

CHAPTER 12

WHATEVER HAPPENED TO PUBLIC ADMINISTRATION?

GOVERNANCE, GOVERNANCE EVERYWHERE

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12.1 THE CONCEPT OF "GOVERNANCE"

For at least the last fifteen years governance has been a prominent subject in public administration.¹ Governance, defined by Lynn, Heinrich, and Hill as the "regimes, laws, rules, judicial decisions, and administrative practices that constrain, prescribe, and enable the provision of publicly supported goals and services," holds strong interest for public administration scholars (2001: 7). This chapter reviews and evaluates the evolution and development of the concept of governance in

public administration; then, using regime theory from the study of international relations, the concept of governance as applied in public administration is analyzed, parsed, and framed.

The present scholarly and conceptual use of the concept of governance in the field tends to take one or more of the following forms:

1. It is substantively the same as already established perspectives in public administration, although in a different language.
2. It is essentially the study of the contextual influences that shape the practices of public administration, rather than the study of public administration.
3. It is the study of inter-jurisdictional relations and third-party policy implementation in public administration.
4. It is the study of the influence or power of non-state and non-jurisdictional public collectives.

Of these approaches to public administration as governance, it is the third and fourth—governance as the public administration of inter-jurisdiction relations and third party policy implementation, and the governance of non-state and non-jurisdictional public collectives—that form the basis of a usable theory of governance for public administration.

It was Harlan Cleveland who first used the word "governance" as an alternative to the phrase public administration. In the mid-1970s, one of the themes in Cleveland's particularly thoughtful and provocative speeches, papers, and books went something like this: "What the people want is less government and more governance" (1972). What he meant by governance was the following cluster of concepts.

The organizations that get things done will no longer be hierarchical pyramids with most of the real control at the top. They will be systems—interlaced webs of tension in which control is loose, power diffused, and centers of decision plural. "Decision-making" will become an increasingly intricate process of multilateral brokerage both inside and outside the organization which thinks it has the responsibility for making, or at least announcing, the decision. Because organizations will be horizontal, the way they are governed is likely to be more collegial, consensual, and consultative. The bigger the problems to be tackled, the more real power is diffused and the larger the number of persons who can exercise it—if they work at it. (p. 13)

Like many, Cleveland saw the blurring of the distinctions between public and private organizations, and he associated this blurring with his conception of governance. He reasoned through what it meant as follows: "These new style public-private horizontal systems will be led by a new breed of man and women. I call them Public Executives, people who manage public responsibilities whether in 'public' or 'private' organizations" (p. 14).

Cleveland clearly understood the challenges of individual accountability associated with horizontal multi-organizational systems. Who, exactly, do these modern

public executives work for and to whom are they accountable? Consider this remarkably bold argument: "Public ethics are in the hearts and minds of individual Public Executives, and the ultimate court of appeals from their judgments is some surrogate for people-in-general" (p.117). Note, that he does not argue that accountability is ultimately to the people or to the elected officials of one's jurisdiction. Cleveland's idea of public responsibility is much bigger than that. The moral responsibility of public executives includes basic considerations of four fundamental principles: "a sense of welfare; a sense of equity; a sense of achievement; and a sense of participating" (pp. 126-7).

What would be the results of such a grand conception of the moral responsibility of the public administrator?

In a society characterized by bigness and complexity it is those individuals who learn to get things done in organizational systems who will have a rational basis for feeling free. (p. 135)

By the development of their administrative skills, and by coming squarely to terms with the moral requirements of executive leadership, individual men and women can preserve and extend their freedom. Freedom is the power to choose, and the future executive will be making the most choices—whom to bring together in which organizations, to make what happen, in whose interpretation of the public interest. Those who relish that role will have every reason to feel free, not in the interstices but right in the middle of things. (p. 140)

Governance is an especially important word/concept because of the mismatch or disconnect between jurisdictions on one hand and social, technological, political, and economic problems on the other hand. Cleveland understood this, too: "One of the striking ironies of our time is that, just when we have to build bigger, more complicated 'bundles of relations' to deal comprehensively with the human consequences of science and technology, many people are seized with the idea that large-scale organization is itself a Bad Thing. My thesis is the reverse" (pp. 139-40). Big problems, Cleveland believes, require big responses. Those responses will, however, be multi-organizational and will involve both public and private organizations. These responses will, pace Cleveland, be led by not one, but many, leaders.

In the thirty years since Cleveland's initial conception, it would be only a slight exaggeration to say governance has become the subject formerly known as public administration. A leading academic journal, now in its sixteenth year, carries the title *Governance: An International Journal of Policy and Administration*. A careful examination indicates that its contents have mostly to do with what was once called public administration. The most popular and widely read magazine for American state and local governments is *Governing: The Magazine of States and Localities*, now in its fifteenth year. The Brookings Institution recently changed the name of its highly regarded "Governmental Studies" program to "Governance Studies" and launched a series of studies of governance (Benner, Reinicke, and Witte 2003; Birdsall 2003; Graham and Litan 2003; Woods 2003). Scholars at the Kennedy School of Government at Harvard are midway through a large project that has

the title, "Visions of Governance in the 21st Century." Schools of governance, teaching graduate curricula not unlike public administration graduate curricula in both Europe and the United States, are now found at several important European universities. In the early 1990s the National Academy of Public Administration essentially dropped the phrase "public administration" in favor of the word "governance," although the work of the Academy continues to be primarily public administration consulting (Fosler 1998). "In much of the modern literature in the field, governance has become a virtual synonym for public management and public administration" (Frederickson and Smith 2003: 225). The problem is that governance has dozens of meanings. Lynn, Heinrich, and Hill say it best:

The term "governance" is widespread in both public and private sectors, in characterizing both global and local arrangements, and in reference to both formal and informal norms and understandings. Because the term has strong intuitive appeal, precise definitions are seldom thought to be necessary by those who use it. As a result, when authors identify "governance" as important to achieving policy or organizational objectives, it may be unclear whether the reference is to organizational structure, administrative processes, managerial judgment, systems of incentives and rules, administrative philosophies, or a combination of these elements.

From Cleveland's tightly defined presentation of what governance was understood to be, and from his carefully set out descriptions of the implications of that understanding, governance is now everywhere and appears to mean anything and everything (Rhodes 2000). Because governance is a power word, a dominant descriptor, and the current preference of academic tastemakers, there has been a rush to affix to it all of the other fashions of the day. Governance is the structure of political institutions. Governance is the shift from the bureaucratic state to the hollow state or to third-party government (Milward and Provan 2000; Salamon 2002; Rhodes 1997). Governance is market-based approaches to government (Kettle 1993; Nye and Donahue 2000). Governance is the development of social capital, civil society, and high levels of citizen participation (Hirst 2000; Kooiman 2001; Sorensen 2004). Governance is the work of empowered, muscular, risk-taking public entrepreneurs (Osborne and Gaebler 1992). In the United Kingdom governance is Tony Blair's "third way," a political packaging of the latest ideas in new public management, expanded forms of political participation, and attempts to renew civil society (Newman 2001). Governance is the new public management or managerialism (Kernaghan, Marson, and Borins 2000). Governance is public-sector performance (Heinrich and Lynn 2000). Governance is interjurisdictional cooperation and network management (Frederickson 1999; O'Toole 2003; Peters and Pierre 1998). Governance is globalization and rationalization (Pierre 2000). Governance is corporate oversight, transparency, and accounting standards (Monks and Minow 2004; Jensen 2000; Blair and MacLaury 1995).

In all, Rhodes (2000: 55–60) found seven applications of governance in the field of public administration: the new public management or managerialism; good governance, as in efficiency, transparency, meritocracy, and equity; international and inter-jurisdictional interdependence; non-government driven forms of socio-cybernetic systems of governance; the new political economy, including shifting from state service provision to the state as regulator; and networks. There are many more applications of governance to the subject once known as public administration, but these few illustrate the capacious range of concepts, ideas, and theories associated with it.

There are as many definitions of the concept of governance as a synonym for public administration as there are applications. Kettl claims an emerging gap between government and governance. “Government refers to the structure and function of public institutions. Governance is the way government gets its job done. Traditionally, government itself managed most service delivery. Toward the end of the twentieth century, however, government relied increasingly on non-governmental partners to do its work, through processes that relied less on authority for control” (2002: xi). To Kettl, governance, as an approach to public administration, has primarily to do with contracting-out and grants to sub-governments.

As was noted at the outset, Lynn, Heinrich, and Hill (2001: 15) use a much bigger approach to governance as an analytic framework. Their model, intended to be a starting point for research, is:

$$O = f [E, C, T, S, M]$$

Where:

- O = Outputs/outcomes. The end product of a governance regime.
- E = Environmental factors. These can include political structures, levels of authority, economic performance, the presence or absence of competition among suppliers, resource levels and dependencies, legal framework, and the characteristics of a target population.
- C = Client characteristics. The attributes, characteristics, and behavior of clients.
- T = Treatments. These are the primary work or core processes of the organizations within the governance regime. They include organizational missions and objectives, recruitment and eligibility criteria, methods for determining eligibility, and program treatments or technologies.
- S = Structures. These include organizational type, level of coordination and integration among the organizations in the governance regime, relative degree of centralized control, functional differentiation, administrative rules or incentives, budgetary allocations, contractual arrangements or relationships, and institutional culture and values.
- M = Managerial roles and actions. This includes leadership characteristics, staff-management relations, communications, methods of decision making, professional/career concerns, and mechanisms of monitoring, control, and accountability.

The problem is that it is difficult, following Lynn, Heinrich, and Hill, to conceive of anything involving government, politics, or administration that is

not governance. That being the case, there appears to be little difference between studying the whole of government and politics and studying public administration. Put another way, public administration is ordinarily thought to have to do with “treatments,” “structures,” and “management” in the Lynn, et al. governance formula. They tuck the centerpieces of public administration into the broader context of governance. This chapter will later return to these distinctions and to a large-scale synthesis of governance research by Lynn, Heinrich and Hill.

Peters uses an equally big definition of governance as “institutions designed to exercise collective control and influence” (1995: 3). Peters, and Peters with Pierre (2000), settles on the “steering” characteristics of governance as distinct from government.

Public institutions continue to bear the primary responsibility for steering the economy and society. Government may, however, be able to discharge that fundamental responsibility through means other than direct imposition of authority, or use other instruments not requiring directly government involvement in the social processes being influenced. Governance, in the words of Walter Kikert (1997), is “steering at a distance.” This style of steering is more palatable politically in an era in which there is significant public resistance to the state and its more intrusive forms of intervention. (Peters 1995: 86)

Doubtless the most comprehensive synthesis of governance as public administration is found in B. Guy Peters’ *The Future of Governing* (2001). Like many approaches to governance that use a narrow reading of public administration as a straw man, Peters “sets up” public administration as the old-time religion, riddled with identity crises. Traditional public administration is “five old chestnuts,” modeled on an institutionalized and apolitical civil service, organizational hierarchy and rules, a preoccupation with permanence and stability, and reams of internal regulations (Peters 2001: 4–13). These elements of the old-time public administration religion would be recognized by any of the members of that church, all of them having been part of the internal critique of the field long before governance ever appeared (Frederickson and Smith 2003). Traditional public administration, following Peters, floundered because of disappointments in governmental performance, changing demographics, overly large and cumbersome governments, and several other deficits. Governance reform, particularly as seen in Great Britain, New Zealand, Australia, and the United States is modeled on various contributions of four different approaches to public administration—markets and competition, participative administration, greater flexibility, and deregulation. In Table 12.1, Peters provides an excellent summation of the characteristics of these four governance models. Each of these models would be instantly recognized by any senior student of public administration as a part of the literature and theory of the field, entirely independent of applications of the models to governance. Public administration scholars have also long recognized the normative content of each of the models, as does Peters. The question is: Does the application of governance as

Table 12.1 Major features of four models of governance as public administration

	Market Government	Participative Government	Flexible Government	Deregulated Government
Principal diagnosis	Monopoly	Hierarchy	Permanence	Internal regulation
Structure	Decentralization	Flatter organizations	"Virtual organizations"	No particular recommendation
Management	Pay for performance; other private-sector techniques	TQM; teams	Managing temporary personnel	Greater managerial freedom
Policymaking	Internal markets; market incentives	Consultation; negotiation	Experimentation	Entrepreneurial government
Public interest	Low cost	Involvement; consultation	Low cost; coordination	Creativity; activism

Source: Peters 2001: 21

either as a theory or an analytic framework add value to broader long-standing approaches to public administration? (See particularly Wilson 1989 and Frederickson and Smith 2003.)

Are these so-called governance concepts, with their attendant possible meanings, really useful to students of public administration and public management? Do they add anything of consequence to our understanding of the field? Do they merely repackage public administration in a newer and rather fuzzy language? Could the use of the governance concept have a negative influence on our theory building and research scholarship, obfuscating and confusing rather than clarifying and illuminating, and distorting by concealing bias rather than revealing and removing it? The validity and usefulness of the governance concept can be challenged on at least five rather fundamental grounds. These five points lead, in turn, to two implications or indirect criticisms that question whether further use of the concept of governance as an organizing concept for public administration and management has the potential to contribute substantially to our understanding of the field and ought to be encouraged by leading scholars in the field.

First, the concept of governance is fashionable, the favorite of academic tastemakers, the flavor not only of the month but also of the year and the decade. Does the governance concept bring anything particularly new to the public administration table? Much of the governance literature is "a rehash of old academic debates under a new and jazzier name—a sort of intellectual mutton dressed up as lamb—so that pushy new professors . . . can have the same old arguments as their elders but can flatter themselves that they are breaking new ground by using new jargon" (Strange 1983: 341). Fashions change, and we may already have reached the half-life of the hegemony of governance as an organizing concept for the field. In the same way that miniskirts come and go, so too could governance.

Second, the concept is imprecise, woolly, and, when applied, so broad that virtually any meaning can be attached to it. As described earlier in this chapter, governance, at least at this point, does not have an agreed-upon meaning. Fortunately, some who use the term are serious about the matter of definition and precision; others however are not. Still, there is little doubt that the word governance is useful as a way to describe, as Cleveland does, patterns of inter-jurisdictional and inter-organizational relations. The matter of precision in definition is considered again at the close of this chapter.

Third, the concept of governance is freighted with values, values often stated in ways that imply that certain things are understood and agreed-upon when, in fact, they are not. Some approaches to governance as public administration tends to wrap together anti-bureaucratic and anti-governmental sentiments, preferences for markets over governments, and preferences for limited government—all points-of-view masked as given, understood, and agreed-upon (Kernaghan, Marson, and Borins 2000; Osborn and Gaebler 1992). Not the least of the value problems generally associated with some uses of the concept of governance, are its democratic

deficits. Standard models of democratic government involve a limited state that is controlled by representative government bound by the rule of law, and also a largely self-organizing civil society independent of the state but protected by the state's laws and administrative procedures. Some models of governance, however, either discount the significance of jurisdictionally based democratic traditions or fail to take them into account, most notably the Osborn and Gaebler reinventing government model (1992; see also Hirst 2000; E. Sorensen 2002). Other models are deeply contextual, based on constitutional, legal, organizational, and political influences and imperatives (Lynn, Heinrich, and Hill 2001). These models are state and jurisdiction-centered understandings of governance in which public administration is contingent on artifacts of constitutions, rules, laws, and politics. This perspective on governance in public administration makes the subject both bigger and grander, a kind of un-public administration.

Fourth, scholars who use the word governance, particularly in Europe, claim that governance is primarily about change, about reform, about getting things right. In addition to the scholars there are policy entrepreneurs using the word governance to lend importance to their policy projects. Such perspectives almost always begin with the notion that things are broken and need to be fixed. Investments in our prevailing institutions, our cities, states, and nations and their established governments are devalued, as are the accomplishments of those institutions. Order, stability, and predictability are likewise undervalued. Governance, it is claimed, is about dynamic change, about reform. It is interesting to remember that the origins of American public administration were closely associated with reform and with the progressive project of the late nineteenth and early twentieth centuries.

In most of the more precise scholarly literature, despite the rhetoric of reform, governance is mostly about order and about how politicians and bureaucrats adapt in orderly ways to changing circumstances and values. There is a surface dynamic to governance as a form of orderly adaptation using the logic of the diffusion of innovation, and so-called best practices borrowed from other organizations or jurisdictions. But the underlying values of governance are not primarily about change, they are about order. Most descriptions of elements of governance—networks, inter-organizational and inter-jurisdictional cooperation, power-sharing federations, public-private partnerships, and contracting-out—are forms of institutional adaptation in the face of increasing interdependence.

Fifth, governance is often centered on non-state institutions—both nonprofit and for-profit contractors, non-governmental organizations, intergovernmental organizations, parastatals, and third parties generally. State- and jurisdiction-centered theory and research is, from some governance perspectives, passé. In the name of the “hollowed-out” thesis, many have criticized that part of the governance perspective that emphasizes privatization, contracting-out, and public-private partnerships (Rhodes 1997; Newman 2001; Milward and Provan 2000).

In their convictions regarding the superiority of the market over the polity, advocates for this governance perspective appear to somehow imagine that there can be governance without government (Peters and Pierre 1998). At a minimum, when this perspective is implemented it seriously diminishes the capacity of the core state executive to steer (Rhodes 2000). Indeed, it can be argued that under hollow-state conditions steering is reversed, the state being steered by its governance partners (Kettl 1993; Frederickson 1999). It is the states and their subjurisdictions that deal with the vexing problems of race, poverty, and justice. In the words of Janet Newman, “It is noticeable that theories of governance fail to deal adequately with the issues of diversity and patterns of inclusion on which it is based” (2001: 171).

From this sketchy critique of governance, two important implications arise. One is that the governance approach to the study of public management and administration emphasizes theory and research, explaining change and reform rather than the functioning of jurisdictions—cities, states, nations, and certain regional or global institutions—which are, after all, the dominant and preferred way to practice governance. Public administration, in practice, is about organization, bureaucracy, and management and the context in which they happen. What people often value about the jurisdictions in which they live and, by implication, the bureaucracies working for those jurisdictions, is the order, predictability, stability, and permanence they provide. National and local identity is important to the people. When will people sing an anthem to a contractor, wear the uniform of a network, or pledge allegiance to non-jurisdictional forms of governance? Probably not soon. Governance scholarship tends to ignore or at least de-emphasize the vast world of non-governance that lies deep in the folds of jurisdiction, organization, and bureaucracy. Are we better off as theorists if we focus on governance and not on government organization, bureaucracy, and management?

Concepts of governance as public administration reflect a long-standing theoretical debate in the field, the matter of distinctions between politics, and policy on one hand and policy implementation or administration on the other. Easy dismissal of the politics-administration dichotomy serves to focus the study of public administration, particularly by some governance theorist, on the constitutional and political context of the organization and management of the territorial state or jurisdiction. From this perspective governance becomes steering and public administration becomes rowing, a lesser phenomenon in the scholarly pecking order, not to mention a lesser subject in governance. Public administration, thus understood, is the work that governments contract-out, leaving governance as the subject of our study. Although the lines between politics, policy, and administration are often fuzzy and changing, and although we know, strictly speaking, there is not a politics-administration dichotomy, it is nevertheless important to understand the empirical distinctions between political and administrative phenomena. Concepts of governance that advance our understanding of public-sector administration and

organization are helpful. Concepts of governance that simply change the subject of public administration to politics and policy making are not. In democratic government it is, after all, elected officials who govern. Bureaucrats have roles and responsibilities for governing or governance, but in democratic polities these roles and responsibilities are different than the roles and responsibilities of elected officials. Janet Newman says it well: "Neither 'good governance' nor 'well-managed government' could resolve the contradictions around the popular role of government and the appropriate boundaries of governance" (2001: 170). In the name of stamping out bureaucracy and replacing it with what they describe as good governance, Osborn and Gaebler advocate a range of managerial prerogatives that would significantly intrude on the political and policy-making prerogatives generally assumed to belong to elected officials, and particularly elected legislators, in a democratic polity (1992).

The second implication of the critique is that governance theorists persist in looking for an all-pervasive pattern of organizational and administrative behavior, a "general theory" that will provide an explanation for the past and a means to predict the future. Despite the accumulated evidence based on decades of work on theory and the empirical testing of theory in public administration, no such pattern has been found (Frederickson and Smith 2003). Does the governance concept beguile a generation of scholars to set off in the vain search for a metatheoretical El Dorado (Olsen 2003)?

12.2 CONSTRUCTING A VIABLE CONCEPT OF GOVERNANCE FOR PUBLIC ADMINISTRATION

Although the critique of governance is a serious challenge, does it render the concept useless? The answer is no. There are powerful forces at work in the world, forces that the traditional study of politics, government, and public administration do not explain. The state and its sub-jurisdictions are losing important elements of their sovereignty; borders have less and less meaning. Social and economic problems and challenges are seldom contained within jurisdictional boundaries, and systems of communication pay little attention to them. Business is increasingly regional or global. Business elites have multiple residences and operate extended networks that are highly multi-jurisdictional. States and jurisdictions are hollowing-out their organization and administrative capacities, exporting to contractors much of the work of public administration.

Governance, even with its weakness, is the most useful available concept for describing and explaining these forces. But for governance to become anything

more than passing fashion or a dismissive un-public administration, it must respond to the critique of governance. To do this, governance scholars must settle on an agreed-upon definition, a definition broad enough to comprehend the forces it presumes to explain but not so broad as to claim to explain everything. Governance theorists must be ready to explain not only what governance is, but also what it is not. Governance theorist must be up-front about the biases in the concept and the implications of those biases.

The lessons learned in the evolution of regime theory in international relations are relevant here because regime theory predates governance theory and because the two are very nearly the same thing.²

To construct a practical and usable concept of governance for public administration, the field would profit by narrowing the subject to its most common usage and returning to Cleveland's original conception. In addition, the field would benefit by using regime theory from international relations to inform the development of governance theory. This would bring some precision to the concept and facilitate theoretical discourse around governance in public administration. In precise terms, then, governance in public administration should be defined as "sets of principles, norms, roles, and decision making procedures around which actors (managers) converge in a given public policy arena (Krasner 1983; March and Olsen 1995; Keohane 2002). It is important to note here that this definition includes many of the elements in the Lynn et al. definition of governance set out on page 286, and does not include others (e.g., outcomes as the dependent variable, environmental characteristics, client characteristics, regimes, judicial decisions, and the phrase "administrative practices that constrain, prescribe, and enable the provision of public services"). Obviously, the definition of governance borrowed from regime theory and applied to public administration significantly narrows the Lynn et al. definition.

The evolution of regime theory in international relations is guiding this insistence that to be useful, governance theory must be both narrowed and precise.

For a longer time than the concept of governance has claimed to be an organizing concept for public administration, the concept of regimes has informed research and theory in international relations (Krasner 1983; Hasenclever, Mayer, and Rittberger 2000). The basic elements of the concept of governance in public administration are similar to the theory of international regimes, and international regime theorists are well ahead of governance theorists. The path that international relations scholars have taken in the development of regime theory serves as a useful guide for the development of governance theory in public administration.

Descriptions of international regimes are very close to the narrower description of governance being presented here.

Regimes are deliberately constructed, partial international orders on either a regional or global scale, which are intended to remove specific issue areas of international politics from the sphere of self-help behavior. By creating shared expectations about appropriate behavior

and by upgrading the level of transparency in the issue area, regimes help states (and other actors) to cooperate with a view to reaping joint gains in the form of additional welfare or security. If we classify international issue-areas by the dominant value being at issue, we find that regimes exist in all domains of contemporary world politics: there are *security* regimes such as the nuclear non-proliferation regime; *economic* regimes such as the international trade regime; *environmental* regimes such as the international regime for the protection of the stratospheric ozone layer; and, finally, *human rights* regimes such as the one based on the European Convention on Human Rights. (Hasenclever, Mayer, and Rittberger 2000: 3–4)

One might add to this list: bureaucratic regimes, patterns of cooperation between jurisdictions conducted by appointed officials, almost always in specific policy domains (Haas 1990, 1992).

International relations theory went through a period not unlike the present period in public administration—anything and everything was claimed to be regime theory (Strange 1983; Rosenau 2003). In recent years the subject has returned to its original and narrower definition (Krasner 1983)

Adapting a theory of governance in public administration from international regime theory, suggests a governance theory in three parts: (1) vertical and horizontal inter-jurisdictional and inter-organizational cooperation; (2) extension of the state or jurisdiction by contracts or grants to third parties, including sub-governments; and (3) forms of public non-jurisdictional or nongovernmental policy making and implementation.

The first of these, vertical and horizontal interjurisdictional and inter-organizational cooperation, will be called *inter-jurisdictional governance*. Inter-jurisdictional governance in public administration is:

1. actors in systems of governance either based in jurisdictions representing jurisdictional interests or in nongovernmental profit and nonprofit organizations, representing their interests;
2. participation in such systems of governance as a voluntary form of cooperation;
3. almost always policy-area specific; for example environmental inter-jurisdictional governance, economic development inter-jurisdictional governance, public safety inter-jurisdictional governance, national defense inter-jurisdictional governance.

The second form will be known as *third-party governance*. Third-party governance has the following characteristics:

1. it extends the functioning of the state or the jurisdiction by exporting to third parties (the first party is the elected basis of democratic legislative authority, the second party is executive administration or public administration) jurisdictional tasks and responsibilities for policy implementation;
2. its precise governance roles and responsibilities are based upon formal contractual or grant documents upon which the contractor (the jurisdiction) and the contractee (the profit or non-profit organization or subgovernment) agree;

3. its contracts and grants are time specific;
4. its contract and grants are policy-area specific, as in health research grants or road construction contracts.

The third form will be known as *public nongovernmental governance*. Public nongovernmental governance has the following characteristics:

1. policy making and implementation by nongovernmental institutions or actors that bear on the interests or well being of citizens in the same way and with the same consequences as state or jurisdictional outcomes;
2. jurisdictional or systems of inter-jurisdictional regulation, oversight or accountability have limited affect.

Governance in public administration may take these forms either singularly or in combination.

Inter-jurisdictional, third-party contract and public nongovernmental governance comprehend those aspects of governance most relevant to public administration and the largest and most common forms of governance. While other models of governance are interesting and may be relevant, it is inter-jurisdictional, third-party and nongovernmental governance that come closest to comprehending the traditional practices of public administration, theories of public administration and the modern practices of governance. The critical point here is that instead of governance replacing public administration, governance is a kind of public administration. In simple terms, it could be said that in the day-to-day, internal management of a government agency a person practices public administration. It could also be said that in the management of the extended state or jurisdiction, a person practices the public administration of governance. And it could be said that nongovernmental institutions or organizations making and implementing policies that affect citizens in the same way as the policies or actions of the state are practicing the public administration of governance (Frederickson 1997: 224). Therefore governance, as a distinct form of public administration, has to do with the extension of the state or jurisdiction either beyond its boundaries, through third parties, or by nongovernmental institutions.

Three schools of thought have evolved in international regime theory, schools of thought that are particularly useful as a basis of comparison with the narrower description of governance theory in public administration: the *neoliberal* school; the *realist* school; and the *cognitive* school.

Neoliberals emphasize the role of international regimes in helping states and jurisdictions achieve common interests. In the neoliberal schema, states and jurisdictions are rational egoists that care only for their own interests. Neoliberals draw heavily on economic theories of institutions, focusing on the role of information and transaction costs. Regimes are likened to investments by the territorial state, investments determined by issue density. Game theoretic models such as the

Prisoner's Dilemma are used by neoliberal regime scholars to estimate the probability that, under conditions of mixed motives and in particular situations, a regime might emerge and institutionalize. Thus the "structure of the situation" is central to the logic of the neoliberal school of international regime theory (Hasenclever, Mayer, and Rittberger 2000: 5–9).

The neoliberal school of international regime theory is very nearly the same as the public choice or rational choice school in public administration and policy studies. Consider, for example, studies of the commons (Ostrom 1998); the self-maximizing bureaucrat or bureaucracy (Tullock 1965; Downs 1967; Niskanen 1971); the self-maximizing citizen (Tiebout 1956; Lyons, Lowery, and DeHoog 1992); the conditions of both individual and jurisdictional cooperation (Axelrod 1984); and formal models or organizational or bureaucratic behavior (Moe 1984; Knott 1993) as illustrative of the similarities between international regime theory and the governance perspective in that part of public administration having to do with public choice theory and the empirical work supporting it.

International regime theorists of the *realism* school emphasize political power and its exercise in the territorial state and argue that power is as important to inter-jurisdictional cooperation as it is to conflict. "The overall result for realist students of international institutions is that international regimes are more difficult to create and harder to maintain than neoliberals would have us believe. The likelihood for a regime to be put in place and to be stable is greatest when the expected gains are balanced (at least for the most powerful members) such that relative losses do not accrue" (Hasenclever, Mayer, and Rittberger 2000: 9–10).

The realist school of international regime theory is not unlike a similar school in public administration. In the public administration version the focus is on constitutions, laws, the separation of powers, formal structures and rules, and on the exercise of political and bureaucratic power in the context of such structures (Long 1952). The leaders in the study of the constitutional and legal foundation of public administration (Rohr 1986; Rosenbloom 2003; Cooper 2002; Gilmore and Jensen 1998) tend to focus on elements of third party governance, (see especially, Cooper 2002) as well as inter-jurisdictional governance (see especially the federalism and intergovernmental relations scholars such as Wright 1997; Agranoff 1985; 2003).

Cognitivists (sometimes in regime theory called strong cognitivists) are critical of both neoliberal and realist approaches to international regimes, "for treating actors' preferences and (perceived) options as exogenous 'givens,' i.e., as facts which are assumed or observed, but not theorized about... (and) reject the conception of states as rational actors, who are atomistic in the sense that their identities, power and fundamental interests are prior to international society and its institutions. States are as much shaped by international institutions as they shape them" (Hasenclever, Mayer, and Rittberger 2000: 10–11).

Doubtless the most influential argument in the cognitive school of international regime theory is made by two political scientists primarily associated with public administration, James G. March and Johan P. Olsen (1998: 949). They apply institutional theory to international relations, insisting that "on the one side are those who see action as driven by the logic of anticipated consequences and prior preferences. On the other side are those who see action as driven by the logic of appropriateness and senses of identity. Within the tradition of logic of appropriateness, actions are seen as rule based. Human actors are imagined to follow the rules that associate particular identities to particular situations, approaching individual opportunities for action by assessing similarities between current identities and choice dilemmas and more general concepts of self and situations. Action involves evoking an identity or role and matching the obligation of that identity or role to a specific situation. The pursuit of purpose is associated with identities more than with interests, and with the selection of rules more than with individual rational expectations" (p. 951; see also March and Olsen 1984, 1995; Olsen 2003; Frederickson and Smith 2003).

The cognitive institutional perspective in both international regime theory and in public administration works from the premise that it is not possible to describe international political order, or organizational order or inter-organizational order in terms of the simple notion of rational intention and design. "History is created by complicated ecology of local events and locally adaptive actions. As individuals, groups, organizations, and institutions seek to act intelligently and learn in a changing world involving others similarly trying to adapt, they create connections that subordinate individual intentions to their interactions... They coevolve with the actions they produce" (March and Olsen, 1998: 968).

From this review of regime theory and its similarity to concepts of governance it is evident that international relations scholars have about the same "sharp disagreements with regard to both epistemology and ontology" (Hasenclever, Mayer and Rittberger 2000: 33). The neoliberals and realists (sometimes together called the rationalists) can be synthesized with softer versions of cognitive regime theory in a form of "contextualized theory" that rests positivist tests of truth in the folds of culture, history, demographics, and the general endogeneity of complex regime and governance forces. However, there does not appear to be enough common ground to hold both the strong cognitivists and their logic of appropriateness and the rationalists with their positivist truth tests.

The study of governance and public management is advanced considerably by a recent large-scale synthesis of the literature (70 journals, and 800 articles over a twelve-year period) by Carolyn J. Hill and Laurence E. Lynn, Jr. (2005). They used a state-centric definition of governance adapted from their earlier work, a definition not unlike the standard Krasner definition of international regime theory (1983: 6). They found that the governance research scholarship broke down similarly to the

regime theorists: (1) studies that are historical, descriptive, and institutional in the cognitive tradition; (2) studies of examples and “best practices,” mostly in the institutional tradition; and (3) studies following the positivist social science canon. Their synthesis focused on studies of the third type. To operationalize the synthesis they used an adaptation of their formula presented on page 286 of this chapter, a process hierarchical model from political power at the top to consequences, outputs, outcomes, results, and stakeholder assessments at the bottom.

In the order of their presentation, Hill and Lynn found that: (1) there is notably more research that explains frontline work than research on higher levels of governance; (2) the majority of studies adopt a top-down perspective on governance with little emphasis on outcomes, results, or stakeholders’ assessments—studies of street-level bureaucracy and bureaucrat–client interactions are the exception; (3) structures of authority are used to explain, they are not explained; (4) governance matters or, put another way, there is a demonstrable hierarchy of influence from politics clear to the stakeholders, and at each step of the way structure, process, and management matter; (5) in governance studies results are most often described as institutional outputs and not social outcomes; (6) organizational structures and levels of management discretion influence organizational effectiveness; (7) effectiveness and cost-savings associated with third-party governance are influenced by incentives and contract review standards and processes.

Hill and Lynn’s most important finding is that hierarchy and, as they put it, hierarchical governance, is alive and well and the primary means by which we govern. It appears that the networked, associational, horizontal, and conjunct forms of governance are less important than governance scholars might think. “[T]he American political scheme remains hierarchical and jurisdictional” and jurisdictional hierarchy is the predicate to networked governance (p. 34). And they identify the likely reasons: “The seemingly ‘paradigmatic’ shift away from hierarchical government toward horizontal governing (hence increasing the preference for ‘governance’ as an organizing concept) is less fundamental than it is tactical: the addition of new tools or administrative technologies that facilitate public governance within hierarchical systems” (p. 33). For this reason, it is argued here that the study of governance should focus on inter-jurisdictional, third-party, and nongovernmental governance as a way to narrow the grandness of the governance project.

To return to the three categories of governance set out on pages 294 and 295, in the cases of both inter-jurisdictional and third-party governance it is important to get past the idea that there can somehow be a governance tree floating in space without governmental or bureaucratic roots. Peters and Pierre asked whether there can be, as Cleveland seemed to imply, governance without government (1998). The answer is no, at least following the narrower definition of governance argued here. This suggests a state or jurisdiction-centered approach to governance, an approach ready to accept the importance of hierarchy, order, predictability, stability, and permanence. Despite all the scholarly focus on governance, it appears, even from

the synthesized research of governance scholars, that the old-time religion, traditional public administration, is the basis of policy implementation in government, and government is an essential precondition of governance.

It follows from this reasoning that one of the best hopes for an empirically robust theory of governance might be to turn somewhat in the direction of the cognitive and institutional research perspective. Lynn and Hill, in their justification for studying primarily the positivist–rationalist literature, acknowledge that their approach “sacrifices verisimilitude and nuance but gains in transparency and replicability” (p. 5). But they found “the fact that relatively few studies examined more complex patterns of causality may reflect the paucity of data, but it may also reflect something more significant: conjunctions by hundreds of specialized investigators that the world of practice remains more hierarchical than many of us want to concede. When it comes to answering multi-level ‘why’ questions, the evidence suggests that hierarchy ‘still’ matters” (pp. 33–4).

It may be that causality is more likely to be found in the cognitive and institutional literature. March and Olsen’s overarching descriptive synthesis is an insightful understanding of democratic governance from the perspective of institutional theory, with an emphasis on the logic of appropriateness as an explanatory variable (1995; see also Wilson 1989). Keohane’s application of the institutional perspective to international governance, particularly the formal intergovernmental organizations such as the United Nations, the World Trade Organization and the European Union illustrates a conceptual approach that could be useful in the search for causality in public administration as governance (2002).

12.3 SUMMING-UP

From its prominence in the 1980s, regime theory would now be described as one of many important theories of international relations. International relations is, of course, the study of relations between nation-states whereas public administration is the study of the management of the state and its subgovernments. It could be said that regime theory accounts for the role of non-state actors and policy entrepreneurs in the context of the modern transformation of the nation-state. In public administration it could be said that the modern transformation of states and their subgovernments explains the contemporary salience of theories of governance. Both regime theory and governance theory are scholarly responses to the transformation of states.

Government in the postmodern state involves multiple levels of interlocked and overlapping arenas of collective policy implementation. Governments now operate

in the context of supranational, international, transgovernmental and transnational relations in elaborate patterns of federated power sharing and interdependence. Therefore, it is now understood that public administration as governance is the best description of the management of the transformed or postmodern state (G. Sorensen 2004). Nationhood and community are transformed as collective loyalties are increasingly projected away from the state. Major portions of economic activity are now embedded in cross-border networks and national and local economies are less self-sustaining than they once were (G. Sorensen 2004: 162).

Harlan Cleveland understood very early how governments, economies and communities were changing and how rapidly they were changing. His initial description of public administration as governance was designed to square the theory and practices of the field with the realities of a changing world. His governance model still serves as a compelling argument for plural, inter-jurisdictional, and inter-organizational mediated decision-making networks of public executives operating in the context of blurred distinctions between public and private organizations. Following Cleveland's treatise, the popularity of the word governance soared and while gaining altitude evidently lost oxygen. In an oxygen deprived state many scholars engaged in excesses and failures in their considerations of governance. Some engaged in fuzzy definitions of governance and others simply didn't bother with definitions. Others freighted-up governance with anti-bureaucratic, anti-governmental and pro-market values, often without acknowledging the added weight. Still others made of public administration straw men and then, with exaggerated claims, demonstrated how easily governance could tip them over. And, as is often the case with concept entrepreneurs, governance was seen as the answer, *the* grand theory to replace public administration.

Lynn, Heinrich and Hill brought governance back down to earth and oxygenated it with their analytic framework. And, more recently, they filled in much of their framework with a synthesis of empirical research literature. Many other leading scholars in public administration use the Lynn et al. framework, together building an impressive body of research.

Taking a page from the evolution of regime theory in international relations, it is here suggested that the longer range prospects for the application of governance to public administration would be improved by narrowing the scope of the subject. It is suggested that there be a fundamental distinction between public administration as the internal day-to-day management of an agency or organization on one hand, and public administration as governance, the management of the extended state, on the other. It is further suggested that the public administration of governance include the management of nongovernmental institutions and organizations insofar as their policies or actions affect citizens in the same way as state agencies. Once established, these distinctions lead to a three part definition of governance in public administration. First, *inter-jurisdictional governance* is policy-area specific formalized or voluntary patterns of interorganizational or interjurisdictional

cooperation. Second, *third-party governance* extends the functions of the state by exporting them by contract to policy-area specific nonprofit, for-profit or sub-governmental third parties. Third, *public nongovernmental governance* accounts for those activities of nongovernmental organizations that bear on the interests of citizens in the same way as governmental agencies. These three forms of governance are, after all, what is ordinarily meant when the word/concept governance is used in public administration.

The rapid transformation of the state and its subgovernments has profound implications for the practices of public administration. Governance theory, accounting as it does for most of the effects of state transformation, promises to contribute importantly to the development of public administration scholarship.

NOTES

1. The phrase "public administration" is used here only as a convention. The phrase "public management" could have been used, and would have had the same meaning.
2. There is a second and less useful body of regime theory found in urban studies. Urban regime theorists tends to emphasize the role of business leaders in urban economic development and to de-emphasize the roles of elected and appointed government officials (Elkins 1987; Stone 1989). The work of Royce Hansen is a welcome exception to this generalization, and his work is rather similar to the use of regime theory in international relations and as it is used here (2003; see also Frederickson 1999).

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