

Governing in the Shadows

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1. Introduction

Governance has become one of the most commonly used terms in the social sciences. Like many terms that have become popular, the meaning of governance has been stretched in any number of different directions (see Pollitt/Hupe 2009). In particular, there has been a significant debate over the role that the State and the formal institutions of government play in governing. At the extreme, some scholars have discussed the possibility, and indeed the necessity, of “governance without government”, with self-organizing networks of social actors assuming the major tasks of making and implementing rules (see Rhodes 2007; also Mayntz 1993). Other scholars argue that the State remains a central actor, while also recognizing the importance of social actors involved in those processes of steering (see Pierre/Peters 2001).

To the extent that there are real world instances of “governance without government” they are the obvious instances in which one encounters forms of governance other than those produced through the State, largely because of the inability of State institutions to govern in some territories. Yet, those are by far not the only circumstance. Indeed, the delegation of many governance decisions on a quotidian basis creates a need to consider the various ways in which non-governmental actors play a role in governing and the influences on their behavior. The use of networks, contracting, public private-partnerships, and a variety of other less formal means of governing, all involve delegated actions and in all cases there is a sense that government can withdraw that delegation.

Even within the governance approaches that emphasize the importance of interaction, social actors and networks there is still some concept of the capacity of the State to reassert its authority over decisions, if those decisions should deviate markedly from the goals of those political (or administrative) leaders. This perspective is commonly referred to as “the shadow of hierarchy” (Scharpf 1997; also Heritier/Lehmkuhl 2008), meaning that hierarchical control is a last resort, or sometimes, the first resort, of the center of government. Further, this shadow may be sufficiently pervasive that social actors do not deviate from the preferences of the center, knowing that their own preferences will not be accepted and they will potentially lose some of the autonomy they have been granted.¹ There is a shadow of hierarchy but also a certain amount of shadow boxing as the various parties involved attempt to determine what latitude for action they have.

The shadow of hierarchy is not confined to influencing the behavior of social actors within the governance model, but it can be seen as a means of understanding the general problem of delegation and principal-agent problems that exist within the public sector itself (see Huber/Shipan 2002). All governments must delegate authority, given the complexity and extent of current governing, and a great deal of the action of governing is carried out through delegated legislation (see Kerwin 2006; West 2009) in the bureaucracy and in regulatory agencies. There is an extensive academic (and practical) literature on how to control the policy drift that

¹ This expectation about behavior is, of course, a version of Friedrich’s “Law of Anticipated Reaction”. That is, social or market actors may not press any advantages they have because they anticipate that the State will react negatively, and forcefully, if they do so.

occurs from that delegation in regulation (see McCubbins/Noll/Weingast 1987). Most of the delegation and regulation literature has not conceptualized the delegation problem as functioning within “shadow of hierarchy”, but the legislature always does have the right to rewrite legislation, or to withdraw the delegation to regulatory agencies, if it believes the delegated powers have been abused.

The shadow of hierarchy may also be exercised within the context of multi-level governance, with a central government delegating functions to sub-national governments but retaining the option of re-centralizing. This dynamic is, of course, more difficult to enforce in federal systems when the sub-national units may have governance rights of their own, but even then through using alternative instruments such as grants-in-aid the center may restore its control. The use of “unfunded mandates” and other instruments of hierarchical control demonstrate the persistence of hierarchy even in an era of multi-level governance that often appears to argue for more cooperative forms of governing (see Peters/Pierre 2004).

2. Delegation, the Shadow of Hierarchy and Meta-Governance

The pattern of indirect control exercised through the “shadow of hierarchy” can be conceptualized within the broad governance framework (see Pierre/Peters 2001; Tiihonen 2003) as a form of “meta-governance” (see Meulemann 2008; Sørensen 2006). That is, if devolution to any of the several available actors is conceptualized as “governance”, then attempts to regulate the results of that devolution can be seen as the “governance of governance”. If there is some possibility of “governance without government”, then the logic of meta-governance is to restore some of that control albeit control exercised in a softer and less intrusive manner.² Much of the discussion of meta-governance has been expressed in terms of controlling actions indirectly (“governing at a distance”) rather than using direct control, so that the logic of the shadow is that the possibility of direct control will generate compliance with the wishes of the meta-governor.

Meta-governance is a mechanism for producing governance even when the formal capacity for policy action and control has been given away to other actors. It may also function to provide some governance when the capacity for control has not been given away, but rather does not exist because of the weakness of the State. In that case the meta-governance may serve to shape the environment of governing rather than to exercise control directly over the actions of the intended targets of public policy. That intervention into the economy and society may at times be limited largely to symbolic action, but a State may have to make some attempt to impose its preferences even when they can not be enforced.

The logic of meta-governance can also be seen in terms of institutions and institutional capacities (see Levitsky/Murillo 2009). If the institutions of hierarchical governance are strong and effective, then they can meta-govern other structures even if there is some degree of governance

² This discussion is also related to the instruments literature, especially that associated with the “New Governance” that is arguing for less intrusive and more collaborative forms of intervention (see Schout/Jordan 2005).

occurring through other institutions and instruments. In institutional terms this is especially true if the normative pillar of institutions and governance is strong (see March/Olsen 1984; Scott 2008) so that the meta-governance can occur even without the use of direct intervention by the hierarchical institutions.

If meta-governance using hierarchical instruments is to be meaningful, then some alternative forms of governance must be in operation. Much of the discussion of “governance without government” has been in terms of the possible roles of social actors, e.g. social networks, but the market and expertise offer alternative forms of governance as well (see Börzel 2010). Indeed, in some contemporary discussions of governance these three forms of control over action-networks, markets and expertise-function as different forms of “shadows” over collective action. To some extent political and administrative actors in the center of government are faced with a “shadow of society”, so that if they disregard the preferences of the social actors, especially organized social actors, within their policy sector those actors are generally capable of exerting some influence over decisions. Although social actors may lack any formal authority to take control over policy areas as the State may have, social actors do have the capacity to create parallel structures if governments fail, or even if they do not like the nature of the policy choices being made. One clear example of this shadow can be seen in the role that charitable organizations continue to play in many areas of the Welfare State.³ Further, the emphasis on the capacity of networks to self-organize within the governance literature is to some extent a statement of the existence of a “shadow of society” (see below).

The changing nature of democracy and governing more generally points to another version of the shadow of society. Keane (2009), for example, has argued that representative democracy is being transformed into “monitory democracy” in which the media and legislation on transparency have opened the public sector to continuous scrutiny from the society. This transformation makes hierarchy considerably less effective as a means of governing and provides society with more information that can be used to exert control over actors in public sector and also tends to empower numerous social actors to cast their own shadow over governing. In particular, this shift in the role of society tends to alter the mechanisms of accountability. The challenge, however, may be that information is not sufficient in itself and that social actors must find the means for enforcing accountability.

If the shadow of hierarchy falls over devolved activities of the State, then there is also a shadow of the market that falls over the operations of the public sector. Just as the advocates of networks and other forms of social action have assumed that those mechanisms were panaceas, so too do the advocates of the neo-liberal project tend to assume that the market can solve all problems of governance. As contemporary governance has become more influenced by the market and by market-based ideas, then the sense that governance can be controlled at least indirectly through market mechanisms has become more viable. To some extent that shadow has always been pre-

³ The failure of the faith-based initiatives in the Bush White House (now being resurrected in the Obama White House) is in part because the social actors wanted to maintain their autonomy and to be able to cast a shadow over the social policies of government.

sent and governments have always had to pay heed to financial markets, international currency markets and the like, but market based ideas are likely to be more influential in contemporary political discourse.

The shadow of the market is especially evident in failed states, or components of those failed states in which governments are not capable of governing in any effective manner (see Risse/Lehmkuhl 2010). In these settings, e.g. parts of the Congo, townships in South Africa, and even numerous neighborhoods in industrialized, democratic societies, governments do not have a monopoly of force and indeed may have at best limited capacity to enforce their laws. In some such settings multi-national firms have assumed major governance roles simply because they want to do business (see Deitelhoff/Wolf 2010; Börzel et al. 2010), particularly to extract mineral resources (see Hönke 2010). Similarly, street gangs may establish a governance order of sorts because they want to engage in their versions of the market, i.e. drugs.

This analysis obviously is using the familiar trichotomy of hierarchies, markets and networks, and will also be adding the fourth option of expertise as a form of governance. However, instead of using these options as usual, I am attempting to analyze them in a somewhat different manner. Rather than examining these three as alternative ways of governing directly, the logic of these shadows is that these represent alternative formats for governing, and also represent choices to be made by the actors involved. They also represent the options available in a complex political game. Further, few if any of these options will be implemented in a pure manner. This is especially true now given the complexity of modern governance, the legitimacy of both market and social actors, and the failure, or unwillingness, of many governments to supply conventional hierarchical governance in many settings.

The remainder of this paper will discuss these alternative forms of governance, or alternative “shadows” and their potential influences when governance decisions have to be made. Advocates of these alternative forms of governance to traditional governance through the State can point to some advantages for these alternatives. There are, however, serious problems with these alternatives that may limit their viability as options. Those problems may be both operational and normative. The operational problems relate primarily to the capacity of these alternatives to make decisions, and to make good decisions. In this context “good” refers to the capacity to make innovative decisions as well as the ability to make decisions that reflect collective preferences.

Further, the decisions made in the public sector may not reflect collective values within the society but rather reflect the preferences of a limited number of actors. There may be problems with the exercise of democracy in contemporary states (see Keane 2009) but the alternatives to democratic governance are unlikely to be any better. Even network governance that is often assumed to be more democratic than representative democracy has significant problems of inclusion and openness. Part of the logic of governance is to make collective policy choices and then to make those choices effective. Implicit in the above discussion has been the idea that alternatives to hierarchical governance may not be very effective in attaining the democratic

ideals of collective choice, even if they may be effective at implementation and the more instrumental aspects of governance.

3. Actors and the Shadows

Much of the discussion of governance has been in terms of large aggregates such as the State and networks of social groups. However, in this paper I will attempt to examine governance from a more micro perspective. The governance literature does not have a strong micro-foundation for the macro-behavior although arguably any model attempting to explain decisions and collective action requires such a theory (see Stoker 2009). Although I will not develop a comprehensive micro-level approach to governing I will focus on individual actors who must make decisions based on a range of influences on their decisions. Although there may be a number of such influences I will concentrate on the ways in which various shadows may influence the choices of individuals.

This analytic concentration on individual decision-makers is, of course, closely analogous to Scharpf's "actor-centered institutionalism" (1997). It moves away from the reification that is apparent in much of the institutionalist literature and focuses on decision-makers within those structures. The approach emphasizes that institutions do not make decisions or make policy, the individuals within them do, and unless we can understand something of the manner in which those individuals behave we can not understand how the institutions will behave. Institutional structures comprise means of aggregating those individual actions, but the basic source of action is the individual.⁴

As noted above, governance is meant to be about collective action and solving common problems. The argument below concerning these various shadows and the capacity to govern without government is that the collective preferences may be lost when the governance choices are moved out of the State and its mechanisms for making those collective choices. Although social actors, markets, and expertise may have some real benefits for making policy choices, they may also each have a darker side in which the individual and his/her interests come to dominate collective values and hence represent some perversions of the purposes of governing.

a) The Shadow of Hierarchy

The shadow of hierarchy is the most familiar of these indirect influences on governing patterns that may exist at a particular time and place. As well as becoming prominent when the "governance without government" argument became almost the conventional wisdom (see Rhodes 2007), this shadow has much deeper roots in the study of policy delegation. In both these guises the argument is that hierarchical actors have the capacity to reassert their formal powers when their agents deviate too far from their original intentions.⁵ The fundamental notion of the rule

4 This is in analogy with the structure agency problem that is present in many areas of the social sciences, perhaps especially in institutional theory (see Hay 2005).

5 In the implementation literature this has been discussed in terms of the intentions of the "formators" (Lane 1983) and the powers of their agents to deviate from those intentions during implementa-

of law is that the hierarchical actors within the public sector have rights to assert their legal powers, even if they have previously exercised those legal powers to give away the policymaking capacity.

b) The Shadow of Society

In most discussion of contemporary governance the use of social actors is the antithesis of continued reliance upon hierarchical governing. Much of the discussions of network governance (see Rhodes 2007; Sørensen/Torfinng 2007) are premised that hierarchical governance is both ineffective and undemocratic. It is ineffective because of excessive hierarchy and bureaucracy, which tend to slow decision-making, induce rigidity and limit innovation. Further, the instruments of hierarchical governance, relying as they do on command and control, are ill-suited for more fluid policy problems that most contemporary governments now encounter (Salamon 2002). Likewise, because many interests in society may be excluded, the system is undemocratic and again may be dominated by its bureaucracy and their organizational interests rather than the interests of citizens.

Actors in the public sector may find it convenient to accept this shadow of society and use it as a means for blame avoidance. Many of the problems that contemporary governments may find the most vexing will involve complex social processes that may well be suitable for involving social actors. Problems of crime, social breakdown, poverty and the like can be addressed effectively by social actors, and governments may want to offload these problems on not-for-profits or even religious organizations so that when there are failures they are not being held directly accountable for the failures.⁶

As already noted with respect to hierarchy, the shadow of society also has a negative side. Scholars committed to network models of governance and other means of governance favor involving social actors, but social governance may also mean that those social actors are able to appropriate the power of the State for their own purposes. The corporatist models that have been popular with political scientists and with practitioners were able to provide effective governance in some policy areas but also had significant elements of exclusion that limited their democratic credentials. This appropriation for private purposes may be less feasible for networks, given that they include a wider range of actors with perhaps diverse interests, but it is still possible.⁷

The use of social forms of governance may have even darker implications, however, and the shadow of society may also mean the shadow of clientelism and corruption. Although there are numerous explanations of these phenomena, they may to some extent represent the inability

tion.

6 We should remember that many of the interventions of government into these complex policy areas should be understood as experiments, given that there is no clear command of the instruments for intervention or indeed no good understanding of many of the causal processes. See Dunn (1998), Nelson (1969).

7 Further, networks may not be as inclusive as their advocates would like to believe, so that they may well be exercising governance on behalf of a narrow segment of the society.

of conventional forms of governing to function effectively, and the perceived need to replace them with social models. In situations in which hierarchical government is not able to deliver policies effectively, especially to poorer people, patrons are capable of delivering services to the population, albeit in exchange for political support.⁸ Again, clientelism should be seen as a form of social governance, and indeed could be conceptualized as a network albeit one with a more hierarchical structure than is usually assumed.

Political corruption has several market elements (see below) but in many instances also has a strong social element. Certainly, manifestations of corrupt practices, such as nepotism and favoritism, have a strong social base as well. Indeed, for outsiders, many activities of social networks involved in governance may appear corrupt, given that those who have been accepted into the network obtain privileges and influence that others who are affected directly by their activities do not. In short, although network governance can provide a number of virtues, it also has inherent weaknesses and its own dark side that may still require some direction from central actors within the State

c) The Shadow of the Market

One of the most important cases of the shadow of the market arises when the public sector becomes involved in public-private partnerships, and especially programs such as the private-finance initiative (PFI; see Grimsey/Lewis 2007) in the United Kingdom. These policy making and delivery instruments involve close reactions between public and private actors, and also seem to involve the public sector adopting many of the values of the private sector (see Pierre/Peters 2009). Further, especially for PFI programs the public sector must become very concerned about credit markets and the longer range financial implications of their short-term savings.

The use of market actors for governance is not, of course, new. Governments have often used these actors to govern when they did not, or could not, govern themselves. The use of companies to govern vast territories in India, Canada and the East Indies are the most extensive examples, but there also have been numerous smaller examples of governments ceding authority to markets both as a means of implementing programs in a manner that was perceived to be more efficient and effective, and also of co-opting major private actors into the plans of the public sector.

Again, however, the market as an alternative to conventional forms of hierarchical governance through the public sector has its dark side. This dark side has been more evident in the discussions of political scientists than the others, perhaps because of our general statist biases. That said, patterns of governing that cede important decision-making and implementation author-

⁸ This model has, of course, not only been found in less developed countries or in relatively remote areas of Southern Europe, but to some extent still exists in the machine politics of some American cities.

ity to private markets do tend to produce governance problems.⁹ Many of the results of the New Public Management, for example, have resulted in something other than public values being implemented through the public sector (see Christensen/Laegreid 2007).

As well as more general problems of the use of public power for public gain, the shadow of the market also implies the use of corruption as a means of circumventing or augmenting the hierarchical model, and in many societies that corruption casts a very long and dark shadow over the public sector. Obviously corruption involves shifts from hierarchy and equality toward exchange as a means of allocating the costs and benefits of public action, ranging from petty bribes to officials providing licenses to massive bribes for major contracts.

Some economists have argued that there is an optimal level of corruption; that corruption helps to eliminate transaction costs and eliminating those corrupt practices would cost more in enforcement than could be gained by creating the more honest governance. Still, within the context of public governance we will want to have mechanisms for ensuring that some attempts are made to pursue the public interest and there are collective means of goal-setting. As will be discussed below, therefore, some degree of meta-governance will still be required to pursue those ends.

d) The Shadow of Expertise?

To this point, I have been discussing the familiar trichotomy of hierarchy, networks and markets as alternatives for governance. But are there other shadows that cast some potential for control over governing? Perhaps the best candidate for a source for an additional shadow for governance would be expertise, and its ally professionalism (see Barker/Peters 1993). Just as decision-makers must be concerned about the reactions of their hierarchical superiors, they must also be concerned about the reaction of the epistemic communities that dominate many aspects of policy (see Zito 2001). These communities have many of the characteristics of networks more generally, but their principal resource is their command of a particular body of knowledge and their subsequent capacity to exclude other less knowledgeable actors from participating in certain types of decisions.

Like the other sources of governance shadows, expertise does have the capacity to function as an alternative source of governance, and to provide an escape for actors who may not want to be responsible for certain types of decisions. Governments may not want to make decisions on complex scientific issues, especially when those issues also may have moral consequences. Again, however, there is the danger that the scientists will also convert some delegation of authority for their own purposes, or at least fail to recognize the limits of expertise in coping with political issues of wider relevance. The collective institutions of government may not be well-designed to deal with scientific issues, but perhaps the mechanisms of science and expertise are also ill-designed to deal with public policy choices.

⁹ Again, though often lauded as a means of creating predictable patterns of behavior among major actors and reducing industrial conflict even the familiar corporatist models do privilege some actors and thereby disempower others.

4. Battles in the Shadows

Although each of these several shadows is interesting in its own right, they become more interesting when we focus on the need for decision-makers to choose among them. It is rather obvious that there may be alternative means of allocating goods and services within society, and that there always have been choices. The dominant choice in most of the literature has been between the market and the State, an argument often attempting to balance contrasting values such as efficiency and equity. Likewise, within the State there have been less obvious conflicts over the power of experts (often bureaucrats) and political officials over who should make policy decisions.¹⁰ And more recently, the role of social actors have become a more viable alternative to markets and the State, and the role of networks in governing has become an important research topic, especially in European social science (see Sørensen/Torfinn 2007).

The need to choose among several possible shadows can be seen in the range of alternatives that exist when governance arrangements are being devised. Much of governance literature tends to accept one or another of these formats for governance as a given and then proceeds to discuss its impact. The logic of thinking about the shadows is to remember that there are always alternatives and even if a particular form of governance appears natural, there can be other ways to accomplish the same ends and those means may conform better to ideas of public governance.

This conceptualization of governing in the shadows is also related to an emerging body of literature on informal governance, and the manner in which it interacts with more formal modes of governing. For example, Helmke and Levitsky (2004, 2006) have discussed alternative forms of informal governance and their relationships with the formal. Likewise Peters (2007) has examined the forms of informal governance within the European Union and their relationships with the more established mechanisms for allocating resources (also Christiansen/Piattoni 2003). The governance issues in Central and Eastern Europe after the fall of Communism have provided a rich set of examples for understanding how informal politics can function in both positive and negative ways.

In all these cases the basic argument is that not all forms of informal governance, or in the context of this paper governance performed by non-traditional instrumentalities, are the same. Further, not all the outcomes of informal governance processes are negative. As Helmke and Levitsky point out, these methods can provide governance where not otherwise possible, or can complement the activities of formal institutions. To some extent the meta-governance logic, however, reverses the perception of the situation and addresses whether the formal institutions can complement or direct the activity of the less formal.

¹⁰ This argument is usually discussed in a democratic context (see Savoie 1996) but has been very evident in the discussions over “Red or Expert” within communist systems (see Stockman 2000).

5. Meta-governing Alternative Forms of Governance

The three possible alternatives to traditional forms of hierarchical governance all have their possible negative features outlined above. Further, the absence of any form of effective public action creates even greater dysfunctions in attempts to provide effective control over the economy and society. The question is whether the shadow of hierarchy, and the instruments of meta-governance¹¹ interact effectively with the alternative forms of governing. If so, then some of the benefits of delegated and devolved governance may be achieved while maintaining the capacity of legitimate State actors to govern.

Networks are the dominant alternative to hierarchy and to representative democracy. These structures may have their internal structures of control but may perceive themselves to be autonomous from hierarchical control. Further, as they institutionalize and develop their own internal logics, hierarchical control becomes more of an anathema to them (see Peters 2007). The networks often have worked long and hard to develop their own patterns of action, both internally and in relationship to their environment, and will not want to have those patterns disrupted even by legitimate State action.

The pursuit of autonomy is apparent for the more positive forms of social governance, but it may be even truer for the less positive, e.g. clientelistic structures, in which the participants have even more of a vested interest in maintaining autonomy. The capacity of these organizations to do what the State is incapable of doing in some areas of the world provides current benefits to the participants. The clients may be substantially better off if some form of transition to hierarchical governance from the State were to be accomplished, but the transition costs would be high in the short term.

The question therefore is whether these alternative forms of governance are indeed mechanisms through which social actors can be governed more at a distance, or whether this is vain hope because participants in these processes will merely deploy them to legitimate their own pursuits? I have argued that each of the alternatives to more traditional forms of governance has the distinct potential of being converted from possible means of public governance to mechanisms that merely serve the interests of the actors directly involved. There may be special conditions in which these positive outcomes may occur, but there is no reason to expect them to be the typical outcome of these processes.

For governance through market mechanisms the possibilities for meta-governance appear relatively strong. First, given that market actors are motivated primarily by “treasure”, the capacity of the State to manipulate financial incentives and disincentives should facilitate its capacity to steer, even if at a distance. This capacity for meta-governance should be especially evident when the State has created the opportunities for market actors to engage in governance activities in

¹¹ As noted above, this argumentation is closely related to the instruments arguments. In particular, the instruments available for meta-governance are fundamentally much the same as the instruments available for policy implementation. The shadow of hierarchy is dependent upon authority while the shadow of the market is obviously dependent upon treasure.

its name. That is, when the State has created a market in its own name then it should be able to manipulate that market.

Further, even when the informal and corrupt versions of governance through the market are in operation, there may be possibilities for meta-governance provided the formal institutions involved are sufficiently effective to counteract the effects of those informal institutions. Interestingly, combinations of meta-governors may be able to regulate these market actors effectively. Certainly hierarchical controls and the use of treasure can regulate some aspects of corruption but social actors may also be effective. For example, widespread corruption in local government contracting in China has been revealed by earthquakes and other natural disasters, and local networks appear to have had some success in forcing changes in behavior (see Zhao/Peters 2009).

Finally, the meta-governance of expertise should also be manageable for the public sector. Although this format for governance represents delegation from direct bureaucratic or political control, it tends to operate with much of the same ethos and to work more directly within the boundaries determined by the hierarchical actors. That said, there are instances in which the values of expertise and science may disagree with those of the hierarchical masters, and those masters will want to reassert their control. For example, scientists working on climate change and reproductive technologies within the Bush administration were very clear on what they thought the science told them but then were confronted with a set of political masters with their own values.¹² In most instances the delegation of governing to expertise can be meta-governed through the use of Hood's Nodality or information, but in the end the shadow of hierarchy may also have to be applied.

6. Summary and Conclusions

Public governance involves making and implementing public goals. Although it has become popular to assume that these functions can be performed by a variety of other actors, this paper has questioned the efficacy of using those various alternative "shadows" for governing contemporary societies. While there are certainly circumstances in which conventional forms of governance through the State may not function well, there is no guarantee that the alternatives will be better and may be inferior.

What is most important to maintain in this discussion is that we need to focus on public governance. There are other forms of governance that have proven to be effective and efficient at times, and at times also are the only options for governing. That does not, however, remove the burden of thinking about how steering for the society can be accomplished in a manner which allows for the inclusion of a range of different opinions. Further, there is a need to consider ways of meta-governing the autonomous structures and processes that may be in place, and

¹² Although many, or perhaps most, citizens would have agreed with the views of the scientists the reactions of the Bush administration did represent an appropriate attempt to meta-govern given their legal position.

imposing some degree of public control.

In terms of the logic of “governance without governance” that has been at the center of much of the contemporary governance discussion, the arguments presented here point to the possibility of governing through instrumentalities such as the market and social networks. That said, however, this observation does not mean that these forms of control for the society are as effective or as desirable as the familiar hierarchical controls through representative institutions. Again, this observation is both empirical and normative. The normative arguments may be more compelling, but the empirical problems with many alternatives for governance are also important and must be considered when thinking about options for governing society and economy. Meta-governance may provide a means of gaining the advantages offered by some forms of devolution combined with the virtues of central steering and control.

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