

Chapter 5:**Bob Jessop****Governance and Metagovernance: On Reflexivity, Requisite Variety, and Requisite Irony¹**

There has been growing interest in the past twenty years or so in the potential contribution of new forms of governance to solving co-ordination problems in and across a wide range of specialised social systems (such as the economy, the legal system, the political system, and the health system) and in the lifeworld (or, broadly understood, civil society). This interest is reflected in growing ambiguities about the meaning of governance. For the purposes of this contribution, however, I adopt a relatively narrow definition of governance. Thus governance is defined as the reflexive self-organisation of independent actors involved in complex relations of reciprocal interdependence, with such self-organisation being based on continuing dialogue and resource-sharing to develop mutually beneficial joint projects and to manage the contradictions and dilemmas inevitably involved in such situations. Governance organised on this basis need not entail a complete symmetry in power relations or complete equality in the distribution of benefits: indeed, it is highly unlikely to do so almost regardless of the object of governance or the ‘stakeholders’ who actually participate in the governance process. All that is involved in this preliminary definition is the commitment on the part of those involved to reflexive self-organisation in the face of complex reciprocal interdependence.

Even on this minimal definition, governance can be distinguished from the ‘invisible hand’ of uncoordinated market exchange based on the formally rational pursuit of self-interest by isolated market agents; and from the ‘iron fist’ (perhaps in a ‘velvet glove’) of centralised, top-down imperative co-ordination in pursuit of substantive goals established from above (some differences between these three modes of co-ordination of complex interdependence and their respective forms of failure are presented in figure 1). Governance in this limited sense has become a hot topic for ivory tower academics, this-worldly practitioners, and philosophers seeking to re-interpret the world or even to change it in new ways. It has been hailed as a new social-scientific paradigm, a new approach to problem-solving that can overcome the limitations of anarchic market exchange and top-down planning in an increasingly complex and global world, and as a solution to the perennial ethical, political, and civic problems of securing institutional integration and peaceful social co-existence. As interest in good governance has grown and attempts are made to achieve it, however, there has also been growing recognition of its limitations and the attendant risks of governance failure.

The Appeal of Governance

The concept of governance in the sense of reflexive self-organisation is by no means new. During *les trente glorieuses* of the post-war boom in America and Europe, however, the nature and functions of this form of governance were relatively neglected. Instead the emphasis fell on the mixed economy, in which successful state intervention apparently served to compensate for market failure.

The concept of governance has since been revitalised and applied to many issues. This has three aspects. First, interest in governance is a response to paradigm crises in the social sciences. Traditional disciplines reflect the organisation of nineteenth century modern industrial societies: economics focused on markets, political science on sovereign national states, international relations on inter-state *Realpolitik*, and sociology on civil society. Not only has the taken-for-grantedness of national economies, national states, and national societies as units of analysis been challenged by the dialectic of globalisation-regionalisation but conventional conceptual couplets (such as market vs. plan, state vs. civil society, bourgeois vs. citizen) also appear less relevant. 'Governance' is being introduced to bridge disciplines and to provide alternative ways of understanding (for a more detailed discussion, see Jessop 1998).

For practitioners, governance is attractive for several reasons: (a) it gives a fashionable, new legitimacy to old practices, such as corporatist concertation; (b) it provides a solution, however partial, temporary, and provisional, to the crisis of state planning in the mixed economy and the more recent disillusion with excessively disembedded neo-liberal market forces; and, above all, (c) it offers a solution to problems of co-ordination in the face of growing complexity. Thus, as Scharpf notes in relation to hierarchy (but one could apply the same argument to market exchange):

'the advantages of hierarchical co-ordination are lost in a world that is characterised by increasingly dense, extended, and rapidly changing patterns of reciprocal interdependence, and by increasingly frequent,

but ephemeral, interactions across all types of pre-established boundaries, intra- and interorganisational, intra- and intersectoral, intra- and international (Scharpf 1994: 37)

The expansion of governance practices into so many spheres represents a secular response to a dramatic intensification of societal complexity. This has several sources: (a) increased functional differentiation combined with increased interdependence among the resulting functional systems; (b) the increased fuzziness of some institutional boundaries, for example, concerning what counts as 'economic' in an era of increased competitiveness; (c) the multiplication and re-scaling of spatial horizons; (d) the increasing complexity of temporal horizons of action; (e) the multiplication of identities; (f) the increased importance of knowledge and organised learning; and, as a result of the above, (g) the self-potentiating nature of growing complexity, i.e., the fact that complex systems generally function so as to engender further principles of order that possibilise additional complexities (Rescher 1998: 28). Such complexity is reflected in worries about the governability of economic, political, and social life in the face of globalisation and conflicting identities. It implies that important new problems have emerged that cannot be managed or resolved readily, if at all, through top-down state planning or market-mediated anarchy. This has promoted a shift in the institutional centre of gravity (or institutional attractor) around which policy-makers choose among possible modes of co-ordination.

Third, philosophically, governance has attracted attention as a solution to co-ordination problems in and across the private and public spheres. Even liberal economists recognise that the market mechanism does not always reflect the true

public and/or private costs and benefits of economic activities. This is now reflected in growing interest in modes of institutional design and economic regulation that might obviate the need for state control whilst still guiding the market. Political theorists now suggest that governance is an important means to overcome the division between rulers and ruled in representative regimes and to secure the input and commitment of an increasingly wide range of stakeholders in policy formulation and implementation. In this sense governance also has normative significance. It indicates a revaluation of different modes of coordination not just in terms of their economic efficiency or their effectiveness in collective goal attainment but also in terms of their associated values. Thus 'governance' has acquired positive connotations such as 'middle way', 'consultation', 'negotiation', 'subsidiarity', 'reflexivity', 'dialogue', etc., in contrast to the anarchy of the market or the state's 'iron fist'.

Table 1 about here

On Some Conditions for Effective Governance

Studies suggest that there are four conditions for effective reflexive self-organisation: (a) simplifying models and practices, which reduce the complexity of the world but are still congruent with real world processes and relevant to actors' objectives; (b) developing the capacity for dynamic, interactive social learning among autonomous but interdependent agencies about causal processes and forms of interdependence, attributions of responsibility and capacity for

actions, and possibilities of co-ordination in a complex, turbulent environment; (c) building methods for co-ordinating actions across social forces with different identities, interests, and meaning systems, over different spatio-temporal horizons, and over different domains of action; and (d) establishing a common world view for individual action and a system of 'metagovernance' [see below] to stabilise key players' orientations, expectations, and rules of conduct. Obviously the specific forms of governance will vary with the nature of the objects to be governed: effective governance of local economic development, hypermobile financial capital, international migration, universities, medical practice, the nuclear power industry, and cyberspace, for example, would entail very different sets of partners and practices.

Nonetheless, despite the good press for good governance, it is important to recognise that all modes of co-ordination are prey to dilemmas, contradictions, paradoxes, and failures. These obviously differ. Market failure is said to occur when markets fail to allocate scarce resources efficiently in and through pursuit of monetised private interest; and state failure is seen as a failure to secure substantive collective goals based on political divination of the public interest. There was once a tendency to assume that market failure could be corrected either by extending the logic of the market or by compensatory state action; and that state failure could be corrected either by 'more market, less state' or through improved juridico-political institutional design, knowledge, or political practice (for a useful recent review of arguments about market and state failure, see Wallis and Dollery 1999). More recently, however, governance has been seen as an effective response to market and state failure. Unfortunately, growing fascination

with governance mechanisms should not lead us to overlook the risks involved in substituting it for markets or hierarchies and the resulting likelihood of governance failure. For it is not just markets and imperative co-ordination that fail; governance is also prone to failure.

Potential Sources of Governance Failure

Reflexive self-organisation can occur on many different levels of social life from the interpersonal through the inter-organisational and inter-institutional to the relations among systems. The following comments on governance failure mainly concern the role of markets, states, and networks in capitalist social formations rather than more amorphous interpersonal relations. There are three sources of governance failure in this regard. The first set is inscribed in the nature of capitalism, which has always depended on a contradictory balance between marketised and non-marketised organisational forms. Although this balance was previously understood mainly in terms of the relative importance of market and state in reproducing the conditions for capital accumulation, governance does not introduce a neutral third term but adds another site upon which the balance can be contested. For new forms of governance provide a new meeting ground for the conflicting logic's of accumulation and political mobilisation. This is one of the reasons why the apparent promise of symmetry in social partnership as a form of reflexive self-organisation may not be realized. For there are marked structural asymmetries in the capital-labour relation and in the forms of interdependence between the economic and the extra-economic conditions for accumulation.

The second set of potential sources of governance failure concerns the contingent insertion of partnerships and other reflexive, self-organising arrangements into the more general state system – especially in terms of the relative primacy of different modes of co-ordination and access to institutional support and material resources to pursue reflexively-arrived at governance objectives. There are three key aspects of this second set of constraints. First, as both governance and government mechanisms exist on different scales (indeed one of their functions is to bridge scales), success at one scale may well depend on what occurs on other scales. Second, co-ordination mechanisms may also have different temporal horizons. One function of contemporary forms of governance (as of quangos and corporatist arrangements beforehand) is to enable decisions with long-term implications to be divorced from short-term political (especially electoral) calculations. But disjunction's may still arise between the temporalities of different governance and government mechanisms. Third, although various governance mechanisms may acquire specific techno-economic, political, and/or ideological functions, the state typically monitors their effects on its own capacity to secure social cohesion in divided societies. It reserves to itself the right to open, close, juggle, and re-articulate governance arrangements not only in terms of particular functions but also from the viewpoint of partisan and overall political advantage.

The third set of constraints is rooted in the specificities of governance as reflexive self-organisation. First, governance attempts may fail because of oversimplification of the conditions of action and/or deficient knowledge about causal connections affecting the object of governance. This is especially problematic

when this object is an inherently unstructured but complex system, such as the insertion of the local into the global economy. Indeed, this leads to the more general ‘governability’ problem, i.e., the question of whether the object of governance could ever be manageable, even with adequate knowledge (Mayntz 1993; Malpas and Wickham 1996). Second, there may be co-ordination problems on one or more of the interpersonal, interorganisational, and intersystemic levels. These three levels are often related in complex ways. Thus interorganisational negotiation often depends on interpersonal trust; and de-centred intersystemic steering involves the representation of system logic's through interorganisational and/or interpersonal communication. Third, linked to this is the problematic relationship between those engaged in communication (networking, negotiation, etc.) and those whose interests and identities are being represented. Gaps can open between these groups leading to representational and legitimacy crises and/or to problems in securing compliance. And, fourth, where there are various partnerships and other governance arrangements concerned with interdependent issues, there is a problem of co-ordination among them. I address this problem below in terms of metagovernance.

The Response to Co-ordination Failure

In short, markets, states, and governance all fail. This is not surprising. For failure is a central feature of all social relations: ‘governance is necessarily incomplete and as a necessary consequence must always fail’ (Malpas and Wickham 1995: 40). Indeed, given the growing structural complexity and opacity of the social

world, failure is the most likely outcome of most attempts to govern it in terms of multiple objectives over extended spatial and temporal horizons – whatever co-ordination mechanism is adopted. This emphasis on the improbability of success serves to counter the rhetoric of partnership which leads commentators to highlight achievements rather than failures and, where they recognise failure, to see it as exceptional and corrigible in regard to their preferred mode of co-ordination even as they see co-ordination failure elsewhere as inevitable. This polarisation is reflected both in the succession of governments and in policy cycles within governments in which different modes of policy-making succeed each other as the difficulties of each become more evident.

There are at least two levels of failure – the failure of particular attempts at governance using a particular governance mechanism and the more general failure of a mode of governance. Failure is a routine feature of everyday life, which is inevitably full of contingency and surprise. Unsurprisingly therefore actors need to reflect on their failures, to adjust their projects, and to consider whether modes of governance should be modified. Even the most cursory review of attempts at governance, whether through the market, imperative co-ordination, or self-organisation, reveals an important role for learning, reflexivity, and metagovernance. Indeed, if markets, states, and governance are each prone to failure, how is economic and political co-ordination for economic and social development ever possible and why is it often judged to have succeeded? In part this can be explained through the existence of a multiplicity of satisficing criteria and through the range and variety of actors with potential vested interests in one or another outcome. This means that at least some aims will be realised to a

socially acceptable degree for at least some of those affected. A further explanation can be derived from the observation that ‘governing and governance itself should be dynamic, complex and varied’ (Kooiman 1993: 36). This highlights the role of the ‘meta-structures’ of interorganisational co-ordination (Alexander 1995: 52) or, more generally, of ‘metagovernance’, i.e., the governance of governance. This involves the organisation of the conditions for governance in its broadest sense. Thus, corresponding to the three basic modes of governance (or co-ordination) distinguished above, we can distinguish three basic modes of metagovernance and one umbrella mode.

First, there is ‘meta-exchange’. This involves the reflexive redesign of individual markets (e.g., for land, labour, money, commodities, knowledge – or appropriate parts or subdivisions thereof) and/or the reflexive reordering of relations among two or more markets by modifying their operation and articulation. Market agents often resort to market redesign in response to failure and/or hire the services of those who claim some expertise in this field. Among the latter are management gurus, management consultants, human relations experts, corporate lawyers, and accountants. More generally, there has long been interest in issues of the institutional redesign of the market mechanism, the nesting of markets, their embedding in non-market mechanisms, and the conditions for the maximum formal rationality of market forces. There are also ‘markets in markets’. This can lead to ‘regime shopping’, competitive ‘races to the bottom’, or, in certain conditions, ‘races to the top’. Moreover, because markets function in the shadow of hierarchy and/or heterarchy, attempts are also made by non-market agents to modify markets, their institutional supports, and

their agents to improve their efficiency and/or compensate for market failures and inadequacies.

Second, there is 'meta-organisation'. This involves the reflexive redesign of organisations, the creation of intermediating organisations, the reordering of inter-organisational relations, and the management of organisational ecologies (i.e., the organisation of the conditions of organisational evolution in conditions where many organisations co-exist, compete, co-operate, and co-evolve). Reflexive organisational managers can undertake such meta-organisational functions themselves (e.g., through 'macro-management' and organisational innovation) and/or turn to alleged experts such as constitutional lawyers, public choice economists, theorists of public administration, think tanks, advocates of reflexive planning, specialists in policy evaluation, etc.. This is reflected in the continuing redesign, re-scaling, and adaptation of the state apparatus, sometimes more ruptural, sometimes more continuous, and the manner in which it is embedded within the wider political system.

Third, there is 'meta-heterarchy'. This involves the organisation of the conditions of self-organisation by redefining the framework for heterarchy or reflexive self-organisation. It therefore involves what my earlier work labelled 'metagovernance'² and can range from providing opportunities for 'spontaneous sociability' (Fukuyama 1995; see also Putnam 2000) through various measures to promote networking and negotiation to the introduction of innovations to promote 'institutional thickness' (Amin and Thrift 1995).

Fourth, and finally, there is 'metagovernance'. This involves re-articulating and 'collibrating' the different modes of governance. The key issues

for those involved in metagovernance are '(a) how to cope with other actors' self-referentiality; and (2) how to cope with their own self-referentiality' (Dunsire 1996: 320). Metagovernance involves managing the complexity, plurality, and tangled hierarchies found in prevailing modes of co-ordination. It is the organisation of the conditions for governance and involves the judicious mixing of market, hierarchy, and networks to achieve the best possible outcomes from the viewpoint of those engaged in metagovernance. In this sense it also means the organisation of the conditions of governance in terms of their structurally inscribed strategic selectivity, i.e., in terms of their asymmetrical privileging of some outcomes over others. Unfortunately, since every practice is prone to failure, metagovernance and collibration are also likely to fail. This implies that there is no Archimedean point from which governance or collibration can be guaranteed to succeed.

Governments play a major and increasing role in all aspects of metagovernance: they get involved in redesigning markets, in constitutional change and the juridical re-regulation of organisational forms and objectives, in organising the conditions for self-organisation, and, most importantly, in collibration. They provide the ground rules for governance and the regulatory order in and through which governance partners can pursue their aims; ensure the compatibility or coherence of different governance mechanisms and regimes; act as the primary organiser of the dialogue among policy communities; deploy a relative monopoly of organisational intelligence and information with which to shape cognitive expectations; serve as a 'court of appeal' for disputes arising within and over governance; seek to re-balance power differentials by

strengthening weaker forces or systems in the interests of system integration and/or social cohesion; try to modify the self-understanding of identities, strategic capacities, and interests of individual and collective actors in different strategic contexts and hence alter their implications for preferred strategies and tactics; and also assume political responsibility in the event of governance failure. This emerging role means that networking, negotiation, noise reduction, and negative as well as positive co-ordination occur 'in the shadow of hierarchy' (Scharpf 1994: 40). It also suggests the need for almost permanent institutional and organisational innovation to maintain the very possibility (however remote) of sustained economic growth.

Thus metagovernance does not eliminate other modes of co-ordination. Markets, hierarchies, and heterarchies still exist; but they operate in a context of 'negotiated decision-making'. On the one hand, market competition will be balanced by co-operation, the invisible hand will be combined with a visible handshake. On the other hand, the state is no longer the sovereign authority. It becomes just one participant among others in the pluralistic guidance system and contributes its own distinctive resources to the negotiation process. As the range of networks, partnerships, and other models of economic and political governance expand, official apparatuses remain at best first among equals. For, although public money and law would still be important in underpinning the operation of such networks, partnerships, and analogous governance arrangements, other resources (such as private money, knowledge, or expertise) would also be critical to their success. The state's involvement would become less hierarchical, less centralised, and less directive in character. The exchange of information and

moral suasion become key sources of legitimation and the state's influence depends as much on its role as a prime source and mediator of collective intelligence as on its command over economic resources or legitimate coercion (Willke 1992).

Metagovernance and Metagovernance Failure

Recognising the possible contributions of reflexive metagovernance to economic and social co-ordination is no guarantee of success. It is certainly not a purely technical matter that can be resolved by those who are experts in organisational design or public administration. For all the technical activities of the state are conducted under the primacy of the political, i.e., the state's concern with managing the tension between economic and political advantages and its ultimate responsibility for social cohesion. This fact plagues the liberal prescription of an arms-length relationship between the market and the night-watchman state – since states (or, at least, state managers) are rarely strong enough to resist pressures to intervene when political advantage is at stake and/or it needs to respond to social unrest. This can be seen in the telling title of Michael Heseltine's report to Cabinet recommending a change in direction on policies for the inner city: *It Took a Riot* (1985). More generally, we can safely assume that, *if every mode of governance fails, then so will metagovernance!* This is especially likely where the objects of governance and metagovernance are complicated and interconnected.³

Overall, this analysis leads to three conclusions, intellectual, practical and philosophical respectively. For, once the incompleteness of attempts at co-

ordination (whether through the market, the state, or heterarchy) is accepted as inevitable, it is necessary to adopt a satisficing approach which has at least three key dimensions:

- a reflexive orientation about what would be an acceptable outcome in the case of incomplete success, to compare the effects of failure/inadequacies in the market, government, and governance, and regular re-assessment of the extent to which current actions are producing desired outcomes.
- deliberate cultivation of a flexible repertoire (requisite variety) of responses so that strategies and tactics can be combined in order to reduce the likelihood of failure and to be in a position to modify their balance in the face of failure and turbulence in the policy environment. Moreover, because different periods and conjunctures require different kinds of policy mix, the balance in the repertoire will need to be varied. And
- self-reflexive ‘irony’ in the sense that participants must recognize the likelihood of failure but proceed as if success were possible. The supreme irony in this context is that the need for irony holds not only for individual attempts at governance using individual governance mechanisms but also for the practice of metagovernance using appropriate metagovernance mechanisms.

I will comment on each of these in turn, beginning with reflexivity. By this I mean the ability and commitment to uncover and make explicit to oneself the nature of one's intentions, projects, and actions and their conditions of possibility; and, in this context, to learn about them, critique them, and act upon any lessons that have been learnt. In relation to governance, this involves inquiring in the first instance into the material, social, and discursive construction

of possible objects of governance and reflecting on why this rather than another object of governance has become dominant, hegemonic, or naturalised. It also requires thinking critically about the strategically selective implications of adopting one or another definition of a specific object of governance and its properties, *a fortiori*, of the choice of modes of governance, participants in the governance process, and so forth (on these particular issues, see Larmour 1997). And it requires learning about how to learn reflexively. There is a general danger of infinite regress here, of course; but this can be limited provided that reflexivity is combined with the second and third principles.

The second principle involves practical recognition of the ‘law of requisite variety’. As initially introduced into cybernetics, this law states that, in order to ensure that a given system has a specific value at a given time despite turbulence in its environment, the controller or regulator must be able to produce as many different counteractions as there are significant ways in which variations in the environment can impact on the system (Ashby 1956). This principle has major implications for governance but, as specified, it is essentially static. In a dynamic and changing world the inevitable forces of natural and/or social entropy would soon break down any predefined control mechanism established using this concept. Because of the infinite variety of perturbations that could affect a system in a complex world, one should try to maximise its internal variety (or diversity) so that the system is well prepared for any contingencies. Thus it is appropriate to reformulate the law as follows. To minimise the risks of (meta-)governance failure in the face of a turbulent environment, one needs a repertoire of responses to retain the ability flexibly to alter strategies and select those that are more

successful. This may well seem inefficient from an economising viewpoint because it introduces slack or waste. But it also provides major sources of flexibility in the face of failure (Grabher 1994). For, if every mode of economic and political co-ordination is failure-prone, if not failure-laden, relative success in co-ordination over time depends on the capacity to switch modes of co-ordination as the limits of any one mode become evident. This provides the basis for displacing or postponing failures and crises. It also suggests that the ideologically-motivated destruction of alternative modes of co-ordination could prove counter-productive: for they may well need to be re-invented in one or another form. The history of Thatcherism in the 1990s and the recent U-turns under the Bush administration in the wake of 11 September 2001 provide interesting examples of this re-invention. In addition, since different conjunctures and periods require different kinds of policy mix, the balance within the repertoire will need to vary. One should also recognise that, even if specific institutions and organisations are abolished, it may be necessary to safeguard the underlying modes of co-ordination that they embody.⁴ Overall this should promote the ability to alter strategies and select those that are relatively successful. Thus a flexible, adaptable political regime should seek to maintain a repertoire of modes of policy-making and implementation.

This need for 'requisite variety' (with its informational, structural, and functional redundancies) is based on the recognition of complexity. For complexity requires that a reflexive observer recognises that she cannot fully understand what she is observing and must therefore make contingency plans for expected as well as unexpected events. This involves monitoring mechanisms to

check for problems, resort to collibrating mechanisms to modulate the co-ordination mix, and the reflexive, negotiated re-evaluation of objectives. A further step in strategic self-reflection occurs when actors deliberately build their capacity to switch among different modes of governance. Within this context, however, I want to suggest that self-organisation should be placed at the core of the repertoire with flanking and supportive measures from other modes of co-ordination (see below).

Third, there is a philosophical dimension to metagovernance. This concerns the appropriate stance towards the intellectual and practical requirements of effective governance and metagovernance given ‘the centrality of failure and the inevitability of incompleteness’ (Malpas and Wickham 1995: 39). This suggests that, in approaching policy making and implementation, one should also respect what can be defined (only half-jokingly) as ‘the law of requisite irony’. As Booth notes, ‘irony is usually seen as something that undermines clarities, opens up vistas of chaos, and either liberates by destroying all dogma or destroys by revealing the inescapable canker of negation at the heart of every affirmation’ (1979: ix). For the same reason Kundera suggests that ‘[i]rony is said to irritate "because it denies us our certainties by unmasking the world of ambiguity" (Kundera 1988: 134, cited Hutcheon 1994: 14-15). It might seem odd to call for something that undermines clarities, envisions chaos, and negates affirmation; but, given the problems of complexity posed by governance, these consequences may be no bad thing. Indeed, in a world of increasing complexity, ‘irony – with its emphasis on context, perspective, and instability – is simply what defines "the

present conditions of knowledge" (Fischer 1986: 224) for *everyone*' (Hutcheon 1994: 33).

To defend this strange idea I distinguish irony from cynicism. The cynic is overly influenced by the 'pessimism of the intellect' and assumes that new policies will work no better than old policies. This leads the cynic into a state of 'being in denial' so that s/he denies failures or else redefines them as successes; it also encourages a manipulative approach, with appearances being stage-managed so that success seems to have occurred. This is the realm of symbolic politics, accelerated policy churning (to give the impression of doing something about intractable problems), and the 'spin doctor' – the realm of 'words that work but policies that fail'. In contrast to the cynic, the ironist is a sceptic. She recognises the wisdom of choosing one's preferred forms of failure: this is irony in the Rortyan sense but it is a public form of irony, not a private form. Rortyan irony primarily concerns a contrast between public confidence about the permanency and validity of one's vocabulary of motives and actions and private doubt about their finality and apodicticity (Rorty 1989: 73-4). Thus, for Rorty,

An ironist is a person who realizes that all nonpublic convictions and values, and even vocabularies are contingent, contestable, transitory, and exposed to alternatives that arise continually. The ironist's position, therefore, embraces privacy and plurality and denies any one specific view as *a priori* or automatic priority. We must, he says, be "*content to treat the demands of self-creation and of human solidarity as equally valid, yet forever incommensurable*" (Rorty 1989: xv, italics in original).

Now, as expressed by Rorty, purely private irony could lead to cynicism or fatalism – a distrust of the motives behind other's expressed motives and actions and self-serving manipulation of their beliefs, on the one hand, or passive resignation, *laissez-penser*, and *laissez-faire* vis-à-vis others' beliefs and actions, on the other. Yet Rorty does go on to spell out one implication of his philosophy, namely, a 'commitment to political freedom and free discussion' (1989: 84). Thus one could conclude that the ironist is more inclined to an 'optimism of the will' than a 'pessimism of the intelligence'. In this sense the ironist is more romantic than cynical.

Muecke has defined romantic irony as 'the ironical presentation of the ironic position of the fully-conscious artist' (Muecke 1970: 20). This involves the artist in an ironic position for several reasons:

in order to write well he must be both creative and critical, subjective and objective, enthusiastic and realistic, emotional and rational, unconsciously inspired and a conscious artist; his work purports to be about the world and yet is fiction; he feels an obligation to give a true or complete account of reality but he knows this is impossible, reality being incomprehensibly vast, full of contradictions, and in a continual state of becoming, so that even a true account would be immediately falsified as soon as it was completed. The only possibility open for a real artist is to stand apart from his work and at the same time incorporate this awareness of his ironic position into the work itself and so create something which will, if a novel, not simply be a story but rather the telling of a story complete with the author and the narrating, the reader and the reading, the style and the choosing of the

style, the fiction and its distance from the fact, so that we shall regard it as being ambivalently both art and life' (Muecke 1970: 20).

Transposing these ideas from literature into the art of politics, a romantic ironist would certainly be creative and critical, subjective and objective, enthusiastic and realistic, and, perhaps, emotional and rational. For, given the complexities of all forms of governance and their propensity to fail, the ironist must seek creative solutions whilst acknowledging the limits to any such solution; she must engage in calculation but also make judgements; she must be committed to the governance project but recognise the risk of failure; and she may need to combine passion and reason to mobilise support behind the project. Recognising the inevitable incompleteness of attempts at governance (whether through the market, the state, or partnership), the ironist adopts a satisficing approach. She accepts incompleteness and failure as essential features of social life but continues to act as if completeness and success were possible. Whether the ironic stance in this latter regard is purely private, covert (unstated but implicit), or open (i.e., expressed in a self-consciously ironical manner) is surely a contingent issue at this level of reflection and analysis. In any case, the political ironist must simplify a complex, contradictory, and changing reality in order to be able to act – knowing full well that any such simplification is also a distortion of reality and, what is worse, that such distortions can sometimes generate failure even as they are also the necessary precondition of relatively successful interventions to manage complex interdependence. The only possibility open for a political ironist, then, is, indeed, to stand apart from her political practice and at the same time incorporate this awareness of her ironic position into the practice itself.

Moreover, if the political ironist is also to involve the ‘reader and the reading’ in her ironic attempts at governance, then she must also choose the style in and through which to do so. The law of requisite irony entails that those involved in governance choose among forms of failure and make a reasoned decision in favour of one or another form of failure. In this respect it is important to note that, in contrast to the cynic, the ironist acts in ‘good faith’ and seeks to involve others in the process of policy-making, not for manipulative purposes but in order to bring about conditions for negotiated consent and self-reflexive learning. In line with the law of requisite variety, moreover, they must be prepared to change the modes of governance as appropriate. But for good philosophical reasons to do with empowerment and accountability, they should ideally place self-organisation at the heart of governance in preference to the anarchy of the market or the top-down command of more or less unaccountable rulers. In this sense self-reflexive forms of governance are performative – they are both an art form and a life form. Like all forms of governance they are constitutive of their objects of governance but they also become a self-reflexive means of coping with the failures, contradictions, dilemmas, and paradoxes that are an inevitable feature of life.

Conclusions

I have suggested that there are different modes of governance (or co-ordination of complex reciprocal interdependence) and have focused on the self-reflexive self-organisation of substantively interdependent but formally independent actors.

Interest in self-organisation has grown in recent years in response to the experience of market and state failure and in response to the increasing complexity of the social world. But, as I have also argued, self-reflexive self-organisation itself is prone to failure. There are different ways of coping with the inevitability of failure ranging from small-scale incremental adjustments based on trial-and-error learning to comprehensive attempts at constitutional and institutional redesign. Indeed, without learning *and forgetting*, social order, such as it is, would be impossible. Finally, in addressing the four main forms of metagovernance (concerned respectively with the reflexive reorganisation of markets, hierarchies, and networks and with the collibration of these different modes of governance), I have emphasised three general principles of governance in the face of complexity: these are the principles of requisite reflexivity, requisite variety, and requisite irony. Since reflexivity and variety are relatively familiar principles, if not always fully integrated into the analysis of governance, I have paid most attention to the role of a ‘romantic’ public irony in dealing with the problems posed by the likelihood of governance failure. This is the most effective way, I believe, of combining the ‘pessimism of the intelligence’ and ‘optimism of the will’ that was recommended by Romain Rolland and popularised by Antonio Gramsci as the masthead slogan of his journal, *L'Ordine Nuovo*. It further implies the desirability of involving a wide range of ‘stakeholders’ in attempts at governance. This will affect in turn the definition of the objects of governance and, insofar as governance practices help to constitute these objects, it will also transform the social world that is being so governed.

References

Alexander, E. R. (1995): *How Organizations Act Together: Interorganizational Coordination in Theory and Practice* (Amsterdam: Overseas Publishers Association).

Amin, A. and Thrift, N. (1995) 'Globalisation, Institutional "Thickness" and the Local Economy', in P. Healey, S. Cameron, S. Davoudi, S. Graham, and A. Madani-Pour (eds.), *Managing Cities: the New Urban Context* (Chichester: John Wiley), 91-108.

Ashby, W. R. (1956) *Introduction to Cybernetics* (London: Chapman and Hall).

Booth, W. C. (1979), *A Rhetoric of Irony* (Chicago: University of Chicago Press).

Dunsire, A. (1996), 'Tipping the Balance: Autopoiesis and Governance', *Administration and Society*, 28 (3), 299-334.

Fischer, M.J.M. (1986), 'Ethnicity and the Post-Modern Arts of Memory', in J. Clifford and G.E. Marcus (eds.), *Writing Culture: The Poetics and Politics of Ethnography* (Berkeley: University of California Press), 194-233.

Fukuyama, F. (1995), *Trust: the Social Virtues and the Creation of Prosperity* (New York: Free Press).

Grabher, G. (1994), *Lob der Verschwendung* (Berlin: Edition Sigma).

Gramsci, A. (1971), *Selections from the Prison Notebooks* (London: Lawrence & Wishart).

Heseltine, M. (1985), *It took a Riot* (London: HMSO).

Hutcheon, L. (1994), *Irony's Edge: the Theory and Politics of Irony* (London: Routledge).

Jessop, B. (1998), 'The Rise of Governance and the Risks of Failure: The Case of Economic Development', *International Social Science Journal*, issue 155, 29-46.

Kooiman, W. (1993), 'Governance and Governability: using Complexity, Dynamics and Diversity', in idem (ed.) *Modern Governance: New Government-Society Interactions* (London: Sage), 35-48.

Kundera, M. (1988), *The Art of the Novel* (London: Faber).

Larmour, P. (1997), '*Models of Governance and Public Administration*', *International Review of Administrative Sciences*, 63 (4), 383-394.

Malpas, J. and Wickham, G. (1995), '*Governance and Failure: on the Limits of Sociology*', *Australian and New Zealand Journal of Sociology*, 31 (3), 37-50.

Mayntz, R. (1993), '*Governing Failures and the Problem of Governability: some Comments on a Theoretical Paradigm*', in J. Kooiman (ed.), *Modern Governance: new Government-Society Interactions* (London: Sage), 9-20.

Mayntz, R. (1993), '*Modernization and the Logic of Interorganizational Networks*', in J. Child, M. Crozier, R. Mayntz et al., *Societal Change between Market and Organization* (Aldershot: Avebury), 3-18.

Muecke, D.C. (1970), *Irony* (London: Methuen).

Putnam, R.D. (2000), *Bowling Alone: the Collapse and Revival of American Community* (New York: Simon & Schuster).

Rescher, N. (1998), *Complexity: a Philosophical Overview* (New Brunswick: Transaction Books).

Rorty, R. (1989) '*Private Irony and Liberal Hope*', in idem, *Contingency, Irony, and Solidarity* (Cambridge: Cambridge University Press), 73-95.

Scharpf, F. W. (1994), '*Games Real Actors could Play: Positive and Negative Co-Ordination in Embedded Negotiations*', *Journal of Theoretical Politics*, 6 (1), 27-53.

Wallis, J. and Dollery, B. (1999), *Market Failure, Government Failure, Leadership and Public Policy* (Basingstoke: Macmillan).

Willke, H. (1992), *Ironie des Staates: Grundlinien einer Staatstheorie polyzentrischer Gesellschaft* (Frankfurt: Suhrkamp).

	EXCHANGE	COMMAND	DIALOGUE
Rationality	Formal and Procedural	Substantive and Goal-Oriented	Reflexive and Procedural
Criterion of Success	Efficient Allocation of Resources	Effective Goal-Attainment	Negotiated Consent
Typical Example	Market	State	Network
Stylized Mode of Calculation	Homo Economicus	Homo Hierarchicus	Homo Politicus
Spatio-Temporal Horizons	World Market, Reversible Time	National Territory, Planning Horizons	Re-scaling and path-shaping
Primary Criterion of Failure	Economic Inefficiency	Ineffectiveness	'Noise', 'Talking Shop'
Secondary Criterion of Failure	Market Inadequacies	Bureaucratism, Red Tape	??

Table 1. Modalities of Governance

Endnotes

¹ The arguments presented in this chapter have been developed intermittently over the last five years following my involvement in an ESRC-funded research project on local governance and subsequent reflection on the conditions for effective governance in social formations marked by structural contradictions, strategic dilemmas, and discursive paradoxes. I have benefited from opportunities to present earlier trial versions of some of the arguments at the Centre for Organisation and Management (COS, Copenhagen), Roskilde University Centre, the University of Lausanne, Mannheim University, the University of Illinois at Chicago, and the University of Strathclyde. Useful criticisms have also been received from Henrik Bang, Mick Dillon, Rod Rhodes, and Gerry Stoker. The final version was written while I was in receipt of a Canterbury Fellowship at the University of Canterbury at Christchurch, New Zealand.

² I would now reserve the concept of 'meta-governance' for what Dunsire (1996) calls 'collibration'. Meta-governance is best employed as an umbrella concept for the redesign of the relationship among different modes of governance.

³ '[S]ince every project is always a part of some more extensive assemblage, so every project is always enmeshed with other projective activities, and there can be no guarantee that such projects, though connected, will even be wholly consistent with one another' (Malpas and Wickham 1997: 46).

⁴ There are further dilemmas here from an evolutionary viewpoint: (a) learning versus forgetting; and (b) removing particulars versus retaining the general. If one affirms the maxim that 'it is necessary to change society to preserve it', then there should be mechanisms for social forgetting as well as social learning.