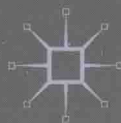


# Hybrid Governance in European Cities

Neighbourhood, Migration and Democracy\*

CHRIS SKELCHER, HELEN SULLIVAN  
AND STEPHEN JEFFARES

**UNDERSTANDING GOVERNANCE**



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Neighbourhood, Migration and Democracy

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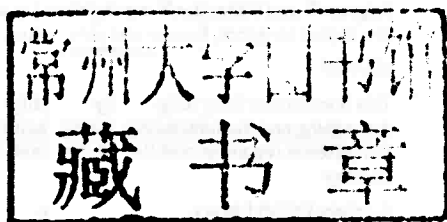
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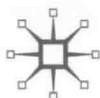
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First published 2013 by  
PALGRAVE MACMILLAN

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Palgrave Macmillan in the US is a division of St Martin's Press LLC, 175 Fifth Avenue, New York, NY 10010.

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ISBN 978–0–230–27322–1

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A catalogue record for this book is available from the British Library.

A catalog record for this book is available from the Library of Congress.

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# Acknowledgements

The research reported in this book was supported by the UK Economic and Social Research Council (ESRC) under Research Award RES-000-23-1295 'Democratic anchorage of governance networks in European countries'. The Q study would not have been possible without the assistance of a number of colleagues. Our thanks to Steven R. Brown, Kent State University, US, and Simon Watts, Nottingham Trent University, UK, for invaluable advice on Q methodological issues; Erik-Hans Klijn, Erasmus University, the Netherlands; Eva Sørensen, Roskilde University, Denmark; and Carsten Greve, Copenhagen Business School, Denmark, for supporting workshops and surveying of their masters students as well as advice and feedback on draft papers; and Christian Hackert for permitting us to utilise his Q Sort software.

In addition, a large number of colleagues gave us advice, support and comments on papers, including Stephen Griggs, Jenny Lewis, Tatum Matharu, Filip de Rynck, Jacob Torfing and Joris Voets. Papers on the research were given at the Interpretive Policy Analysis Conference, the European Group on Public Administration Conference, the International Research Society on Public Management Conference, the Public Management Research Association Conference and the Political Studies Association Conference, and at seminars at various universities, including Birmingham, Leuven, Melbourne, Roskilde and Zurich.

The study also benefited from the invaluable research support, at various times, of Navdeep Mathur (now at the Indian Institute of Management, Ahmedabad) and Michael Farrelly (now at the University of Hull, UK).

We thank Wiley-Blackwell and the editors of *Public Administration* for permission to draw on two articles: S. Jeffares and C. Skelcher (2011) 'Democratic subjectivities in network governance: a Q methodology study of Dutch and English public managers', *Public Administration*, 89 (4): 1253–1273 in Chapter 5 and V. Lowndes and H. Sullivan (2008) 'How low can you go? Rationales and challenges for neighbourhood governance', *Public Administration*, 86 (1): 53–74 in Chapter 7.

# Contents

<i>List of Figures and Tables</i>	vi
<i>Acknowledgements</i>	vii
1 Challenges for Urban Governance	1
2 Theorising Governance Transitions	22
3 Governing Neighbourhoods	45
4 Governing Migration	71
5 Governing Subjectivities: A Q Methodology Study	94
6 Democracy in Hybrid Governance	121
7 Urban Governance into the Future	149
<i>References</i>	169
<i>Index</i>	182

# Figures and Tables

## Figures

2.1	Framework for analysis of governance transitions	24
4.1	West Midlands Strategic Migration Partnership structure and relationships	74

## Tables

2.1	Citizen control of government	29
4.1	Defining community cohesion	77
5.1	Statement sampling grid with example statements	101
5.2	Factor matrix with defining sorts in bold	105
5.3	Factor values for each statement	108
5.4	Correlations between factor scores	112
6.1	Comparison of three methodologies for democratic assessment	124
6.2	The IDEA democracy assessment framework	126
6.3	Analysis of democratic performance of integration and revitalisation policy areas in Birmingham, Copenhagen and Rotterdam	131
7.1	Analysis of hybrid governance in neighbourhood and migration policy in Birmingham, Copenhagen and Rotterdam	152
7.2	Typology of governance systems	157
7.3	Forms of governance: four ideal-types	167



# 1

## Challenges for Urban Governance

This book is about how cities respond to new governance challenges. These challenges may take a number of forms: policy challenges arising from changed socio-economic conditions, institutional challenges linked to changes in how decisions are made and ideational challenges associated with new understandings of urban governance itself. Whatever the form of challenge, the responses open to city governments include devising new interventions and/or adapting existing governance arrangements. This book explores the processes that shape these responses, analyses the emergent governance arrangements and considers how they influence or are influenced by established democratic practices.

It is now commonly asserted that nation states in advanced industrial democracies underwent a transformation in the latter part of the twentieth century, marked by a shift from governance through hierarchy to governance via markets and latterly networks. This transformation is articulated in different ways with some describing it as a transition from 'government to governance' and others referring to the beginning of an era where 'no-one is in charge' (Rhodes 1997; Stoker 1998). A key feature of this transformation is the emergence of a more participative and relational approach to democratic decision-making alongside the dominant model of representative bureaucratic government.

This new participative and relational approach is evident in the range of innovative non-elected governmental institutions that comprise government, business and/or civil society actors and that have the authority to formulate, determine and implement public policy within a specified policy and spatial domain. These are now established features of sub-national governmental systems in the United Kingdom, the United States and parts of Europe (Agranoff and McGuire 2003; de Rynck and

Voets 2006; Sullivan and Skelcher 2002). Dominant forms of these new arrangements include quasi-governmental agencies (quangos), special purpose bodies, public-private partnerships and governance or policy networks.

The governance transformation narrative has generated considerable debate amongst scholars in relation to both the fact and the meaning of any 'transformation'. Some scholars have refuted the idea that the state has 'gone away', arguing that developments in more participative and relational decision-making are structured and limited by the hand of the state (Pierre and Peters 2000). These refutations are both theoretical (e.g. Davies 2007) and empirical (e.g. Bell and Hindmoor 2009). Other scholars have focused more on the relationship between neo-liberalisation and new governance forms situating participative and relational innovations in the service of a broader neo-liberal project (e.g. Geddes 2006; Leitner et al. 2007). These debates are ongoing, embracing governance at all levels, but arguably, most hotly and fruitfully debated in relation to urban governance. One relatively unexplored dimension of this debate is the hybridity of these new institutional forms, comprising a mixture of governance modes and cultures.

In broad terms, hybridity involves combinations of modes of governance that are temporally and contextually unique. Theoretically, from the perspective of institutional economics, hybridity is regarded as arising where elements of both market and hierarchy are present (Williamson 1996). Of course, the empirical application of the concept of hybridity is more complex. Particular institutional arrangements for public governance are often hybrids because they combine different modes. Thus, for example, ministries combine classic hierarchy, in the form of Weberian bureaucracy that regulates officials, with a somewhat more market-like system at the level of the ministry's political leadership. The ministry, however, is a well-established form, and conventions and procedures have developed to manage frictions in the relationship between the administrative and political realms. For our work, however, it is the newer hybrid forms that are of interest. These have emerged in specific temporal and contextual settings and the relationship with the established forms of urban government are still evolving. Thus, there is some disjunction between the newer hybrids and the predominant institutionalised forms of governance.

We are interested in the class of hybrids that have developed in urban governance, and specifically those operating in a non-traditional, often arm's-length relationship to elected politicians. These hybrids offer a capacity for localised responses to urban policy problems, emerging

from the day-to-day practices of actors as they try to navigate this complex terrain. Following a distinction employed by Lowndes and Skelcher (1998), hybrids form islands of temporary stability and formality within a diffuse and less overtly organised governance or policy network. They are the arenas for urban governance legitimated and mediated more or less by the state but influenced by other actors (business, civil society and not-for-profit organisations). However, as novel intrusions into the field of urban governance they also challenge to some extent the dominant ideas and practices regarding the exercise of democracy in cities, opening the door to new possibilities.

Being localised responses, one might expect, on the one hand, the use, form and consequences of hybrids to vary between policy areas and cities. This variation would reflect distinctiveness in local cultures of urban governance arising from the historical development of political, governmental and societal systems. Even if there was a common starting point (e.g. *Rechtsstaat*, separation of powers, associationalism), over time one would expect divergence between cases on the basis of experimentation and evolution. On the other hand, it can be hypothesised that there would be convergence in forms of hybridity because of the power of big ideas to capture the imagination and provide a resource for political actors. Thus, the ideas inherent in new public management – including the benefits of managerial autonomy, the value of market and quasi-market forces, the importance of consumer choice and the proper role of politicians as strategic decision-makers – and their promotion by transnational institutions (e.g. the World Bank) might be expected to result in commonality in the governance transitions of diverse policy areas and cities.

Much writing on contemporary developments in urban governance assumes convergence, at least implicitly. Comparative analysis forms a small subset of the field, and empirical studies within a single country frequently fail to contextualise findings. The tendency towards decontextualisation in the application of conclusions from empirical studies reduces the potential of the field to generate a more differentiated analysis, in which theory is refined through comparison of the specific political, social and economic contexts of cities and policy arenas (Skelcher 2007a and b). Kriesi, Adam and Jochum (2006) draw a similar conclusion in their study of policy networks in six European countries. They find that ‘country-specific configurations vary considerably from one policy domain to another... [and] power configurations vary from one country to the other in the same policy sub-system’ (Ibid.: 358). As a result, they call for research to abandon ‘national-level generalisations about

power configurations and policy processes... [and instead] understand the combined impact of the country- and policy-specific contexts' (Ibid.: 358). Marshall (2005) also points to this impact of place in mediating the institutional and policy responses of centralised initiatives.

Our research addresses this challenge. We examine the way in which the big ideas about governance interact with the specificities of urban places and actors in moments and processes of transition. This is more than a question of localities mediating the impact of transnationally resonant ideas about governance in a top-down manner, for example by adapting a new public management template to their own situation. In contrast, we show that the specific politics of place (Birmingham, Copenhagen and Rotterdam) and policy arena (neighbourhood and migrant policy) themselves are generative of ideas about the ways in which governance should be conducted, and in the process express or constrain forms of democracy. The resulting hybrid forms of governance are more flexible and dynamic than those of representative government and consequently reposition the roles of elected politicians and public administrators. This repositioning does, though, generate questions about the democratic capacity of new hybrid forms, both in their relationship to existing representative institutions and their ability to accommodate more participative democratic practices. We explore this issue conceptually and empirically, offering a new framework for thinking about the 'democratic performance' of hybrid arrangements and applying that framework to our cross-country cases. The exposure of public administrators to new ways of working, including as institutional designers and intermediaries between politicians and citizens, raises questions about how they understand these new roles. We examine this question through a novel Q methodology analysis of public administrators' subjectivities.

### **Urban governance through networks: democratic and management challenges**

The concept of networks plays a major role in contemporary debates about urban governance in Europe. Governance or policy networks, deriving from the work of Marsh and Rhodes (1992), lead to 'public policy making and implementation through a web of relationships between government, business and civil society actors' (Klijn 2008: 511) though in practice the balance of agents and the kind of institutional architecture associated with different governance networks may vary widely. The flexibility inherent in the working of governance networks and

their apparent utility to city governments and others in responding to emergent policy challenges resulted in their proliferation in European localities. This is particularly so in England, which has probably moved furthest away from the formal dominance of state institutions as the focus of public policy (Sullivan and Skelcher 2002). These developments attracted the attention of researchers interested in the analysis of the role and implications of governance networks for democratic governance and public management, and indeed in the wider theoretical questions about their place in state theory (Marcussen and Torfing 2007; Davies 2011).

Three overlapping discourses have influenced the development of networks as a medium of urban governance in Europe (Sullivan 2010). The first identifies globalisation and neo-liberal strategies as sponsoring networks in order to achieve more efficient governance; the second emphasises the role of governance networks in improving coordination over complex social problems and so delivering more effective governance; and the third focuses on governance networks as a way of facilitating more responsive governance through the direct involvement of citizens in 'interactive' or 'co-governance'. Each of these discourses offers particular perspectives on, and implications for, democratic governance and public management.

Neo-liberal strategies have had a significant impact on the role of the 'locality' or 'municipality' throughout the global North and South (Geddes and Sullivan 2011). The deregulation of capital, financial and labour markets within nation states, accompanied by local policies of entrepreneurialism, resource constraint and marketisation, supported the neo-liberalization of urban space and the recreation of the local state underpinned by an emphasis on economy and efficiency in the delivery of public purpose. Processes of recreation reflect these emphases and include the following: the proliferation of public-private partnerships, 'new public management' strategies, privatised spaces of elite/corporate consumption and discriminatory forms of surveillance and social control (Brenner and Theodore 2002; Leitner et al. 2007). In this discourse, governance networks are instruments of economy and efficiency, and manifestations of a marketisation of local public policy and services where institutions are characterised by contractual relationships between public commissioners and private or third sector providers. The democratic quality of networks is judged by their ability to operationalise a market democracy in which networks facilitate more responsive interactions between consumers and providers of services. This has implications for the roles of both public managers and

politicians. The neo-liberal emphasis on 'entrepreneurial individuals' challenges the prevailing orthodoxy of the bureaucratic local state (Du Gay 2005), opening up spaces of local governance to public managers and business 'experts' and reorientating decision-making towards a qualified 'elite' rather than democratic representative institutions (Harvey 2005).

According to Geddes and Sullivan (2011), these developments have not necessarily reduced the role of the state but have reshaped it, in particular, limiting the influence of representative democratic government and encouraging a focus on executive rather than representative functions amongst local politicians. The primacy afforded to economic success and the competition between localities have supported a reshaping of local political leadership and institutional changes in municipalities, for example the introduction of powerful executive mayors (Hambleton 2007) and the development of coalitions of political and business leaders in 'urban regimes' to facilitate economic development (Stone 1995). It has also shifted local politicians' attention from implementation to strategy and oversight (Denters and Rose 2005). Likewise the orientation towards cross-sector collaboration has emphasised the reliance of political leaders on a range of other actors to achieve public purposes, rendering them 'orchestrators' or 'meta-governors' (Sørensen 2006). This echoes Osborne and Gaebler's (1992) prescription that governance agents should develop their 'steering' rather than 'rowing' capacity.

In contrast to the neo-liberal discourse that has considerable purchase in US and UK interpretations of the implications of changing modes of governance, particularly in the urban context, scholars in continental Europe tend to understand governance networks as an expression of a public policy discourse based on the need to meet new and complex societal challenges more effectively (Kooiman 2003). This second discourse argues for improved coordination of local resources and capacities and identifies governance networks as an instrument for achieving this.

The sources of governance challenges are many and various (Sullivan and Williams 2009), but they are based on the idea that the emergence of new policy dilemmas or 'wicked issues' (Rittel and Webber 1973), for example immigration and neighbourhood decline, challenge the existing capacity of public bodies to respond to them (Kooiman 2003). These dilemmas are compounded by rising public expectations about service quality and responsiveness (Pierre and Peters 2000) and an increasing public disaffection with government and its capacity to act (Barnes et al. 2003). In combination, these conditions question the ability of

governments to govern through conventional means, instead requiring the adoption of new tools and techniques and the engagement of a wide range of stakeholders within and beyond the state (Agranoff and McGuire 2003).

Governing through a network of interdependent, trusting actors who share expertise, knowledge and resources is argued to be more appropriate to public policy challenges than governing through hierarchies or markets (Kickert et al. 1997). Sørensen and Torfing (2005: 197) have captured what many consider to be the key features of governance networks in continental Europe:

a relatively stable horizontal articulation of *interdependent*, but operationally *autonomous* actors; who interact through *negotiations* that involve bargaining, deliberation and intense power struggles; which take place within a *relatively institutionalized* framework of contingently articulated rules, norms, knowledge and social imaginaries; that is *self-regulating* within limits set by external agencies and; which contribute to the production of *public purpose* in the broad sense of visions, ideas, plans and regulations.

Governance networks exemplify a kind of 'stakeholder democracy' in which all those involved are considered to have 'a stake in the good governance of the public realm' (Barnes et al. 2007: 15). The concept of stakeholding is considered to be particularly valuable in complex and diverse societies because it 'enables us to recognise a diversity of legitimate entitlements to representation within the public as well as the private sphere' (Rustin 1997: 80) through the articulation of the different kinds of stakes that individuals and groups may have in relation to different institutions and interests. According to Rustin, this 'has the great advantage of realism. It allows the recognition of the real differences of position, interest and claims that have to be taken account of in any actual polity' (Ibid.: 75–6). Supporters of a 'stakeholder democracy' do not necessarily concur about the kind of democratic system that can best support its realisation. For some it is entirely consistent with the operation of representative democracy, offering a way of complementing and strengthening it through the introduction of new 'voices' and modes of engagement in public decision-making, while for others it implies a fundamental challenge to representative democracy, suggesting instead an approach to governing that is based on a more participative democratic tradition.

The relational nature of governance networks means that actors with the appropriate skills are required to build and maintain these relationships. Identified as network or process managers by Koppenjan and Klijn (2004) or as 'boundary spanners' by Williams (2012), they are public officials (usually but not exclusively managers) who have a key role in 'reticulating the network' (Prior 1996). Their influence is questioned by those concerned about an apparent disconnection of local politicians from these new governing instruments, although others argue that local politicians remain influential, just in different ways (Sørensen and Torfing 2005).

The final discourse is distinguished by its emphasis on the role of citizens as 'co-governors' working through governance networks to facilitate more responsive governance. Newman's (2005b) work on 'discursive governance' argues for the importance of social and cultural considerations in a new governance environment where conventional distinctions between the state/market/civil society and the public/private/personal are blurred. There are new opportunities for citizens to be 'remade', 'undergoing a transformation from a supposedly passive (rights-bearing) to a more active (performing) subject, taking on more responsibilities as the public/private/personal boundaries are reconfigured' (Newman 2005b: 3). The new governance spaces that are opened up as a result of these reconfigurations enable 'performing citizens' to become directly involved in the co-production of particular policy outcomes that matter to them, their contributions to specific policy projects combining to generate a system of co-governance that may be enacted through networks created either by the state for the purpose of improved system effectiveness or by citizens themselves operating outside of conventional political systems and structures (Barnes et al. 2007). Cornwall (2004: 2) helpfully differentiates between the two, identifying the former as 'invited spaces' that citizens enter at the behest of the state and the latter as 'popular spaces' or arenas in which people come together at their own instigation. Important features of these spaces include their permeable boundaries and their flexibility of form in response to the changing dynamics of public participation over time. Bang and Sørensen (2001) suggest that there may be a third space occupied by a new kind of citizen – the 'everyday maker' who is active within the neighbourhood in working for community well-being but does so outside of established political constructions of citizenship that describe citizens as legitimators of or opponents to state domination.



Advocates of co-governing approaches argue that they exemplify a participative democracy in which citizens have greater power and influence over all aspects of policy making and implementation. Public managers and local politicians are required to cede power and to play more facilitative roles in support of citizen-directed decision-making. Participation may be expressed through individual acts of engagement but is more commonly associated with collective activities, for example through the workings of new social movements. Critics question the extent to which existing networks reflect a ceding of power and influence by politicians and bureaucrats to citizens, suggesting instead that co-governing hides a shift in responsibility for welfare and well-being from the state to the individual, implying a diminution rather than an enhancement of the quality of democracy (for a discussion of these positions see Barnes et al. 2007).

The three discourses offer powerful accounts of the emergence and utility of governance networks and in each case destabilise the dominant governance mode from hierarchy to market and/or network. However, these accounts also contain within them an ongoing and frequently powerful role for the state in the guise of city governments and a persistence of hierarchy in combination with markets and/or networks (Lowndes and Skelcher 1998). The operation of neo-liberal strategies requires the continued engagement of the local state both to 'steer' the direction of governance networks and also to make markets for network activity, for example fostering the growth of public-private partnerships or stimulating capacity amongst third sector organisations. The development of governance networks as instruments for improving societal coordination relies on the skills and resources of network managers or boundary spanners, whose roles are generally sponsored by and enacted under the guidance of the local state. Likewise the operations of 'co-governance networks' that are sponsored by local states and designed to improve the direct engagement of citizens with public policy decision-making tend to work within rules designed by state actors. In addition, institutional entrepreneurs also play an important role in shaping the design of governance networks, whether as meta-governors, network managers or street-level bureaucrats.

### Hybrids as governance arenas

The development of network governance in the urban realm has generated a number of hybrid organisations operating at arm's length to