What is governance.

Chapter · November 2014

3 authors:

Some of the authors of this publication are also working on these related projects:

AEQUIPA View project

Esade EGovernance Institute View project

CHAPTER 2. WHAT IS GOVERNANCE

Tamyko Ysa, Adrià Albareda & Sarah Forberger

Summary

Governance has become a popular and widely used concept amongst scholars and practitioners from different disciplines, such as public administration, economy, political sciences, management, law, and sociology. The concept alone is quite ubiquitous and has been embedded in almost every international organization and democratic government to refer to the way in which interdependent and highly complex issues are managed. Governance implies different things depending on who is using the concept and under which context. Taking this into account, the intention of this chapter is to present and discuss a specific concept of governance and its application in the field of addictions, devoting special attention to its implications for final policies.

The chapter is based on a large comparative research conducted by Ysa et al. (2014) which analyzes the governance structures and processes in the field of addiction. By looking at how addictions are governed in 28 European countries, the study presents four different typologies of governance of addictions in the Europe.

What is governance: An introduction

Since the 1980s, and in parallel with the public sector reforms (Bevir, 2009), *governance* has become a key concept across social sciences. A huge amount of articles, books, monographs and issues have been published referring to this concept (Benz, 2010; Bevir, 2009, 2011; Hale & Held, 2011; Levi-Faur, 2012; Pierre, 2000; Schuppert, 2005). However the concept of governance is still very ambiguous and varies depending on the discipline, the approach, and the area taken into account.

It could be argued that governance is not a new concept, it being as old as human civilization[4]. The roots of governance can be found in the Greek word *kybernan*, which means to steer or to pilot a ship, but the concept was also used during the Roman Empire under the Latin word *gubernare*, meaning to direct, rule and guide. Obviously, its meaning has changed throughout the centuries and, nowadays, governance can be broadly understood as the interaction between governments, business stakeholders and non-profit organizations by which and policy decisions implementation are undertaken.

If we narrow this definition down, we first have to state that governments are not the only actors in this process, and, in some instances, not even the most relevant or powerful ones. Governments are one actor in the interplay of actors. Thus, governance includes the role of sub-national and trans-national authorities as well as private organizations (business and non-profit organizations). In this sense, governance appears in the context of the discussion

---

[4]There is a lively discussion about the "linage" of governance, which depends on how governance is defined and circumscribed. According to Pierson and Benz, governance is related to the modern state (Benz, 2001; Pierson, 1996) whilst others,. e.g. Risse and Leibfried, argue that governance is older than the European national sates (Risse and Leibfried, 2001).

about the role of the State, which can no longer be regarded the center of power and authority given that it shares the decision and implementation processes with other actors.

The main reason why the state has to rely on other actors and share its power is the growing complexity of our current societies and the emergence of '*wicked problems'* (Rittel and Webber, 1973). These kinds of problems are inherently resistant to a clear and agreed solution. Following Roberts (2000), these problems engender a high level of conflict among stakeholders, where there is neither an agreement about the problem itself nor its solution. Hence, more complex and sophisticated policies are necessary, in which public agencies engage with private sector entities and citizens in the decision-making and implementation process. *Wicked problems* require the establishment of collaborative processes between public agencies and other public, civil, society and business organizations (Mendoza and Vernis, 2008: 392). As Lozano et al. (2006: 392) note, "the governance of our complex and interdependent societies will not be possible unless we turn the sense of responsibility among their many social actors into one of co-responsibility".

Taking all this into account, a first characteristic of governance is the shift of power upwards, downwards and sideways. Because of globalization and the internationalization of problems, nation-states have transferred some of their competencies to supra-national authorities, such as the European Union. At the same time, sub-national governments, as well as private and non-profit organizations, have been empowered due to this new form of governing. While some authors see this process as a distribution of power (Levi-Faur, 2011), others see it as the failure of our current States. In this sense, as noted by Rhodes (2007: 6) "the growth of governance reduced the ability of the core executive to act effectively", which is related to the same author's thesis of the hollowing out of the state.

Besides this shift of power, governance has different dimensions that must be born in mind. As presented by Levi-Faur (2011), governance can adopt the following forms: governance as a *structure* referring to the formal and informal set of institutions involved; governance as a *process* referring to the dynamics and leading functions that take place in the process of policy making; governance as a *mechanism* referring to the institutional procedures of decision-making, as well as compliance and control; and governance as a *strategy* referring to the manipulation of the institutional and mechanical design with the aim of influencing choices and preferences.

Because of the ambiguity of the concept of governance and the different perspectives that it can be used to refer to, it is hard to find an overarching definition (Grande, 2012). The meaning of *governance* still varies depending on the approach, research field, discipline, and the theoretical context (Bevir, 2009). There are also critical voices claiming that governance still seems to be an "empty signifier" (Offe, 2008). However, following Grande (2012), there are five key elements which can be identified in governance concepts: (1) new non-hierarchical structure and mechanisms; (2) governing and the criticism of hierarchy as steering principle; (3) emergence of new actors, either private or non-profit; (4) increasing complexity of political actions, and (5) increasing cooperation and collaboration among stakeholders.

Concepts of governance

Despite the many typologies and perspectives under which governance can be studied an analyzed, we focus on collaborative governance as an appropriate holistic approach to analyze the policy structures and processes in the addiction field. Collaborative governance incorporates parts of the network and multi-level governance and allows the incorporation

of various actors from different fields, such as states, non-governmental groups, social actors, lobby groups, and companies.

First of all, it is worth noting that, as a wicked problem, addiction implies complex interdependencies, involving multi-level and multi-sector actors and various interests that impede decision-makers in reaching an easy and consensual solution to the problem. Thus, the governance of addiction challenges the problem-solving capacity of single states (Bingham, 2010). Hierarchically ordered states often fail in finding feasible solutions for wicked problems, which cannot be "solved or solved easily by one entity acting alone" (Bingham 2010: 386). The complex interdependencies arising from wicked problems like addiction cannot be tackled by traditional approaches, as there is no clear problem definition encompassing every area and stakeholder.

According to Roberts (2000) there are three strategies to solve wicked problems: (1) authoritative, (2) competitive and (3) collaborative. Authoritative strategies limit the problem solving capacity to being held by a reduced number of persons. This reduces the complexity of the problem because views of different stakeholders are already reduced at the beginning of the process. However, in interdependent, democratic societies, it would be difficult to legitimize this kind of power concentration in a small group of people, even if they were able to solve the problem. Wicked problems can also be solved by competitive strategies. That means that one competitor has the power to define the problem and to present the solution. The underlying idea is to keep the power circulating among the competitors and to prevent an institutionalization of power. However the danger of creating a deadlock is enormous: Having the power to block a solution but not enough power to enforce one's own solution creates a situation of standstill where no real problem solving is possible.

The last possible strategy Roberts (2000) suggests to solve complex problems is collaboration. The aim is to engage all stakeholders in order to find the best possible solution for all. It is assumed that an actor can accomplish much more by joining forces than independently. Hence, as noted by Roberts (2000: 6), "at the core of the collaboration is a 'win-win' view of problem solving". This approach involves meetings, alliances, partnerships, joint-ventures and all variations of collaborative work. The main principle is the discussion of possible solutions in order to find and agree on a common approach.

Following this last approach and according to Emerson et al. (2011), collaborative governance can be understood as "the processes and structures of public policy making and management that engage people constructively across the boundaries of public agencies, levels of government, and/or the public, private and civic spheres in order to carry out a public purpose that could not otherwise be accomplished" (Emerson et al., 2011: 2). Thus, this is conceptually broader than the idea of governance through networks, since it takes into account both formal and informal interactions of a multiplicity of actors. The concept includes members from the public spheres, private sector, civil society, local residents, active local groups, and the community; but it also embeds new forms such as joined up government, hybrid arrangements or community-based forms of governance. In sum, collaborative governance is an interactive process with a huge number of actors, each with various interests, perspectives, and positions, brought together for a discussion "during which policies are developed" (Bevir 2009: 47).

The underlying idea is that involving an increased number of actors helps to overcome large institutionalized interests represented by the state-level establishment actors and insider

interest and lobby groups. An integration of multi-actors at an early stage of the policy-making process could foster the support and legitimacy of those decisions derived from the process. The involvement of stakeholders is also supposed to reduce the chances of underrepresentation of a particular group or issue and to empower citizens. These civil society stakeholders have an impact on (normative) legitimization of the decision and on the implementation time, speed and application of a given policy decision. Also, because of the actors involved, it is argued that there is less chance that one aspect could not be represented and would be overlooked. It increases transparency, accountability, and trust because of a more open policy-making process.

In summary, governance can be understood as an interactive phenomenon in which public, private and non-profit actors interact to establish and implement public policies. Some key determinants of this form of governing are the emergence and empowerment of different actors, either public or private, with whom the state has to deal, and the loss of hierarchical forms of governance in favor of a relatively more equal power distribution (Van den Berg 2012).

The following figure (Fig. 1) attempts to schematically summarize our understanding of collaborative governance. Collaborative governance arises from the interaction between the three spheres representing the government, non-profit organizations, and private companies, but also taking into account how the international context influences each sphere. In our present interdependent world, the role of international organizations, as well as ad hoc relations between states, cannot be missed since its influence on national policies can be a determinant. As a result, we deal with policies that have been "co-produced by a wide range of actors at state level (e.g. ministries, parliaments, agencies, authorities, and commissions), society (e.g. businesses, citizens, community groups, global media including networked social media, foundations) and at supranational level (e.g. the European Union, the United Nations)" (WHO, 2011).

Figure 1. Collaborative Governance
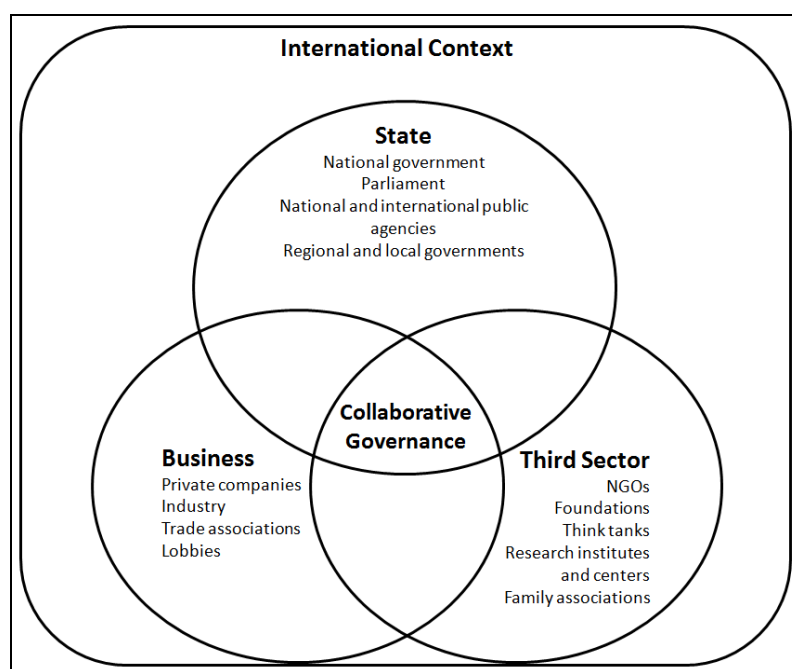
Source: Own elaboration

Governance of addictions

As mentioned above, addiction is a recognized as wicked problem that does not follow the traditional linear model of problem-solving: problem-options-solution-implementation. In this vein, the governance of addictions is influenced by various factors that intervene in the policy-making process due to its implications on society and the controversy that it generates. Policy-making, as well as implementation processes, are influenced by public, private, and non-profit stakeholders coming from a range of different fields, such as: health, justice, public order, safety, economy and trade. The wide range of stakeholders and their interdependencies, as well as interdependencies between the EU and EU member states, make the governance of addictions highly complex. Therefore, since addiction is a wicked problem, inherently resistant to clear and agreed solutions, it would seem appropriate to use collaborative governance as the best way to cope with the multiple dimensions of the problem.

Governance of addictions: European Union level

As a wicked problem, addictions cannot be properly tackled by the state alone. In this respect, the role of the EU in this field has increased throughout the last two decades, to the extent that, nowadays, the EU is a key policy actor determining national agendas in the field of addictions. However, it is worth remembering that, as a health policy, addiction issues are under the exclusive competence of the EU member states. More specifically, the article 168 of the Treaty on the Functioning of the EU (TFEU) states that "the EU shall complement the Member States' action in reducing drugs-related health damage, including information and prevention". This same article notes that "Member States shall, in liaison with the Commission, coordinate among themselves their policies and programs. The Commission may, in close contact with the Member States, take any useful initiative to promote such coordination, in particular initiatives aiming at the establishment of guidelines and indicators, the organization of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation." (EU 2008: 122). Therefore, the EU still has limited power to directly influence member states' policies on drugs and addictions. However, the recommendations of the EU jointly with a set of directives and regulations related to alcohol and tobacco are shaping most of the EU national approaches on how to govern addictions.

Collaborative decision-making at the EU level is done through participatory platforms, multi-stakeholders forums and public consultations aimed at receiving inputs, comments, amendments and observations from any relevant stakeholder in the field of addictions and drugs. Clear examples of this process are the European Civil Society Forum on Drugs and the Alcohol and Health Forum, where every stakeholder affected is invited to participate and make their voice and interests more visible to public institutions, hence, embedding the essence of collaborative governance.

Despite the existence of these forums, both third sector and private companies aim to influence EU decision-making process even more directly, in a similar way as is done in member states. The general trend across the third sector is to produce evidence-based analyses in order to influence the EU policy one way or the other. It is worth mentioning that the EU itself is promoting evidence-based policies through the funding of research projects studying addictions and drugs and the translation of evidence into policy (e.g. ALICE-RAP, AMPHORA, ODHIN, etc.). On the other hand, business lobby pressures are not as transparent and sometimes are linked to political scandals, such as the dismissal of the EU Health Commissioner in recent years due to reported links with the tobacco industry, at

precisely at the point when tobacco regulation directives were about to be revised[5]. However, we also can find examples of transparent lobbying, such as the lobbying of the EU by a number of different tobacco companies in order to approve cooperation agreements aimed at reducing cigarettes smuggling.

Regardless the EU limitations, its growing relevance obliges us to pay careful attention to European level governance. From 1990 to 2013 the EU has passed seven action plans, three strategies and various regulations and directives for alcohol and tobacco. All these clearly indicate that the EU is becoming more willing and capable of influencing and determining its member states' policies in the field of addictions. If we take the EU as a model, in the years to come we should expect that member states will become much more inclusive, embracing a broader understanding of governance, more participative and horizontal.

Governance of addictions: EU member states' structures and processes

Most EU member states' governments tend to exchange views and plans with relevant stakeholders in order to obtain inputs and, later on, amend laws, regulations, plans and strategy proposals. Overall, the way governments and relevant stakeholders deal with addictions is not significantly different across EU member states. Whereas some differences may arise between member states, mainly due to their historical, cultural and political background, we can identify a cross-country model embedding the following characteristics:

   a) Decision-making processes are led by the governments with private and non-profit stakeholders taking an active role acting as interest and lobby groups.
   b) Implementation is steered by government with the active involvement of non-profit organizations.
   c) Accountability and evaluation of policies are conducted by the governments with few inputs from non-profit organizations.

Despite these broad similarities, we can still note different approaches in how EU member states cope with addictions. The extent to which EU governments decentralize policy-making and implementation processes, as well as the involvement of stakeholders, either private or non-profit, has been further studied by Ysa et al. (2014), and proved to be one of the determinants for establishing different EU models of governance of addictions.

Through an in-depth study of how 28 European countries[6] establish their structure and strategy to tackle addictions, Ysa et al. (2014) differentiate four groups depending on whether they are more oriented towards health or criminalization policies and whether their strategies are more inclusive or centralized and hierarchically-based. One of the main conclusions of this study is that those countries that embrace a more inclusive governance approach and involve different levels of government as well as private and non-profit organizations in the policy-making and implementation processes tend to have health-oriented policies aimed at enhancing societal well-being. Thus, those countries that embrace a collaborative governance of addictions and tackle the issue as a cross-cutting problem involving different ministries and levels of government as well as relevant non-governmental organizations, especially during the implementation process, normally present a strategy oriented towards well-being. Some examples of this well-being oriented strategy associated to a collaborative governance approach can be seen in Germany, The Netherlands, Portugal

---

[5] Revision of the Tobacco Products Directive (2014/40/EU):
http://ec.europa.eu/health/tobacco/products/revision/index_en.htm
[6]The countries taken into account are the 27 EU member states in 2012 plus Norway.

and Spain. In all these cases, the Ministry of Health is in charge of coordinating addiction policies. Decriminalization and harm reduction are the pillars of the policy, and health for society in general has a higher standing than security-related problems arising from addictions and drugs.

Discussion

Although the EU is using collaborative governance to cope with drugs and addiction issues, further research needs to be undertaken in order to see whether collaborative governance is an appropriate way to tackle these problems. Some conflicts may arise when seeking collaborative arrangements that involve governments, private companies and non-profit organizations. This is especially true when contrasting companies' final aim – profit maximization – with those that governments and many non-profit organizations pursue –the enhancement of societal well-being.

Nonetheless, addiction is clearly a wicked issue that will not be solved if we are not able to find feasible settings in which different stakeholders collaborate in order to seek solutions and promote societal well-being. The greatest advantage of collaborative governance – the involvement of diverse and various actors – could also be its greatest disadvantage. It has not yet been proven that collaborative governance is more effective than top-down approaches. This has to be monitored further. Moreover, following the rational approach, more actors means an increase in the transaction costs involved. Many more interests have to balanced out which often proves excessively costly and sometimes impossible (Brevir 2009: 48). One further criticism is that policy solutions represent only the interest of the few groups who have been involved in the policy-making process. Some interests are too diffuse to be organized and voiced. It has been argued that the policy-making process favours better financed and organized groups and excludes and marginalizes weaker social actors (Bevir2009: 48). In line with this, collaborative governance favours the involvement of special interest groups rather fostering a common sense of public goods. However, further research will indicate whether collaborative governance is the right mode of governance for addiction due to its openness and the possibility of involving different actors at different levels. Collaborative governance presents the opportunity to encourage democratic participation while pursuing societal well-being. Throughout this process, the EU has an opportunity to lead, establish the path, and determine the objectives that every member state should bear in mind in order to promote societal well-being.

> ## Take Home Messages
>
> The concept of governance is still ambiguous and varies depending on the discipline, the approach, and the area taken into account.
>
> Governance refers to the role of national, sub-national (regional and local) and trans-national authorities, as well as companies and non-profit organizations that come together to tackle wicked issues in the policy making and implementation process.
>
> The EU has become an important trans-national actor, promoting policies based on governance mechanisms across member states.
>
> As a wicked problem, addictions are increasingly tackled from the perspective of governance, to bring solutions from within and from outside governments, either at the EU or member state level.
>
> Countries that adopt a collaborative governance perspective tend to deal with addictions policy through a health-oriented and well-being strategy.

Conflict of Interest Statement

The authors of this chapter have no conflict of interests to declare.

References

Benz, A. (2001). *Der moderne Staat*. München: Oldenbourg.

Benz, A. (2010). *Governance - Regieren in komplexen Regelsystemen: Eine Einführung*. Berlin: Springer.

Bevir, M. (2009).*Key Concepts in Governance*. Los Angeles: Sage.

Bevir, M. (2011). *The SAGE Handbook of Governance*. London: Sage.

Bingham, L.B. (2010). Collaborative Governance. In M. Bevir (Ed.), *The SAGE Handbook of Governance.* pp. 386-401. London: Sage.

Blatter, J. (2007). *Governance - theoretische Formen und historische Transformationen. Politische Steuerung und Integration in Metropolregionen der USA (1850-2000)*. Baden-Baden: Nomos.

Bogumil, J., Grohs, S., Kuhlmann, S., & Ohm, A.K. (Eds.). (2007). *Zehn Jahre Neues Steuerungsmodell-eine Bilanz kommunaler Verwaltungsmodernisierung*. Berlin: Edition Sigma.

Emerson, K,. Nabatchi., T., Balogh., S., (2011). An integrative Framework for collaborative Governance. *Journal of Public Administration Research and Theory.* 22: 1-29.

European Union (2008). *Consolidated version of the Treaty on the Functioning of the European Union*. Luxemburg: Official Journal of the European Union.

Grande, E. (2012). Governance-Forschung in der Governance-Falle? - Eine kritische Bestandsaufnahme. *PolitischeVierteljahresschrift*. 53(4): 565-592.

Hale, T., & Held, D. (2011). *Handbook of Transnational Goverancne*. Cambridge: Polity Press.

Levi-Faur, D. (2012). *The Oxford Handbook of Governance*. Oxford: Oxford University Press.

Levi-Faur, D. (2011). From big government to big governance?. *Jerusalem Paper in Regulation and Governance.* 35.

Lozano, J. M., Albareda, L., Ysa, T., et al. (2006). *Governments and Corporate Social Responsibility: Public Policies Beyond Regulation and Voluntary Compliance*. Basingstoke: Palgrave.

Mendoza, X., Vernis, A. (2008).The changing role of governments and the emergence of the relational state. *Corporate Governance*. 8: 389–396.

Offe, C. (2008). Governance – "Empty signifier" oder sozialwissenschaftliches Forschungsprogramm. In G. F. Schuppert & M. Zürn (Eds.), *Governance in einer sich wandelnden Welt* (pp. 61-76). Wiesbaden: VS VerlagfürSozialwissenschaften.

Pierre, J. (2000). *Debating Governance, Authority, Steering, and Democracy*. Oxford: Oxford University Press.

Pierson, C. (1996). *The Modern State*. London: Routledge.

Rhodes, R.A.W. (2007). Understanding Governance: Ten Years On. *Organization and Studies*. 28: 1243.

Risse, T.,& Leibfried, S. (2001).Wieviel Staat braucht Governance? Ein kritischer Kommentar. In M. Beisheim, T. Börzel, P. Genschel& B. Zangl (Eds.), *Wozu Staat? Governance in Räumen begrenzter und konsolidierter Staatlichkeit.* (pp. 267-279). Baden-Baden: Nomos.

Rittel, H. W. J., & Webber, M. M. (1973).Dilemmas in a General Theory of Planning. *Policy Sciences*. 4: 155-169.

Rittel, H., & Webber, M. (1973). Dilemmas in a General Theory of Planning. *Policy Sciences*. 4: 155–169.

Roberts, N. C. (2000). Wicked Problems and Network Approaches to Resolution. *The International Public Management Review*. 1(1): 1-19.

Schuppert, G. F. (2005). *Governance-Forschung*. Baden-Baden: Nomos.

Schuppert, G. F. (2011). *Alles Governance oder was?*. Baden-Baden: Nomos.

Ysa, T., Colom, J., Albareda, A., Carrión, M., Ramon, A., & Ramon, A. (2014). *Governance of Addictions: European Public Policies*. Oxford: Oxford University Press