54.   Governance

Over the past decades, the concept of governance has become central in several disciplines and fields of research from political science, international relations and European studies to international political economy, sociology and anthropology, not to mention public administration and economics as well as the growing literature on the new public management and the management of organizations. *Governance* is an interdisciplinary concept par excellence, yet to a large extent, it is polysemic, fluid and used in many ways to cover different realities. The concept has been used not only to explain and describe forms of power transformation but also to provide prescriptions in normative terms, to attain an ideal that many international organizations refer to as *good governance*. The aim of this entry is threefold: (1) to review some of the key definitions attributed to this concept; (2) to explain its academic popularity, illustrating the ways in which the concept has been used in different areas of research, and ultimately (3) to discuss its limitations and grey zones.

The concept of governance has found a fertile intellectual ground to develop since the 1970s in the context of the complex process of state transformation in Western Europe. The academic interest in this term increased amid globalization and European integration, being often used to capture the idea of a shift from *government* – understood as the "state's competence to rule through hierarchy" (Offe 2009: 551) – to less hierarchical power relations. Since then, through this notion, scholars have conceptualized different yet important phenomena of change both at the domestic and international levels (Piattoni 2009): at the level of *polity* (with a focus on the reconfiguration of power structures beyond and within the state and the reconfiguration of its sovereignty), *policy* (in reference to processes of decision-making both at the domestic, supranational and international level) and *politics* (with a focus on new relationships between state and society and in terms of actors' participation in decision/rule making more generally). As the conceptual map in Figure 1 illustrates, drawing on data retrieved from the Scopus dataset, this notion is mainly associated with decision-making in polities like the European Union (in black) in general and in specific areas such as the market (light black) and the EMU (in dark grey) as well as with democracy (in white) and party politics (in light grey). Drawing on these clusters of research, this entry reviews three main understandings of governance in reference to structures, processes and actors.

Structures: the emergence of this concept cannot be dissociated from the transformation of the state (Le Galès 1998) in Western Europe in the 1970s and the growing role of non-state/private actors in decision-making (Rhodes 1996). While some scholars have argued that the concept of governance allows us to "bring the state back in", others, more critical, maintained that *governance* rather captures the idea of the state moving "out" as a result of the dispersal of authority within the state (Peters and Pierre 2000). With a focus on national arenas, this transformation of the role of the state finds its origins in the belief that markets, civil society and individuals are able to spontaneously cooperate and to support governments' capacity to solve policy problems (Bartolini 2011; Rhodes 1996). With a focus on international arenas, it has been argued that states (more specifically national governments) are no longer the ultimate decision-makers, as they delegate limited authority to supranational institutions to attain specific aims (Marks, Hooghe and Blank 1996: 345). States remain important as well as national executives. But power is shared with other actors, making the boundaries between arenas – regional, national or supranational – more fluid.

Processes: Peters and Pierre defined governance as "the process of defining collective goals, making political priorities, and bringing together resources from a large number of different actors necessary to attain those objectives" (2000). Governance is a concept compatible with decision-making at the micro, meso or macro level. It is used to understand the governance of organizations and their culture. It can shed light on decision-making processes in specific policy areas, from socioeconomic governance to international migration and internet governance. At the macro level, Hooghe and Marks (2003) coined the concept of Multi-Level Governance (MLG) to capture not only the complexity of the European Union (EU) but also its fragmented and pluralistic day-to-day decision-making. From this perspective, in conceptualizing the functioning of the EU, MLG has been defined as "a system of continuous negotiation among nested governments at several territorial
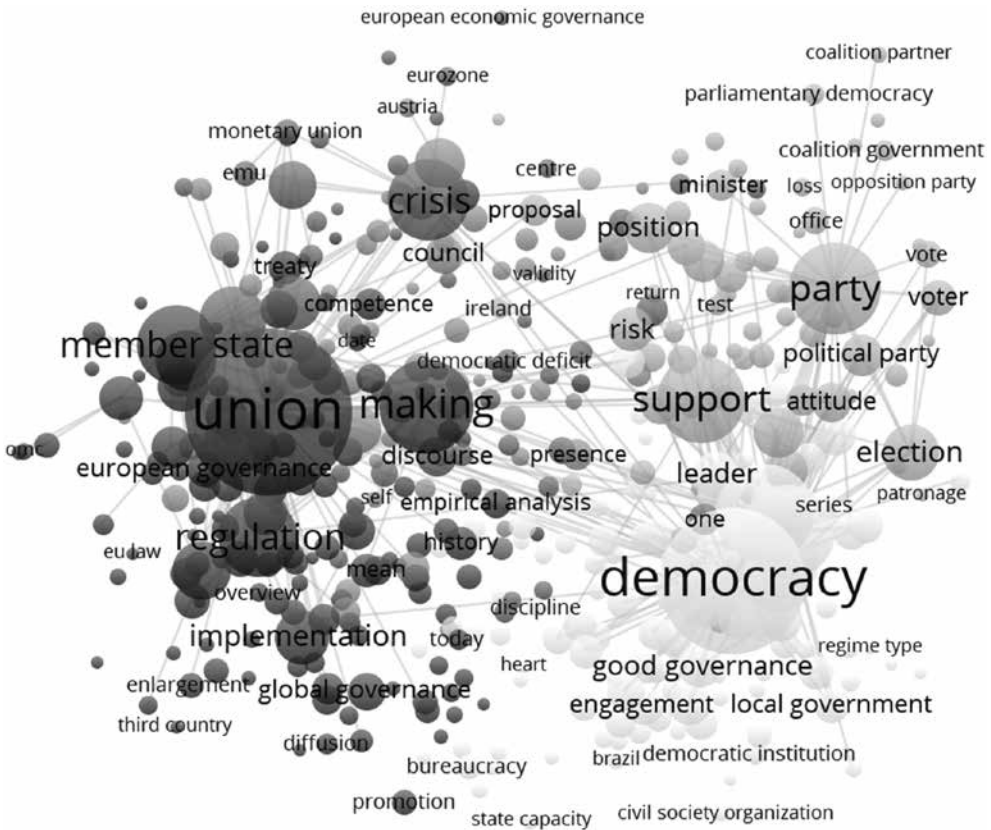
Figure 1 *Map of co-occurrence based on a sample of articles retrieved in the Scopus database containing the term "governance" in the title, abstract or keywords, published in the 20 top political science journals from 1990 to May 2022 (N = 1680)*

tiers" as a result of "a broad process of institutional creation and decisional reallocation that had pulled some previously centralized functions of the state up to the supranational level and some down to the local/regional level" (Marks 1993, 392). Outward looking, governance has been also used to explain and understand the EU's external action through its enlargement and neighbourhood policy. While internal governance implies the "creation of rules" and their implementation in EU member states, external governance refers to the "transfer of given EU rules and their adoption by non-member states" (Schimmelfennig and Sedelmeier 2004: 662).

Actors: the concept of governance refers also to the growing number of actors participating in decision-making. While the role of central governmental institutions as well as social and political actors such as parties

and trade unions, has been gradually eroding, new actors have emerged, ranging from agencies to private and public actors, participating in varying degrees in processes of decision-making. The relationship between these actors has shaped *new modes of governance* (Héritier and Rhodes 2011) and has given rise to a wide range of networks – from epistemic communities (Haas 1992; Sabatier 1998) to regulatory networks (Rhodes 1996; Hasselbach and Tsingou 2020) – and to diverse modes of interest representation and participation, complementing the traditional articulation of demands via electoral participation (Bartolini 2011).

From a normative perspective, the concept of governance is seen as a "natural and successful alternative to traditional hierarchical forms of governance" (Bartolini 2011: 1). Overall, governance has been mainly grasped

as a solution to a problem of increased interdependence, stemming from the need to solve problems beyond the state. This implies not only a transformation of power and authority but also a reconfiguration of sovereignty, in order to reduce transaction costs and limit asymmetrical uncertainty. As a corollary, it has been argued that new modes of governance do not weaken the power of the state, on the contrary. The cost of losing political control is compensated by the political benefits of sharing or pooling sovereignty. Not only is governance seen as a solution to increased interdependence and the need for cooperation and integration beyond the state, but it has also been portrayed as a promise of efficiency and legitimacy (Scharpf 1997) and quality of democracy. The quality of governance depends on its input, output and throughput legitimacy (Schmidt 2013). As Schmidt (2013: 8) put it, "output legitimacy requires policies to work effectively while resonating with citizens' values and identity", input legitimacy depends on "citizens expressing demands institutionally and deliberatively", and throughput legitimacy refers to "governance processes that work with efficacy, accountability, transparency, inclusiveness and openness".

Yet, one of the growing concerns from a normative point of view is that power is shared or pooled between a variety of actors, all of them participating in the production of rules, but most of them lacking accountability. Governance encapsulates the idea of power sharing and dispersion rather than the accumulation of authority (Stephenson 2013), as national governments are losing ground to networks of corporations, nongovernmental organizations, professional societies and advocacy groups. The interactions between these actors are often non-hierarchical and fluid, breaking the link between territory and authority. With a more sceptical eye, some scholars have argued that the plurality of actors involved might dilute the attribution of responsibilities in the case of unsatisfactory outcomes (Curtin, Main and Papadopoulos 2010; Papadopoulos 2010).

To conclude, governance has received many definitions to shed light on the simultaneous process of transformation at national and supranational/international levels. The concept encapsulates the idea of the co-production of norms and public goods in a decision-making system in which the co-producers are different kinds of state and non-state actors (Bartolini 2011) involved in a non-hierarchical process. The quality of governance depends on its input, output and throughput legitimacy (Schmidt 2013).

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