■ Research Paper

Polyphonic Supervisionⁱ— Meta-governance in Denmark

Anders la Cour* and Holger Højlund

Copenhagen Business School, Frederiksberg, Denmark

This article will show how Luhmann's concept of functional differentiation makes it possible to analyse how the government draws various stakeholders into governable terrain through the use of different functional systems. The article takes its outset in a recent reform aimed at a renewal of the authority relations between the municipalities and the non-governmental housing associations in Denmark. In doing so, the article provides an example of how the government uses meta-governance to define several interactive arenas for the various stakeholders. The article concludes that meta-governance means neither that the government retains its old power at the centre of society nor that it is hollowed out. Instead, we have to realize that the government's capacity as an organizer relies on many other forms of media beyond power. Copyright © 2017 John Wiley & Sons, Ltd.

Keywords systems theory; meta-governance; supervision; partnerships

INTRODUCTION

According to a growing literature, new kinds of wicked problems are currently challenging the dominant ideology of new public management (NPM). While NPM assumes that the government can control the delivery of goods and services, new problems have arisen, which challenge the idea that the government has the authority to define both the nature of the challenge and the kinds of services to be delivered.

These kinds of problems are called 'wicked problems', because the definition of and solutions to the problems are uncertain and controversial (Head & Alford, 2015; Termeer *et al.*, 2015). Rather than acting on the basis of its autonomous power, the government has to invite relevant stakeholders into processes of negotiation about how to define the problems and to develop common initiatives to respond to them. Wicked problems require in this sense a high degree of flexibility, reflexivity and stakeholder involvement across public, private and voluntary sectors (Durant & Legge, 2006; van Buuren *et al.*, 2012).

However, because these types of collaborations seldom establish themselves on their own—and if they do, they often appear messy, unpredictable and full of conflicts—a growing literature is

^{*}Correspondence to: Anders la Cour, Copenhagen Business School, Porcelænshaven 18a, 2000 Frederiksberg, Denmark. E-mail: al.mpp@cbs.dk

ⁱParts of this article were previously published in Cour, Anders la & Andersen, Niels Åkerstrøm (2016) *Metagovernance as Strategic Supervision*. In Public Performance and Management Review, 39(4): 905–925.

pointing to the fact that governments are increasingly involved in organizing how the different stakeholders may coordinate their collaboration in order to develop a common understanding of the complication because it is all about inviting diverse public, private and voluntary actors to participate in planning, development and promotion. In the governance literature, a government, who goes into the establishment of arenas of collaboration, is said to be engaged in 'metagovernance' (Jessop, 2000; Jessop, 2003; Jessop, 2004; Provan & Kenis, 2008; Sørensen &Torfing, 2009; Torfing *et al.*, 2012; Klijn & Koppenjan, 2015).

From the critical literature, it has been stated that meta-governance has undermined the state's ability to exercise control over socio-political processes and developments. The state has been approached as being fragmented, eroded or even hollowed out. A state that governs through meta-governance rather than through traditional forms of regulation has been seen as weakened with regard to its regulatory power (Rhodes, 1994, 2000; Millward & Provan, 1993; Stoker, 2006).

While the governance literature has developed important insights into how governments have lost faith in central planning and instead engage in establishing themselves as meta-governors, we still need a better understanding of how governments make use of different strategies in order to invite various stakeholders into governable terrain. Such an understanding will challenge the idea that the government has lost power and instead emphasize how it regains power through subtle forms of supervision with regard to how the different stakeholders collaborate in order to meet the challenges of 'wicked problems'.

This article proposes to analyse government's role in facilitating new arenas of collaborative governance through Luhmann's concept of functional differentiation, in order to better understand how meta-governance transforms—rather than diminishes—the power of government. We argue that Luhmann's theory of the functionally differentiated society offers a possibility for new and subtle analysis of how the government retains its organizing power through new ways of governing the selfgovernance of other organizations.

Copyright © 2017 John Wiley & Sons, Ltd.

The line of the article's argument proceeds through the following four steps: the first part provides a short review of the literature regarding the current research field of metagovernance. This section will argue that this research field lacks a understanding of how governments strategically supervise the stakeholders they try to meta-govern. The second step presents the systems theoretical concept of the functionally differentiated society. This section will show how the modern functionally differentiated society provides the government with a multifunctional horizon for how metagovernance can supervise the self-governance of relevant stakeholders. Third, the article will provide a case of a reform of the Danish housing associations as a prime example of metagovernance as polyphonic supervision. The article concludes by discussing how the different designs established by functional differentiation create a need for coordination among various media and designs. In other words, Luhmann's theory of functional differentiation makes it possible to develop an eye for the multiplicity of perspectives involved in modern forms of meta-governance. Or to put it in more precise terms, paraphrasing Helmut Wilke, well-known systems theoretician, we show how metagovernance represents the government's attempt to develop a 'functionally differentiated guidance programme' for the self-steering of the involved stakeholder (Wilke, 1993, p. 293).

META-GOVERNANCE

The concept of meta-governance has challenged the traditional picture of the government as the central locus of power. It has been debated how the state's ability to govern has changed during the last four or five decades. Robichau (2011) argues that the discussion has split into a *state-centric* and *society-centric* perspective. 'The state-centric perspective maintains that the state retains its power as the chief actor and centre of society, while the society-centric position contends that the state is being hollowed out, decentred, and thus, is progressively relying upon non-state actors to fulfil its duties' (p. 117).

Because of the state-centric approach, metagovernance redefines the role of the state. In order to maintain its regulatory powers, the state changes dramatically in response to the changing context within which practices of governance take place (Jessop, 2004; Börzel & Risse, 2010; Fawcett & Daugbjerg, 2012). This position is challenged by the society-centric perspective, which views meta-governance as an example of how the transition from government to governance causes the state to diminish rather than to change. Due to this perspective, the state is hollowed out (Rhodes, 1994, 2000; Millward & Provan, 1993; Stoker, 2006), is fragmented (Majone, 1994, 1997; Levi-Faur, 2005) or appears to function as a shadow (Scharpf, 1994; Whitehead, 2003; Sørensen & Torfing, 2009; Poulsen, 2009; Damgaard & Torfing, 2010). The latter metaphor indicates some kind of ritualistic survival of government or survival from government in order to step in, if the process of interactive governance fails to come up with feasible solutions to existing challenges (Torfing et al., 2012).

Robichau's (2011) review of the governance literature argues that much research is needed if we are to gain a more precise picture on meta-governance. The assumption meta-governance represents the state's attempt to 'govern better than less' (Wallington et al., 2008: 3) should be put to empirical investigation. Or as Kjær (2004) argues, 'in all, governance does not take place without government, and governance theory should leave the role of the state open to empirical investigation rather than simply assume that the role is declining' (204). The same argument about empirical openness concerning the state's role has been put forward with strong evidence from the perspective of Nordic and European experiences by Vallentin (2013) and Vallentin and Murillo (2010).

Taking its outset in systems theory, this article investigates how government makes use of different functional media in order to include various actors in the act of governing. New and previously neglected forms of co-optation are seen. We show how a new form of governing appears that does not represent a neutral

facilitation of interactive governance among various actors but enhances the structural and communicative power of the state by discursively framing the stakeholders' identities and possible observations of each other, thereby shaping the stakeholders' capacities as political actors.

This article is not the first to introduce Luhmann's notion of functional differentiation to discussions of public governance. Previous studies have used the idea of functional differentiation to challenge some of the principal distinctions that hitherto have guided the governance field. Andersen (2005)challenged the distinction between public/ private that has guided the governance literature and emphasized that this distinction lacks the ability to reflect the complexity of a functionally differentiated society. Esmark (2009, 2010) follows the same line of argument when he challenges the distinction between hierarchy, market and networks used in governance literature as an exhaustive mapping of basic modes of steering available in public governance. Esmark shows how existing modes governance exceed such tripartite distinctions and instead make use of steering possibilities inherent in the different available functional systems, which result from the development of modern societies.

Others use Niklas Luhmann's work to describe collaborative networks as independent systems in their own right. Kooiman (1993, 2000), for example, perceives such networks as independent interaction systems. La Cour and Højlund (2011, 2013) follow the same line of argument, when they construe collaborative networks as third-order systems and describe how they develop into an independent systemic order. Andersen and Loftager (2014) use systems theory to describe governance networks as meta-organizations—organizations of organizations—and show how these special kinds of social systems bring together the observations of different functional systems and enable intensive and reciprocal irritability. Similarly, Göran and Brunsson (2008, 2011) have proposed the notion of meta-organization to describe organizations that consist of already organized interests. Their

Copyright © 2017 John Wiley & Sons, Ltd.

meta-analytical approach combines institutional with a systemic perspective. Finally, Van Assche and Verschraegen (2008) follow another path, showing in their work how Luhmann's concept of functional differentiation represents both a challenge and possibilities for the government's attempt to coordinate different organizations' activities within a functionally differentiated society. We will take our outset in Assche and Verschraegen's work in order to show how meta-governance represents a specific perspective on collaboration. Our argument is that meta-governance represents a specific type of planning that attempts to influence the way the different stakeholders establish themselves as partners for each other. In systems theoretical terms, meta-governance represents the government's attempt to span a multifunctional horizon for its ability to discursively frame stakeholders' identities and possible relationships with one another. In doing so, new functional media come to the fore that may enhance our knowledge of how governments try to govern through metagovernance. In this way, systems theory adds value to the existing governance literature, in particular with respect to developing a better understanding of how meta-governance establishes certain couplings of government and governance.

Luhmann's theory of social systems shares the governance literature's view on the selfregulation of stakeholders. Modern policymaking is not, as NPM saw it, a question of instructing each stakeholder on what to do; instead, the government becomes a question of ensuring that the relevant stakeholders assume responsibility for the development of local goals and the initiatives needed to achieve them. Systems theory and the governance literature thus both contest the basic notion of governance as primarily about hierarchical commands, determination or prohibitions. Instead, they both emphasize that 'to govern' means to govern the self-governance of others by designating structures of possible stakeholder action that compel stakeholders to make use of their freedom in particular ways. In other words. government's only course of action is to discover

indirect modes of steering that provide otherwise self-steering systems with the necessary capacity to steer themselves in the directions that the government desires (Wilke, 1993). In the following, by introducing Luhmann's theory of the functionally differentiated society, we will show how meta-governance represents the government's attempt to steer the self-steering of stakeholders in a distinct way, namely, by creating the foundational premises for how the different stakeholders might create themselves as partners for one another.

According to systems theory, stakeholders belong to the category of organizations. Organizations are social systems, which establish the distinction between membership primary non-membership their as principle for creating a boundary between themselves and their environment. In this sense, individual human beings are only observed as relevant stakeholders if they are perceived as members of specific organizations and thereby represent more than just themselves in the collaboration.

Meta-governance refrains from attempts to steer by means of defining 'facts' beforehand, such as defining how the problems at hand should be conceived and how they should be addressed in meta-governance; the definitions of such questions are left open to the stakeholder collaboration, and the government seeks to supervise how stakeholders might establish themselves as partners for one another. In other words, the government's supervision is not about presenting the 'facts' of the 'wicked problems' that stakeholders face. Instead, meta-governance becomes an example of how the government tries to influence how the different stakeholders might conceive one another as mutual partners, because their ability to orient their actions and find solutions to the 'wicked problems' depends on how they conceive one another as partners. In system theoretical terms, meta-governance can therefore be seen as an attempt to influence and coordinate the interaction between self-steering systems by offering ways for them to conceive one another as mutual partners.

Copyright © 2017 John Wiley & Sons, Ltd.

FUNCTIONAL DIFFERENTIATION

Our point of departure is Niklas Luhmann's theory of modern society as functionally differentiated. Our line of argument is that throughout history, differing functional systems have played a dominant role (Luhmann, 2013, p. 87). A defining characteristic of these systems is that they evolve around their own way of perceiving the world and the fulfilment of a specific function (for a pedagogical introduction, see Tsivacou, 2005, in this journal). In their work, Roth and Schutz (2015) have provided a canon of Luhmann's 10 functional systems. In the following, we will focus only on four of these and add a fifth (the system of love), because they seem to dominate the specific case of the Danish reform of the social housing associations, which we will introduce later on. The first one is the economic system, which forms the medium of money and observes everything through the lens of having/not having in order to deal with scarcity. The political system forms the medium of power through the distinction govern/governed in order to produce collectively binding decisions. The legal functional system forms the medium of law through the distinction between the legal and non-legal in order to be able to judge. The pedagogical system uses the idea of the child as a medium formed through the code of better/worse in order to socialize. And even love has a functional system, which forms the medium passion through the code of loved/not loved, which deals with intimacy (Luhmann, 2012). Andersen and Born (2008) in particular have outlined the analytical advantage of observing the communication of love as it appears in different organizational settings. Luhmann has dedicated a volume to each of the functional systems he has detected in his historical descriptions of modern society as functionally differentiated. In addition to the ones mentioned previously, these are science, religion, sport, mass media, health and art.

Common to all these systems is that they have developed their own semantic and are closed around their own specific way of observing the world. In economic communication, everything can be seen through the lens of money, but this also marks the limit of its observation; it cannot also convict people or make collectively binding decisions. The binary codes of functional systems are extremely effective for guiding observations. From the point of view of a function system, anything can be reduced to an either or question. Everything can be observed through its specific coding. However, at the same time, this represents the system's limitation, because the selective codes remain blind towards issues that cannot be translated into one of the two sides of the binary code. In other words, functional systems are operatively closed systems; they evolve around their own specific code, and the only thing they are capable of is producing continued communication within the same distinctions. Several critics have used this theoretical framework to show how organizations can make use of more than one media in their communication by oscillating between the different possible observations of the world made available to them by different functional systems (Andersen & Born, 2000; Andersen, 2003; Højlund & la Cour, 2015; Højlund, 2009). Moreover, we have witnessed the appearance of a new critical and systemic management journal, Tamara, which publishes critical organizations studies guided by this systemic approach [for an example, see Roth (2014)]. Our approach is in many ways similar to this analytical strategy, because we seek to analyse the state as a multifunctional organization.

The article's main argument is that the various functional systems provide very different conditions for meta-governance's attempts to structure the partnerships of its stakeholders. The media of power, money, law, pedagogy and passion produce rather different conditions for discursively framing the stakeholders' identities and possible relationships with one another. Depending on the specific media offered to them by the supervision as a lens through which to observe each other, the partners will come to observe each other rather differently.

Within the medium of power, the supervising entity tries to configure the partnership as a way to empower the participating organizations and institutions. Who has the power to do what, and how can the partnership be used as a way for

Copyright © 2017 John Wiley & Sons, Ltd.

the different institutions to discover themselves as someone with authority to decide and to take responsibility for creating themselves as someone with the power to do so? This is especially important if a partnership includes institutions that are not used to participating in traditional decision processes, that is, the game of power. The state can try to configure the partnership as a collaborative arrangement that challenges traditional power relationships between govern and governed. In such a case, the partners need to be mindful of when the partnership is being used to challenge traditional forms of power relationships, which are observed as an obstacle to the development of the partnership, but also of how the partnership constructs new forms of power relationships, where partners are assigned new forms of authority with respect to decisionmaking.

Within the medium of law, the state tries to supervise the partnership as a collaborative network between agents with a legal obligation towards each other. This can be in regard to a reform that makes it a legal obligation for partners to plan meetings with each other, to inform the public about their decisions and to have certain roles to fulfil in order to respect the partnership as a legal constitution. Partnership is seen as right, and the other partners are observed as legal subjects, where the actors are evaluated in light of the rules that are developed around the partnership: are they fulfilling their legal obligations? This kind of supervision is about making the duties of the different partners clear to everybody.

Within the medium of money, the state tries to supervise the partnership as between entities striving to profit individually from the partnership. Thus, the partners will consider initiatives that appear to be profitable in the situation. Partnerships formed in this code therefore encourage the partners to make calculation on the basis of a cost/benefit logic with respect to what they may gain from this investment vis-à-vis a different one. In this sense, money plays a double function: it is used as an incentive for the stakeholders to consider what the partnership has to offer, namely, economic benefits, but it also functions as a way for the partners to put pressure on each

other: do we benefit enough from the efforts we put into this partnership? These rational calculations work to guide the self-governance of the stakeholders to ensure that the partnership functions as an effective tool and achieves the greatest possible utility for the involved actors. The guiding principle is 'we must have value for the money'.

To supervise through the code of pedagogy means that responsibility for creating oneself as a partner for the other is assigned to the institution itself. What is special about this particular mode is that the institution is expected to observe itself through the code of pedagogy, reproduce the institution as incomplete and turn itself into a project focused on creating itself as partner for the other. The goal of pedagogical supervision is for the partnership to become a project of self-development as a way to increase the institution's relevance as partner. When the state's supervision is formed in the pedagogical code, it forms the medium of 'the child' (Luhmann, 1993). In this perspective, institutions are perceived as mouldable, and the partnership is symbolized as a learning endeavour, where engaged institutions are expected to learn from one another. In the observation of the pedagogical code, institutions do not represent fixed entities but are expected to evolve through the partnership.

To supervise the partnership in the medium of love is not to establish the power relation among the partners or to explicate their duties towards one another. It is also not about letting the partners discover their own responsibility for self-development, as is the case within the pedagogical code. Instead, it is about defining the partnership as a matter of the partners taking initiatives that are not motivated by 'what is in it for me' but by initiatives that show respect and responsibility for the partnership as a whole. Here, the partners do not take on responsibility because they have the authority to do so, because it is their legal duty or because it contributes to their own self-development. Instead, the state tries to facilitate the partnership as a collaboration, where the different partners are responsible above and beyond their legal duties. They are expected to develop engagement that

Copyright © 2017 John Wiley & Sons, Ltd.

transgresses these expectations and to show independent initiative, which indicates that they 'love' the partnership. Here, the partnership is constituted as a way for the partners to guide themselves in accordance with their ideas about the needs of the other partners. It becomes a question of unselfishly 'giving oneself' to the partnership. What is important is that the partners orient themselves towards the world of the other in order to find meaning that transgresses their own way of seeing the world and replaces it with the world of another system (Luhmann, 2012, p. 175). But this also works the other way around, which means that the partners are also expected to enable 'the other' to give back (see Andersen & Born, 2008, for further discussions about love as a communication medium).

The examples of supervision through different media are summed up here:

The systems theoretical conceptualization of the functionally differentiated society allows us to develop a more precise observation of how the state seeks to meta-govern. By means of which rationality does the state seek to govern the self-governance of the participating actors? When more than one code is possible, the supervision may be suspected of indeterminacy or hidden agendas. This is a risk that accompanies supervision as a medium for observation and self-observation. Supervision is by definition not very conclusive. Multiple codes support the picture of inconclusiveness. However, at the same time, polyphonic coding produces potential flexibility. The supervision may make itself relevant to different kinds of partnerships. As observational modus, supervision will produce different observations. Some observations will run counter to each other, while others will be mutually supportive.

Accordingly, we argue that meta-governance represents a 'functionally differentiated guidance programme' (Wilke, 1993, p. 293), which invites the relevant stakeholders to create themselves as partners for one another in different and flexible ways. Luhmann's notion of the functionally differentiated society makes it possible to analyse more specifically the ways in which meta-governance seeks to influence and facilitate the self-governance of others. Before providing an

example of how meta-governance makes use of several media simultaneously, we will present a section on our methodology.

DATA AND METHODS

The sources of empirical evidence for this article employ document analysis. This method relies on policy documents, where the data are based on a close examination of a variety of policy documents (Freeman & Maybin, 2011, p. 155). Policy documents tend to refer to other policy documents. We assume a coherence or a stabile reference structure, when such network of textual relations appears in which all documents refer to each other; here, we address the documents as a semantic reservoir (Luhmann, 1998, p. 19) from where we can abstract a kind of generalized vocabulary of the policy system. Taken together, the policy documents represent a stabilized, self-reflexive and self-descriptive vocabulary of the given political area (Luhmann, 2000, p. 219).

In the present semantic archive of the Danish reform of the housing associations, we include a government white paper on the reform (Ministry of Welfare, 2008). The white paper presents the government's policy prior to the introduction of subsequent legislation. We also include the official guidelines on how to realize the reform in practice from the ministry, municipalities and national association of housing associations (Ministry of Interior and Social Affairs, 2009; Ministry of Social Affairs, 2010; Copenhagen Housing Association, 2011; National Association of Housing Associations and National Association of Municipalities, 2009a, 2009b, 2010). Three documents are from government departments (Ministry of Welfare, 2008; Ministry of Interior and Social Affairs, 2009; Social Affairs, 2009). Two documents are from the National Association of Housing Associations and National Association of Municipalities (2009a, 2009b, 2010). The last document is from the largest housing association in Denmark, Copenhagen Housing Association (2011).

Copyright © 2017 John Wiley & Sons, Ltd.

We conduct a close examination of a total of six documents. These documents create their own network of textual relations. In our reading of the six documents, we follow a reading strategy built upon a set of methodological assumptions derived from systems theory, which lay out two equally important research questions: 'what is the case' and 'what lies behind' (Luhmann, 1993). The first question is 'what is the case'. How does meta-governance represent a multihorizontal guidance programme for the selfperception of the involved stakeholders? And what lies behind? In other words, how is this a result of a society that has developed into a functionally differentiated society, where the political system no longer exists at the centre of society but has to rely on the capacity of other systems to steer themselves in accordance with the goals of the political system? The following case is built up around these two research questions.

POLYPHONIC SUPERVISION¹

The Danish government launched in 2010 a steering reform in order to improve the collaboration between municipalities and housing associations in Denmark. The aim of the reform was to create a new governance framework in order to break down the traditional forms of government mediated by legal regulation and contracts. Instead of government from hierarchy, a framework of equality in positions was proposed to foster dialogue-based interaction between the two stakeholders. The reform text was clear: the municipalities would give up their role as rule-observing bureaucrats and instead create themselves as equal partners who could develop goals, challenges and initiatives together with the housing associations on an equal footing. The housing associations would no longer act as mere administrators of the law but in addition develop organizational cooperation would create effective

¹ Parts of case description also appear in Cour, Anders la & Andersen, Niels Åkerstrøm (2016). Metagovernance as Strategic Supervision. In Public Performance and Management Review, 39(4): 905–925.

into active policymakers. The ambition of the reform was that the institutionalization of interinitiatives than the traditional hierarchical form of government, hitherto had been able to produce. After all, the new forms of governance had the ability to bring together resources across the municipalities and the housing associations (National Association of Housing Associations & National Association of Municipalities, 2009a, 2009b).

Having a closer look into the reform, the governance ideas seem unquestionable. The reform turns the traditional hierarchical relationship between the municipalities and the local housing associations into a collaborative partnership. The future challenges of the associations are addressed as challenges related to activities that are related to community building. Instead of formulating the municipalities with a controlling function in relation to the housing associations, the two actors are expected to establish themselves as equal partners engaged in mutual dialogues about how, together, they may develop initiatives for handling future challenges (Ministry of Social Affairs). The reform represents an explicit and formal strategy for stipulating and institutionalizing formal interaction between public and non-public actors. In this sense, the reform represents yet another example of metagovernance in practice. But the reform also exemplifies how the state makes use of several functional media in order to organize the conditions of the partnership.

What were the dominating semantics of the housing reform? In the core of the reform was some law changes. Law was an important communicative media, although the reform understood itself as representing a new direction away from the traditional practices, where the municipalities' main task was to provide superintendents and ensure that the housing associations managed themselves according to the law (National Association of Housing Associations & National Association of Municipalities, 2009a, 2009b). The housing associations still had to manage themselves in accordance with the law, but this was not included in the reform agenda. Instead, the law was being used to obligate the partners to establish formal meetings with each other (at least one bilateral meeting each year between the municipalities and each of the

Copyright © 2017 John Wiley & Sons, Ltd.

housing association) and to commit the municipalities to sending a questionnaire to the housing associations, which they had to fill out and which could be used as a starting point for the discussions at the meetings. The municipalities were also obligated according to the law to make a summary of the meeting available to the public (Ministry of Social Affairs, 2010; National Association of Housing Associations & National Association of Municipalities, 2011b). The medium of law cannot force the different partners to make collective decisions with each other, but it can focus on the mutual obligation to meet the expectations of the law to have regular and informed meetings with each other.

From the very beginning, the reform legitimized itself as a way to make the administration of the housing associations more cost effective by allowing the municipalities and the housing associations to reduce spending on administrative matters. But the reform also emphasized that the partnership would make it possible to develop solutions that would be more effective than existing ones, also with regard to the use of economic resources (Ministry of Interior & Social Affairs, 2009). Thus, the reform seeks to instal a certain kind of reflexivity among the stakeholders, where future options are evaluated from the perspective of a potential return, which is calculated in relation to the given investment. Accordingly, the initiatives taken can be perceived as an investment, which is intended, over time, to create increased value for the involved actors.

One of the many intended outcomes of the reform was for the housing associations to discover themselves as independent organizations with the authority to partake in a political decision-making process. They were expected to develop their own political stance concerning all policy areas in relation to the overall development of the municipality that they belonged to (National Association of Housing Associations & National Association of Municipalities, 2011a). However, the reform also challenged the municipalities, because the civil servants, who represented the municipalities at the many meetings, had to take on a more proactive role than merely one of observing bureaucrats. The reform

required the civil servants to become innovators of new political initiatives and to provide sustainable policy solutions (Poulsen, 2009, p. 118).

One of the dominant semantics of the reform was the focus on development. From the very beginning, the partnership was constituted as a joint project for development, for example, how to extend collaboration. The reform language is marked by a sense of potentiality with regard to the development of the partnership and the possibilities for the partners' self-development (National Association of Housing Associations & National Association of Municipalities, 2009a, 2009b, 2011a, 2011b; Ministry of social affairs, 2010). The state wants to supervise the partnership as a tool for learning. In the code of pedagogy, the institution can evaluate the other with whom it finds itself in a partnership: how is the other institution's capacity for self-development progressing? Or it may evaluate the partnership: how is the partnership contributing to the selfdevelopment of the institutions? Or institution: how is the institution using the partnership as a way to self-develop? The pedagogical code constitutes all three entities as something unfinished, as something in need of constant development. From the perspective of the code of love, the reform invites the stakeholders to constitute themselves as contributors to the common objectives and furthermore to allow others to constitute themselves in the same

... to create effective development and good results requires that the partners similarly place demands on each other. Each partner needs to create initiatives and build the framework for their implementation and subsequent evaluation (National Association of Housing Associations & National Association of Municipalities, 2009a, 2009b, p. 4).

Meta-governance seeks to bring a 'shared we' to the fore by establishing a goal for the partners to gather around. This goal is communicated as a flexible signifier for the partners to put a lot of communality and shared feelings into. A central focus of the reform is the actors' self-creation as relevant partners for each other. Meta-governance seeks specifically to establish the

Copyright © 2017 John Wiley & Sons, Ltd.

actors' freedom to commit to the assumed responsibility for the partnership. It represents an attempt to formulate mutual obligations concerning the self-creation of the individual partners as responsible for, and relevant to, the partnership. Through the co-optation of the common goal and the values of communality, the partners are expected to make the partnership central to their own decisions (Figure 1).

Thus, in the image of meta-governance, the partnership becomes rather complex; it calls on the partners to establish themselves as legal entities with legal obligations towards each other. Not submitting the questionnaires, or filling them out, not extending invitations and not showing up to the meetings are seen as against the law. It is also expected of the partners that they take on political responsibilities, by establishing themselves as political authorities vis-à-vis each other with respect to developing new policy agendas within the partnership. But the partnership needs to also be motivated by the benefits that it offers for the time and effort put towards it. Moreover, it asks the partners to

assume an almost experimental attitude towards each other, constantly exploring ways in which to learn from the experiences gained throughout the process, and how this may contribute to the development of the partnership as such and to their own self-development. And finally, the partners are expected, through their actions, to tune themselves to the world of the other in order to develop a mutual eye for what most benefits their relationship as a whole, despite more individually motivated behaviours (Figure 2).

As shown, meta-governance seeks to organize the conditions of the partnership within more than one semantics and colour by more than one code. This kind of polyphony can serve as an opening towards more flexible strategies, although it might at times challenge the identity of the organizations entering a partnership. Organizations marked by a strong homogeneous identity will feel challenged by polyphonic semantics. Figure 3 illustrates how different media construct such challenges in different ways.

For a summary, each code tries to establish the partnership from the perspective of its own

Medium	Code	Strategy of Supervision
Power	Govern/governed	Constructs the stakeholders as sovereign actors and independent decision makers
Law	Legal/non legal	Constructs the stakeholders as having rights and obligations toward each other
Money	To have/not to	Constructs the stakeholders as seeking to benefit economically from the partnership
The child	Better/worse	Constructs the stakeholders as willing to learn from each other
Passion	Loved/not loved	Constructs the stakeholders as responsible for anticipating the needs of the other

Figure 1 Supervision formed by media

Functional media	Form of supervision
Power	Empowerment
Law	Regulation
Money	Incentive management
The child	Educative/competence learning activities
Passion	Expectations about responsibility-taking
	before expectations

Figure 2 Supervision forms

Functional system	Challenge from partnership
	collaboration
Politics	The partner organisations loose
	autonomy, and their status as
	independent decision units are
	threatened.
Law	Informal partnership relations
	challenge formal rules of engagement.
Economy	The return doesn't reflect the
	investment.
Pedagogics	Partners remain too attached to past
	identities and therefore feel unprepared
	to develop new and changeable
	partnership identities
Love	The partners lose sight of "the other"
	and what is good for the partnership as
	such and concentrate instead on their
	own self-development.

Figure 3 Polyphonic challenges

exclusive way of observing the world. What makes a difference, what counts as a coordination problem, a challenge or a solution is defined by the code through which the partnership is viewed. Our argument is that if you observe how meta-governance seeks to organize the conditions for self-governance through the establishment of different kinds of partnership between the relevant actors, many different codes appear. And none of them can be said to have hegemonic status. In order for the partnership not to collapse, meta-governance requires for the partners to have the ability to constantly switch codes in accordance with what is going on in the collaboration. In this way, functional differentiation produces potential flexibility. But because the different media that the state provides for the stakeholders' self-governance produce different observations, there is also the risk that some of them will run counter to one another.

Establishing the partnership within medium of economy, where the collaboration is all about creating benefits for the individual stakeholder, can easily create conflict with the medium of love, which produces expectations about devoting oneself to what is best for the partnership. The code of love is preoccupied with how the partnership can initiate the binding of the stakeholders in a relationship that does not mark difference but unity. In other words, it tries to establish a 'we'. This goal also runs counter to the pedagogical code, which requires the opposite of the love code's demand for absorption and asks stakeholders to engage in reflection and a strict self-awareness about how the partnership can contribute to their self-development. In the present context, we are unable to further develop these ideas, but the basic assumption is that if the organizations can constitute themselves as partners under the umbrella of the same coding, they are more likely to be able to coordinate their interest, develop common initiatives and reach community goals, than if the opposite is the case. Polyphonic metagovernance, by contrast, requires the continuous choice among, reproduction and replacement of various codes, pushing and pulling the partnership in different directions. The shifting

perspectives, which the codes make possible, can serve as important and innovative vehicles for the development of the partnership. But the shifting codes may also produce disorder and unpredictability, because the stakeholders can never be sure when the partnership invokes a different code.

CONCLUSION

This article has drawn attention to the ways in which Luhmann's theory of functional differentiation can expand our knowledge about how government works through meta-governance as a way of organizing the conditions for selforganization among various stakeholders. Seen through the lens of systems theory, metagovernance represents a specific form of steering, where governments aim to coordinate different ways for stakeholders to engage in collaboration with one another, without defining what a given problem or its solution looks like. Instead, metagovernance represents an attempt to develop different discursive frameworks that function as strategic supervision of how the relevant stakeholders should construct themselves as relevant actors to participate in the governance arena. Using Niklas Luhmann's theory of functional differentiation, the article shows how this has been done through different functional media that pave the way for a variety of ways in which to couple relevant stakeholders. System theory makes it thereby possible to analyse how meta-governance is changing the patterns of possible interaction between stakeholders, which involve that collaboration takes place in a fragmented system of governance in which various function systems offer their own logics and their own expectations towards the processes of collaboration.

In the presented case, the government seeks to meta-govern through the use of five different communication media: politics, law, economy, pedagogy and love. Some of these represent new and hitherto neglected forms of media for the self-governance of the involved stakeholders. In this way, meta-governance represents a polyphonic steering ambition, in the sense that it

Copyright © 2017 John Wiley & Sons, Ltd.

provides openness with regard to the plurality of codes and semantics that may guide the development of the partnership. Therefore, it becomes important for the state that the partners use the partnership as a kind of scanning mechanism for possible codes and semantics, as a way to recognize the dispersal of capacities and resources relevant for developing the partnership. In this sense, polyphonic supervision produces anarchic conditions for the selfgoverning of relevant stakeholders. In order to be strategic about their choices, however, it is important for stakeholders to see the scanning processes as strategic, in the sense that the choice of semantic coding is related to matters of identity and future reflexivity, because the choice of code will have a constitutive effect on the partnership and the partners.

In this article, we have only outlined a very broad idea about how the theory of the functionally differentiated society can improve the investigation of how meta-governance links government and governance. As a result, we will argue that the question is not whether or not meta-governance undermines the power of government but rather how meta-governance makes new steering media relevant for the government's ability to influence the self-governance of its stakeholders.

This macro-sociological approach should be supplemented by concrete empirical studies of how governments make use of different media when organizing the conditions for the selfgovernance of stakeholders. In relation to such empirical studies, the conceptualization of metagovernance as polyphonic supervision produces two important research questions for future studies. First, it encourages researchers not to lose sight of the integral role that governments play in the different arrangements for the selfgovernance of others. Second, it opens up towards further empirical investigations and analysis of the kinds of media involved in governmental efforts to influence the self-governance of other organizations.

With inspiration from systems theory, metagovernance has been constructed as an example of polyphonic supervision of how stakeholders might create themselves as partners for one another. The case has been a governmental reform that tries to bring stakeholders together across public and civil sectors in different collaborative networks. But polyphonic supervision is not reserved for governments or other political organizations in their attempt to govern the self-governance of others. In fact, it becomes an open empirical question of which kinds of organizations make use of polyphonic supervision. In this sense, systems theory seems once again to transgress the limited scope of meta-governance.

REFERENCES

Andersen NÅ. 2003. Polyphonic organizations. In *Autopoietic Organization Theory*, Hernes T, Bakken T (eds.). CBS: Copenhagen; 151–182.

Andersen NÅ, Born AW. 2000. Complexity and change: two "semantic tricks" in the triumphant oscillating organization. *Systemic Practice and Action Research* **13**: 297–328.

Andersen NÅ, Born AW. 2008. The employee in the sign of love. *Culture and Organization* 14(4): 325–343.

Andersen SC. 2005. How to improve the outcome of state welfare services. Governance in a systems-theoretical perspective. *Public Administration* **83**(4): 891–907.

Andersen SC, Loftager J. 2014. Deliberative democratic governance. Administrative Theory & Praxis 36(4): 510–529.

Börzel TA, Risse T. 2010. Governance without a state: can it work? *Regulation and Governance* **4**(2): 113–134.

Copenhagen Housing Association. 2011. Hanbog om almene boliger - spilleregler for bestyrelser, beboere og ansatte i den almene boligsektor. Litotryk København a/s: Copenhagen.

la Cour A, Højlund H. 2011. The emergence of a thirdorder system in the Danish welfare sector. In *The Third Sector*, Hull R, Gibbon J, Branzei O, Haugh H (eds.) . Emerald Group Publishing Limited (Dialogues in Critical Management Studies: Bingley; 87–111 Nr. 1.Bingley (red.)

la Cour A, Højlund H. 2013. Organizations, institutions and semantics: systems theory meets institutionalism, pp. 185–202 i Anders La Cour & Andreas Philippopoulos-Mihalopoulos, *Luhmann Observed: Radical Theoretical Encounters*. Basingstoke: Palgrave Macmillan.

la Cour A, Andersen N. 2016. Metagovernance as Strategic Supervision. *Public Performance & Management Review* **39**: 905–925.

Damgaard B, Torfing J. 2010. Network governance of active employment policy: the Danish experience. *Journal of European Social Policy* **20**(3): 249–262.

Copyright © 2017 John Wiley & Sons, Ltd.

- Durant RF, Legge JS. 2006. "Wicked problems," public policy, and administrative theory lessons from the GM food regulatory arena. *Administration & Society* **38**(3): 309–334.
- Esmark A. 2009. The functional differentiation of governance: public governance beyond hierarchy, market and networks. *Public Administration* **87**(2): 351–370.
- Esmark A. 2010. Systems theory. The SAGE Handbook of Governance. SAGE: London.
- Fawcett P, Daugbjerg C. 2012. Explaining governance outcomes: epistemology, network governance and policy network analysis. *Political Studies Review* 10: 195–207.
- Freeman R, Maybin JO. 2011. Documents, practices and policy. *Evidence & Policy: A Journal of Research, Debate and Practice* **7**(2): 155–170.
- Göran A, Brunsson N. 2008. *Meta-organisations*. Edward Elgar Publishing: Northampton.
- Göran A, Brunsson N. 2011. Organization outside organizations: the significance of partial organization. *Organization* **18**: 83–104.
- Head BW, Alford J. 2015. Wicked problems implications for public policy and management. Administration & Society 47(6): 711–739.
- Højlund H, la Cour A. 2015. Polycontextuality and the body. In *Systems Theory and the Sociology of Health and Illness. Observing Health Care*, Knudsen WF/M (ed.). Routledge: London; 43–60.
- Højlund H. 2009. Hybrid inclusion—the new consumerism of Danish welfare services. *Journal of European Social Policy* 19(5): 421–431.
- Jessop B. 2000. Governance failure. In *The New Politics of Local British Governance*, Stoker G (ed.). Macmillan: Basingstoke.
- Jessop B. 2003. Governance and meta-governance: on reflexivity, requisite variety and requisite irony. In *Governance as Social and Political Communication*, Bang HP (ed.). Manchester University Press: Manches.ter.
- Jessop B. 2004. Multi-level governance and multi-level metagovernance. *Multi-Level Governance* 1(9): 49–75.
- Klijn HE, Koppenjan K. 2015. Governance Networks in the Public Sector. Routledge: London.
- Kjær AM. 2004. *Governance*. Polity Press: Cambridge. Kooiman J. 1993. *Modern Governance*. Sage: London.
- Kooiman J. 2000. Societal governance: levels, modes and orders of social-political interaction. In *Debating Governance: Authority, Steering, and Democracy,* Pierre J (ed.). Oxford University: Oxford.
- Levi-Faur D. 2005. The rise of regulatory capitalism: the global diffusion of a new order. *The Annals of the American Academy of Political and Social Science* **598**(1): 200–217.
- Luhmann N. 1993. "Was ist der Fall?" und "Was steckt dahinter?" Die zwei Soziologien und die Gesellschaftstheorie. Zeitschrift für Soziologie 22(4): 245–260.
- Luhmann N. 1998. *Geesellschaftsstruktur und Semantik* 1. Suhrkamp: Frankfurt am Main.

Luhmann N. 2000. *Die Politik der Gesellschaft*. Suhrkamp: Frankfurt am Main.

- Luhmann N. 2012. *Love as Passion*. Polity Press: Cambridge.
- Luhmann N. 2013. Theory of Society, vol. 2. Stanford University Press: Stanford.
- Majone G. 1994. The rise of the regulatory state in Europe. West European Politics 17(3): 77–101.
- Majone G. 1997. From the positive to the regulatory state: causes and consequences of changes in the mode of governance. *Journal of Public Policy* **17**(2): 139–167.
- Millward HB, Provan K. 1993. The hollow state: private provision of public services. In *Public Policy for Democracy*, Ingham H, Smith SR (eds.). Brookings Institution: Washington; 222–237.
- Ministry of Interior & Social Affairs. 2009. Den almene boligsektors dokumentation Rapport fra arbejdsgruppen vedrørende almene boligorganisationers dokumentation. Silkeborg bogtryk: Silkeborg.
- Silkeborg bogtryk: Silkeborg.

 Ministry of Social Affairs. 2010. Vejledning om styringsdialog. Silkeborg bogtryk: Silkeborg.
- Ministry of welfare. 2008. Den almene boligsektors styring. Silkeborg Tryk: Silkeborg.
- National Association of Housing Associations & National Association of Municipalities. 2009a. Styringsreformen det fremtidige samarbejde mellem boligorganisationer og kommuner.
- National Association of Housing Associations & National Association of Municipalities. 2009b. Styringsreformen det fremtidige samarbejde mellem boligorganisationer og kommuner. Kommunernes Landsforening & Boligselskabernes Landsforening: København.
- National Association of Housing Associations & National Association of Municipalities. 2010. Styringsdialog Et værktøj til samarbejde mellem kommuner og boligorganisationer. Kommunernes Landsforening & Boligselskabernes Landsforening: København.
- National Association of Housing Associations & National Association of Municipalities. 2011a. Styringsdialog Et værktøj til samarbejde mellem kommuner og boligorganisationer. Litotryk København a/s: København.
- National Association of Housing Associations & National Association of Municipalities. 2011b. Håndbog om almene boliger – Spilleregler for bestyrelser, beboere og ansatte i den almene boligsektor. Litotryk København A/S: København.
- Provan K, Kenis P. 2008. *Journal of Public Administration Research and Theory* **18**(2): 229–252.
- Poulsen B. 2009. Competing traditions of governance and dilemmas of administrative accountability: the case of Denmark. *Public Administration* **87**(1): 117–131.
- Rhodes RAW. 1994. The hollowing out of the state: the changing nature of the public service in Britain. *The political Quarterly* **65**(2): 138–151.

Copyright © 2017 John Wiley & Sons, Ltd.

Rhodes RAW. 2000. Governance and public administration. In *Debating Governance*, Pierre J (ed.). Oxford University Press: Oxford; 54–90.

- Roth S. 2014. The multifunctional organization: two cases for a critical update for research programs in management and organization. *Tamara: Journal for Critical Organization Inquiry* **12**(3): 37–54.
- Roth S, Schutz A. 2015. Ten systems: toward a canon of function systems. *Cybernetics & Human Knowing* **22** (4): 11–31.
- Robichau RW. 2011. The mosaic of governance: creating a picture with definitions, theories and debates. *Policy Studies Journal* **39**(1): 113–131.
- Scharpf FW. 1994. Games real actors could play: positive and negative coordination in embedded negotiations. *Journal of Theoretical Politics* **6**(1): 27–53.
- Stoker G. 2006. Public value management: a new narrative for networked governance? *American Review of Public Administration* **36**: 41–57.
- Sørensen E, Torfing J. 2009. Making governance network effective and democratic through metagovernance. *Public Administration* 87(2): 234–258.
- Termeer CJ, Dewulf A, Breeman G, Stiller SJ. 2015. Governance capabilities for dealing wisely with wicked problems. *Administration & Society* **47**(6): 680–710.
- Torfing J, Peters BG, Pierre J, Sørensen E. 2012. *Interactive Governance*. Oxford University Press: Oxford.
- Tsivacou I. 2005. The ideal of autonomy from the viewpoint of functional differentiation/integration of

- society. System Research and Behavioral Science 22: 509–524.
- Vallentin S. 2013. *Governmentalities of CSR: Danish Government Policy as a Reflection of Political Difference.* Springer: Journal of Business Ethics.
- Vallentin S, Murillo D. 2010. Government, governance, and collaborative social responsibility. In *The Collaborative Enterprise. Creating Values for a Sustainable World. Frontiers of Business Ethics* 9. Forlaget Peter Lang: Oxford; 209–228 .i A. Tencati, L. Zsolnai
- Van Assche K, Verschraegen G. 2008. The Limits of Planning: Niklas Luhmann's Systems Theory and the Analysis of Planning and Planning ambitions. Planning Theory 7(3): 263–283.
- van Buuren A, van Boons F, Teisman G. 2012. Collaborative problem solving in a complex governance system: Amsterdam airport Schiphol and the challenge to break path dependency. Systems Research and Behavioral Science 29: 116–130.
- Wallington T, Lawrence G, Loechel B. 2008. Reflections on the legitimacy of regional environmental governance: lessons from Australia's experiment in natural resource management. *Journal of Environmental Policy & Planning* **10**(1): 1–30.
- Whitehead M. 2003. "In the shadow of hierarchy": meta-governance, policy reform and urban regeneration in the west Midland. *Area* 35(1): 6–14.
- Wilke H. 1993. *Systemtheorie*. UTB für wissenschaft: Stuttgart.