in the established patterns of public administration—from government to governance. While capturing the journey from government to governance, an attempt is made to scan the roles of the state, market and civil society in a globalized era and finally to assess the effectiveness of 'governance' as a new mode of service delivery.

Government and Governance

'Government' and 'governance' are often used interchangeably to denote the exercise of authority over a territory or system, or in an institution, a state or an organization. It would not be far from truth to say that in recent times 'governance' has become a buzzword, supplanting commonplace 'government'. Are the two synonyms? Or are the implications of the terms somewhat different?

Contemporary usage does not regard 'governance' as a synonym for government. On the contrary, it has acquired a meaning quite distinct from government. It is derived from the Greek word *Kybernan* which means 'to steer and to pilot or be at the helm of things' (Medury 2010: 185). It was first used by Harlan Cleveland in the late 1970s when he said, 'What the people want is less government and more governance.' His idea of governance was:

> The organizations that get things done will no longer be hierarchical pyramids with most of the real control at the top. They will be systems—interlaced webs of tensions in which control is loose, power diffused and centers of decision plural. Decision making will be an intricate process of multilateral brokerage both inside and outside the organization ... Because organizations will be horizontal, the way they are governed is likely to be more collegial, consensual and consultative. The bigger the problems to be tackled, the more real power is diffused and the larger the number of persons who can exercise it—if they work at it. (Frederickson 2008)

Explaining the terms government and governance, Rosenau says:

> Both refer to purposive behavior, to goal oriented activities, to system of rule; but government suggests activities that are backed by formal authority, by police powers to ensure the implementation of duly constituted policies whereas governance refers to activities backed by shared goals that may or may not derive from legal and formally prescribed responsibilities and that do not necessarily rely on police powers to overcome defiance and attain compliance. Governance in other words is a more encompassing phenomenon than government. It embraces governmental institutions but it also subsumes informal, non-governmental mechanisms whereby those persons and organizations within its purview move ahead, satisfy their needs and fulfill their wants. (Rosenau and Czempiel 1992: 4)

So, the principal difference between government and governance as argued by Rosenau is that while the government rules and controls, governance means orchestrating and managing. To rule would mean to be the sole authority, which implies that the government may rely on force to obtain compliance from its subjects. This concept explains the state's monopoly over legitimate violence. On the other hand, governance, or orchestrating, would mean that everyone (formal/informal organizations) has a part to play in moving the society forward, not just the government that is only one part of the state. Controlling is in this sense separate from the concept of managing. To control would be to direct action and decision-making on each part of the system. It assumes a law. But managing is not based on law; rather it acts on a hypothesis. Therefore, a manager is open to inputs from other parts of the society which might contribute to relevant knowledge or other resources. Governance, thus, chooses management over control because this kind of system permits room for outside influences and subjects decisions to evaluations of the entire society.

The concept of governance is more encompassing and wider than that of government which conventionally refers to the formal institutional structure and the location of authoritative decision-making in the modern state. The exercise of authority is of utmost importance in government and remains significant in governance, but is no longer its single focus. This is because the power in governance is not as much wielded as shared, and authority is defined not as much by the control of the ruler as by the consent and participation of the governed. The governance paradigm has challenged the state-centric public administration as well as the market-oriented new public management (NPM). Instead of top-down bureaucracy, governance is about reworking the relation between the state, market and civil society for attaining the goals of people-centric self-development. Both government and governance are ideal types and there exist a continuum between the two, the broad features of which can be qualified.

Emphasizing the idea that governance is not synonymous with government (Table 1.1), Rosenau states that governance is a system of rule that is as dependent on inter-subjective meanings as on formally

Table 1.1. *Governance Without Government; Government Without Governance*

Dimensions	Government	Governance
Geographical Scope	Governments operate on the basis of their territorial borders at the national and sub-national levels	Governance transcends national boundaries and is all pervasive at sub-national, national, regional, global and transnational levels
Functional Scope	Several issue areas are centrally coordinated by a unified public agency	Different issue areas are regulated by multiple or separate specialized agencies which includes independent supervisory bodies, private associations, etc.
Distribution of Resources	Centralized government systems retain control over resources (taxation) and their use for policy implementation	Policy resources remain dispersed among public and private actors who collaborate with each other in order to address common problems. Private actors can crucially influence policymaking by using resource dependence.
Interests	It rests on the belief that the diverse interests of social, political and economic actors can be reconciled within the nation state and that individual preferences can be subsumed to public interests.	This paradigm favours policy based on individualism and market. The public is increasingly viewed not so much as a coherent community, but as individual consumers with diverse demands that are better catered to by differentiated private services than by a unified public sector. (Rhodes and Clarke).
Norms	Sovereignty, command and control, and redistribution.	Limitation of national sovereignty, self-government and marketization of social relations.
Decision-making process and implementation	Hierarchical within states, highest authority centralized within national public agencies.	Horizontal dispersion of decision-making authority among a broad number of public and private actors at different levels. These include state agencies, international organizations, national and transnational (Krahmann 2003: 332).

Source: Krahmann (2003: 332).

sanctioned constitutions and charters. More specifically, it is a system of rules that works only if it is accepted by the majority or the most powerful of those it affects, whereas governments can function despite having to deal with widespread opposition to their policies. In this sense,

Governance is always effective in performing the function necessary to systemic persistence, else it is not conceived to exist (since instead of referring to ineffective governance, one speaks of anarchy or chaos). Governments, on the other hand can be quite ineffective without being regarded as non-existent (they are viewed simply as "weak"). Thus it is possible to conceive of governance without government—of regulatory mechanisms in a sphere of activity which function effectively even though they are not endowed with formal authority. (Rosenau 1992: 5)

Extending the same line of reasoning, Rosenau says that it is possible to conceive of a scenario marked by government without governance referring to those formal authorities in the world that lack regulatory mechanisms to function effectively. Taking into account the pernicious and corrupt policies that the governments pursue, Rosenau promptly shows his preference for governance without government over governments that are incapable of governance or have so to say usurped governance (Rajni Kothari quoted in Rosenau 1992: 5).

Defining Governance

Though popular, the concept of governance is complex and imprecise. It is vaguely defined and the scope of its application too is not clearly specified. B. Guy Peters and John Pierre (2000) find the concept unclear and notoriously slippery and Beate Kohler-Koch, Berthold and Rittberger (2006) like several others feel there is still confusion about the conceptualization of the term.

The problem is that 'governance' has dozens of meanings. It is widespread in both public and private sectors, in characterizing both global and local arrangements and in reference to both formal and informal norms and understandings. According to Rhodes, 'Governance' is now everywhere and appears to mean anything and everything. Because 'governance' is a power word, a dominant descriptor, there has been a rush to affix it to all other fashions of the day. For instance, according to Chakrabarty and Bhattacharya (2008: 135–136), governance is:

1. The structure of political institutions
2. A shift from bureaucratic state to the hollow state or to third-party government
3. A market-based approach to government
4. The development of social capital, civil society and high levels of citizen participation
5. The work of empowered, muscular and risk-taking entrepreneurs
6. Tony Blair's third way, in the UK
7. A political packaging of latest ideas in NPM
8. An attempt to renew civil society
9. Globalization and rationalization.

Rhodes (1996: 653) found six applications of governance in the field of public administration:

- As the minimal state
- As corporate governance
- As NPM
- As good governance

- As a socio-cybernetic system
- As self-organizing networks.

These and many more applications of governance illustrate the range of concepts, ideas and theories associated with it. However, Vasudha Chhotray and Gerry Stoker offer a basic definition underscoring the core features of the concept.

Governance is about the rules of collective decision-making in settings where there are plurality of actors or organizations and where no formal control systems can dictate the terms of relationship between these actors and organizations. (Chhotray and Stoker 2009: 3)

In order to draw attention to the finer nuances of the concept, they highlight four elements about this definition.

First, they clarify that the 'rules' embedded within a governance system can stretch from formal to informal, that is, informal practices, conventions and customs. The specific combination of formal and informal institutions in turn influences the way a group of people determine what to decide, how to decide and who shall decide—the classic governance issues.

Focusing on the second element in the definition, that is, collectiveness, they explain that collective decisions involve issues of mutual influence and control. Government arrangements generally involve rights for some to have a say, but responsibilities for all to accept collective decisions.

Third, the next element, 'decision-making' can be concerned about not only strategic and global issues but also the daily implementation practice of a system or an organization. The point they are trying to make is that it is important to recognize the macro and micro elements and consider both the perspectives because both offer something of value.

The final element in the definition on which they dwell upon is the idea that in governance 'no formal control system can dictate the relationships and outcomes'. Governance is a world in which 'no one is in charge'. Governance is about collective governance, the opposite of monocratic government that means governance by one person.

On the basis of the discussion above, one can summarize the major attributes of the concept of governance:

1. It is not a science with clear causal pathways, nor can it be adequately captured by laws, statutes or formal constitutions.
2. It is a practice in a range of settings. One needs to understand diverse strands of governance in a range of settings. The processes of governance demand to be understood analytically and empirically as a set of practices, rather than through the lens of a 'wish list' of principles to be followed.
3. It is an intensely human activity. It is not undertaken by super-beings that are all-seeing and all-knowing. Governance is undertaken by human agents who are defined by bounded rationality— limited by their information processing capacities. It acknowledges the limits of human capacities and accordingly provides a choice of ways to effectively cope with those limitations of human cognition and understanding.
4. It is a political activity and is constrained by conflicting power positions and perceptions. Implicit in such a characterization is the assertion that governance is about coordination and decision-making in the context of plurality of views and interests. It involves bargaining and compromise, and winners and losers among actors with different interests and resources. Politics informs

governance in that it provides the raw material to customize governance arrangements to resolve problems and challenges to living together.

5. It is interactive. A decision-maker does not assume omnipotence in governance. Policy outcomes are not products of actions by central government alone but a result of interaction between several affected parties. The interactions between the stakeholders and government are quite often frictional owing to the incompatibility of the interests among them. The characteristic forms of social interaction in governance rely on negotiations, signals, communication and hegemonic influence rather than direct oversight and supervision.

Origins of the Concern with Governance

The term governance came into wide circulation with the end of the Cold War. More specifically, its roots can be traced to the prescription by donor agencies for carrying out economic and political reforms by recipients. There was an insistence on good governance and democracy as conditions of aid. These prescriptions were presented by international donor agencies such as the World Bank and the International Monetary Fund (IMF) as conditionalities and were expected to be met with compliance.

The first official appearance of the contemporary notion of Good Governance came in 1989 World Bank Report on Africa which identified poor governance as the main source of African crisis (World Bank 1989). It argued that underlying the 'litany of Africa's development problem is a crisis of governance by which was meant the exercise of political power to manage a nation's affairs. Since then the expression has attained the status of a mantra in the development discourse.

The World Bank recognised the centrality of political factors in Africa's economic decline and recovery. It acknowledged that policy reforms alone would not suffice to tackle the problem of economic stagnation. The state had to create an 'enabling environment' for the private sector with a supportive array of political, administrative, legal and economic institutions (Richard Sandbrook: 1995). Better 'Governance' said that the report is essential to economic recovery. Further, 'the main challenge of development was the establishment of state-society relations that are (a) developmental in the sense that they allow the management of economy in a manner that maximizes economic growth, induces structural change, uses all available resources in a responsible and sustainable manner in highly competitive global conditions; (b) democratic and respectful of citizen's rights; and (c) socially inclusive, providing all citizens with a decent living and full participation in national affairs. Good governance therefore should be judged by how well it sustains this triad' (Thandike Mkandawire: 2007).

The World Bank Report was followed by a steady flow of pronouncements on governance, democracy and development from many sources. Absorbing the primary thrust of World Bank's prescriptions, the UNDP, for instance, elaborated the concept by underlining that governance is 'the essence of economic, political and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their legal obligations and mediate their difficulties' (UNDP, 1997). It articulated governance in terms of eight major characteristics, that is, it should be participatory, consensus-oriented, accountable, transparent, responsive, effective and efficient, be equitable and inclusive and follow the rule of law. Governance, thus, became a checklist of criteria of managing public affairs.

The second reason for the surge of interest in governance is associated with Western governments. It is more political. Besides a concern for sound administration, it also includes an insistence on competitive democratic politics. The collapse of the Soviet Union and the East-European communist regimes was an important strategic factor which helped to shape the emergence of Western interest in promoting good