1. Introduction to the *Handbook on Governance and Development*

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**THE GOVERNANCE AND DEVELOPMENT CONCEPTS**

The various contributions to this *Handbook on Governance and Development* take stock of how, all in their own particular arenas and domains, governance arrangements and processes relate to issues of development, both in theory and practice. Together, the chapters illustrate the complexity and multiplicity of the relationship between the two phenomena: how specific forms of governance impact on development and, vice versa, how expressions and trends of development influence governance concerns.

Due to the breadth of the literature on governance, definitions of the phenomenon abound. In a textbook that attempts to take stock of the various meanings of the concept of governance, Bevir (2009: 3–4) indicates that the term can be used to analyse anything from specific changes in the nature and role of the state to any pattern of rule. Given the variety of the work on governance and development, we do not want to set too strict definitional boundaries in this *Handbook*. We subscribe to the general understanding of governance as the collective set of arrangements for societal decision-making. Hyden et al. (2004: 16) have provided a very useful general definition of governance as ‘the formation and stewardship of the formal and informal rules that regulate the public realm, the arena in which state as well as economic and societal actors interact to make decisions’. As indicated by Offe (2008: 61), the term governance refers to both structures and processes, in other words, to institutions as well as the practice of steering that occurs within those institutions.

Similar to the concept of governance, development has given rise to a wide variety of understandings. While many audiences would identify development with progress and general improvements in the quality of life of individuals or collectives, some scholars, such as those associated with the post-development school, see development as inextricably linked to over-production, environmental degradation and diminishing cultural diversity (cf. Sachs 1992). The ambiguity of the development concept has been captured by Frank (1986: 231) who likened development to a Trojan horse, because ‘[i]t is an empty word which can be filled by any user to conceal any hidden intention’, while it is at the same time ‘simply a useful word to describe the achievement of desirable goals’ (Frank 1986: 231). Next to the conceptual controversies, development has given rise to disagreement about its empirical reach.

Many authors have traditionally associated development with specific groups of countries (called developing countries or currently the Global South), while other development scholars have focused more and more on global issues, such as human rights, worldwide challenges to health, and climate change. In this *Handbook*, we take a broad approach to development and understand it in terms of long-term social, economic and political transformation, without pre-judging its positive or negative overtones, which may apply both specifically to the countries of the Global South and to trends operating at the global level, including the Global North.
Next to analyses of immanent development, which is the expression of broader historical processes of structural change, the Handbook includes contributions dealing with intentional or planned development. The latter are development interventions that aim to bring about transformation, often with the intention – yet not necessarily the outcome, witness the critical observations made above – of improving social, economic and/or political processes.

ORIGINS OF THE GOVERNANCE CONCEPT

The governance concept – at least in its current usage – is of relatively recent origin. Political science, public administration and law, as the main disciplines that are associated most readily with the analysis of governance structures and processes, already had concepts available to deal with aspects of societal decision-making. Notably, ‘politics’, ‘government’, ‘institutions’ and ‘regulation’ are the most common concepts used for analysing the way in which collective arrangements take shape, are challenged and get reorganized.

The real growth in the governance literature with a focus on societal processes of decision-making started at the end of the 1980s, although there are signs that the concept had been used much longer already in a much more limited meaning. A scan of publications registered in the International Bibliography of the Social Sciences from 1952 to 1985 reveals 169 mentions of the term governance. Many of these refer to urban or municipal, university or corporate governance, while a minority seems to have been using ‘governance’ as a synonym for ‘the way of governing’. The relatively frequent use of the term in a few journals (the international relations journal Foreign Affairs and the anthropological journal Bijdragen tot de Taal- Land- en Volkenkunde) demonstrates its popularity among a subculture of social scientists.

When we look at the usage of the governance concept in the 35 years between 1985 and 2019, it becomes clear that the attention to issues of governance has become prevalent across the social sciences. Figure 1.1 illustrates the growth in the use of the concept in both absolute and relative terms. The solid line in the figure shows that the term governance was used in approximately 1,000 academic publications in 1996 and that the usage of the term stabilized in the 2010s, when it was used annually in close to or over 9,000 publications. The dotted line indicates that the governance concept has been applied in relative terms ever more frequently since the 1990s; it reached its peak in 2019, when it was used in over 8.2 per cent of all publications registered in the International Bibliography of the Social Sciences.

The original attention to governance institutions and practices in the social sciences seems to derive, as Colebatch (2009: 60) has argued, from the desire to distinguish different modes of governing from one another: modes of ‘rule by self-organizing networks’ instead of ‘rule by direction’ or, as others have called governance, modes of ‘governing without government’ (Rhodes 1996; cf. Peters and Pierre 1998; Rosenau and Czempiel 1992). Offe (2008: 65) refers to this usage as a ‘counter-concept’ (or in his original German version, a ‘Gegenbegriff’). In this context, governance was applied to emphasize institutionalized but still informal modes of interaction among actors, who are not only cooperating to further their own interests but also wish to contribute to the collective interests of a particular political community or economic enterprise and who do so outside of the hierarchical realm of government.

Gradually, governance became subject to ‘conceptual stretching’ (cf. Sartori 1970: 1034) as the term obtained a more general connotation. The concept came to be used as ‘a way of
encompassing all modes of governing’ (Colebatch 2009: 61), or as an ‘over-arching concept’ (‘Oberbegriff’, Offe 2008: 67): it ‘seemed to become less of an analytical construct than a way of classifying the actors’ accounts’ of governance and public sector reform (Colebatch 2009: 61).

GOVERNANCE AND DEVELOPMENT

In parallel with the general trend toward using the term in the academic literature, the governance concept has been applied with increasing frequency in the study of development. Governance analyses rose to prominence through academic studies of informal rule in a range of developing countries, including, but not necessarily limited to, Africa. Authors such as Migdal (1988), Médard (1991) and Chabal and Daloz (1999) became known for their analyses of state–society relations, neopatrimonialism and the façade-like character of constitutional arrangements. Next to the analysis of governance in the academic literature, notions of governance were applied with increased vigour in policy reports. The World Bank played a key role in popularizing the usage of governance through analyses of the success and failure of economic adjustment policies, and was highly instrumental in the formulation of the normative good governance agenda, which was taken up by development agencies worldwide (cf. Offe 2008: 66; Colebatch 2009: 60; see further Chapter 21 in this volume).

The concentration on governance arrangements in policy circles deserves special attention because of its importance for discussions on a range of development-related issues across several decades, from the early 1990s until well into the twenty-first century. As argued elsewhere, attention to the governance–development nexus has gone through at least three phases (Hout and Robison 2009: 2–5). The first phase coincided with the implementation of
the Washington Consensus. This was the heyday of structural adjustment and the adoption of policy precepts of liberalization of economic activity, deregulation of markets and privatization of state functions (Fine 2001). The World Bank’s focus on governance – which was a favoured term because article 4, section 10 of the IBRD’s Articles of Agreement prohibits ‘political activity’ and limits the Bank’s decisions to ‘only economic considerations’ – originated in two reports on the development of sub-Saharan Africa, which ascribed the failure of development policies to governance deficits (World Bank 1981, 1989). The World Bank defined governance as a management tool, emphasizing technocratic interventions: governance was understood as ‘the manner in which power is exercised in the management of a country’s economic and social resources for development’, and the Bank limited its focus to ‘the rules and institutions which create a predictable and transparent framework for the conduct of public and private business and to accountability for economic and financial performance’ (World Bank 1991: 1).

The second phase in the thinking about governance and development in policy circles saw the emergence of the notion of ‘good governance’. This normative concept was used in the landmark OECD report *Shaping the 21st Century* (Development Assistance Committee 1996) and was subsequently placed centre-stage in World Bank publications such as *Assessing Aid* (World Bank 1998). This second phase was later dubbed the post-Washington Consensus by World Bank chief economist Joseph Stiglitz. This was the phase in which the attention to macroeconomic fundamentals was felt to be too restrictive, and government regulation of markets was felt to be needed to ensure successful development. As Stiglitz (1998: 1) formulated it, ‘Making markets work requires more than just low inflation; it requires sound financial regulation, competition policy, and policies to facilitate the transfer of technology and to encourage transparency, to cite some fundamental issues neglected by the Washington Consensus.’ The World Bank’s *World Development Report 2002* contains a much-expanded understanding of good governance, which was going to guide many development policies in the years to come. The report mentioned the following elements of good governance, which were seen as institutions that would enable markets to function properly:

[T]he creation, protection, and enforcement of property rights … the provision of a regulatory regime that works with the market to promote competition … the provision of sound macroeconomic policies that create a stable environment for market activity … [and] the absence of corruption, which can subvert the goals of policy and undermine the legitimacy of the public institutions that support markets. (World Bank 2002: 99)

The limits of the essentially normative good governance agenda became clear over time, as the usefulness of its overly idealistic objectives was questioned. As Grindle (2017: 17) commented, ‘like a balloon being filled with air, definitions of ideal conditions of governance were progressively inflated, and increasingly unhelpful to those concerned about how to get there’. The realization that ‘good governance’ was not helpful from an analytical perspective led to the third phase in the thinking on the relationship between governance and development, as ‘politics’ started to get a more prominent place. Spurred by academic advisers, development policy-makers increasingly realized that governance arrangements cannot be comprehended in a vacuum, but that they need to be seen against the background of underlying political-economic structures, and thus require a concern with power, politics and social conflict.
Various political-economy assessment programmes, such as ‘Drivers of Change’ at the UK’s Department for International Development (DFID), were developed to incorporate appraisals of power structures into governance reform projects (Warrener 2004; cf. Carothers and De Gramont 2013; see further Chapter 21 in this volume). Moreover, several development agencies recognized the need to ‘work and think politically’, which was most prominent in the establishment of the Developmental Leadership Program (DLP) in 2006 with funds from the Australian Aid programme (Developmental Leadership Program 2021; Hudson and Leftwich 2014; cf. Dasandi et al. 2019).

Other research programmes that were funded by development agencies included the Centre for the Future State, the African Power and Politics Programme (APPP), the Tracking Development and Developmental Regimes in Africa (DRA) initiative, and the Effective States and Inclusive Development (ESID) Research Centre. The Centre for the Future State at the Institute of Development Studies at the University of Sussex was funded by DFID from 2000 until 2010 (Centre for the Future State 2010). The APPP was located at the Overseas Development Institute (ODI) in London between 2007 and 2012 and was supported by DFID and Irish Aid (ODI 2021; Booth and Cammack 2013; Kelsall 2013). Tracking Development and DRA were implemented by the Leiden-based African Studies Centre between 2006 and 2016 and were funded by the development division at the Dutch Ministry of Foreign Affairs (African Studies Centre Leiden 2021a, 2021b; Van Donge et al. 2012; Berendsen et al. 2013; Henley 2015). ESID was run at the University of Manchester between 2010 and 2019 and was supported by the UK’s Foreign, Commonwealth and Development Office (ESID 2020).

THEORETICAL APPROACHES TO GOVERNANCE AND DEVELOPMENT

Inevitably, the governance–development nexus has led to much theorizing involving strongly opposing theoretical positions. A very influential set of thoughts about the relationship between governance and development has traditionally been brought forward from a liberal perspective (see also Chapter 2 in this volume). Inspired by classical social theorists such as Max Weber, the so-called modernization approach embarked on building a theory of political development (e.g., Almond and Coleman 1960; Huntington 1968). Starting from the distinction between ‘traditional’ and ‘modern’ societies, modernization theorists argued that modern political systems show increasing structural differentiation or specialization. In Gabriel Almond’s words:

What is peculiar to modern political systems is a relatively high degree of structural differentiation (i.e., the emergence of legislatures, political executives, bureaucracies, courts, electoral systems, parties, interest groups, media of communication), with each structure tending to perform a regulatory role for that function within the political systems as a whole. (Almond 1960: 18)

Shining through in Almond’s and others’ interpretations of modernity is the differentiated, Western political system, characterized by liberal democracy. This view is expressed also in the ‘new modernization’ approach advocated by political scientists Ronald Inglehart and Christian Welzel in interpreting findings from the World Values Survey. They argue that democracy is the likely outcome of social and economic modernization:
A connection between economic liberalism and the spread of democracy is evident also in the work of scholars who are lauding the achievements of so-called liberal internationalism. Although liberal enthusiasm about the ‘end of history’ and the ‘victory of economic and political liberalism’ (Fukuyama 1989: 3) was generated during the unipolar moment after the end of the Cold War and the collapse of the Soviet Union (Mearsheimer 2019), various liberal scholars are still expecting that the liberal international order will overcome the current crisis that is characterized by the growth of authoritarian regimes and the popularity of an alternative (Chinese) ‘project of modernity’ (Ikenberry 2020: 287–288).

Although liberal approaches to governance and development continue to be very popular, competing lines of thought have emerged, partly in response to those liberal understandings. The most important challenger to liberalism is probably the ‘historical materialist’ or ‘historical dialectic’ school of neo-Gramscian political economy, which is associated with the work of Robert Cox and Stephen Gill as its most prominent advocates (see also Chapter 9 in this volume). In this line of analysis, governance is understood in relation to ‘hegemonic world order’, which is the economic and political arrangement that operates in the interest of dominant classes (Cox 1992: 176–180).

The market-oriented, neoliberal hegemonic order is rooted in a set of international and transnational institutions that can be understood as building blocks and supporters of a ‘new constitutionalism’, which implements a ‘disciplinary neoliberalism’ (Gill 1998, 2014). Neoliberal rhetoric serves as an ideological tool that is used to legitimize the current world order. New constitutionalism is understood as its ‘discourse of governance’, the aim of which is ‘to allow dominant economic forces to be increasingly insulated from democratic rule and popular accountability’; it ‘operates in practice to confer privileged rights of citizenship and representation to corporate capital and large investors’ (Gill 1998: 23). Actors such as the World Bank, the International Monetary Fund, the Group of Seven (G7) and transnational corporations operate to discipline governments, labour organizations and civil society actors to conform to the requirements of capital (Gill 1998: 37). The main dimensions of new constitutionalism are: the subjection of the state to market discipline by imposing deregulation and privatization; the liberalization and expansion of markets for capital, goods and labour to enable processes of capital accumulation; and the depoliticization of the economy (Gill 2014: 38–41).

A different branch of Marxist governance theorizing has been developed by the French regulation school, which is connected most clearly with the work of economist Robert Boyer. Regulation theory offers an interpretation of the historical evolution and diversity of capitalism across the world. In essence, the regulation approach relates various political and economic institutional arrangements to development outcomes. In Boyer’s (2016: 364–365) view, four institutional forms are central to the explanation of the emergence of ‘growth regimes’: the wage–labour nexus, relating to the division of labour and the process of wage setting; forms of competition; the role of the state; and the nature of the international regime and the integration of countries into that regime. Boyer (2016: 373) explains the development outcome in particular countries in relation to the mode of regulation that emerges from the institutional forms and its interaction with the specific regime of accumulation that is dominant in those countries.
Next to the liberal and neo-Gramscian approaches to governance and development, there are various other theoretical positions that shed light on these concepts and their interrelations. On the whole, such approaches seem less driven by specific ideas and expectations about development outcomes of certain governance arrangements, and are more dominated by their analytical orientation and their focus on certain explanatory patterns or dimensions. In the context of this introductory chapter, it is useful to pay attention to the so-called new institutionalisms, constructivist approaches and post- and decolonial analyses of governance and development.3

Following Hall and Taylor (1996), it has become very common to distinguish three ‘new institutionalisms’ that emerged in political science in response to ‘behavioural’ explanations of political processes (see also Chapter 3 in this volume). Historical, rational choice and sociological institutionalism all focus on institutions in the explanation of particular political outcomes. Historical institutionalism tends to focus on the genesis and durability of institutions understood as formal and informal procedures and norms that constrain behaviour. The focus of historical institutionalist analysis is often on so-called ‘path dependencies’ and on the way in which change comes about at ‘critical junctures’. Rational choice institutionalism starts from the assumption that actors have fixed preferences and act as utility maximisers. Institutions are important in explaining actors’ choices by their impact on the alternatives that these actors have and by reducing uncertainty about the intentions of other players. Sociological institutionalism shares an attention for culture, norms and identities with constructivist approaches. This third variant of institutionalism relies on explanations deriving from a ‘logic of appropriateness’, which does not derive from the utility of choices, but from convictions about what is the right or best choice for an actor in a particular situation.

Next to the three new institutionalisms that were distinguished by Hall and Taylor (1996), Schmidt (2010) has situated a fourth variant, which she labelled discursive institutionalism. Schmidt argues that, while the first three forms of institutionalism are most appropriate for understanding continuity rather than change, the discursive variant is better in explaining political change in particular institutional contexts. In her understanding, discursive institutionalism ‘is an umbrella concept for the vast range of works in political science that take account of the substantive content of ideas and the interactive processes by which ideas are conveyed and exchanged through discourse’ (Schmidt 2010: 3).

Social constructivists focus in general on the meaning of social phenomena for individual actors and groups of actors. Bevir (2007) situates the constructivist analysis of governance in opposition to positivist approaches that try to understand behaviour in reference to objective social facts, and calls for attention to ‘situated agency’. Contrary to institutionalists, constructivists claim that they do not take institutions for granted (Bevir 2007: 29) and that they wish to analyse those very institutions in terms of the meanings they have for individual actors operating in a social context. This leads to quite a strong emphasis on contingency, which implies that explanations of governance outcomes must take in assessments of the views and understandings of actors: for this reason, constructivists tend ‘to focus on the multiplicity of conflicting actions and micro-practices that come together to create practices of governance’ (Bevir 2007: 42).

Postcolonial and decolonial analyses of governance and development have a shared interest in the unequal impacts of global power relations on vulnerable segments of the population across the Global South. Marginalized groups – or ‘subalterns’ as they are frequently called – are central to postcolonial theory, because they are seen to suffer most from colonial or imperialist practices (Noxolo 2016: 42). Subalterns are impacted not just by global power relations,
but also by local ones, expressed in the roles of ruling elites in postcolonial countries – in the words of Achille Mbembe (2001: 43), this is the inequality that sprung from ‘the links that the postcolonial potentate wove between the production of violence and the arrangements for allocating privileges and means of livelihood’.

Decolonial theory does not limit itself to political expressions of inequality, but rather focuses on practices of knowledge formation and emphasizes the need to ‘delink from the epistemic assumptions common to all the areas of knowledge established in the Western world since the European Renaissance and through the European Enlightenment’ (Mignolo and Walsh 2018: 106; see also Chapter 4 in this volume). By focusing on ‘epistemic practices’, decolonial scholars wish to question common understandings of rule and governance that have been expressed in ‘the Western geopolitics of knowledge’ and replace the universal claims to understanding the world with ‘pluriversal perspectives and standpoints on the modern/colonial matrix of power’ (Mignolo and Walsh 2018: 2, 9).

THE MULTIFACETED RESEARCH AGENDA OF GOVERNANCE AND DEVELOPMENT

Together, the contributions in this Handbook are an expression of the various dimensions of the research agenda on issues of governance and development that has been built in recent decades. In bringing together contributions on a range of topics and from a variety of perspectives, the Handbook illustrates the multidisciplinary and diverse nature of the scholarship on governance and development.

An important part of the research agenda is the reflection on theoretical perspectives that inform studies of governance and development issues. Some of these perspectives were identified in the previous section, and some are discussed more profoundly in Part I of this Handbook. Liberal approaches are analysed by David Williams in Chapter 2, while Karim Knio focuses on institutionalist interpretations in Chapter 3 and Rosalba Icaza discusses decolonial theories in Chapter 4. Various other theoretical approaches are applied in the chapters in Parts II and III of the Handbook, such as neo-Gramscian political economy (Hameiri and Jones, Chapter 5, and Carroll and Jarvis, Chapter 9), neo-Weberian state theory (Nem Singh, Chapter 7; Morgan, Chapter 8; and Von Soest, Chapter 10) and feminist political economy (Hutchison and Sinclair, Chapter 18). Theoretical diversity is an important element of the study of governance and development, and this is therefore represented in the contributions in this Handbook.

Crucially, accounts of the relationship between governance and development reflect on transformations of the role of the state in modern society. The contributions in Part II of the Handbook analyse the variegated impact of processes of globalization, neoliberalization and development on the role and functioning of the state. Hameiri and Jones (Chapter 5) discuss the relationship between globalization and state transformation, while Morgan (Chapter 8) focuses on the regulatory state, and Carroll and Jarvis (Chapter 9) analyse the process of marketization. Political dynamics involving the state are discussed by Doorenspleet (Chapter 6 on democratization and authoritarianism), Nem Singh (Chapter 7 on the developmental state), Von Soest (Chapter 10 on neopatrimonialism), Ramanujam and Farrington (Chapter 11 on rule of law), Tsegaw (Chapter 12 on state fragility, state failure and state building) and Marquette and Peiffer (Chapter 13 on state capture, corruption and anti-corruption).
Introduction

Societal and policy-related aspects of governance and development are analysed in the contributions in Part III. Chapters in this part reflect on how governance processes are shaped by societal actors and how governance arrangements are reflected in concrete policy approaches. The focus here is on processes and policies related to sustainable development and climate change (Gupta and Prodani, Chapter 14), poverty and inequality (Fosu and Gafa, Chapter 15), civil society (Biekart, Chapter 16), human rights (Arts and Misiedjan, Chapter 17), gender (Hutchison and Sinclair, Chapter 18), natural resources (Hatcher and Roy-Grégoire, Chapter 19) and conflict (Hughes, Chapter 20).

A specific element of the governance and development agenda is how governance has appeared in development policies. The question of how governments and international organizations have incorporated governance issues in developing countries in their external policies is addressed in the contributions in Part IV of the Handbook. Molenaers and Hout (Chapter 21) focus on the governance policies of bilateral and multilateral development agencies, while Cheema (Chapter 22) zooms in on the concept of democratic governance that has been promoted by the United Nations Development Programme (UNDP). Finally, Ferry and Swedlund (Chapter 23) discuss what is the role of governance in the external and development policies of emerging powers, such as China, India and Brazil.

NOTES

2. The difference between the absolute and relative usage of governance appears to be caused by the decrease in the number of publications registered in the International Bibliography of the Social Sciences since 2013.
3. It is not possible to do justice to the literature on governance and development in the context of this introductory chapter. Some applications of these theoretical perspectives to issues of governance and development include: Kang (2014) on the new institutionalisms, Van Assche et al. (2014) on constructivism, Murphy and Jammulamadaka (2017) on postcolonial theory and Sabaratnam (2017) on decoloniality.

REFERENCES


