
2. Governance: a typology and some challenges

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‘Governance’ as a word does not travel well between languages. In several non-English languages the English word is used for convenience. This probably proves that the concept of ‘governance’ is culturally defined. This is even more the case if the qualification ‘good’ is added. ‘Good governance’ is supposed to be opposed to ‘bad governance’, just as in Lorenzetti’s *Allegory of Good and Bad Government* fresco in Siena’s town hall that he painted between 1337 and 1339 (Drechsler, 2001). Governance is therefore not only a scientific and descriptive term, but can also be a normative concept.

Governance also emerges in the scientific community in different ways as an agenda. Conference themes are labeled under this umbrella (ASPA 2013: Governance & Sustainability: Local concerns, Global challenges; IPSA/AISP 2014: Challenges of Contemporary Governance), master’s degrees are relabeled, institutes are (re)named (KU Leuven Public Governance Institute, Leuven, Belgium; Hertie School of Governance, Berlin, Germany), and journals are created around this concept (*Governance*). ‘Governance’ becomes a general and generic thought frame with a functional ambiguity, perhaps even with a ‘flou académique’ (academic fog), or it becomes a ‘magic’ concept (Pollitt and Hupe, 2011).

This chapter is about a typology of ‘governances’ defined as a ‘span of governance’ that immediately affects definitions and content, but also reform projects, their measurement and assessment. Within this ‘span of governance’, changing positions are taken as priorities for reform, resulting in trajectories to improve the span of control of governance, within and outside the public sector, at different levels. This ‘span of governance’ results in a range of positions that serve the purpose of Ashby’s law of ‘requisite variety’. It provides a span of controls resulting in different ‘governances’ for different purposes (see also Andrews, 2010).

In all fields of society, governance is and will remain a crucial topic for several reasons. First, crises require that resources, especially if they are shrinking, should be allocated in a way that guarantees results; the 2007–08 financial and economic crisis has affected national and

European governance (Ongaro, 2014; Ploom, 2014). Second, increasingly, partnerships, collaboration, joint or even co-production are ways to pool efforts to deliver services and to realize effective policies (Verhoest et al., 2012); this requires adjusted governance. Third, activities are shifting locations, from public to private and sometimes vice versa, from public to not-for-profit and sometimes vice versa, within the public sector from central to local or to Europe, or vice versa. In this context it is crucial that the capacity for governance is guaranteed. For this reason, it is important to identify the weakest part of the span of governance in a specific society. It is certainly crucial to identify the weakest part within the public sector: what level of government, what type of governance, which organization?

This span should become the context (Pollitt, 2013) for guiding a governance reform strategy that may include three different ideal types, such as new public management (NPM), neo-Weberian state (NWS) and new public governance (NPG) (Pollitt and Bouckaert, 2011). For all these reasons, public governance and a ‘logic of governance’ will remain on the reform agenda, and therefore on the research agenda (Lynn et al., 2001). A systematic overview of the span of governance allows one to identify five types to focus on (see Figure 2.1):

1. corporate governance is about the management of public sector organizations. The question here is to what extent, or under what

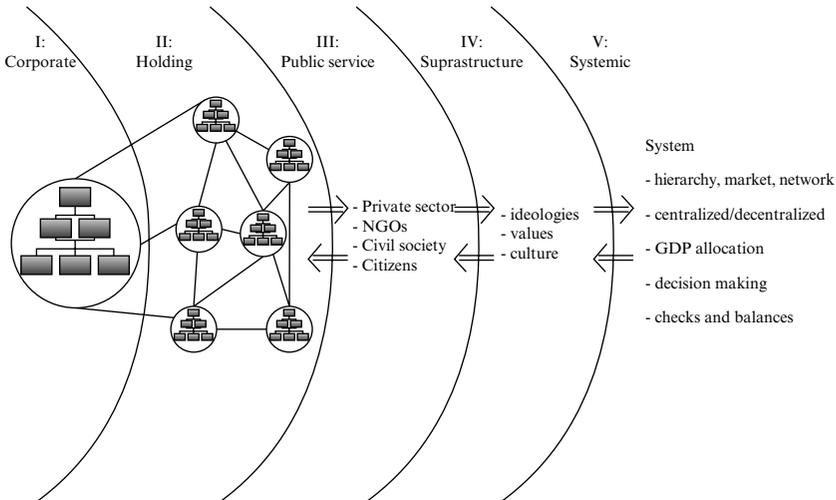


Figure 2.1 *Span of governance: five types*

- conditions, private sector corporate governance can be transferred in order to build a solid public sector management system. Solid corporate governance is necessary but not sufficient in practice and for our research agenda;
2. holding governance is about managing a range of organizations that belong together and need a consolidated governance. The 'togetherness' of these public sector organizations might be due, for example, to reasons to do with territory, function, policy field, service delivery and so on, so they need to be looked at from the point of view of the uniqueness of their corporate governance, as well as regarding their togetherness. Their connectedness will contribute to efficiency and effectiveness. Solid holding governance is necessary but not sufficient in practice and for our research agenda;
 3. public service governance includes service delivery by the public service, in collaboration with the private and not-for-profit sectors, which must therefore have sufficient governance. Solid public service governance is necessary but not sufficient in practice and for our research agenda;
 4. suprastructure governance refers to what is beyond institutional infrastructure governance. Ideas, ideologies, values and culture must be equally part of the governance agenda. This implies a two-way interaction between the hardware of organizations and institutions and their software in terms of ideas, values and culture. Suprastructure governance is necessary but not sufficient in practice and for our research agenda;
 5. systemic governance refers to the system design at the state level. This type of macrogovernance includes the major checks and balances, the key allocation mechanisms within a country, the core decision making, and the distribution of power in society. Under this systemic governance debate, three additional agendas have been added: first, governance without democracy; second, governance without government; and third, the effect of (economic) development on governance. Systemic governance at the state level is certainly necessary in practice and for our research agenda.

All these components of this span of governance are relevant and necessary for all public spheres in all countries, whatever the degree of development, culture and history. In the following, we discuss these five types of span of governance.

CORPORATE GOVERNANCE IN THE PUBLIC SECTOR

Corporate governance is about the management of public sector organizations as single and autonomous entities. One of the first references in the shift from public administration to public management was based on the assumption that public management is about transferring private sector techniques to public sector organizations. As Perry and Kraemer (1983: x) put it, '[p]ublic management is a merger of the normative orientation of traditional public administration and the instrumental orientation of general management'. The logic is very simple, and in its simplicity very powerful. General management applies to the private and the public sector. It suffices to transfer those general management principles that are already applied in the private sector to the public sector, and we have public management. It is not a coincidence that this idea of general 'common' management is readily accepted in 'common' law countries where a system of general legal principles applies to the private and the public sector. This debate on general management has generated a wide-ranging discussion on the differences and commonalities between public and private management.

Many management systems are subject to transfers from the private to the public sector. This applies to very technical management systems such as ICT, inventory management, accounting, business process engineering or re-engineering, or certain elements of personnel management, such as how to use function descriptions.

The literature on corporate governance is itself predominantly focused on specific topics such as ownership structure, executive compensation, boards of directors (their roles, duties and responsibilities), and different cultures (Boubaker et al., 2012). The related research agenda is about shareholders and shareholder activism, roles of directors and their compensation schemes, international corporate governance with elements of cross-border, cross-country and different cultures of political economies (Bebchuk and Weisbach, 2012).

Good governance is defined as the ability or organizations in the private, public and non-profit sectors to achieve their purpose in the most efficacious manner while minimizing the need for laws, regulations, regulators, courts or codes of so called 'best practices' to protect and further the interests of their stakeholders and society.(Turnbull, 2012: 347)

At the same time, it is clear that some elements of management in the public sector are quite distinct and different from those in the private sector. This literature is at a significant distance from the public sector, except for public companies, public agencies and some public-private

partnerships. In some cases this generic vision of governance, where corporate governance applies to all types of organizations, is also very ideological. The conclusion may be that private and public governance may be alike in all unimportant matters (Allison, 2012; Boyne, 2002).

The whole process of budgeting, the need for evaluation of policies, the administrative and political leadership, the additional requirements of accountability, the need to distinguish rights and duties of citizens and users of public services, are some examples of why public management needs to be different from private management, even if some general managerial principles can be shared. This also applies to the corporate governance codes in the public sector, which, certainly in continental European systems, are straightforwardly embedded in administrative and public law systems.

As noted at number 1 above, a key question is to what extent private sector corporate governance can be transferred, or under what conditions it could be transferred, to a solid public sector management system. A recent example is the case of internal audit, a rather new phenomenon in the public sector, which takes a specific position to support internal control systems of the executive, but which also needs to be a complement to external audit, which is a constitutional requirement supporting the legislative. Simple copy-pasting of private sector techniques on to the public sector is not always possible; nor is it in many cases desirable. Adjusting methods and techniques to develop and strengthen internal control systems should be high on the agenda to improve public governance. There are some fine examples of this, such as quality models, but also cost accounting or agency design.

Creating quality models in the public sector was significantly inspired by the private sector. It is interesting to see that the transfer of the value of quality of service delivery to the public sector resulted not only in applying private sector techniques in the public sector (such as ISO, or the first generation of EFQM (European Foundation of Quality Management)), but also triggered specific public sector quality models (such as the European CAF or Common Assessment Framework, or the Canadian MAF (Management Accountability Framework) as developed by the Treasury Board Secretariat). This even pushed private sector models to adjust to become more generic and therefore to become applicable to the public sector as well (such as EFQM second generation) (see Bouckaert and Halligan, 2008).

Finally, private sector ideas and practices flow to the public sector, but the reverse is also the case. General models of budgeting, but also more detailed planning techniques such as developed by operational research, have been exported from the public to the private sector (e.g. PERT – Program Evaluation and Review Technique).

Corporate Governance Reform Programs

From the above it is possible to derive a clear reform program consisting of concrete reform projects to upgrade corporate governance within the public sector by improving all aspects of its management: personnel, finance (budgeting, accounting, auditing), stock-keeping, strategy, organization, communication, leadership and so on. Implementing these projects is already a major reform challenge in many countries.

Measuring corporate governance in the public sector

Measuring corporate governance is not straightforward, not even in the private sector. In many cases market mechanisms, borrowing capacity and stock exchange positions are measures of private corporate governance, mostly including corporate governance and finance. As Shleifer and Vishny (1996: 55) state in their corporate governance survey, 'In the course of surveying the research on corporate governance, we tried to convey a particular structure of the field. Corporate governance deals with the agency problem: the separation of management and finance.' Within the public sector, many corporate governance score cards have been developed. Most of them are converging, some of them have real scores, and sometimes there are awards. Most organizations have one or more models to monitor, guide and upgrade their governance, such as ISO, Balanced Score Cards, EFQM and CAF, or the Canadian MAF, or some *sui generis* models.

In conclusion, strong corporate governance for the public and the private sector implies that there are transfers of ideas from the private to the public sector and vice versa, taking the features into account. Second, our academic research should not just follow realities by explaining and understanding them, but should also lead to new practices and result in innovations. Finally, it is clear that a solid corporate governance in the public sector is necessary but not sufficient. The public sector is not just a set of disconnected single organizations. It is a connected family of organizations with a shared objective. Therefore there is a need for holding governance.

HOLDING GOVERNANCE IN THE PUBLIC SECTOR

Holding governance is about managing a range of organizations that belong together and need a consolidated approach. According to Metcalfe and Richards (1987: 73–5),

[t]he critical area of public management is the management of organizational interdependence, for example, in the delivery of services or in the management of the budgetary process. Public management is concerned with the effective functioning of whole systems of organizations . . . What distinguishes public management is the explicit acknowledgement of the responsibility for dealing with structural problems at the level of the system as a whole.

Therefore holding governance implies the responsibility for the performance of a system of organizations. The key words are: responsibility, performance, system. Taking or getting responsibility implies being immediately accountable. In several languages it is not straightforward to translate the double set of words 'responsibility/accountability'. This is certainly the case in Latin languages, but also in some others. Responsibility refers to a grantor that allocates resources and competencies to a grantee. Accountability refers to a grantee that provides accounts, in the broadest meaning – financial, legal and performance. Performance has a double meaning. It is not just about results, but also about putting something on the stage, presenting results. In this sense, it is also about the performance of the performance, the presentation of the results. There could a broad span of performance that needs a broad span of control to deliver: not just inputs and activities (or throughput), but also output and outcome, and ultimately trust. The broader this span of performance, the greater the need for a broader span of control to realize it. This brings us to the third key word: system, as a coherent set of organizations in the public sphere and under the holding as a formally recognized set of public sector organizations. This is more than the summation of the single organizations. Holding governance includes interactions, synergies, collaboration, coordination and division of labor. Autonomy of single organizations makes sense only if there is sufficient coordination. The more autonomy, the more coordination is needed. The performance of the system depends on the performance of individual organizations, but perhaps even more, it depends on the coordination of these organizations. This requires consolidation at the level of a holding.

The togetherness of these public sector organizations could have different reasons. The holding could be on a clearly defined territory, for example all municipal public organizations. There could also be a functional approach. The holding could be a clearly defined policy field, for example schools and related organizations in education, or hospitals and related organizations in health, or police and related organizations in security. It is more difficult to have programs that are problem related and contribute to solving a policy problem, for example fighting poverty. Equally difficult could be a chain of service delivery, for example food safety (from production to consumption), or a clustering of service delivery around shared data sets that

contribute to this service delivery, for example in social security, or around geo-data with GIS (Geographic Information Systems), or a financial system at a country level (Cagniano, 2013).

The connectedness of these organizations will contribute to efficiency and effectiveness. Different types of coordination will make a difference: joined-up policies, horizontal and vertical coordination, transversal policies, cross-border collaboration are all variations on the general theme of coordination. Different mechanisms are used to coordinate a range of organizations. Hierarchy-type mechanisms (HTM), market-type mechanisms (MTM), and network-type mechanisms (NTM) are very different but share an objective to coordinate (Verhoest et al., 2012; Bouckaert et al., 2010).

Holding governance involves being responsible and accountable for the performance of the holding system, for example in a territorial definition. The mayor of a city is responsible and accountable, not just for the municipal organization in the strictest sense, but for all public organizations under the municipal umbrella. Difficulties arise for a functional holding, such as education or health, and for a policy program holding. In all cases the issue of leadership, especially political leadership, is crucial. It could be useful to develop the CAF, the Common Assessment Framework, not just at the level of individual organizations, but also at the level of holdings, territorial and functional. Finally, it will also be useful to develop strong evaluations and audits at the level of these holdings. Leadership, quality models, and evaluation and audit are all subject to development and improvement, and could benefit from serious academic research.

There is a temptation to call this type 'network governance', even in the private sector:

Examples of organizations with over a hundred boards show how network governance provides: (a) division of powers; (b) checks and balances; (c) distributed intelligence; (d) decomposition in decision making labor; (e) cross checking communication and control channels from stakeholder engagement; (f) integration of management and governance to further self-regulation and self-governance with: (g) operating advantage and sustainability. (Turnbull, 2012: 347)

But holdings are more than just networks, even if there are strong and weak holdings.

Holding Governance Reform Programs

The content of a holding governance reform program consists of choosing and implementing concrete mechanisms of HTM (e.g. input budgets,

top-down instructions and control lines), MTM (output budgets, tendering, vouchers), and/or NTM (knowledge and personnel exchange, sharing corporate identities, pooling resources) (Bouckaert et al., 2010: 52–4, 73–4). The interesting part of the reform question is finding the optimal combination of HTM, MTM and NTM. There is a general impression that HTM is still very effective, even if MTM could be used in specific task contexts, while NTM remains attractive and appealing. Holding governance reform programs are about ensuring governance readiness to create capacities for single and clustered sets of public sector organizations (Lodge and Wegrich, 2014: 152–67).

Measuring Holding Governance

Verhoest et al. (2012) have mapped the dynamics of numbers of agencies that to an extent suggest fragmentation and centrifugal tendencies within the national public sectors, followed by a reduction in those numbers, suggesting a higher level of coherence. Bouckaert and Halligan (2008) have mapped for some countries the intensities and dynamics of these numbers and their degree of consolidation, and the (changing) range of mechanisms used to govern this organizational population. Mapping coherence and togetherness of holdings remains a difficult exercise in practice and in theory. Solid holding governance is necessary but not sufficient. At this stage, the individual organization and the holding remain within the public sector. It is public service governance that is needed, and that includes the private and the not-for-profit sectors.

PUBLIC SERVICE GOVERNANCE AND THE PUBLIC SECTOR

Public sector delivery is part of public service delivery, which includes the interaction with the not-for-profit and the private sector, and the citizens. According to Pierre (1995: ix), '[w]e conceive public administration as the key output linkage of the state towards civil society. However, the interface between public administration and civil society is a two-way street, including public policy implementation as well as policy demands from private actors towards policy-makers.'

Public service governance refers to the premise that the public sector delivery is part of the public service delivery. Most of the services delivered will be effective only in collaboration with the private sector, the not-for-profit sector, and the citizens. This implies that for public service delivery the functioning of the public sector itself is necessary but not sufficient.

There is also a need to manage the interfaces with the private sector and the third sector, and to make sure there is sufficient governance capacity in the private and in the third sectors. The whole policy cycle, its design, its implementation and its evaluation, happens in an open system of government. Implementation will be more successful if stakeholders are involved from the beginning. Because of ownership, there will be a higher chance of civic behavior. If evaluations take stakeholders' opinions into account, there is a higher chance of a trusting population (OECD, 2011).

Obviously, in the implementation stage there is contracting out, partnerships, delegation to the private sector, to the third sector and to citizens. Within the OECD, there is a general recommendation to use these partnerships with the private sector, the not-for-profit sector, with citizens, and for central government with local government, to guarantee service delivery in times of crisis and when dealing with public investment money.

Public service governance means that this two-way traffic of ideas and involvement is well organized. This interface needs to be governed in a transparent, legal and functional way, since it could also be a source of corrupted interfaces. This means that the public sector needs to invest in solid governance models in the private sector, in the third sector, and in citizen initiatives, since this is part of public service governance (Pierre and Peeters, 2000; Bovaird and Löffler, 2009). One element of this public service governance is clearly defining responsibilities and accountabilities in situations of contracting out, partnerships and delegations. In addition, mechanisms and rules of the game for these interfaces should be defined: should it be more hierarchical, or more marketized, or more networked? Weak or bad public service governance results in high risk of corruption, or capture, or a situation where the cost is to the public sector and the benefits to the stakeholder.

Public Service Reform Programs

Most projects in public sector reform programs are related to supporting, regulating and ensuring that markets, non-profit or non-governmental organizations, and citizen participation work properly. Investing in the quality of private sector governance and third sector governance is essential for a solid public service delivery as delegated or contracted out by the public sector. A second major cluster of projects is to guarantee capacity within the public sector to create sustainable exchange of activities with the private sector (market and not-for-profit). This implies capacity to know the field and to create partnerships. There also needs to be a solid, transparent and competent capacity to contract out, including monitoring, inspecting and evaluating these partnerships and contracts. Public service

reform programs recognizing and pushing interdependence, positive-sum solutions, multilateralism and collaboration are means to ensure public service governance (Anheier, 2013: 149–59).

Measuring Public Service Governance

The significant literature on public service motivation and its measurement through surveys gives a first idea of the importance of motivation for governance (Perry, 2000; Perry and Hondeghem, 2008). According to Vandenabeele (2007: 552), ‘this means that civil servants will only demonstrate public service behavior to the extent that their organization embraces public service values as a principle’.

Developing indicators is another approach to measuring public service governance, also in a context of public sector governance or quality of government. The OECD initiative ‘Government at a Glance’ includes explicitly public services that are not provided (but budgeted and paid for) by the public sector (OECD, 2013). Similar efforts to develop indicators to measure, map and assess governance or quality of government indicators are made within private foundations (e.g. Bertelsmann Stiftung, 2014) or for example the University of Gothenburg (Quality of Government Institute, 2010).

Solid public service governance is necessary but not sufficient. All governance so far, corporate, holding or public service, is about organizational and institutional infrastructures with mechanisms, tools and instruments. The drivers of governance are ideas, cultures and values. Therefore there is a need for suprastructure governance.

SUPRASTRUCTURE GOVERNANCE IN THE PUBLIC SECTOR

Suprastructure governance feeds the software of the machinery. According to Clark and Newman (1997: ix), ‘[w]e talk about the *managerial* state because we want to locate managerialism as a cultural formation and a distinctive set of ideologies and practices which form one of the underpinnings of an emergent political settlement’.

Suprastructure governance refers to what is beyond institutional infrastructure governance. It is essential that ideas, ideologies, values and culture are equally part of the governance agenda. This implies a two-way interaction between the hardware of organizations and institutions and their software in terms of ideas, values and culture. This is not just, as some argue (Rothberg, 2014), about a governance ‘logic of consequences’,

where inputs ultimately generate outputs and outcomes (Bouckaert and Halligan, 2008), but also about a governance ‘logic of appropriateness’, with key concepts for governance such as values, integrity, transparency (Hood and Heald, 2006), ideas, and a culture of responsibility and accountability (Huberts et al., 2008). This may contribute to legitimacy (Dilulio, 2012). A governance ‘logic of *in*appropriateness’ would then be defined by corruption, fraud, lack of transparency, a culture of irresponsibility and absence of accountability.

There is a large literature about public value, but also about its operationalization. However, the first line should be about the value of the public as such, in an open society. The agenda here is to increase public value to legitimize the public sphere. Like justice, where the statement is that justice should not only be done, but should be *seen* to be done, one could say that public value should not only be generated, but should be *seen* to be generated. This has to do with perception, but also with expectations that lead to satisfaction and ultimately to trust.

Change will happen if elites think that reforms will be desirable and feasible. It helps if change is necessary and impossible to escape, like a burning platform. But it also requires a private sector, a not-for-profit sector and citizens to make this change happen. This raises the problem of causality. Do we first change the infrastructure, that is, the institutions and organizations, the legislation, and then the practices will effectively change since the ideas, the values and the culture will have changed? Or do we first change the values, the ideas, the culture, and then it will be easier to change practices and institutions and legislation? Obviously, both causalities are needed. And in many cases there is also a need to replace people and to have sufficient time to change and reform.

Culture is also a crucial term, such as in cultures of openness and transparency, of fairness, of justice, of absence of corruption. Even in the private sector it is recognized and accepted that ‘national culture is an essential for the design of corporate governance systems’ (Breuer and Salzmann, 2012: 394). This is even more the case for the public sector. In the literature, several schools discuss culture and also measure it. The crucial point of this literature is to make the connection with management, administration and governance (Schedler and Pröller, 2007).

Suprastructure Reform Programs

Much research demonstrates the importance of leadership to boost suprastructure governance. Developing leadership programs therefore becomes a crucial type of project in suprastructure reform programs (Kaptein et al., 2005). Even if it is accepted that cultural change takes a long time

and is difficult, and given that removing people is not always possible or easy, training and education becomes a valid type of project to change governance logics of appropriateness in society at large. It would be useful for each reform project to have an *ex ante* evaluation of what impact the project will have on infrastructure and suprastructure. Projects could be infrastructure oriented (like making legislation or creating an anti-corruption organization), they could be suprastructure oriented (training), or they could be both.

Measuring Suprastructure Governance

The measurement of suprastructure governance includes two major types of perception measurement. There is measurement of ‘corruption’ and of ‘transparency’. These international and diachronic measures are developed by international NGOs. Even if there is significant criticism of the methodological basis, there is a general understanding and intuition of the indicators, and the suggested levels of corruption and transparency. Suprastructure governance is necessary but not sufficient. Ultimately, there is a macro-governance level, at the level of the state, where the major societal mechanisms should come together. There is a need for systemic governance.

SYSTEMIC GOVERNANCE IN THE PUBLIC SECTOR

Systemic governance is at the level of the state itself and encompasses micro- and mesogovernances. According to König (1996: 4; 59),

[p]ublic administration may be interpreted as a social system existing and functioning in accordance with its own order but, on the other hand, it also depends on environmental conditions in a complex and changing society . . . In the light of the modern society’s functional differentiation, state and market are notable for their own characteristic strategies to control the supply of goods. The type, scope, and distribution of private goods are decided on by harmonizing the individual preferences within the market mechanism; decisions on the production of public goods, on the other hand result from a collective, i.e. politico-administrative, development of objectives.

Systemic governance refers to the system design at the state level. A basic framing document for this macro-systemic governance is the Constitution as guardian of the state of law, referring to common law or to public and administrative law. This also includes the ‘checks and balances’ in the system.

A first key element is the proportion of the division of GDP for the market, for the public and for not-for-profits; this immediately implies the weight of the different allocation mechanisms of price, budget and negotiated transfers. A second element is the degree of centralization and decentralization, with strong cities, or federalism with strong regions, as an expression of autonomy (Conteh, 2013; Ongaro et al., 2011). A third element is how societal, political and administrative elites are connected, related and shaped. Another element is the way participation is organized (Hoffmann-Martinot, 2013), including choice of voting system, where some countries have moved to more proportional systems. These are some key components of a systemic macrogovernance. Vincent Ostrom (2014: 238) describes the two tendencies of, on the one hand, ‘the manifestation of a “natural” tendency in any system of government to move to a single center of ultimate authority that would exercise a position of absolute supremacy in the governance of society’, and, on the other, ‘the equilibrating tendencies of a federal system of governance constituted on principles of opposite and rival interests where power is used to check power’ (ibid.).

It is clear, as Figure 2.2 demonstrates, that the so-called third sector and

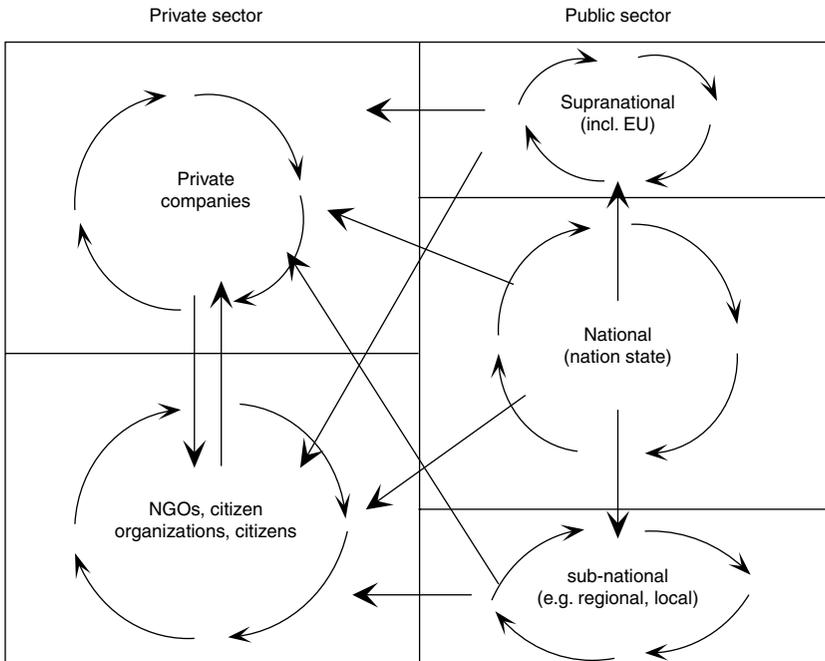


Figure 2.2 *Systemic governance*

a related resource allocation and governance mechanism are crucial and indispensable in the governance of states. According to Elinor Ostrom (2014: 167), “[c]ontemporary research on the outcomes of diverse institutional arrangements for governing common-pool resources (CPRs) and public goods at multiple scales builds on classical economic theory while developing new theory to explain phenomena that do not fit in a dichotomous world of “the market” and “the state””.

Figure 2.2 shows the dynamics and the complexity of systemic governance at the state level. It includes the private sector with the market-based organization and the not-for-profit, non-governmental organizations. It obviously includes the entire public sector. But it also includes the interactions, interfaces and shifts between all these components, changing their importance. Shifts between these boxes sometimes just happen (‘It’s the economy, stupid’), sometimes they need to happen (as in saving the banks that were too big to fail), or sometimes it is actively organized (privatization; decentralization within the public sector). This all adds to the complexity of regimes in governance (Moynihan et al., 2011).

Whole-of-government (WG) is one version of a consolidated, joined-up, or integrated vision of systemic governance. According to Christensen and Læg Reid (2007: 1060),

[t]he scope of WG is pretty broad. One can distinguish between WG policy making and WG implementation, between horizontal linkages and vertical linkages . . . WG activities may span any or all levels of government and involve groups outside government. It is about joining up at the top, but also about joining up at the base, enhancing local level integration, and involving public-private partnerships.

Systemic Governance Reform Programs

Projects covering a systemic governance reform program include rewriting the constitution and legislation to decentralize generally, to actively decentralize resources (HR and budgets), to regulate political party financing, to approve institutions and legislation promoting an open society (ombudsman, audit, open data etc.), to define and change election types (proportional, majoritarian), to develop NGO legislation and so on. This results in system transformation such as in Central and Eastern Europe after the fall of the Berlin Wall (Bouckaert et al., 2009). Changing the nature of a system to become more marketized, or participatory, or decentralized, or transparent and so on requires a long-term, coherent and sustainable vision of a whole societal elite.

Measuring Systemic Governance

Measuring progress or change in systemic governance requires long-term data sets on key issues such as participation, decentralization, marketization, transparency and the like. This is not straightforward, but these data and indicators are necessary to assess long-term transformations and transitions.

To this systemic governance debate, three additional agendas have been added: first, what about governance without democracy?; second, what about governance without government?; the third is that of governance and countries' degrees of development.

GOVERNANCE WITHOUT DEMOCRACY?

According to Fukuyama (2013: 4), governance is 'a government's ability to make and enforce rules, and to deliver services, regardless of whether that government is democratic or not'. From this controversial point of view, 'governance is about the performance of agents in carrying out the wishes of principals, and not about the goals that principals set' (ibid.). In this context Fukuyama refers to Weber's bureaucracy as an ideal type. In a reaction, Kishore Mahbubani points out that what Fukuyama actually says is that 'democracy is neither a necessary nor a sufficient condition for good governance' (29 March 2013, comments on the Governance website). And he continues, 'yes, it is possible to have good governance without democracy'. According to the five levels that have been developed above, a technocratic vision of governance is possible, and it, too, is necessary but certainly insufficient.

The five levels need to be taken into account to be able to talk in a sustainable way about governance. In the EU institutional context, it is certainly true that improving governance and upgrading the democratic level of the EU are seen as a pair, especially in periods of crisis (Habermas, 2013). But in developing countries also, this connection is valid. According to Huque and Zafarullah (2014: 19),

[a]n inclusive state will have much better prospects of success in making reforms effective . . . it guides our thinking toward the establishment of an open and transparent political system that allows various groups in society to contribute to governance. This will facilitate free and open communication, resulting in citizen input in political and administrative decisions. The inclusive state will thus have a participatory and democratic environment that has the potential to overcome the restrictions found in exclusive states.

Democracy is not just about electing representatives every four or five years. It is about participation, transparency, open society, due process in decision making, responsibility and accountability, legitimacy and trusting systems. Most of these key words are related or are present in the definition of the concept of governance.

GOVERNANCE WITHOUT GOVERNMENT?

The second debate, which arose in the Belgian case when there was no federal government for 590 days (until 6 December 2011), about one and a half years, raised the question ‘Governance without government?’ Five lessons could be derived from this situation (Bouckaert and Brans, 2012). First, caretaker conventions and routines guarantee the continuity of government operations; second, when the terms of contracts of top civil servants exceed the term of government, this contributes to stability and continuity; third, in mature democracies, a power vacuum is taken care of in a constructive, creative and responsible way; fourth, the multilevel governance of regions, caretaker government and the EU is robust; fifth, there is no ‘normal’ length of time in taking crucial political decisions.

The issue was already raised by Peters and Pierre (1998). On the one hand it is possible to define governance without government in a positive sense as governance consisting of networks, partnerships and markets, including international markets. In this sense, governments are not able to govern globalized and international markets, especially if they are disconnected from the private market. There could also be a negative definition, where ‘hollow’ states emerge. In these cases, markets and society fill the vacuum, and perhaps also local communities and/or criminal organizations.

GOVERNANCE AND DEGREES OF DEVELOPMENT

In general, it is unwise to blindly copy-paste the solutions of others. This is particularly true for developing countries looking at developed countries, since solutions do not travel well (Schick, 1998). Nevertheless, governance for development and excellence in public service do happen in practice (G4D, 2014).

According to Conteh and Huque (2014: 5), ‘[d]eveloping countries were both obliged and compelled to adjust to the trend that began in the developed world’. The trends within the public sector are participation, flexibility, deregulation, performance focus, decentralization, responsibility/

accountability for results and contracting. Trends outside the public sector are privatization and the generalized use of market-type mechanisms and partnerships with the private sector.

A crucial element of governing a developing country's state will be its inclusiveness:

An inclusive state will have a much better prospect of success in making reforms effective . . . In most developing countries, the state is authoritarian and exclusive . . . the success of public management reforms in developing countries is closely related to the transformation of the nature of the state. (Huque and Zafarullah, 2014: 19–20)

Conteh emphasizes explicitly two elements in his appraisal of new public governance in Africa. State building and systemic governance are both essential, especially for developing countries: 'effectiveness of public management and service delivery in the context of fragile post-conflict states is fundamentally about restoring the legitimacy of the state as the appropriate conduit for pursuing society's collective development aspirations' (Conteh, 2014: 32). The second condition is a systemic approach:

'Systems thinking' focuses on developing a shared vision of governance between public agencies. A systems approach to public management serves a tension management, both as a concept and a practice, is nested within the institutions of the state, and serves as the main vehicle for accomplishing public policy goals. (Ibid.)

CONCLUSION

We have looked at the five types within the broadest span of governance resulting in related reform programs. Depending on the priorities of a country, these priorities change. Ultimately all five types need to be governed. A society cannot afford to have weak links within this span of governance. This governance debate becomes more complex when issues of public and private, and key concepts such as democracy, government and development, are added.

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