance is generally under-theorized, but to the extent that a theoretical framework for the analysis of new governance arrangements is provided there appears to be a an interesting difference between the theoretical underpinning of the study of quasi-markets and public private partnerships and the theoretical underpinning of the study of governance networks. Quasi-markets and public private partnerships are often analysed from within a rationalistic perspective in...
terms of Principal-Agent theory and game theory (Le Grand and Bartlett, 1993; McQuaid, 2000) whereas governance networks are studied from within an institutionalist perspective (Sørensen and Torfing, 2007a). This might seem a bit strange since the governance perspective in general and governance networks in particular urge us to study complex interactive processes rather than formal institutions. Indeed, governance networks cannot be defined as institutions in the strict sense of well-integrated systems of social interaction based on formal rules, norms and procedures. Governance networks are marked by a profound institutional ambiguity since at first there are no commonly accepted rules and no formal constitution that predetermine how legitimate decisions are made (Hajer and Versteeg, 2005). Over time, social and political interaction in governance networks might be stabilized by the sedimentation of habits, patterns and common understandings into rules, norms and cognitive frames. As such, governance networks are subject to processes of institutionalisation, but the absence of a sovereign power capable of enforcing the emerging rules of the game and the periodic renegotiation of the boundaries of governance networks ensures the ambiguity and openness of the institutional framework and tend to stimulate processes of de-institutionalisation. However, whereas the old constitutional institutionalism would not be able to capture the partial, contingent and dynamic institutionalisation and de-institutionalisation of governance networks, the new institutionalism broadens the notion of institutions to include less formal institutionalisations of patterns of interaction between different social and political actors (Rhodes, 1995: 54; Peters, 1999: 18). This paves the way for an institutionalist perspective on the study of governance networks.

The new institutionalism is a broad church emphasising the regulative, normative, cognitive and/or imaginary conditions for interaction. As argued elsewhere (Sørensen and Torfing, 2007a), we can identify four different institutionalist approaches of relevance for the analysis of governance networks. Let us briefly consider these different approaches in turn, beginning with interdependence theory and governability theory that are the two main approaches in the study of governance networks. Both theories tend to view social action as driven by institutionally conditioned calculations, but they differ in their view on the prospect for overcoming conflicts and facilitating collaboration among multiple stakeholders.

*Interdependence theory* is inspired by historical institutionalism (Kickert, Klijn and Koppenjan, 1997; Rhodes, 1997; Jessop, 1998). It defines governance networks as an interorganizational medium for interest mediation between interdependent – but conflicting – actors, each of whom has a rule and resource base of their own. Governance networks are formed as a result of strategic calculations of independent actors who choose to interact because of their mutual resource dependencies. The formation of governance networks aims to counteract the institutional fragmentation caused by New Public Management reforms. Governance networks are formed through incremental bottom-up processes, but are often recruited as vehicles of public policy-making by public authorities. The network actors pursue different interests through internal power struggles, but they are held together by their mutual interdependence and the development of common norms and perceptions, which facilitates negotiation and compromise.

*Governability theory* combines rational choice institutionalism with a systems theoretical view of societal development (Mayntz, 1993a, 1993b; Scharpf, 1994; Kooiman, 2003). It defines governance networks as a horizontal coordination between autonomous actors who interact in and through different negotiation games. The formation of governance networks is seen as a functional response to the increasing societal complexity, differentiation and dynamism that undermine the ability to govern society efficiently through the traditional means of hierarchy and market.
Governance networks are viewed as game-like structures that facilitate horizontal coordination among systems and organisations, and they are held together by the anticipated gains from the exchange and pooling of resources and the development of mutual trust that helps to overcome collective action problems and mitigate conflicts.

Institutional theories of normative integration and theories of governmentality also provide valuable insights into the intricacies of network governance. These theories are not focussing explicitly on governance networks, but they conceive governance as a decentred process that involves a plethora of public and private actors. While differing in their emphasis on the role of power and conflict in societal governance, both theories take an interpretative approach to social action by emphasizing the role of institutions and discourses in shaping the identity and perceptions of social actors.

Institutional theories of normative integration define governance networks as an institutionalised field of interaction between relevant policy actors who are integrated in a community defined by common rules, norms and perceptions (March and Olsen, 1995; Powell and DiMaggio, 1991). Governance networks are regarded as a way of organising organisational fields and as a normative response to the twin problems of totalitarian over-integration and individualistic under-integration of social agency. They are formed through a bottom-up process whereby contacts that are established due to the recognition of interdependence are evaluated and extended on the basis of institutionalised logics of appropriateness. The proliferation of governance networks may also be further accelerated by isomorphic pressures. Network actors become normatively integrated through the construction of solidarity and the formation of common identities.

Governmentality theory (Foucault, 1991; Rose and Miller, 1992; Dean, 1999) implicitly defines governance networks as an attempt by an increasingly reflexive, facilitating and regulatory state to mobilize and shape the free actions of self-governing actors. Governance networks are interpreted as a political response to the failure of neo-liberalism to realize its key goal of ‘less state and more market’. The problematization of neo-liberalism has led to the formulation of a new governmentality programme, associated with ‘advanced liberal government’ that aims to shift the burden of government to local networks in which the energies of social and political actors are mobilized and given a particular direction in order to ensure conformity. Governance networks are constructed and framed by particular governmental technologies and narratives that aim to recruit social actors as vehicles of the exercise of power.

The four institutionalist approaches differ in their perception of nature of social action and in their view of the role of power and conflicts in public governance. However, reflecting the high degree of institutionalisation in European societies, the four approaches all tend to emphasise the role of institutionalisation for the stabilisation, structuring and framing of interaction in network types of governance. The institutional focus in European theories of governance networks helps us to understand how interaction is constrained and facilitated by contingent and constantly renegotiated frameworks of rules, norms and cognitive structures. It also opens up for an analysis of virtuous and vicious circles in the development of governance networks and for studying how these circles can be affected by public authorities.
Key issues on the European research agenda

Although the field of research is relatively new, it is possible to talk about first and second generations of governance network research (Sørensen and Torfing, 2007a). The first generation set out to convince us that something new was going on. As such, it was primarily preoccupied with explaining why and how governance networks are formed, how they differ from traditional forms of governance in terms of hierarchy and markets, and how they contribute to efficient governance within different policy fields and at different regulatory scales. The first generation has done an excellent job in linking the rise of network governance to new societal trends, in fleshing out the distinctive features of governance networks vis-à-vis state and market, and in analysing the formation and functioning of governance networks in different countries, policy areas and at different scales.

Slowly but surely, the research agenda has moved beyond the preoccupations of the first generation of governance network research. Governance networks no longer represent something new and exotic; rather, they are an intrinsic part of modern governance that we must learn to live with and make the best of. This predicament has triggered the emergence of a series of new and unanswered questions that tend to define the research agenda of a second generation of governance network research.

The first question concerns the role of discourse and storylines in unifying policy networks and shaping the interaction between the participants. Echoing Sabatier’s work on advocacy coalitions, Hajer (1993, 1995) has opened an interesting line of research that seeks to explore how policy actors with diverging interests are brought together in a relatively stable discourse coalition that is held together by a storyline that in a short and condensed way defines key problems and solutions. Governance networks are stabilized by policy discourses that structure the context in which problems are understood and defined, and over time a hegemonic discourse is sedimented into concepts and institutional practices that are taken for granted by the actors. Storylines and discourses are not only unifying, structuring and stabilizing governance networks, but also play a crucial role in including and excluding actors, issues and options (Torfing, 2007). The crucial role of discourse in relation to governance networks calls for studies of how discourse and storylines are formed in a battle where situated actors advance particular arguments and aim to get acceptance of these arguments from other actors by mobilizing their ability to argue a persuasive case (logos), their reputation and credibility as speakers (ethos), and their rhetorical skills that aim to arouse particular emotions (pathos).

The second question concerns the role of networks and partnerships for facilitating and enhancing democratic participation of individual and organised citizens. Governance networks can be seen as institutional arenas for participation of relevant and affected actors and, thus, as a tool enhancing the input legitimacy of public policy (Hirst, 1994, 2000). Governance networks are often captured by experts and political elites, but they may also open up for participating of interested citizens and local stakeholders. As such, some scholars perceive network governance as a form of participatory governance that aims to connect state and civil society (Grote and Gbikpi, 2002). Focussing on the participatory aspect of networks and partnerships raises a whole lot of questions about who are participating in different networks at different levels (Marcussen and Torfing, 2007), the role of institutional design in stimulating participation (Smith, 2005), and the empowerment effects arising from participating in governance networks (Sørensen and Torfing, 2003).
The third question concerns the deployment of soft rules in networked governance arenas. Soft rules refer to attempts to regulate behaviour by means of legally non-binding recommendations, guidelines, norms, standards and accords (Borrás and Conzelmann, 2007). The prescriptive power of soft rules tends to be low since the rules are often vague and ambiguous, adherence to the rules is voluntary and enforcement of the prescriptions merely involves soft measures such as naming and shaming. Soft rules are not necessarily tied to governance and governance networks. Governments can make use of soft rules as well. However, the decentralization of hierarchical authorities in certain contexts and at particular levels means that governance networks will often rely on soft rules rather than hard laws. As such, the formulation and enforcement of soft rules are frequently a result of negotiated interaction in networks. A hugely important question is whether soft rules are less effective in governing behaviour than hard laws. Of course, hard laws are legally binding and can be backed by severe sanctions, but shaping the logic of appropriate action by means of soft rules might prove to be very effective in the long term. Another important question is how soft rules and hard laws interact. Last but not least, we need to know more about the contextual factors that trigger the use of soft rules.

The fourth question on the research agenda is the question of how to evaluate and assess the performance and impact of governance networks. The assessment of governance networks may invoke an entire range of normative criteria in terms of equity, democracy, goal-attainment, productivity, stability, conflict resolution, learning capacity etc. (Provan and Kenis, 2008). In the recent debates there has been a particular focus on the evaluation of the effectiveness and democratic performance of governance networks (Sørensen and Torfing, 2009). Governance networks may contribute to a more effective governance of our complex, fragmented and multi-layered societies, but it is not evident how effectiveness should be measured and what measurement methods should be applied (Jessop, 2002; Klijn and Koppenjan, 2004; Provan and Kenis, 2005; Raaij and Kenis, 2005). Governance networks may also contribute to a democratization of society (Sørensen and Torfing, 2005a; Benz and Papadopoulos, 2006; Klijn and Skelcher, 2007) and they may also be evaluated in terms of their democratic anchorage (Sørensen and Torfing, 2005b; Torfing, Sørensen and Fotel, 2009). Other assessment criteria might also be invoked and the big question is whether there is a trade-off between the performance and impact of governance networks on different normative criteria. The evaluation of the performance and impact of networks and partnerships is not only interesting from a scientific viewpoint. Practitioners will benefit enormously from the development of standards and methods for the assessment of governance networks since knowledge of network performance is the first step in attempts to improving it.

A fifth question concerns the contribution of governance networks to collaborative innovation in public policy (Hartley, 2005). Empirical studies show that interactive governance through networks and partnerships can spur policy innovation. In fact, policy innovation seems to increase with the diversity of the participating stakeholders and the density of the contacts and interaction among the participants (Dente, Bobbio and Spada, 2005). Governance networks bring together different values, experiences and ideas. They facilitate mutual learning that spurs the development of new and creative ideas and they promote the development of joint ownership of new ideas and initiatives that help to mitigate implementation resistance. Perhaps most importantly, networks might exploit ‘the strength of weak ties’ (Granovetter, 1973) in order to disseminate new and innovative products, services and processes. A serious challenge in the study of collaborative innovation is to shed light on the role and impact of institutional design and innovation management and to develop context-sensitive policy recommendations about how to spur networked innovation processes.
The sixth question takes us beyond the nation state as it concerns the formation of complex systems of multi-level governance. The notion of multi-level governance aims to describe how governments at multiple levels are enmeshed in territorially overarching policy networks. Multi-level governance can be seen as a response to the growing interdependency of governments at different territorial levels and the growing interdependency between public and private actors at various territorial levels (Bache and Flinders, 2004: 3). The result of these vertical and horizontal interdependencies is the formation of networks spanning multiple levels and different kinds of actors. According to Scharpf (2001), the debate on multi-level governance has been triggered by the recognition of the sui generis character of the EU, which defies both the description as a supranational political system (Hix, 1994) and the characterization as an international organisation based on sovereign member states (Moravcsik, 1998). The idea of a nested system of governments with different roles and functions and different social and political environments is also problematic as the EU connects public and private actors in series of tangled networks. The big question is what happens to accountability and democratic legitimacy in such a multi-layered governance arena.

The last question on the research agenda concerns the metagovernance of governance networks. The concept of metagovernance has become increasingly important for understanding how modern governments, and other legitimate and resourceful actors, can govern interactive forms of governance (Kickert, Klijn and Koppenjan, 1997; Jessop, 2002; Kooiman, 2003; Kelly, 2006). Governance networks do not emerge spontaneously, but are often facilitated, initiated, and even designed by public authorities. In addition, they might fail to produce the effective and legitimate policy solutions that they are supposed to deliver. Finally, elected governments will feel the need to impose some degree of direction on the centred policy interactions in order to realize their political objectives, facilitate the alignment of policies and ensure democratic accountability. The attempt of governments at multiple levels to reap the fruits of interactive governance, avoid the risk of governance failure, and shape the outputs and outcomes of centred policy processes calls for a reflexive and strategic metagovernance. Metagovernance can be defined as the ‘governance of governance’ (Kooiman, 2003) as it involves deliberate attempts to facilitate, manage and direct more or less self-regulating processes of interactive governance without reverting to traditional statist styles of government in terms of bureaucratic rule making and imperative command. The new research on metagovernance aims to distinguish between different tools of metagovernance and it also aims to explore the dilemmas and limits of metagovernance (Sørensen and Torfing, 2009).

Some critical reflections on method in the study of governance networks

There are a lot of empirical studies of network governance and other interactive forms of governance, especially from countries and areas such as the Britain, Germany, the Netherlands and Scandinavia where the tradition for public-private collaboration is particularly strong (Marsh, 1998; Heffen, Kickert and Tomassen, 2000; Bang, 2003; Hajer and Wagenaar, 2003). There are also an increasing number of empirical studies that are focussing on governance at different levels (Marcussen and Torfing, 2007; Haus, Heinelt and Stewart, 2005; Steffek, Kissling and Nanz, 2008). Besides the considerable number of edited volumes, there are a large amount of journal articles focussing on network governance in the field of planning, service provision, regulatory policies, etc. The empirical studies provide a rich and detailed documentation of the surge of network governance, the huge variety of institutional forms, and the success and failures of policy interaction. However, many of the empirical studies are overly descriptive and often lack a theoretical underpinning and a problem-driven research design. The authors seem to be so busy
showing the complex, multi-tiered and interactive character of public governance that they forget to explicate the theoretical framework they are drawing upon and fail to reflect on the explanatory power of available theories in relation to clearly defined research problems. Of course, there are many brilliant exceptions, but on the whole the empirical studies of network governance are rather descriptive.

Another problem in the empirical research on network governance is the unfortunate bifurcation between qualitative Policy Network Studies and quantitative Social Network Analysis. As demonstrated by Marcussen and Olsen (2007), two distinct traditions in the study of governance networks appear to have developed without drawing significantly on one another’s methodological and analytical strengths. Policy analysis uses qualitative research methods to study the resources network actors bring with them to networks, the way that these resources are exchanged and the impact of the institutional context. Social Network Analysis uses quantitative techniques to analyse the attributes of actors, their structural position in larger networks and the formation of clusters and cliques. The two traditions have complementary strengths and weaknesses. Policy Network Studies pays a lot of attention to substantive policy issues and the impact of the institutional context, but often fails to provide a detailed account of the pattern of interaction in networks and partnerships. Likewise, Social Network Analysis is blind to the content of networked interaction, but provides a detailed knowledge about structure of interaction in networks. As such, there is good reason for combining the two different methodological approaches. However, as Marcussen and Olsen (2007) show, we are facing two well-integrated citation cartels living in splendid isolation. Although we have recently seen a few examples of cross-over (Borrás, 2007), there is still a huge potential for cross-fertilisation.

A third methodological criticism should be directed towards the narrow selection and deployment of qualitative methods in the study of governance networks. Most of the empirical studies of governance networks draw on document studies and qualitative research interviews only. The study of relevant policy documents is useful in identifying key network actors, analysing the political framing of problems and solutions, and detecting changes in substantive and procedural norms that govern network interaction (Esmark and Triantafillou, 2007), but it does not tell us much about the interaction between the various actors, their experiences and perceptions and the informal aspects of the networked policy process. Qualitative interviews are much more helpful in this regard, but they carry an immanent risk of *ex post* rationalization on the part of the interviewees. Ethnographic interview techniques can help to mitigate this problem, but tend to create a trade-off between the richness of information obtained through ethnographic interviewing and the specific knowledge obtained through semi-structured interviews (Zølner, Rasmussen and Hansen, 2007). Non-participatory observation of meetings, events and processes help to overcome problems in terms of *ex post* rationalisation by offering a direct, contemporaneous way of studying the formal and informal aspects of network governance (Sørensen and Torfing, 2007b). Observation studies facilitate a first-hand study of network interaction, power games and conflict management, but limited research resources will often prevent observation of the informal interaction that take place between the regular meetings in a network or partnership. Diary writing might solve this problem as it enables the researcher to access social and political processes that are not amenable to observation, or are likely to be affected by the observer. Network diaries also accommodate different styles and response modes as the network actors are free to choose how to express themselves. As such, there are clearly a lot to be gained from combining different qualitative methods in the study of governance networks and also for clarifying how different qualitative methods can be used in empirical analysis of governance networks (Bogason and Zølner, 2007).
The last methodological criticism concerns the urgent need for empirical studies that go beyond single case studies and single country case studies. The analysis of the formation, functioning and impact of even a single governance network can be very time consuming and resource demanding. Therefore, many researchers stop short of comparing their case with other cases in order to establish what is typical and atypical and facilitate testing of theoretical hypotheses. There is a particular need for cross-national comparison that can help us discern the impact of political cultures and institutional legacies on the form and functioning of governance networks.

Conclusion

The governance debate offers a new perspective on an emerging reality. In Europe, the governance debate has been on the rise since the early 1990s, but the question is whether the new perspective that takes interactive processes rather than formal political institutions as the point of departure has developed into a fully fledged paradigm. In order to make the assessment of the status of the European governance debate manageable this paper has analysed the attempts of European scholars to define the concept of governance and then narrowed the focus of attention to the European research on network types of governance. The conclusion is that there is still considerable confusion and disagreement about the definition of governance, although there seem to be good arguments in favour of defining governance in terms of a decentralised interaction process that brings together a plethora of public and private actors in an attempt to achieve some common objectives. There seems to be more agreement when it comes to defining particular forms of network governance. Despite the theoretical underdevelopment of the growing field of governance network research it is possible to identify a number of theoretical approaches, each of which provide valuable insights into the role and function of governance networks. In the last decade the European research on network types of governance has raised a large number of interesting and important questions that together constitute the research agenda of a second generation of governance network research. A fairly large number of researchers work together in overlapping and often cross-national research projects in order to answer the questions on the rich and diversified research agenda. The researchers apply a relative consistent set of concepts and arguments, but methodologically there is considerable room for improvement as many empirical studies are too descriptive and there is an urgent need for mixed- and multi-method studies as well as for comparative studies. In sum, the conclusion is that while the European governance debate as a whole is still searching for commonly agreed upon definitions and typologies of governance, the research on governance networks has matured considerably in the sense that there is a growing appreciation and use of competing theoretical approaches and a rich and diversified research agenda informing joint research projects. However, there is still some way to go before a fully fledged paradigm is established. In particular, the development of a sound methodological framework for empirical analysis of governance networks calls for further efforts.
References


18


