

# Governance

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## Introduction

In the 1980s and 1990s, urban scholars documented how “government” was being replaced by “governance” (Cochrane, 1989; 1991; Harvey, 1989; Imrie and Thomas, 1995; Pickvance and Pretceille, 1991). This process was principally concerned with the “growth in non-elected and quango (quasi autonomous non-governmental agencies) local institutions, the increased participation of business actors in local decision making (Peck, 1995; Peck and Tickell, 1995; Strange, 1997), and the introduction of new types of competition-based urban politics...” (Ward, 2000: 169-170). The governing of cities therefore underwent a transformation that brought in new actors into city hall, created new institutions and gave preference to the interests of business. David Harvey (1989) described this transformation as a shift from managerialism to entrepreneurialism:

“Put simply, the “managerial” approach so typical of the 1960s has steadily given way to initiatory and “entrepreneurial” forms of action in the 1970s and 1980s. In recent years in particular, there seems to be a general consensus emerging throughout the advanced capitalist world that positive benefits are to be had by cities taking an entrepreneurial stance to economic development. What is remarkable, is that this consensus seems to hold across national boundaries and even across political parties and ideologies” (4)

The shift from “government” to “governance” therefore involved the forms of, and motivations for, urban politics undergoing radical change.

Many have criticized the form of urban politics that emerged in the 1980s for its lack of concern for social welfare and regressive impacts on income distribution (for a recent example see Dorling, 2014). Raco (1999) claimed that “[t]he heightened emphasis on competition between places for public- and private-sector investment has led to the marginalization of issues that are seen as ‘negative’ or harmful to the cause” (271). This emphasis on the perceived benefits of private ownership (i.e. privatization) and a declining role of the state in remedying social problems has, of course, not simply concerned cities. These ideas have driven a broader remaking of the state (Brenner, 2004), where ideas of market intervention, social mitigation and welfarism have been replaced with an over-riding concern for economic growth, free markets and privatization (Harvey, 2005).

Although the shift to neoliberal governance has been dramatic, particularly in places such as the United Kingdom, some have questioned the extent to which the shift from managerial to entrepreneurial governance can be described in dualistic – before and after – terms (Imrie and Raco, 1999). For example, Ward (2000) argued that conceptualizing this transfer from government to government in dualistic

terms is only “partially revealing” (181). Instead, it is argued, “[T]here are a hybridity of possible (and potential) forms, incorporating a range of institutional frameworks, and modes of policy development and implementation” (ibid. 181). Put simply, the transition from urban government to urban governance has involved much continuity, as well as significant change. In attempting to conceptualize contemporary urban governance, it is therefore necessary to identify more specifically how government contrasts to governance. From this basis, our attention can then move to consider (i) why governance seems to have become the predominant conceptual approach used to understand how contemporary cities are regulated and controlled and (ii) understand what is particular about contemporary forms of governance. In terms of the latter, the end of the chapter will discuss how contemporary urban governance appears to have an uneasy relationship with notions of “good governance” within entrepreneurial/neoliberal ideology.

### **Theorizing Governance**

The term governance is used in numerous ways. People talk of “corporate governance”, “good governance” and “organizational governance”, amongst applications of the term. Often the “governance” is used to suggest something broader than government. It concerns a wider set of regulatory mechanisms that elicit – or demand – certain modes of behavior and organization (Foucault, 2008). Urban governance can therefore be understood as those modes of behavior and organization can occur within or through the city. For example, we might talk about certain lifestyles as types of urban governance. Or, we might talk about particular types of policy initiatives that bring together private and public actors as being a form of urban governance. Given there are so many different ways that urban societies are organized and regulated, it is difficult to conceptualize them all as a whole. It is therefore necessary to identify how urban scholars have used the concept of governance.

Urban scholarship is often concerned with the city as a political entity. Yet this can be interpreted in a variety of ways. Some look specifically at the ways that (urban) society formalizes political decisions and generates laws and institutions to uphold them (i.e. government). This can be broadened by thinking about how the state develops and/or enables certain practices and logics that condition people in particular ways (i.e. governmentality). Beyond this, we can look at both governmental and broader forms of social organization as mechanisms that (re)produce cities (i.e. governance). Here we will focus on the last of these perspectives: the city as a site of social coordination and reproduction (see Rose and Miller [1992] on governing beyond the state).

In order to think about the ways in which an incredibly complex social arrangement like a city is coordinated and reproduced requires a powerful theoretical basis. We must think about those core processes that cut through the immense variety of communities, peoples and practices that are present in cities. In this chapter I will draw on two political philosophers who have attempted to develop such theories: Jacques Rancière and Slavoj Žižek. Whilst neither of these theorists has specifically developed a theory of governance, both are concerned with thinking about how society is structured, how it reproduces itself, and how we can change it. As such, many urban scholars are now attempting to use their theories to generate an understanding of how the contemporary city reproduces itself (e.g. Dikeç, 2005; MacLeod, 2011)

The following sections will draw on both of these theorists to develop an understanding of urban governance. We will begin with Rancière's theory of politics (Rancière, 1999). This theory will enable us to think about what governance is and how it relates to questions of social change. We will then move onto Žižek's discussions of ideology (Žižek, 1989). In particular we will examine how Žižek's theories help us understand the perverse logics of contemporary urban governance, where seemingly illogical choices continue to dominate. The chapter's conclusion will introduce some political questions that emerge from contemporary interpretations of urban governance.

## Politics and Governance in the City

*"The triumph of the West, of the Western idea, is evident first of all in the total exhaustion of viable systematic alternatives to Western liberalism"* Francis Fukuyama, 1989

Above is a very (in)famous quotation from Francis Fukuyama's *End of History?* essay. In this piece Fukuyama claims that the end of the Soviet Union was a pivotal point in human history. For him it represented a point where debates about different types of social organization – what we might call forms of governance – had ended. The failed communist experiment – if that is what it was – had proven that only one type of government/governance was legitimate: liberal, democratic and capitalist. Since Fukuyama wrote this essay, he has been subject to all kinds of criticism. But it is hard to argue that he was wrong. Has the western mode of governance (i.e. liberal democratic capitalism) not become globally dominant? It is certainly difficult to find any mainstream debates about other legitimate forms of social organization. However, there is an important distinction many have made between the powerful nature of these ideas and their actual implementation into governance practices.

Jacque Rancière argues that democracy as it exists today certainly does not reflect the ideas it is founded on. To simplify Rancière's (1999) philosophy, democracy is founded on the idea of equality: one person, one vote. Other social arrangements do not have this founding principle. For example, you can have society organized and governed according to race (e.g. South Africa under apartheid), wealth (e.g. a plutocracy) or religion (e.g. religious states), amongst many other orders. In these examples, not everyone has the same right to govern; some are more powerful and influential than others. As such, they have different beliefs about legitimate government (e.g. the highest-ranking religious figures must decide since they are closer to god). What makes democracy unique is that nobody has a natural right to govern: democracy is "founded on the absence of any title to govern" (Rancière, 2006: 44).

Rancière uses this understanding of democracy to theorize politics. He argues politics are moments of social change whereby democracy is reaffirmed. This means that politics occur when an inequality is corrected and democracy (re)produced. Given that democracy, as a mode of governance, is legitimated via the idea of equality, all governmental actions are to be assessed accordingly.

This interpretation of politics gives us a criterion with which we can assess contemporary urban governance. We can ask if cities are governed in ways that are based on democratic or hierarchical forms of governance. Rancière uses the terms "policing" and "distribution of the sensible" to describe these governance arrangements. The latter term tries to capture the ways that society assesses what is possible or legitimate. If something is deemed insensible, it is often removed from public consideration; and therefore beyond the realms of political discussion. This term therefore indicates how Rancière's

political theory goes beyond the state in considering how society is governed. One example of the “distribution of the sensible” might be the ways in which societal understandings of race have changed in the United States. In 1950 it would have been difficult to find public discussion about an African-American president. To propose such an idea would have been popularly illogical (i.e. insensible) due to racist tendencies within that society.

Using this basic outlining of Rancière’s theory of politics, we can begin to assess governance in contemporary cities (see Davidson and Iveson, 2014). In the last 30 years, the city has been governed according to the logics of entrepreneurialism (see this volume). As an entrepreneurial city, governance must make a city more competitive. With cities fighting amongst each other for investments, middle class residents and tourists, cities, it is argued, must compete with other cities in order to maintain economic and social vibrancy (Harvey, 1989). Oftentimes this translates into slashing tax rates for corporations and developers, displacing undesirables and preferring some businesses over others. Those asked to direct such governance projects are those “in the know”. They range from policy advisors (e.g. Richard Florida, Jan Gehl, Charles Landry), to business owners, to political consultants.

### **Box 1 – about here**

When cities take the advice of these “experts” and respond to the demands of corporations, are they governing in a democratic manner? It is difficult to argue they are. It is clear some viewpoints are given preference over others. For example, the investor is prioritized over dissenting voices. The logics of entrepreneurialism are so pervasive that tax breaks and consultancy spending are often not offered up for public debate. Those who protest such governmental moves are often condemned for putting their own parochial interests in front of the city’s general well-being.

It is not difficult to see the problems of such urban governance. The city is seen to be coerced into certain decisions that are beyond the realm of debate and/or contestation. And, importantly, anyone who contests whether the dictates of entrepreneurialism should be ignored and/or subverted is viewed as illegitimate. Contemporary urban governance therefore contains within it a strange paradox. Its legitimacy rests on the claim that it is democratic. And yet its actions all too often rely on a technocratic rationale; that action must cohere to the dictates of external forces.

Entrepreneurial governance is therefore a powerful process of social coordination. Its influences extend far beyond instruments of government. It operates within widespread understandings about what cities should do. You can find it in comments about “what the city must do”, or “that wage cuts are inevitable in this economy” or “too much debate is getting in the way of the redevelopment proposal”. It has become embedded in what many people understand as the public interest; often to the extent that democratic decision making can be replaced by technocrats (Swyngedouw, 2009).

Since the advent of entrepreneurialism in the late 1970s, the transformation of urban governance has therefore not simply occurred in city hall. It has also occurred in public understandings of what the city does, who runs it and what it operates for (i.e. in the “distribution of the sensible”). This has given rise to a situation whereby the perceived ways in which a city can be organized are defined very narrowly. Put simply, most people believe cities have few choices but to adhere to certain logics. This inevitability –

what some call the “post-political” form of politics (Mouffe, 2005) – can be evidenced in a variety of discussions that see certain forms of governance as inevitable: income inequality must be excused since redistribution is anti-business; tax breaks must be extended, since businesses will flee; higher city rankings must be aspired to, since not pandering to such metrics would present the city as undesirable and unproductive (Davidson and Iveson, 2014).

When we constrain the governance of our cities in such ways, it is difficult to identify what makes them democratic. At one level, the city operates as a system of social coordination that makes them entirely facilitators of market processes (Harvey, 1989). This generates a technocratic set of processes and institutions that aim at enabling inter-city competition and growth. On the other hand, urban governance operates as a set of ideas; that urban governance is democratic and (largely) liberal. This elevates a set of ideas associated with democracy (e.g. participation, consultation and empowerment) that are often incongruous with the logics of entrepreneurial governance. How then do these two things co-exist? To answer this question, we must consider the ideological characteristics of urban governance.

### **The Ideologies of Urban Governance**

As we have seen, Rancière (1999) understands democracy as being founded on equality. Politics happen when moments of social change (re)produce equality; where an inequality is articulated and its remedy necessitates a change in that society which produced the inequality. Outside of these rare moments, society operates through a set of regulatory mechanisms that Rancière labels as “police” and “policing”:

“The police is thus first an order of bodies that defines the allocation of ways of doing, ways of being, and ways of saying, and sees that those bodies are assigned by name to a particular place and task; it is an order of the visible and the sayable that sees that a particular activity is visible and another is not, that this speech is understood as discourse and another as noise ... Policing is not so much the ‘disciplining’ of bodies as a rule of governing their appearing, a configuration of *occupations* and the properties of the spaces where these occupations are distributed (Rancière, 1999: 29; emphasis in original; cited in Davidson and Iveson, 2014: 5)

From this definition of “the police” it is clear that Rancière sees society as having an overarching regulatory arrangement; what we might call governance. Policing is concerned with the ways we do things, how we talk about things, and what is deemed appropriate (i.e. what is sensible). It precedes active disciplining in that regulation is deeply embedded in the ways we think and engage with the world around us.

The ideas that shape our governance arrangements, like democracy, liberty and freedom, should therefore be considered part of the police. As such, ideas that counter these – autocratic, collectivist, monarchy – might be deemed insensible. But, as much recent urban scholarship has argued, these ideas are often not enacted. As Rancière claims, contemporary police orders contain a deep paradox, where their claims to legitimacy are countered by the argument that the state must take the only actions possible. It must act because of necessity, not because of democratic decision-making.

In order to understand how this paradox of urban governance operates, we can turn to another contemporary political thinker, Slavoj Žižek. Žižek uses the concept of ideology to examine the ways we think. Unlike some other Marxists, Žižek does not view ideology as a form of false consciousness;

something that stops us seeing how things really are. Rather ideology is the way we structure our understanding of reality. It is the irremovable glasses we use to make sense of the world around us. As such, ideology can be said to take the form of fantasy, where we apply a set of ideas to interpret the world. Crucially, ideology is a social product. It can be thought of in the terms of language. Language is something we all share and we use it all the time to understand the world. We also know that language is unstable. Some words can change their meanings, leading to a cascading effect throughout our linguistic structures.

Ideology should be understood as “those discursive forms that construct a horizon of all possible representation within a certain context, which establish the limits of what is ‘sayable’” (Laclau, 2006: 114). The parallels to Rancière’s police are evident here. But I am interested here in the ways that Žižek finds ideology to be an active shaper of reality. That is to say, ideology has its own internal workings. Žižek’s extensive writings on ideology identify a huge array of ways that ideology operates. But here I want to focus on just one aspect. Namely, the ways in which ideology enables ideas about governance to be upheld (e.g. democracy) even when they are clearly not translated into practice (i.e. post-democratic urban governance).

To start understanding this seeming paradox we must acknowledge that we hold ideology at a distance. Žižek develops Marx’s idea of false consciousness to illustrate this. For Marx, workers had a false consciousness because they did not realize the exploitative nature of their employment. A significant contribution of Marx’s thought was to reveal to the working classes the hidden exploitation within capitalist production. Žižek finds this analysis dated. He claims that today we know lots of exploitation, amongst many other problematic processes. And yet this does not result in social change. The comprehension of a social antagonism does not necessitate a remedying action, even if our ethics and principles might demand it. He therefore claims that contemporary ideology is characterized by the fact that “even if we do not take things seriously, even if we keep an ironical distance, we are still doing them” (1989: 33).

We can apply this analysis directly to questions of urban governance. Take, for example, the continual bidding by cities for large-scale events such as the World Cup or Olympics. Time and time again, cities run into financial difficulties when preparing for the games. Cost overruns, unforeseen expenses and inefficiencies are all familiar news stories to those living in host cities. The most (in)famous examples of such speculative failures include Montreal’s 1976 Olympics, where it took the provincial government 30 years to pay of the debts associated with Olympic developments. In other host cities, the difficulties associated with calculating the full economic impact of the games has often led to costs being incorporated into long-term budgeting. For example, Sydney’s Olympic Park was constructed in the late 1990s to host the 2000 games. Yet efforts still continue today to make the site economically self-sufficient. This most symbolic of urban development agendas almost always involves a large initial investment with an unknowable return. This is hardly an investment deal that would be attractive at your local bank.

**Box 2 – about here**

## Figure 1 – about here

Across the numerous examples of loss-leading and debt-inducing events, one is therefore encouraged to ask the question: why do cities keep bidding for the mega-events? An obvious answer to this question is that cities do not have much of a choice. It is generally understood that the range of policy and development choices that cities can make is severely limited. So, bidding and hosting an event is simply all the city can do. It either develops in this manner, or does not develop at all. To some extent, this answer is correct. But this answer is restricted to the realm of government and governmentality. We need to look at questions of governance if we are to factor in our answer why there remains a political and popular desire to pursue development projects that offer little in terms of secure returns.

Translated into Rancière's terms, we might therefore consider the complex collection of understandings, logics and legislative structures that make hosting an event the obvious option for city development part of "the police". Some types of economic and urban development that operates outside of these structures are literally policed, in the sense that it becomes contrary to societal rules. Mega-event bidding and development is simply the "sensible" option. Other options, which might include the state funding small scale cooperative enterprises or the state itself forming companies to produce things, are deemed "insensible". To stand up at a public meeting and suggest such alternatives might give you the impression that you are talking another language. Not only that, you might be accused of endangering the general well-being of the city by proposing unworkable development solutions.

Yet Rancière's understanding of "the police" is not restricted to apparent governmental structures, since it extends to governance. The police justifies itself according to certain ethics and logics. In democratic societies, government and governance is legitimized by the moral principles developed from democratic thought (i.e. equality). Government and governance should therefore reproduce the conditions of equality. This means that when an inequality is presented, the police order (i.e. society) should confront that clash in order that the inequality be corrected and society remain legitimately democratic: "For politics to occur, there must be a meeting point between police logic and egalitarian logic" (Rancière, 1999, 34). What this understanding of politics relies upon is a foundational enlightenment premise. That when a (social) contradiction becomes evident, this contradiction will be worked out and a new entity (i.e. society) emerges that transcends the contradictory state.

This dealing with contradictions can be illustrated simply. Imagine you eat something and it makes you sick, you are dealing with an antagonism: your food does not operate as nutrition. The logical response is therefore to stop eating the thing which makes you sick. This basic philosophical premise is foundational in our police orders. Watch the daily news and it is full of problems being reported, most of which are accompanied by an implicit or explicit message that something must be done (i.e. the contradiction dealt with). If we return to urban development as mega-event, we find our philosophical foundations operating in a strange manner. We produce these developments (i.e. eat this food), but they more often than not fail (i.e. make us sick). So why do we keep doing this? What is happening in our governance processes that continue these illogic activities?

For Žižek, the answer lies in how our ideology now works. Our police operates and is legitimated by premises (i.e. equality, liberty etc.) that are no longer taken seriously. Governance therefore tends to be deeply cynical. The idea that current modes of urban development run contrary to what we believe our

governance structures should be doing is therefore already factored into our understandings. So, yes we know that hosting a mega-event will not produce the jobs, societal benefits and infrastructure that are promised, but we proceed as if we do not know this. Indeed, Žižek argues the agents of governance incorporate this societal cynicism into their actions:

‘Cynicism is the answer of the ruling culture to this cynical subversion: it recognizes, it takes into account, the particular interest behind the ideological universality, the distance between the ideological mask and the reality, but it still finds reasons to retain the mask ... This cynicism is therefore a kind of perverted “negation of the negation” of the official ideology: confronted with illegal enrichment, with robbery, the cynical reaction consists in saying that legal enrichment is a lot more effective and, moreover, protected by law.’ (Žižek, 1989, pp. 29–30)

Those broader societal processes that produce a system of governance are here found to have a strange logic, where the illogical outcome of actions (i.e. contemporary forms of urban “development”) does not result in a governance tension. Having contemporary urban development processes not work – for most people, and for those most in need – does not therefore seem to be an action-necessitating governmental (i.e. political) and/or governance (i.e. societal) problem.

## Conclusions

Using Rancière’s theories of the police and politics to conceptualize governance allows us to see how societal ideas shape the ways in which we approach, interpret and contest urban development. It also shows us that in democratic societies, there is a requirement that all socio-political actions re-inscribe the equality of peoples in order that government and governance remains legitimate. Where equality is not re-inscribed – such as when certain perspectives about what to develop are not permitted, or the particular outcomes generated by development are unjustifiable – then this type of government should be deemed illegitimate according to our governance ideology.

When we look at the paradigmatic modes of urban development and urban politics, it is clear that we often pursue urban changes that are contrary to our understandings of what they are meant to achieve. Any yet, governments still bid for mega-events and most city residents continue to support them. For philosophers like Slavoj Žižek, this presents a critical problem: how do we solve societal and political problems when the manifestation of problems does not necessitate a corrective response? How is it that we cynically go on with types of urban governance that are divisive, unproductive and, at times, outright corrupt?

Over the past 40 years, urban governance has been critical in the production of social inequality, political indifference and the concentration of power. Entrepreneurial urban politics have benefited only a small section of city dwellers, particularly in those places where these politics have been pursued the most aggressively. Yet this mode of governance has become engrained in the ways that we think cities run. Both inside and outside of government buildings, we understand the parameters of urban governance to be narrowly defined. When the whole rationale of urban governance becomes undermined by its outcomes, we are yet to see a substantive countermovement; what Rancière might call “politics”. As Žižek argues, this might be something to do with the ways that we all think about

societal contradictions and antagonisms. That is to say, from a cynical viewpoint that has us carry on as though we do not know how illogical things really are.

The challenge for those studying urban governance today is therefore to (re)discover a type of politics that makes urban governance up for debate and discussion; where our police order is open for questioning and reform. Whether this means returning to the ancient premises of democracy (ala Rancière) or coming up with a new theory of everything (ala Žižek) is unclear. Yet it seems critical urban scholarship has an important role to play in this project by exposing and interrogating those moments of disagreement, contestation and political imagination that have always been present in the city.

### Key References

Davidson, M. and Iveson, K. (2014) 'Recovering the politics of the city: From the 'post-political city' to a 'method of equality' for critical urban geography', *Progress in Human Geography* [online early]

- This paper outlines a method for understanding contemporary urban governance using Rancière's theory of politics.

Harvey, D. (1989) 'From Managerialism to Entrepreneurialism: The Transformation in Urban Governance in Late Capitalism', *Geografiska Annaler. Series B*, 71: 3-17

- A seminal paper that identified the main characteristics of neoliberal, entrepreneurial urban governance.

Rancière J (1999) *Disagreement: Politics and Philosophy*, trans. Rose J. Minneapolis: University of Minnesota Press.

- The text that Rancière most explicitly sets out his theory of (democratic) politics. In recent years, this theory has become very influential with urban scholars interested in understanding the tensions within contemporary urban governance.

Ward, K. (2000) 'A critique in search of a corpus: re-visiting governance and re-interpreting urban politics', *Transactions of the Institute of British Geographers*, 25: 169-185

- A paper that carefully examines the precise nature of the shift from government to governance within cities during the 1980s

Žižek, S. (1989) *The Sublime Object of Ideology*. London: Verso.

- Žižek's first major English language text that sets out his Lacanian inspired reading of Marxism and Marx's theory of ideology.