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NETWORK GOVERNANCE BETWEEN PUBLICS AND ELITES

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Network governance between publics and elites
First and very rough draft.

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In a world supposedly marked by globalization, fragmentation, increasing complexity and speed, political life has undergone a transition from "government to governance". At least, this has become the core assumption of an increasing amount of social and political theory. A core concept in the debate about this transition from government to governance is the concept of "network". All though notoriously evasive and metaphoric the concept of network has been given the duty of explaining the core of the transition from government to governance as a movement away from both state and market towards the use of networks to reach and uphold political – collectively binding – decisions. All though still an issue of debate, it seems fair to say that this claim about the rise of network governance constitutes the core of a research programme under construction, loosely coupling researchers from such diverse fields as IR (Rosenau 1969; Rosenau and Czempiel 1992), EU-studies (Peterson 1995; Rise-Kappen 1996; Sbragia 2000), public administration (Rhodes 1997; Bogason 2000; Rhodes 2000), institutional theory (March and Olsen 1995),poststructuralist political theory (Hardt and Negri 2000)) and sociology, broadly speaking (Castells 1997; Luhmann 1997).

However, critical voices has been leveled against network governance from the perspective of democratic theory (or normative political theory in a wider sense), since network governance does not guarantee the democratic virtues associated with the traditional decision-making procedures of state (constitutional) institutions or even sometimes associated with market. But apart from the fact that network governance is "not state" and "not market" it often tends to be less clear what exactly the problem is with network governance. Criticism tends to circle around notions of "closure", "inaccessibility", "limited or no accountability" and so forth. Two things may be noted here. First, that the democratic principles used for this assessment is often less than clear. This may be a somewhat trivial observation, but none the less a relevant one. More importantly however, is the fact that when the democratic principles referred to *do* seem reasonably clear, they almost always fall within the participatory or deliberative strand of democratic theory. Assessments from an alternative perspective – such as elite theory – are not often seen (Etzioni-Halevy 2003).

This paper seeks to contribute to such an assessment of network governance from the perspective of elite theory. Perhaps not surprisingly, the assessment of network governance turns out somewhat more favorable than is usually the case. Network governance is certainly not without problems, but it is in many ways a democratically

viable response to the challenges of modern society. In order to state this claim, it seems important to avoid concerning oneself with the core assumptions of elite theory itself and offer some thoughts on the problem with the demands imposed on network governance by the more participatory and deliberative strands of democratic theory. To this end, I shall focus on the democratic principles associated with *the public* or *publics*, since almost any criticism against network governance is leveled in the name of the public. Obviously, this implies leaving out the many detailed differences between traditions and sub-traditions of democratic theory. Instead, the distinction between *public(s)* and *elite(s)* is made a core distinction of democratic theory and by implication the most important distinction for an assessment of network governance. In light of these considerations, the paper proceeds through four steps: 1) clarification of the notion of network governance 2) assessing network governance from the viewpoint of the democratic theory of the public and 3) assessing network governance from the viewpoint of the democratic theory of elites.

Network governance – society, rule and state

As mentioned, the debate on the change from government to governance is very inclusive and comprises literature from relatively different strands of research. Moreover, the conceptual framework around the basic notion about the change from government to governance is far from always as precise as one could hope for. One of the more promising attempts in this regard is the use of *modern systems theory* (to a very large parted framed by Niklas Luhmann) as a foundation for the establishment of some basic propositions implicated in the transition from government to governance. At least, the following takes such an approach as its cue, all though it should be noted that the propositions differ somewhat from earlier work in this direction, mainly associated with the so-called "Dutch school" of governance studies, (Koimann 1993; Kooiman 2000). This is mainly due to the fact that the use of modern systems theory has been somewhat superficial so far. Following modern systems theory more closely, some of the basic propositions implicated in the transition from government to governance would be the following, employing a simple distinction between form of society, form of rule and form of state.

1) A functionally differentiated world society (form of society)

As a sociologist, Luhmanns primary enterprise was a theory of society. In this respect, his magnum opus "Die Gesellschaft der Gesellschaft" (Luhmann 1997) is to be regarded as the consummation of the work he began approximately 30 years earlier. Two

points are especially important in this context. First, that there is only one society; world society. Secondly, that the primary form of differentiation within this world society is functional differentiation.

As regards the notion of world society, Luhmann's claim is still all but accepted. The notion of society traditionally implies a territorially delimited space corresponding more or less to that of the state. Or in other words: the notion of society was always tied to the notion of state. For Luhmann, society has long since gone beyond the state in the sense that society has seized to be dependent upon the territorial fixation that is the core of the state. Society has become deterritorialized to such a degree that it only finds it territorial limitation literally speaking at the end of the world. The intermediary account in this argument is that society exists of nothing but communication and since society only consists of communication, world society comes into being the minute the world is discovered as one common "sphere of meaningful communication". In this instant, any communication is potentially reachable from any other communication. When exactly this takes place is a matter of empirical debate, particularly about the development of communication media (in a wide sense), but if one accepts the premise it should be possible to see that society seizes to be dependent on territorial fixation and becomes a world society.

The second point about society also goes against common knowledge about society. Almost any other concept of society implies some sort of normative of functional integration within the territorially delimited space. For Luhmann however, world society has no integrative force to bridge is differentiating force. To view society in terms of its form of differentiation – and certainly also *functional* differentiation – is a classic sociological enterprise. But whereas the classic studies within sociology tended to see differentiation as an aporia of modern society to be overcome, Luhmann sees no unity of beyond differentiation, either in the form of normative or mechanic integration. This rejection of unity pushes the argument back into the theory of communication and to put a long story short; to the claim that communication can never be identical with itself in the final instance. The relevant question then becomes what *form of differentiation* is dominant in a society at a certain point in time and for Luhmann, the primary form of differentiation has been functional differentiation since that beginning of the modernity that we have not yet left. In modern systems theory, functional differentiation is taken to mean the gradual establishment of systems that are operationally closed around *symbolically generalized media* (dependent on, but not reducible to, technological media). The system of politics is closed around the medium of power, the system of law around the medium of right, the system of media around the medium of news, economy around money, science around truth and so on. These functional systems are all established *at the level of society itself*, i.e. with global reach, which is to say that there is

no unification "beyond" or "above" the communicative orientation of these systems within society, since they divide society up completely within itself.

The evolution of a functionally differentiated world society is – from the vantage point of modern systems theory – to be regarded as the basic dynamic from which the different strengths and weaknesses of modernity arise. To be sure, functional differentiation is by no means an invention of modern systems theory. Within political science, functional differentiation was more or less explicitly always the core concern in the American discussions about the (semi-)autonomous policy-specific "compartments" and "segments". Compare for example the following to recent discussion about networks: "The policy-making process is in reality a series of vertical compartments or segments – each segment inhabited by a different set of groups or by the general public."(Richardson and Jordan 1979). Such discussions were also inherent to the famous notion of the "iron triangle" coined by Lowi in the 1960's. Or some years later: "Much of the domestic policy of the United States can be explained by the existence of these *functionally specific* policy subsystems." (Peters 1986, my italics). Obviously, not only American domestic policy, but also European (and specifically northern European) corporatism gave much thought to issue of functional differentiation. However, the claim of modern systems theory is somewhat more radical. Whereas the literature on segments and corporatism always tended to see functional differentiation as a dynamic *internal* to the state and its territorial delimitation, modern systems theory basically claims that functional differentiation has by far trumped territorial differentiation, replacing more or less state-specific segments for the big functional systems of world society. As a consequence, the challenges facing anyone trying to steer a functionally closed social order from the outside has become much greater.

2) Negotiation and networks (form of rule)

It is only when we introduce the concepts of steering or coordination that governance comes into play. After all, governance means nothing but steering (Rhodes 1997). But it is important to recognize that the literature on governance more or less explicitly poses the problem of steering as a problem relating to functional differentiation – as was also the case with the literature on segments and corporatism which forms to most immediate ancestor to the debate on governance. All though not a definition often used, I should like to define the core of network governance as the question of *the possibilities of steering and coordination under the conditions of functional differentiation*. Such a statement may also shed some light on both the affinity and the difference between the debate on governance and the earlier writings on both pluralism, segments and corporatism: they all share a common interest in the effects of functional differentiation on steering and coordination, but whereas earlier discussions still

perceived territorial differentiation to be primary and the functional compartments to be circumscribed by the state, functional differentiation has now overpowered the exclusive territorial differentiation of states by far. The question then becomes: how is coordination and steering possible under conditions of such a radical functional differentiation?

In a very entertaining book on the theory of steering, Helmut Willke has shown that an A-team of political science stretching from Dahl & Lindblom to Renate Mayntz has all operated with a basic distinction between three forms of coordination and steering: hierarchy (also called state or bureaucracy), market and either network or negations (Willke 1998: 88). To this list we may add recent writings on governance (Jessop 1997; Rhodes 1997). Obviously, this is not all that surprising since this distinction derives directly from the standard vision of world affairs within political science: that of the distinction between state, market and civil society. To put it bluntly: if you need steering or coordination, there are only three ways to go about it: you can rely on state, market or civil society, according to political science.

Hierarchy (exclusive or inclusive) achieves steering through a chain of formal competencies that ultimately derives from a *sovereign*. The medium of steering and coordination is *order* and *command*. The market achieves steering and coordination ultimately based on supposed capacity of the market to produce an *optimum* between supply and demand. The medium here is *money* (or at least payment). In civil society, steering or coordination is achieved through something akin to *solidarity*, *consensus* being the medium of steering and coordination. Now, the literature on network governance is solidly rooted within this tradition. In some cases network governance means simply steering or coordination achieved through the mechanisms associated with civil society. In other cases network governance is posed as a fourth distinct form of coordination and steering relying on *negotiation* and finally in some cases with the mixing of the three arch-types. In any case, the transition from government to governance means simply that steering or coordination not based on hierarchy becomes more and more to fore – not least as a state strategy - as functional differentiation increases. *Network* governance in particular, implies that networks either as civil society, negotiation and/or mixing comes to the fore as a mode of steering and coordination under conditions of functional differentiation.

But, taking modern systems theory as the foundation for a theory on network governance, some modifications are needed. From the systems theoretical perspective, the distinction between state, market and civil society is nothing but and outdated semantic with no reference to the present form of differentiation in society. The world is not differentiated into state, market and civil society and none of these concepts make reference to actually operative social systems. Consequently, framing the question of network governance within this old distinction implies loosing any potential of coming to terms with the really important transition: the breakthrough of functional differentiation

as a primary form of differentiation. Framing the question within the functionally differentiated world society then, implies *observing functional systems also as forms of coordination and steering*.

Or in other words: we do not have a state, but we do have a political system achieving coordination and steering through a medium of political power coded as government and opposition. We do also have an economic system (not the same as a market) based on the medium of money. We do not, however, have a civil society. In systems theory, there is no functional system even vaguely resembling civil society. Instead, we have the whole array of other functional systems: family, science, media, law etc. And the point is that steering and coordination can also be achieved through these systems. The medium of family is love and even though it may not please the romantics it does not take much stretching of the imagination to imagine steering and coordination by love. In fact, this what many modern organizations have been doing for some time now (Andersen and Born 2001). It should be even easier to imagine steering or coordination by truth. Just take a scientific conference as an example. The same goes for the news of the media system and the right of the system of law (in fact, the order and command derives from the system of law, not from politics). In general the point is this: if there is a functional system (and just which and how many is an empirical question), it also works as a form of steering and coordination. This is what functional systems do, even though the argument goes like this in the peculiar systems theoretical tongue: "functional systems make the otherwise unlikely event of communication more likely."

Now, this does not say much about *network* governance specifically. None of the big functional subsystems of world society are inherently network-like in the sense proposed by the literature in network governance. Systems theoretically speaking, networks must be regarded as interaction systems. Besides functional subsystems of society, systems theory proposes *organizations* and *interaction* systems as the two other possible forms of social systems. Organizations are defined more or less in line with traditional organization theory and interaction-systems as based on face-to-face communication. The coordination and steering achieved by functional systems is in fact coordination between such social systems or directly between psychic systems (systems theory does not use terms like "subject" or "individual") by way of their symbolically generalized media (which may in this way also be understood as the source of power within these systems). The capacity of functional systems to perform such coordination is the fundamental strength of functional differentiation.

However, when steering not within, but *between* functional systems is the issue, problems arise. Basically, the big functional subsystems of world society cannot be steered from the outside, which provides the systems theoretical equivalent to the crisis of politics since the system of politics is just one system among other functional systems. But functional systems may be *structurally or operatively coupled*. Structural coupling

6

may be achieved by non-systemic phenomena such as constitutions coupling the system of law to the system of politics. But the more efficient coupling between functional systems can only be achieved by *other systems*, i.e. organizations and interaction systems. Organizations work by way of the usual characteristics: inclusion and exclusion through membership, establishment of programmes and procedures forming an inclusive hierarchy and the production of decisions. Interaction systems on the other hand, closely resemble face-to-face communication in systems theory. But it would be wrong not to perceive as interaction systems as also being technologically mediated at other times. The important point is that we are dealing with the temporally and spatially limited communication that displays none of the characteristics of formal organization.

The issue at stake in network governance then becomes: if trying to achieve coordination and steering between functionally delimited systems, should one go for formal organization or networks, i.e. interaction systems? Here, the strength of the network approach seems to be based on this dilemma: the organizations of each functional system cannot be coupled be other organizations (because we would then have instance of a new organizations dissolving the original organizations). But the temporally in spatially limited coupling achieved by an interaction system can in fact be achieved without destroying the operational autonomy of the implied organizations. But on the other hand this temporal and spatial limitation is also the problem, if one has great expectations to the coordination and steering performance, simply because interaction systems cannot breach the operational autonomy of the systems coupled. But again: functional differentiation is very often very effective. So, viewed only from the perspective of the effectiveness of communication the trick is exactly to coordinate between, but not counter to the functionally differentiated systems. Whether this is also acceptable from the standpoint of the legitimacy of communication is another issue – soon to be taken up.

3) The state is not necessarily being hollowed out or eroded (form of state)

A final issue is the role of the state. As a recent state of the art work on governance has noted, governance is about "…the conceptual or theoretical representation of co-ordination of social systems and, for the most part, the role of the state in that process" (Pierre 2000: 3). From the systems theoretical point of view, we should specify that we take this issue to be about certain specific organizations – not simply "state"- i.e. political parties and administrative bodies. The basic problem is of, course, that the basic steering and coordination capacity commonly expected of such organizations cannot be achieved in a situation where the system of politics has become just one functional system not even "primus inter pares" but just "inter pares". More specifically, the problem is that the *territorial differentiation* that serves as a basis for

these organizations has been completely overrun by the deterritorializing dynamic of other functional systems (Esmark 2003, forthcoming).

This ties the discussion of network governance into the discussion about globalization (a functionally differentiated world society is one of the most radical global diagnoses around) and in particular the issue of the "loss of sovereignty" (Sassen 1996) or the "hollowing out of the state" (Rhodes 1997). And to be sure, a hallmark of network governance theory is that the state can no longer rely on its preference for formal organization (or simply bureaucracy) as a means of steering. However, the point here is that we are dealing not so much with loss of sovereignty or a hollowing out, as a transformation of the form of state. Referring to the terms coined by Helmut Willke, we may call this new form of state the "ironic state" or the "supervisory state" (meaning not supervision as control, but something more akin to academic supervision). All though more specific based on networks, this approach bears some resemblance to what has also been called "flexible government" (Peters 1996). In short, this is the state that uses network governance as a strategy of steering or coordination in accordance with the place taken up by politics in a functionally differentiated world society. Such a state tries to set up structural and operative couplings between organizations from different functional systems, or, as Willke calls it, tries to employ decentered context-steering. That is, providing coordination and steering by setting up negotiation systems (networks, interactions systems) between functionally autonomous systems:

"Decentered context-steering takes seriously the fact that no single functional system, not even that of politics, has the competencies and power to provide the necessary context-setting in a polycentric society. Context-setting can only be provided through the interaction between autonomous and reflexive actors in self-organizing negotiation systems. Context-steering can thus be understood as the resonant self-organizing of self-organizing systems" (Willke 1997: 142).

The democratic theory of the public(s)

As with democratic theory in general, the etymological enterprise concerning a core concept would take as back to the Greeks. But in the case of the public there is one person which has become more or less synonymous with the modern democratic theory of the public, namely Jürgen Habermas. From his original thesis about "The Transformation of The Public Sphere" (Habermas 1962) past communicative action (Habermas 1995-97 [1981]) and discourse ethics (Habermas 1991) to the current writings about postnationalism (and the EU) (Habermas 1998) runs a concern with the proper

democratic form of political communication. Taking Habermas as the quintessential representative of the democratic theory of the public, the first and most important observation is that the democratic theory of the public is first and foremost a theory about the *proper form of political communication*. It is *not* a theory about political decisions as such. Or rather: the framework of political decision-making is to a large extent the traditional "constitutional essentials". What the democratic theory of the public is concerned with is the mechanisms beyond the constitutional essentials that will ensure a continuing congruence between political decisions and the "will of the people" – or strictly speaking; the sovereignty of the people. The claim laid down by the democratic theory of the public is that the driving principle of western democracy, both in and beyond the constitutional essentials, is that of *public reason* (Rawls 1993: 212-254; Rawls 1997).

It is not surprising then, that the democratic theory of the public has become more or less synonymous with deliberative democracy (Elster 1998; Eriksen and Weigaard 2003). Deliberative democracy, however, has a somewhat fuzzy relationship with participatory democracy. Even though the two strands of thought should be seen as a common set, as is sometimes the case, they do share some trademarks. The democratic theory of the public does not hold participation to be a core value in itself, but rather a means to an end. A sufficient level of participation is necessary for a public sphere to function properly, but the concern here is not so much with the realization or development of mans true nature. Different version of the democratic theory of the public has different concerns about the issue of participation, but it tends to always be an issue, all though not the primary one. The core concern is that of public reason.

It is important to stress the latter part of this principle. Whereas the notion of public and publicity has an integral part of the language of democratic legitimacy, as spoken in particular by politicians, journalists and researchers, it tends to be forgotten that the question is not just whether political communication is *made* public, but whether political communication conforms to a certain form of communication, namely that of reasoning. As Habermas states, this medium of communication is historically unique and without any predecessors. It implies that political communication should conform to certain standards that we may associate with an ideal of *rational reflexivity*. To be sure, Habermas has presented variations on this theme throughout his æuvre, such as the "communicative rationality" or "discourse ethics", but we are basically dealing with an attempt to transform scientific enlightenment ideal into practical standards of communication in direct opposition to the use of political communication as *propaganda* (as represented arc-typically by Harold Lasswell). This ideal – or principle – may be aided by a constitutional framework, but can in now way be secured by such a framework. Public reason goes beyond the constitutional framework and presents what we might call a practical ideal, taking our clue from Rawls:

"That public reason should be understood an honored by citizens is not, of course, a matter of law. As an ideal conception of citizenship for a constitutional democratic regime, it presents how things might be./-../It describes what is possible an can be, yet may never be, though no less fundamental for that." (Rawls 1997)

To this we may add that public reason in a modern society should not only be honored by citizens, but certainly also by politicians and journalists/editors. That Rawls tends to assign the duty of public reason to citizens is very telling. Being a (or perhaps the quintessential) representative of anglo-american liberal political theory he seems to equate the public with the citizenry or simply "the people" within a system of rule, stressing the rights of the people but certainly also the limitations to these rights. In contrast, the continental tradition represented by Habermas implies that we do not associate the public simply with the people, but with a *public sphere* properly speaking, of which the people is just a part.

A public sphere is in its core a relation between publicists and audience ("publikum" in german). The publicist makes the public sphere possible simply by making political issues public. In principle, this may imply simply yelling from atop a barrel at the town square. However, "making public" will almost always imply the use of technological media of dissemination, ranging from leaflets to the internet. The audience on their part is not an inactive audience, but ideally an audience taking part in the deliberation on the issue made public. Much has been said about the fact that the empirical examples of existing public spheres made by Habermas is all pre-modern (the agora of the Greek city-state, English coffee-houses etc.) and the fact remains that in some sense, the perfect realization of the public sphere implies only a relation between publicists and audience and everything else may very quickly become a history of the Fall, as was the case in Habermas' original work.

But obviously, much effort has also been put into the adjustment of the ideal to modern times, especially the functional differentiation between a modern system of politics and a no less distinct system of media. In the original public sphere there is basically no difference between the politician and the publicist. They are one and the same. But with the functional differentiation between politics and journalists/editors in primary control of ever more powerful dissemination media, the theory of the public sphere has adjusted the principle of public reason the apply to at least three parties: *politicians* (including their parties), *journalists/editors* (including their newspaper or broadcasting organizations) and the *people* (including their interest organizations and new social movements). Consequently, the principle of public reason applies to all of these, assigning specific duties to each of them. From this derives the duty of politicians

not to "flee the public eye", the idea of journalists as the "fourth branch" or "watchdog" and the idea of political involvement as a sort of civic duty.

All of this is obviously tied closely into the process of modern state building. The fact that the public sphere is most often referred to in the singular hints at the fact that it is almost always implicitly given as a *national* public. Even tough originally conceived of in relation to smaller political communities, the adjustment of the principle of public reason to modernity tied the notion of the public sphere almost exclusively to the nation-state. And more importantly: it would seem that the realization of a public sphere within the confines of the nation-state, all though maybe not perfect, was the public sphere's finest hour. But with the advent of globalization and regionalization, this national delimitation of the public has been the source many a democratic concern to which I shall return on the section on the EU. But generally speaking, a public sphere can in principle be established at very different levels of territorial extensiveness. The theory is not necessarily a theory of the (national) public, but may include many publics. Setting aside the territorial extension of the form of rule under scrutiny for the moment though, we may instead ask how network governance as a form of rule in itself looks from the vantage point of the democratic theory of the public(s).

<div align="center">Φ   Φ   Φ</div>

It would seem that the network governance produces more democratic losses than gains as seen from the democratic theory of the public. First and foremost; network governance *exclusive*. In a modern public sphere, inclusion only demands citizenship. In contrast, networks always have limited accessibility. If taken to the letter, a public sphere should include everyone affected by the issues reasoned on. But in network governance, someone (and usually quite a lot) affected, is excluded. This may also be framed as a problem of *closure*. Public reason implies openness and accessibility to information, whereas networks are often a closed business. Closure was always also a problem within formal government, but at least we do have quite a few laws on the matter here. Another problem is the possible *lack of transparency* and *accountability* in decision-making. Always hailed as the arch-virtue of formal government, transparency and accountability are not easily achieved by the informal procedures and memberships of networks. The most important problem however, concerns the medium of communication, i.e. *rational reflexivity*. The problem with networks is that they always operate within a functionally specific (often couched as policy-specific) logic of communication and decision-making. There is more than just a reminiscence of Habermas' distinction between communicative rationality and strategic rationality at work here.

This antithetic relationship between the demands set forth by the idea of a public sphere and the existence of networks as particular mode of governance should not surprise us, as it has always been an integral part of the democratic theory of the public itself. Public reason is basically a medium of communication designed to bridge differentiation and integrate individuals into a political community. In relation to functional differentiation, public reason is basically a symbolically generalized meta-medium supposedly capable of overcoding all the different symbolically generalized media on which the functional subsystems of society rest. At this level of abstraction at least, public reason proposes the very opposite of network governance: to coordinate and steer not in concordance with functional differentiation, but counter to functional differentiation.

This was also the core of the debate between Habermas and Luhmann. Briefly put, Luhmann held the high hopes of Habermas to be an unfortunate example of critical theory "...to concerned with the world as it is not, and not enough concerned with the world as it is." For Luhmann, public reason will not be able to establish itself as a medium bridging functional differentiation. For a medium to become effective, systems have to be build around it. And there is no system build around the medium of public reason. And furthermore: if public reason were to achieve what is proposed by its democratic theory, it would have to establish itself not only as a functional system, but as no less than world society.

That is not to say that publics do not play a part in systems theory. But the faith in their democratic capacity is somewhat more limited. Firstly, we may say that publics may arise as *interaction systems*, that is; momentary instances of face-to-face communication. This should not surprise us, since the arch-typical examples mentioned all displayed the characteristics of interaction systems. The problem is however, that interaction systems are temporally and spatially outgunned by both functional systems and organizations, making their potential coupling of the latter momentary and local. Secondly, we may say that public reason is indeed used as a medium of communication by functional subsystems of society, but that its use *conforms* to the operative logics of these systems themselves. That is: rational reflexivity is transformed into the functionally specific self-reflexivity of other systems. This is exactly what is happening when we observe politicians making decisions with reference to a "public opinion" formed not in a true public sphere, but by the polling techniques of consultants hired by the politicians or just by outright propaganda technique. This is what happens when journalists claim to act in the name of the public without any other concern than the next big story and the front page. To some extent, this is also what happens when companies takes on "public responsibility" even though profit is and should be their only concern.

Luhmann's evaluation of this is ambivalent. On the one hand, public reason works as a "concealing strategy", softening up the harshness of a simple functional logic in

itself. Imagine a politician showing blatant disregard for the public and proclaiming no other interest than getting elected. As such, public reason may make functional systems less effective. There is definitely something to be said for functional differentiation. The achievements of modernity have in no small part to do with fact that politicians does not care about anything than the next election, journalists with the front page and capitalists only with profit. It is such implications that have earned Luhmann the reputation as a reactionary and even right-wing thinker. For some, contemplating the possible benefits of functional differentiation warrants such a label, but there is no need to discuss this further here. On the other hand, Luhmann is not blind to the fact that the "blind" operational logics of functional systems poses and array of problems (the one he developed most thoroughly was the environmental problem). And public reason may actually play a positive part here. Even though public reason will not replace the media of the functional systems themselves, it introduces a self-reflexivity that is *somewhat common* to different systems and thus gives them a sort of common orientation. But if this works, it because public reason here begins to work somewhat like *structural and operative couplings*, which is your best bet of achieving coordination under the conditions of functional differentiation and thus the systems theoretical equivalent to network governance. But the democratic theory of the public has a very hard time accepting a mode of coordination or steering designed to be in accordance with functional differentiation, since the basic aim is to counter such differentiation. Now, let us look at a democratic theory with a very different take on the democratic possibilities of functional differentiation.

The democratic theory of the elite(s)

In the seminal of the recent works on democratic elite theory, the main adversary is certainly not the democratic theory of the public, but the theory of class struggle (Etzioni-Halevy 1993: 13-53). Ten years later, it would seem however that the democratic theory of the public is the more likely candidate for a near-hegemony when it comes to assessments of different forms of rule and state, notwithstanding the continuing importance of the theory of class struggle in many academic debates. Framing the question in this way introduces the division between public and elite as the key distinction in democratic theory. In a broad sense, such a division traces back to the traditional distinction between republicanism (with elements of classical democracy) and liberalism (Held 2000). But the emphasis here is more on the current visions of public and elite than the broader democratic paradigms of which they are a part. The point in both cases is that formal institutional (constitutional) arrangements of democracy such as freedom of speech, of organization, free elections etc. are not enough to secure a sound democratic rule - and not even the most important. Instead, democracy is defined by a

"core principle" of western democracy to be found both in and beyond the constitutional essentials. Theses principles are public reasoning and elite autonomy, respectively.

The stance of democratic elite theory towards the theory of the public, however, has not been taken with the same rigor and vigor as the stance towards the theory of class struggle (and with it the vision of direct democracy, we may assume). It would even seem that the concern for the public is seen as something to be *incorporated* into democratic elite theory, as opposed to both class struggle and classic elite theory. However, "the public" in this line of reasoning is taken to mean something very akin to "the people" or "the mass" within a system of rule. In other words, the public is understood in the anglo-american way as the people, the general citizenry and not as conjunction of politicians, journalists and people using public reason as a specific means of communication. Within the framework of democratic elite theory the public thus becomes a "third level" in the general classification within a system of rule, ranging from elite over sub-elite to the residual non-elite (public). From this perspective, the importance of the public lies in the fact that it provides the raw material for recruitment to elites and sub-elites. But

"…even if members of the public do not become elites they *are* still important in elite struggles. Their importance lies in the climate of opinion and the support they either lend or do not lend to those who conduct the struggles." (Etzioni-Halevy 1993: 47)

Indeed, "…relative elite autonomy and the democratic role of the public go hand in hand" (Ibid: 107). As seen from the eyes of elite theory, the "ultimate test of importance of the public in a democracy is its ability to make elites responsive to its own whishes" (Ibid: 108). Such responsiveness is to be secured through strong linkages or couplings between elites and the public. In other words, democratic elite theory takes on one of the core concerns of the democratic theory of the public: that of accountability. Elites must at least be accountable to the public, defined as

"…the public standing in judgment over the elite's performance and its ability to weaken, demote or dismiss the elites when it is dissatisfied with its performance" (Etzioni-Halevy 2001: 167).

In short, democratic elite theory is to some extent also a democratic theory of the public. However, it is important to note that this view on the public as a necessary sustaining principle departs in an important way from a democratic theory based fundamentally on public reason. For democratic elite theory, the core of democracy is not public reason, but elite autonomy. The public, in this view, is essentially an *environment for elite autonomy*. Elites have to be linked to the public in two ways: elites must be open to recruitment from the public and the public should be able to judge the performance of

elites (ultimately toppling them, if necessary). But this does not amount a fully fledged democratic theory proposing *public reason* as the core principle of democracy. Rather, the principle of public reason taken to the letter would be at odds with the core principle proposed by democratic elite theory: that of the autonomy of elites. What democratic elite theory proposes is that a reduced version of the democratic theory of the public must be taken into account. And in the context of this paper, the important point is *that the democratic concerns leveled against network governance do not seem to stem from the core principle of elite autonomy itself, but rather from the imported aspects of the democratic theory of the public*.

Democratic elite theory revolves around the idea that the core of western liberal democracy is the institutionalization of the relative autonomy of elites (and sub-elites). Ultimately, the relative autonomy of elites is important, because it prevents a system of rule from forming into a concerted power structure. In other words, elite autonomy is seen to give a system of rule a "progressive potential" (Etzioni-Halevy 1993: 199). The relative autonomy of elites resides in an inordinate active control of coercive, material, administrative and or symbolic resources (=power). Such elites may by localized within or outside organizations, but elites are never synonymous with organizations. The elite comprises only the very few individuals that are "at the top of the pyramid" within the organization or set themselves apart from the organization altogether. Elite autonomy is in principle autonomy from anyone, but of particular interest is the autonomy from the institutions of state and within the institutions of state from the government itself (Etzioni-Halevy 1993: 94-102).

The bold claim of democratic elite theory is that the relative autonomy of elites is in essence the over-arching *meta-principle* of liberal democracy. The relative autonomy of elites is not simply an additive, but what free and competitive elections, civil liberties and separation of powers are in reality all about. Or in other words: as seen from democratic elite theory, the true nature of the constitutional essentials of democracy is to provide the "rationale and mechanisms" for the activity of autonomous elites. Just as within the democratic theory of the public, we find here a reading of the constitutional essentials as basically a supportive framework for the real core of democracy. And just as in the democratic theory of the public, the constitutional essentials in themselves are not sufficient. Constitutional essentials are a necessary but not a sufficient condition of democracy. Instead, we have to look at the operative level of autonomy gained by the different elites within the constitutional framework.

At this point, we may note something very interesting as seen from the perspective of modern systems theory. It would seem that the *core concern of democratic elite theory, when going beyond the constitutional essentials, becomes functional differentiation*. Such a claim is not stated in democratic elite theory as it stands, but I shall none the less advance the claim that democratic elite theory is the first and only

democratic theory to pose a *sufficient level of functional differentiation as the primary condition of democracy*. Functional differentiation as it is seen in modern systems theory basically refers to the establishment of radically autonomous functional subsystems of world society. All though never couched in terms of elites, the basic notion of the radical autonomy of these systems seem very much akin to the autonomy requested by democratic elite theory. No less so, if we look at the different elites mentioned in democratic elite theory: parliamentary elites, media or broadcasting elites, academic elites, capitalists, juridical elites etc., corresponding in broad terms to the political system, the media system, the scientific system, the economic system and the system of law in modern systems theory.

All though systems theory does not say much about the establishment of elites within these systems, functional differentiation seems to be exactly the autonomy of elites vis-à-vis other elites within a system of rule that democratic elite theory holds to be the core of democracy. Obviously, the level of functional differentiation envisaged by modern systems theory may have gone too far since it has "gone global" and left the constitutional essential still carried by states (and perhaps in the near future, the EU) behind. Other problems may be noted, such as the fact that the level of autonomy suggested by systems theory – operational closure – may even be too much for democratic elite theory, since it may eradicate corporation all together. Furthermore, many concepts of democratic elite theory such as "state", "civil society" etc. would be considered "outdated semantics" from the perspective of modern systems theory. But setting these differences aside for the moment, a sufficient level of functional differentiation within the framework of constitutional essentials seems to be what democratic elite theory is basically asking. And as such, it is the first democratic theory to view functional differentiation with its emphasis on autonomy as the core of democracy, going beyond former strands of thought in this direction such as pluralism and neo-pluralism.

The terms used by democratic elite theory to discuss whether a sufficient level of functional differentiation has been achieved – and thus the primary criteria for assessing a system of rule – are subjugation and collusion vs. corporation (Etzioni-Halevy 1993: 109-121). Subjugation and collusion refers to a situation with insufficient functional differentiation. *Subjugation* arises when the autonomy of elites is infringed upon by the practices of government. Or in other words: when other functional systems are not sufficiently differentiated from the political system. *Collusion* arises when the autonomy of elites and sub-elites is infringed upon by the ties they develop with each other. Or in other words: when there is insufficient functional differentiation between the different non-political systems themselves. In the case of subjugation or collusion we have a case of "integration" (the traditional sociological counterpart to differentiation) or "consensus". The acceptable alternative to this situation is one of *corporation*, where

elites and sub-elites agree on certain basic rules of the game within which it is still possible to uphold autonomy. The systems theoretical parallel to the situation of corporation is one of *structural* or *operative couplings* between systems.

Given this framework for judging on the level of democracy in a system of rule, it should be possible to see why the compatibility between the democratic theory of the public and democratic elite theory is not perhaps less apparent than suggested by the latter. In short, the democratic theory of the public is basically an attempt to counter functional differentiation exactly with the form of integration and solidarity rejected by democratic elite theory. And the fact that this would be a wrongful attempt at democratization of functional differentiation was also the core of Luhmanns criticism of Habermas. In other words, the distinction between public and elite is underpinned by classic distinctions such as (functional) differentiation/integration, autonomy/solidarity and division of power/popular sovereignty. Or, to put bluntly: what the democratic theory of the public aims to achieve is essentially infringement on elite autonomy by way of the principle of public reason. The aim is not to sustain, but to reduce the autonomy of elites. Public reason is basically a mechanism to uphold the *sovereignty* of the people (hence the republican ancestry), which is, taken to the letter, incompatible with elite autonomy. None the less, elite theory does show some concern for the public which has the odd consequence that the assessment of network governance from the standpoint of democratic elite theory turns up some negative remarks stemming from the democratic theory of the public, and not from the core principle of elite autonomy itself.

Φ   Φ   Φ

From the perspective of democratic elite theory, the democratic losses and gains of network governance depends on whether network governance should be seen as a case of unwanted elite collusion and subjugation or of acceptable elite corporation. At the theoretical level, the case for network governance looks very promising. As mentioned earlier, network governance implies notions about the forms of steering and coordination under conditions of functional differentiation in general and about state capacity for steering in particular. Taking the core of network governance to be a form of steering and coordination based exactly on the extensive autonomy of the participating actors, it would seem that there is a profound congruence between the democratic principle laid down by elite theory and the diagnosis of current political life advanced by theories on network governance. A governance network is after all a "specified group of interdependent, but operationally autonomous actors who interact through negotiations." (Marcussen and Torfing 2003) or the steering based on the self-steering capacity of various participants. Such balancing on a knife's edge between interdependency and

autonomy through negotiations is precisely what the notion of corporation in democratic elite theory seems to be all about – in contrast to a situation where the balance has definitely tipped to interdependence and hence; collusion. To push the point a bit: *coordination* is the way to avoid collusion.

At the core, the theory of network governance suggests that 1) we can identify negotiations as a mode of coordination based precisely on the autonomy of participating actors and 2) that such a mode coordination tends to be the most successful under conditions of functional differentiation. Of course, there is nothing immanent to the notion of network governance suggesting that there will be no threat to autonomy during negotiations in networks and that the level of interdependency may rise above what is tolerable as seen from democratic elite theory.

Such concerns has already been expressed from democratic elite theory, referring to the "blurring" of boundaries or "symbiosis" between state elites and non-state elites involving sponsoring or funding by government agencies. More specifically, such symbiosis forms an *elite connection* "involving a mutual flow of resources between government elites or between supranational elites (such as those of the EU) on the one hand, and society based elites on the other hand" (Etzioni-Halevy 2003: 13). Furthermore, the necessary "hand in hand" relationship between elite autonomy and the role of the public may also be threatened by network governance, as network governance supposedly diminishes the *accountability* of elites to the public since the real decision-maker may be hard to find in a network (Etzioni-Halevy 2003: 15). In other words, the leftovers of the democratic theory of the public within democratic elite theory also prove to produce the classic concern for lack of openness and transparency.

I should like to argue however, that such concerns are to a certain degree misplaced. Or more specifically: democratic problems stemming from the core principle of elite theory seems less than warranted and even the criteria stemming from the democratic theory of the public but imported into elite theory may be met by network governance.

Regarding the issue of collusion, thickened elite connections and to much interdependency, the point is that such phenomena are dysfunctional for network governance. Or in other words: when the level of interdependency becomes to high, network governance begins to transform into something else. Even though the literature on network governance does not suggest that elite connections can always be blocked, but it does suggest that the network will not work very well, should this happen. In such a situation, the network begins to transform into something else instead: a concerted structure (organization) which will in all probability display hierarchical trademarks.

Democratic elite theory has put some emphasis on the fact that networks may be sponsored by government elites, or in other words to dependent on the material (and potentially also administrative and symbolic) resources of these elites. Towards this end it may be noted firstly, that many networks are not sponsored and secondly, that networks

funded or even designed by government elites can actually function perfectly without actually generating elite connections. One has to distinguish between the network and the participating elites. The point is that all though the network may be dependent on government sponsoring, the participating elites are not. The sponsoring is in most cases very modest, only sufficient to cover the cost of keeping the network running, and of no real importance to the participating elites. Of course, the network may degenerate into elite connections as it of course a connection. But as acknowledged by democratic elite theory, we do also need corporation and the point is that *a network is your best shot at achieving corporation without collusion.*

The same goes for subjugation. Subjugation seems to be exactly what the use of network governance as a state strategy aims to avoid. Here, network governance is pushed to the level of steering rather than just coordinating. Or, put in another way: the question is how to steer coordination. Steering by government and state institutions is typically coined as "meta-governance", meaning a situation where the state produces, uses and nurtures networks to produce policy outcome. In other words, the state does not play the game (negotiate) in the network (even though it may also do so), but sets up the game (the network). Using a famous metaphor, meta-governance implies "steering, not rowing" (Pierre 2000). In principle, any actor can attempt to move from participation in coordination to steering, but interest has clustered around state institutions thus far. Again, the aim is specify a situation where decisions are produced on the basis of autonomy rather then encroachment of autonomy. And precisely as with coordination, there is nothing immanent to meta-governance securing that network governance will not transform into something less sensitive to the autonomy of different actors, in this case steering through orders, which is after all the traditional steering mechanism of state institutions (on that note, Etzioni-Halevy's different empirical examples on subjugation all display this same reversal to orders, i.e. restricting the freedom of information, union bashing, repoliticizing the bureaucracy, putting pressure on the research freedoms of higher education).

A positive evaluation of network governance is perhaps even more likely, if we look at the propositions from a more clear-cut systems theoretical perspective. Helmut Willke's notion of decentered context-steering is exactly about how to produce more or less efficient coordination without infringement of the radical autonomy of operationally closed systems. More specifically, such coordination is proposed as the only viable solution exactly under conditions of functional differentiation as it is understood in systems theory. A network in this context is an interaction system, distinct from organizations and the large functional subsystems of society. Network – or interactions systems – is temporally and spatially more limited than these other systems, implying that they can never bridge the differentiation between these other systems for any longer period of time. But none the less, networks provide the possibility of momentary and

relatively efficient coordination during the existence of the interaction system. It does not take much effort to envisage such network coordination as corporation between elites from different functional subsystems and their organizations.

Not to say that network governance has offered many thoughts on whether actors participating in networks are necessarily elites. It is not given that actors participating in networks should be considered elites just by virtue of them participating in networks. Networks may include participants from all three tiers envisaged in democratic elite theory: elite, sub-elite and public (people, laypersons). Thus, we may distinguish between the pure forms of elite networks, sub-elite networks and public networks. But often, participants will come from different tiers, producing *mixed networks*. In fact, this quality of mixing hints at an important quality in network governance as seen from democratic elite theory. Mixed networks *are to a large extent a vital mechanism for securing the necessary circulation from between the public, sub-elites and elites*.

Here, we are entering the discussion about the concern in democratic elite theory stemming more or less directly from the democratic theory of the public: whether elites are held properly accountable by the environment of the public. On this point, democratic elite theory vests much interest in the new social movements (Etziony-Halevy 1993: 199-214), (Etzioni-Halevy 2001). In short, democratic elite theory holds that new social movements are the most successful way to create elite-public linkages, even though they certainly also have their deficiencies in this respect. We may say that the movement itself is the linkage, coupling a selected part of the public to an existing elite or forming a new one. Compared to the creation of new social movements, democratic elite theory tends to look somewhat more negatively as networks. But at base level, networks are simply another form of coupling that does not involve the strong ideological identity-formation associated both with the classic social movements and the new movements nurtured in "identity politics". By comparison, the outlook of network building are much more substantially and temporally limited. One may say that networks in sense come to work as the technocratic strategy of the non-elite vs. the ideological strategy of the social movement. The trademarks of networks: the limited durability, loose coupling and focus more on issues more than causes come to work as a more flexible and variable strategy of coupling from elite to non-elite than that of the new social movements. The clearest case of such a logic may be found in Hardt & Negri's notion of "the Multitude" (Hardt and Negri 2000). The multitude is the network used as a global strategy of the non-elite coined in distinct opposition to the identity-politics of new social movements. In this sense, network governance can be seen as a strategic alternative to the building of new social movements. In network governance terms, we would then be dealing with "networks from below", that is; networks initiated at the non-elite level. And following the general premise in the literature on network governance – that the strategy has to somehow fit into functional differentiation – I would also hold that networks are the

strategy most likely to succeed. It would seem that democratic could very well be the democratic theory of network governance. Or to push the point: democratic elite theory is basically network governance as democratic theory.

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