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Some Reflections on the Hungarian Discourse on (Good) Governance

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# SOME REFLECTIONS ON THE HUNGARIAN DISCOURSE ON (GOOD) GOVERNANCE

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#### Introduction

This paper focuses on the meaning – understood both as the explicit conceptualization and the (sometimes implicit) set of connotations – of the terms 'governance' and 'good governance' as it appears in an important and influential segment of present-time Hungarian language political science discourse. Our central ambition is to identify and highlight a tension, or rather discrepancy, between this discourse on the one hand, and much of the conceptualizations and frames characterizing the international academic and practitioner discourse, on the other.

In particular, we wish to make, and argue for, three claims. These claims are, somewhat simplified, as follows:

Claim (1): In an – both academically and practically important – strand of Hungarian political science the notions of 'governance' and 'good governance' are, unlike (much of) the international academic discourse, conceptualized in a surprisingly homogeneous, narrow and consensual (as opposed to heterogeneous and controversial/debated) way.

Claim (2): This specific conceptualization has the following characteristics:

- (a) governance and good governance refer to roughly the same underlying concept;
- (b) this concept has a fundamentally normative (as opposed to descriptive or explanatory) character and ambition;
- (c) the normative substance these concepts carry are roughly identical with that of New Public Management (NPM);
- (d) that is, they suggest imbuing processes and structures of governing with the values and interests of private, most of all for-profit/corporate, actors.

Claim (3): Much or most of the characteristics enlisted in relation to Claim (2), while of course being present in the mainstream/international conceptualizations<sup>2</sup> of the field, form a relatively

<sup>&</sup>lt;sup>1</sup> For the sake of easy of reading and writing in the following we omit using quotation marks around the core concepts such as (good) governance. Nevertheless throughout the text these phrases are used with reference to the particular meanings attributed to them by their different users, and the idiosynracies / heterogeneity thereof.

<sup>&</sup>lt;sup>2</sup> Throughout the text the terms 'international' and/or 'mainstream' (discourse / conceptualization etc.) are used, in a somewhat simplified manner, to refer to a potentially (and usually) broad and diverse plethora of meanings appearing in standard academic reference literature, highly cited seminal contributions to the field and (supposedly) authoritative non-academic source. That is, the use of these terms does not imply that we, implicitly or explicitly, would seek to, or endorse others' attempts at, 'enforcing' some 'true' and or 'official and consensual' claim. To the

minor element thereof. On the other hand key elements of the international mainstream conceptualizations are entirely or severely missing from the Hungarian discourse.

Put briefly and somewhat simplistically, the first two claims can be summarized in two "equations":

Governance = Good governance

and

Good governance = New Public Management.

The third claim outlined above states that while there are/can be arguments supporting both of these equations, they run counter much or most of the mainstream international discourse on the topic. This, of course, would not pose, in and by itself, any problem; a critical approach and a skeptic approach towards authority may be important academic virtues. Rather, the problem is that these equations are set up in a way that suggests that they are self-evident and derived from (as opposed to contradicting to) the mainstream international discourse; moreover, that no reflection or reference is made to the overwhelming majority of the very same discourse that contradicts to these equations.

In the following section we analyze the Hungarian academic discourse in order to substantiate our above claims – namely, that the Hungarian discourse is rather consensual with respect to the above two equations. Next, in the third section, we briefly present some arguments supporting the claim that these two equations run counter much of the international discourse. Finally we formulate some broader, concluding remarks, questions and further hypotheses.

contrary: we claim that there is (and probably: should be) a substantial heterogeneity in the meanings, connotations and uses of different terms and concepts.

#### The Hungarian discourse

The conceptions of governance and good governance in the mid 2000's started to be more attended in the Hungarian academic discourse. Among the first Boda<sup>3</sup> outlined the theoretical and discursive context of the terminologies, and then an increasing number of reflections were received (see for example Jenei<sup>4</sup>, Torma<sup>5</sup>, Scheiring<sup>6</sup>, Gajduschek<sup>7</sup>, Fábián<sup>8</sup>, Juhász<sup>9</sup>).

In this growingly extended literature following the interpretation given by G. Fodor and Stumpf<sup>10</sup> a specific approach emerged (see Egedy<sup>11</sup>, Frivaldszky<sup>12</sup>). In the analysis that follows we primarily focus on these latter works as reference points<sup>13</sup>.

Although this explanation of good governance (in relation with governance and New Public Management) truly differs from the framework of the standard international social science discourse, it shouldn't be considered as a down-the-line brave new and/or unique construction

<sup>&</sup>lt;sup>3</sup> Zsolt BODA 2006. *A kormányzás jelentésváltozása a globalizáció korában. A governance-koncepció.* http://politologia.ektf.hu/polvgy2006/eloadasok/boda\_zsolt.doc

<sup>&</sup>lt;sup>4</sup> György JENEI 2007. Adalékok a public policy szemlélet értelmezéséhez. *Nemzeti Érdek* 1. 5–27.

<sup>&</sup>lt;sup>5</sup> András TORMA 2007. Adalékok a szervezéstudomány irányzataihoz. *Sectio Juridica et Politica*, Miskolc, Tomus XXV/2. 463–429. András TORMA 2010. Adalékok a közmenedzsment-reformok elméleti hátteréhez és főbb irányzataihoz. *Sectio Juridica et Politica*, Miskolc, Tomus XXVIII. 315–338.

<sup>&</sup>lt;sup>6</sup> Gábor SCHEIRING 2007. A privatizáció és a közpolitikák politikája. Új kormányzás – egy új policy tudomány szüksége. In Zsolt BODA – Imre KOVÁCH – György SZOBOSZLAI (eds.): *Hatalom, közbeszéd, fejlesztéspolitika. Elemzések politikai jelenségekről.* Műhelytanulmányok 14. Digitális archívum, 2007/4. MTA Politikai Tudományok Intézete. <a href="http://www.mtapti.hu/pdf/fiatkut.pdf">http://www.mtapti.hu/pdf/fiatkut.pdf</a>

<sup>&</sup>lt;sup>7</sup> György GAJDUSCHEK 2009. Governance, policy networks – informális politikai szereplők a döntéshozatalban. *Politikatudományi Szemle* 2. 58–80.

<sup>&</sup>lt;sup>8</sup> Adrián Fábián 2010. *Közigazgatás-elmélet*. Budapest: Dialóg Campus.

<sup>&</sup>lt;sup>9</sup> Lilla Mária Juhász 2011. Három irányzat a közigazgatás-tudomány fogalomtárából, avagy a New Public management, a New Governance és az ujweberiánus szemlélet vizsgálata. *Jogelméleti Szemle* 3. <a href="http://jesz.ajk.elte.hu/juhasz47.html">http://jesz.ajk.elte.hu/juhasz47.html</a>

<sup>&</sup>lt;sup>10</sup> Gábor G. FODOR – István STUMPF 2007. A "jó kormányzás" két értelme, avagy a demokratikus kormányzás programja és feltételei. *Századvég Műhelytanulmányok 6.* 2–33. Gábor G. FODOR – István STUMPF 2008. Neoweberi állam és jó kormányzás. *Nemzeti Érdek*, Ősz 7. 5–26.

<sup>&</sup>lt;sup>11</sup> Gergely EGEDY 2009. A kormányzás parancsa. *Polgári Szemle* 5. <a href="http://www.polgariszemle.hu/app/inter-face.php?view=v">http://www.polgariszemle.hu/app/inter-face.php?view=v</a> article&ID=331

<sup>&</sup>lt;sup>12</sup> János FRIVALDSZKY 2010. Jó kormányzás és helyes közpolitika-alkotás. *Jogelméleti Szemle* 4. <a href="http://jesz.ajk.elte.hu/frivaldszky44.html">http://jesz.ajk.elte.hu/frivaldszky44.html</a>. János FRIVALDSZKY 2012. A jó kormányzás és a helyes közpolitika formálásának aktuális összefüggéseiről. In Szabolcs SZIGETI – János FRIVALDSZKY János (eds.): *A jó kormányzásról: Elmélet és kihívások*. Budapest: L'Harmattan. 51–103.

<sup>&</sup>lt;sup>13</sup> It has to be highlighted again that we do not claim that the above attributions of meanings are universal across the Hungarian language political science literature. For other, contrasting approaches see e.g. BODA (2006); TORMA (2007; 2010); JUHÁSZ (2012). Moreover, in certain studies the Neo-Weberian approach is not contrasted, but closely connected to the conception of good governance. See JENEI (2007).

or as a special Hungarian product without any international connections and/or antecedents. As a matter of fact this particular interpretation of the concept has taken several view-points and arguments of the (international) critical/skeptical discourse and "anti-NPM" literature<sup>14</sup>, and in certain cases pronouncedly aims to think further and adapt the suggestions of some foreign authors (see the references in G. Fodor – Stumpf<sup>15</sup> to Ringen<sup>16</sup>).

The following section concentrates on the above-mentioned specific (domestic) discourse of good governance. As a result the broader discursive context and the other present interpretational patterns are discussed slightly and, if it so only tangentially. The examination acts upon the angle of discourse analysis (see for example Andersen<sup>17</sup>) and puts in a three leveled analytical logic. Firstly, (i) the terminology (what means what and what real processes these terms/concepts refer to) is discussed, then (ii) we turn our mind to a study of the strategy (how the researcher use them, what kind of ambitions and methods are involved).

To start with (i) the terminological aspect(s), i.e. the way the core concept(s) – most of all, the concept of good governance as a central node of the analysis – is/are defined, some criteria of the analysis should be premised first. An important part of the analytical problem is that the analyzed texts usually don't include explicit, formal definitions of the terms. Therefore in order to identify their meanings we concentrated on the semantic structures and the constitutive elements of the descriptions functioning as definitional factors in the argumentations. For this end the disquisition is based upon the application of the tool of identifying 'conceptual constellations'. Conceptual constellations are "clusters of sufficiently similar juxtaposed" conceptions "that when taken together" "create a feeling-tone", and "that greatly enhances our perception without sacrificing too much precision of definition" 18.

When searching for conceptual constellations in the allotted range of the Hungarian good governance literature, we can take stock of the attributive cluster, or in other words the cluster

<sup>&</sup>lt;sup>14</sup> Such as Wolfgang Drechsler 2004. Governance, Good Governance, and Government: The case for Estonian administrative capacity. *Trames: A Journal of the Humanities and Social Sciences* 4.

<sup>&</sup>lt;sup>15</sup> Gábor G. FODOR – István STUMPF (2007)

<sup>&</sup>lt;sup>16</sup> Stein RINGEN 2005. *Citizens, Families and Reform.* New Brunswick: Transaction Publishers. Stein RINGEN 2006. *The Possibility of Politics.* New Brunswick: Transaction Publishers. Stein RINGEN 2007. *What Democracy Is For: On Freedom and Moral Government.* Princeton University Press.

<sup>&</sup>lt;sup>17</sup> Niels Åkerstrøm Andersen 2003. *Discursive Analytical Strategies: Understanding Foucault, Koselleck, Laclau, Luhmann.* Policy Press.

<sup>&</sup>lt;sup>18</sup> Richard McCatcheon 2006. Rethinking the War against Iraq. *Anthropologica* 48. 11–28.

of attributives/attributes, and the substitutive cluster, or in other words the cluster of substitutives/substitutes as well. The set of words bearing a part in describing, featuring, expanding and contextualizing the concept belongs to the attributive cluster. The terms/concepts which are homological, and used to alternate the core category of good governance in the observed texts fall under the substitutive cluster.

By examining the attributive relations and compiling the first cluster around the core concept four main dimension of attributes might be separated:

- The ideological/intellectual characteristics: *neo-liberal*, *progressive/contra-traditional*, *transformative*, *revolutionary*, *post-modern*, *economic*, *technocratic*, *one-dimensional*;
- The social sphere/subsystem it is connected to: *economy*, *economic actors*, *players of the economy*, *market*, *market dominance*, *pro-market*, *market-centered*, *market-orientated*, *business*, *corporations*, *transnational corporations*, *private*, *private organizations*;
- The features of its inner operational logic: *horizontal/non-vertical*, *informal*, *cooperative*, *consensus-orientated*, *anti-bureaucratic*, *anti-decisionist*, *negotiation*, *self-control*; and
- The political effects/consequences it comprehends: *private/partial interests*, *non-transparency*, *corruption*, *blurring accountability*, *decreasing state autonomy*, *dispersion of power*, *threat to the authority*, *state-capture*, *hollow state*).

Although the articles in question are far from being a homogeneous entity the attributive clusters thus contain (almost) the same elements in every text. We can also say that this sort of conceptual constellation(s) form a common interpretational framework for the concept of good governance, and/or should be regarded as the common ground of this range of literature.

By the analysis of the substitutive (or homological) relations we find that in the examined texts the term governance is the most important and the most-used alternative concept among the proper nouns for good governance<sup>19</sup>. As a matter of fact in much of the argumentations these two terms are applied not as two expressions for two separate phenomena/conceptions but nearly as synonyms, as metaphrases. This is supported by many facts; inter alia in many cases in

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<sup>&</sup>lt;sup>19</sup> Especially G. FODOR-STUMPF (2007) and FRIVALDSZKY (2012).

coherent sections of texts and even in consecutive sentences these two terms signify the same subject.<sup>20</sup>

If we turn our analytical focus on the broader concept, of which governance and good governance are particular instances we see that similar, but not so strong homological relation can be observed; the terms 'conception', 'paradigm' and 'model' alike appear as proper nouns having reference to the core concepts of both good governance and governance.

Moving on to the somewhat more explicit – though not definition-like – claims appearing in relation the meanings of our third central concept, New Public Management (NPM) one may see that the governance–good governance–NPM conglomerate has been described as a well contoured set of ideas, actions and processes; something that advances the markets, the economic actors and/or certain private interests; something that stands for marketization, privatization, deregulation, and (cost-)efficiency. This conglomerate is presented as one intending to create horizontal structures by promoting (or even enforcing) cooperation and negotiation among the actors; which demolishes hierarchy, authority and traditional politico-organizational principles, leads to the dispersion of state power and decreases state autonomy. At the same time this conglomerate appears in the analyzed argumentations as a threatening entity which blurs lines of (political/democratic) accountability, and thus undermines democratic legitimacy and classical principles of separation of powers; which is associated with corruption, state capture, and dominance of Transnational Corporations; which is put forward/pursued by/serving the interests of International Financial Institutions (Washington Consensus).

In sum, NPM has an analogical position in the semantic structures of argumentations as good governance, and shows itself upon the whole interchangeable with the concept.<sup>21</sup> Actually it would not be an exaggeration to reveal that the overlap between the attributive clusters of these two terms is almost total.<sup>22</sup>

<sup>&</sup>lt;sup>20</sup> For example: "The 'good governance' starts speaking in the idiom of liberalism...". "The studies belonging to the governance-literature lay down..." G. FODOR–STUMPF (2007, 5-6).

<sup>&</sup>lt;sup>21</sup> "The New Public Management shares the presuppositions of the good governance-paradigm" G. FODOR–STUMPF (2008) op.cit. 11; "The New Public Management – in the spirit of good governance – hollows out and dismantles the state" G. FODOR–STUMPF (2008, 14).

<sup>&</sup>lt;sup>22</sup> Albeit Frivaldszky notices that the identifying of good governance and "New Public Management" should be "somewhat inaccurate" insomuch as the first term "contains the conceptual elements of multi-level governance", the implicit homology and the on-the-whole interchangeability appear in his writings too. FRIVALDSZKY (2010).

Illustrating this way of representation let's see some more concrete examples for substantive claims. "In the background of the well-looking concept of 'good governance' idiomorphic neoliberal values lurk"23. "[According to the governance-model/the good governance-paradigm] the social self-control, the cooperation of the actors takes the place of the previously dominant state"24. "The proponents of the 'Neo-Weberian-', i.e. the 'good government'-model bring sometimes up against the 'New Public Management-', i.e. the 'good governance'-approach that finally the particular privilegized actors of the market are taken into the governance", (...) "and this leads to that the cost-efficiency criteria of the market overshadow the common good<sup>25</sup>. Further: "[According to the critics of the good governance-paradigm] the model gives free vent to the interests of corporations and powerful economic actors, and thus the conception of governance vitiates the representational function of democracy"26.

The substantive claims listed above make apparent and manifest the normative implications of the core-concepts which are constitutive in that particular discourse. The terms of governance, good governance and New Public Management have a definite negative connotation here; they refer to decidedly non-neutral but dangerous and deteriorative phenomena. On the other hand (naturally) the counter-concepts i.e. the categories of Neo-Weberian State and good government possess a positive connotation referring to long-range advantageous plans and actions. In this way the investigated writings leave descriptive manner of discussion behind and turn to be obviously normative/evaluative. The texts in the long run offer not really the description but the evaluation of politico-administrative paradigms implicating the dichotomies of desirable/undesirable, correct/incorrect, fair/unfair etc.

Making an end of the analysis thirdly a short discussion of *(ii) the strategy*, of the ambition(s) and method(s) takes place. On the whole we can say that in a strategic point of view the investigated discourse is determined by a realist/essentialist way of conceptualization and usage, and a rhetorical process what Laclau and Mouffe<sup>27</sup> call the logic of equivalence.

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<sup>&</sup>lt;sup>23</sup> EGEDY (2009)

<sup>&</sup>lt;sup>24</sup> G. FODOR-STUMPF (2008, 9)

<sup>&</sup>lt;sup>25</sup> Frivaldszky (2010)

<sup>&</sup>lt;sup>26</sup> G. FODOR-STUMPF (2008, 10)

<sup>&</sup>lt;sup>27</sup> Ernesto LACLAU – Chantal MOUFFE 1985. *Hegemony and Socialist Strategy: Towards a Radical Democratic Politics*. London: Verso.

On the one hand the dominant argumentational strategy of the writings in question<sup>28</sup> is based upon the (implicit) presupposition that the core concepts (i.e. governance, good governance, and New Public Management) have a 'real' or 'true' meaning. According to this approach however this meaning is often (consciously) concealed, so the researcher has to uncover the 'real'/'essential' meaning behind the apparent one. This central ambition is not supplemented or consociated by any explicit reflection to the method. In accordance with the findings of our examination one may ascertain that the method seems to be based on axiomatic claims, appeal to authority, and definite distrust in (thus outright contradiction to) 'original' sources (such as European Commission's White Paper on European Governance<sup>29</sup>, or the UNDP's policy document on good governance and "sustainable human development"<sup>30</sup>.

On the other hand in the background of the characteristics of the conceptualization and the usage a peculiar logic can be detected. The identifying of the core concepts is based upon the logic of equivalence. Andersen<sup>31</sup> delineates this rhetorical process as follows: "The logic of equivalence is a logic of simplification of the political sphere. Through the articulation of equivalence between elements, the possibility of an interchangeability of elements is increased. At the same time, the number of subject positions is reduced"<sup>32</sup>.

In our case exactly this is happening. Creating a chain of equivalence between the conceptions of governance – good governance – New Public Management the authors often simplify the representation of the political space, and reduce the potential theoretical and political standing-points. This conclusion is enhanced by the use of the terms Neo-Weberian State and good government as counter-concepts. The dichotomous composition of the politico-administrative paradigms and the inner homogenization of the 'two sides' constructs a bipolar world. In this deeply divided (discursive) world a pro-state, pro-authority, pro-democratic accountability approach/model/paradigm confronts a pro-market, pro-business, pro-TNC, pro-state-capture, pro-hollow-state idea/conception/paradigm. According to this cast of thought

<sup>&</sup>lt;sup>28</sup> Primarily G. FODOR-STUMPF (2007; 2008)

<sup>&</sup>lt;sup>29</sup> EC 2001. European Governance. A White Paper. Brussels: EC.

<sup>&</sup>lt;sup>30</sup> UNDP 1997. *Governance for Sustainable Human Development. A UNDP Policy Document.* Washinton, D.C.: UNDP.

<sup>31</sup> ANDERSEN (2003)

<sup>&</sup>lt;sup>32</sup> ANDERSEN (2003, 60)

every leader, every politician, actually every scientist has to choose, and can only pick one of the two sides. There's no third option, no mid-position, there are no shades. This rhetorical/argumentational strategy pronouncedly entails the ambition to overstep the academic debates and having an effect to the public to appoint, perform, legitimize or deligitimize political positions.

#### The international discourse

In the following we set out to give a rough overview of the concepts of governance and good governance. It needs to be emphasized that the ambition of this exercise is very limited; it is by no means intended (i) either to give an overarching and detailed analysis of the different approaches and schools related to these concept, or (ii) characterize the evolution of these concepts over time. In accordance with our ambitions outlined in the introductory section and the characterization of the Hungarian discourse given in the second section we wish to make the following points:

- (a) Governance is not the same as in fact is quite distantly related to good governance;
- (b) Good governance is not the same as in fact is quite distantly (or, possibly/occasionally, even antagonistically) related to New Public Management.

We emphasize again that these claims do not imply that such opinions do not exist in the international academic discourse; nor is it implied that they are 'incorrect' or 'unsubstantiated' in any sense (we remind the reader that our primary object of analysis is the discourse itself rather than societal phenomena studies by social scientists). We in fact think that, to the contrary, it is not productive to argue about the 'true meaning' of concepts such as the above ones. We simply argue that much, or possibly most, of the opinions and meanings appearing in the international mainstream do not support the above two claims.

#### Governance versus good governance

Obviously, in the international academic literature there are plethora of definitions and conceptualizations of these two terms (as it is the case with any other social science term). It is therefore an inherently subjective and arbitrary exercise to highlight some of these; though it is inevitable to do so. Governance (often appearing with such adjectives as 'networked' or 'multilevel') is usually used to refer to the changing nature of government, whereby a multicentered, multi-actor organizational field becomes prominent, characterized by mutual interdependencies and cooperation rather the authority, hierarchy and command

Smith<sup>33</sup> defines governance as "self-organizing intergovernmental [!] networks" characterized by interdependence between organizations, continued interactions between them necessitated by the need to exchange resources and negotiate, and a significant extent of autonomy from the state. According to Bevir<sup>34</sup> governance "points to the varied ways in which the informal authority of markets and networks constitutes, supplements and supplants the formal authority of government". Most authors seem to agree that at the most general level governance refers replacement of vertical/hierarchical state-society relations with "some 'co-'action between public and private"<sup>35</sup>.

It should be added that governance is by no means a clearly normative concept. While in many instances it is used with a descriptive and/or explanatory ambition. In fact much of the governance literature focuses on the (intended or unintended) negative consequences of governance on such values as effective functioning, democratic accountability and representative democracy (for some earlier examples see Mayntz<sup>36</sup> and Rhodes<sup>37</sup>). Now let's contrast this concept, however roughly it is delineated, with that of good governance. As good governance is

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<sup>&</sup>lt;sup>33</sup> Andy SMITH 2007. Multi Level Governance: What It Is and How It Can Be Studied. In B. Guy PETERS – Jon PIERRE (eds.): *Handbook of Public Administration*. Los Angeles: Sage. 377–386.

<sup>&</sup>lt;sup>34</sup> Mark BEVIR 2009. Key concepts in governance. London: Sage. 9

<sup>&</sup>lt;sup>35</sup> Peter BOGASON 2006. Networks and Bargaining in Policy Analysis. In B. Guy PETERS – Jon PIERRE (eds.): *Handbook of Public Policy*. London: Sage. 97–114.

<sup>&</sup>lt;sup>36</sup> Renate Mayntz 1993. Governing Failures and the Problem of Governability: Some Comments on a Theoretical Paradigm. In Kjell A. Eliassen – Jan Kooiman (eds.): *Managing public organizations. Lessons from contemporary European experience*. London: Sage. 9–20.

<sup>&</sup>lt;sup>37</sup> R. A. W. RHODES 1994. The Hollowing out of the State: The Changing Nature of the Public Service in Britain. *Political Quarterly* 2. 138–152.

supposed to be a particular actualization of governance – one deemed good or at least better than others – the question becomes what the underlying set of values are and how these values are thought to be realizable.

Clearly, there are numerous authors as well as non-academic sources claiming that this value basis is identical with the neo-liberal, market- and competition oriented value set characterizing governance or, for that matter, NPM. "'Good'" in 'Good Governance' [...] is not good in any general or generalizable sense, but as pertains to what most of the IFI's [international financial institutions] in the 1980s thought was good"<sup>38</sup>. Rhodes "refers to six meanings of governance: the minimal state, corporate governance (of enterprises), new public management, "good governance" (for developing countries), socio-cybernetic system (overall characteristics), and self-organizing networks<sup>39</sup>. That is, one of these meanings is related to good governance, and five of them are not.

As good governance is an openly normative concept it, clearly, primarily belongs to (or at least originates from – cf. Doornbos<sup>40</sup>) the realm of practice and organizations closely related to that, rather than academics and their discourse. Therefore it is justified to look into main actors of the field in order to reveal and explore different understandings of the concept.

Not unimportantly, this neo-liberal conceptualization of good governance is usually attributed to the new priorities of the World Bank and other international financial institutions having emerged after the end of the Cold War, reflecting the need for reliable state borrowers<sup>41</sup>. Although lying outside the scope and ambition of this paper it may seem worth mentioning that the supposed originator of this neo-liberal conceptualization, the World Bank itself proposed a definition in which it is not easy to recognize hard-core pro-market neoliberalism: "[good governance is] epitomized by predictable, open and enlightened policy making; a bureaucracy

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<sup>38</sup> DRECHSLER (2004, 388–396)

<sup>&</sup>lt;sup>39</sup> BOGASON (2006, 104) citing Rhodes (1994)

<sup>&</sup>lt;sup>40</sup> Martin DOORNBOS 2001. 'Good Governance': The rise and decline of a policy metaphor? *Journal of Development Studies* 6. 93–108.

<sup>&</sup>lt;sup>41</sup> DOORNBOS (2001); Wolfgang DRECHSLER (2003): Good governance. In DRECHSLER, HANNO et al. (eds.): *Gesellschaft und Staat. Lexikon der Politik*. München: Franz Vahlen.; and DRECHSLER (2004).

imbued with a professional ethos; an executive arm of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law 42.

Numerous other sources however conceptualize good governance with value connotations markedly different from those of neo-liberalism. Actually, as Bevir<sup>43</sup> puts it: "Each organization concerned with good governance appears to construct its own wish-list". Bevir differentiates between the - indeed - neo-liberal, NPM-like concept and the much more robustly state- and development centered UNDP concepts.

The UNDP defines good governance as "[being] among other things participatory, transparent and accountable. It is also effective and equitable. And it promotes the rule of law"<sup>44</sup>. In this use good governance is characterized by participation, rule of law, transparency, responsiveness, consensus orientation, equitability, efficiency and effectiveness, and accountability – values that are difficult to see as inherently neo-liberal or particularly pro-NPM. The European Commission, in its White Paper on Governance, identifies the main elements of good governance as openness, participation, accountability, effectiveness, coherence, all this reinforcing proportionality and subsidiarity<sup>45</sup>. Again, it is difficult to see these values as actualizations of hard-core neoliberal world views.<sup>46</sup>

### Good governance versus NPM

On the most general level NPM is, quite consensually, understood as a set of principles and practices wishing to/resulting in a greater reliance of markets, competition, private (most of all: corporate) actors, and values, philosophies and practices inherently associated with them.

Within this broader conceptualization some refinements can be made though. Especially the initial, Anglo-Saxon version of NPM was characterized by a clear ideological 'loading', being

<sup>&</sup>lt;sup>42</sup> WORLD BANK 1994. Governance: The World Bank's Experience. Washington, D.C.: World Bank.

<sup>43</sup> BEVIR (2009, 92)

<sup>44</sup> UNDP (1994)

<sup>45</sup> EC (2001)

<sup>&</sup>lt;sup>46</sup> See also <a href="http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/EXTMNAREGTOP-GOVERNANCE/0">http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/EXTMNAREGTOP-GOVERNANCE/0</a>, contentMDK: 20513159 pagePK: 34004173 piPK: 34003707 the SitePK: 497024, 00. html

definitely on the right/conservative side of the political spectrum. It was characterized by the following main features (Hood<sup>47</sup>, Pollitt<sup>48</sup>, Pollitt-Bouckaert<sup>49</sup>, Grüning<sup>50</sup>): (i) Downsizing the state/the public sector; (ii) increasing emphasis on "3E" (economy, effectiveness, and efficiency) of public functioning; (iii) privatization and, as a second-best alternative, increasing reliance on so-called market type mechanisms (such as contracting-out, competitive tendering); (iv) idealization and increasing use of corporate management techniques and philosophies; and (v) smaller, autonomous, contractually (as opposed to hierarchically) coordinated agencies instead of large, integrated bureaucracies. It should be noted however that from the second half of the nineties - and outside the Anglo-American world - less value-laden, more technical conceptualizations of NPM became dominant. For example, Pollitt<sup>51</sup> defines NPM principles such as (i) a shift from inputs and processes to outputs and outcomes; (ii) more measurement; (iii) more specialised, lean, and autonomous organisations as opposed to large and multi-purpose bureaucracies; (iv) contract-like relationships as opp. to hierarchy; (iv) market type mechanisms in the provision of public services; (v) more role for private sector/partnerships; (vi) efficiency and individualism as guiding principles as opposed to universalism, equity and security. That is, "rolling back of the state" or even "privatization" as such do not appear on the list.

Nevertheless, it is usually understood that – though to a degree strongly varying in time and space – NPM is associated with neoliberal, pro-market values and ideologies. Therefore in the view of the governance definitions cited in the previous sub-section – centering around the shift from hierarchical to network and/or market based coordination and steering instruments (cf. Thompson<sup>52</sup>) – one may rightly assume a close association between governance and NPM (the

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<sup>&</sup>lt;sup>47</sup> Christopher HOOD 1991. A public management for all seasons? *Public Administration* 1. 3–19.

<sup>&</sup>lt;sup>48</sup> Christopher POLLITT 1990. *Managerialism and the public services: the Anglo-American experience*. Oxford: Blackwell Publishers.

<sup>&</sup>lt;sup>49</sup> Christopher POLLITT – Geert BOUCKAERT 2000. *Public management reform. A comparative analysis.* Oxford: Oxford University Press.

<sup>&</sup>lt;sup>50</sup> Gernod Grüning 2000. Grundlagen des New Public Management. Entwicklung, theoretischer Hintergrund und wissenschaftliche Bedeutung des New Public Management aus Sicht der politisch-administrativen Wissenschaften der USA. Münster: LIT Verlag.

<sup>&</sup>lt;sup>51</sup> Christopher POLLITT 2001. Clarifying convergence: Striking similarities and durable differences in public management reform. *Public Management Review* 1. 471–492.

<sup>&</sup>lt;sup>52</sup> Grahame THOMPSON et al. (ed.) 1998. *Markets, hierarchies and networks. The coordination of social life*. London: Sage.

latter however emphasizing one aspect of governance, markets and competition, and playing down the other one, network and cooperation). This value element, as we argued in the previous paragraphs, is however only quite modestly (if at all) present in good governance. Actually none of the organizations cited above – including the World Bank – made any reference to core NPM elements such as markets, privatization or competition.

## Concluding remarks

In the preceding sections we contrasted sets of conceptualizations related to governance, good governance, and NPM. We argued that an increasingly dominant – though of course not exclusive – strand of Hungarian language writings and authors is in a (i) marked and, possibly more importantly, (ii) largely unreflected tension, or even contradiction, with much of the international debates, conceptualizations and writings on the field. The purpose of our writing was to reflect these – to a large extent detached – worlds to one another, and thereby to promote further discussion and theoretical enrichment of the field.