

RESEARCH ARTICLE

Intergovernmental Relations in A World of Governance: A Consideration of International Experiences, Challenges, and New Directions

Grichawat Lowatcharin,^{1*} Charles David Crumpton,² and Sittipol Pacharoen³

¹Khon Kaen University, Thailand

² University of Maryland, USA and Federal University of Goiás, Brazil

³National Graduate Institute for Policy Studies, Japan

*grichawat@kku.ac.th

Abstract: The concept of intergovernmental relations (IGR) primarily focuses on the interactions among different levels and types of governments. With the proliferation of the concept of governance that calls for more actors in the public affairs arena, the traditional focus of IGR is challenged. The objectives of this article are to perform a fresh review of the concept of IGR and the practice of IGR research and to address contemporary challenges to them. We find that although the pervasive concept of governance has played an important role in IGR, it is confronted with a number of crucial questions, one of which is related to its inadequate consideration of democratic accountability and legitimacy. We further assess that in getting to questions of accountability and legitimacy of governance approaches, the IGR literature has inadequately considered the implications of organizational complexity typically found in governance arrangements. Applying theoretical and analytic lenses of organizational complexity, we offer two suggestions for the future of IGR to make it analytically more robust and better capable of answering questions regarding accountability and legitimacy dimensions of governance. First, we argue that the urban regions of the world should receive more attention as dynamic IGR laboratories from students of IGR. Second, we suggest that hybrid organizational analysis can be a powerful addition to the analytic toolbox of IGR to explore the impact of organizational complexity on governance arrangements.

Keywords: central-local relations, hybrid organization, intergovernmental relations, multilevel governance, urban governance
Intergovernmental relations (IGR) came to the attention of public administration scholars in the 1930s

(Wright, 1974) as an important issue of concern for any political and administrative system, federal or unitary (Lan, 2003). As comparative public administration has transited through New Institutionalism (NI), New Public Management (NPM), New Public Governance (NPG) and other movements in practice and research, IGR across the world have confronted challenges

in addressing the implications for public policy and service problems (Lan, 2003; Nagai, Mektrairat & Funatsu, 2008; Kapucu, Arslan, & Collins, 2010; Hague, 2010). An enduring concept across these emphases in comparative public administration study concerning IGR is the importance of governance and the search for “good governance” (Andrews, 2008;

Gisselquist, 2012). Some studies have argued that, although the pervasive concept of governance may be key to addressing many current problems of IGR, it also poses new challenges for practice and research (Peters & Pierre, 2003; Wright, 2003; Laffin, 2009; Kapucu et al., 2010; Dolinar, 2010). The concept of governance calls for blending inputs of the private and voluntary sectors with the government in the policy arena and provision of public services; thus, challenging the democratic accountability and legitimacy notions of the traditional IGR study (Chan & Rosenbloom, 2010).

The objective of this article is to review central concepts of IGR in light of contemporary challenges that it faces in understanding the implications of governance. IGR is considered in four directions. First, we review general ideas and fundamental elements of IGR, including definitions, key elements, and development. Second, examples of IGR theory and practice in selected countries are illustrated. Third, a discussion of emerging trends of IGR is offered. Finally, we offer suggestions regarding how IGR can better address the challenges of governance in the future through a focus on the governance of urban regions and the application of an organizational complexity lens. We argue that the governance of urban regions and the “organizational engineering” that occurs in this context serves as an underutilized laboratory for the IGR study.

Defining IGR

As a concept, IGR originated more than seven decades ago in the United States (see, e.g., Culver, 1940) and has been periodically defined and redefined, gradually gaining more conceptual and analytic clarity (Wright, 1974, 1992). It refers to “an important body of activities or interactions occurring between governmental units of all types and levels” (Anderson, 1960, as cited in Cho & Wright, 2004, p. 451). Such activities or interactions require not only coordinated effort but also creativity to successfully address the needs associated with national and sub-national issues of public policy and service (Kapucu et al., 2010).

As a field of study, IGR originated in the 1960s (Wright, 1992). It encompasses a wide range of dimensions, including the division of powers and functions among levels and types of government; the administrative and political relations between

levels and units of subnational government; and the interstitial activities, relationships, and organizations that arise between levels and units. Each of these areas has been studied from a variety of perspectives—from administrative to fiscal, legal to political, and economical to sociological (Painter, 2003). That IGR is firmly established as a field of study is seen in important textbooks dedicated to it (for example, see O’Toole & Christensen, 2012; Welborn, 1989; Steinberg & Hamilton, 2018).

IGR is an important issue of concern for any political and administrative system, either federal or unitary (Lan, 2003). However, the term IGR originated in the United States and has been most frequently used in federal systems contexts (Wright, 1974; Cameron, 2001; Painter, 2003; Kapucu et al., 2010). There are other terms that connote similar meanings (Peters, 2001; Lan, 2003; Thomas, 1990). For instance, in unitary systems such as in the United Kingdom and China, the term central-local relations is more commonplace to identify independent and interdependent relations between the central or national government and subnational entities (Peters, 2001; Laffin, 2007; Lan, 2003;). Intergovernmental management is another word choice adopted by some public administration scholars who emphasize the role of public administrators in IGR (Cho & Wright, 2004; Radin, 2003).

Despite terminological choices and diverse definitions, IGR comprises distinctive features (Anderson, 1960 as cited in Wright, 1974; Cameron, 2001; Laffin, 2009). First, it recognizes all types and levels of government, central departments, and local authorities. Second, such governmental organizations are, at the same time, independent and interdependent. Third, it is largely formulated from the formal and informal relations and behavior of governmental officials. Fourth, the relations are not one-time, occasional occurrences: they are, rather, continuous, and cumulative. Fifth, it comprises roles played by all public administrators. Last, it strongly focuses on policy issues.

Relations of Conflict and Collaboration

IGR is also about conflict-collaboration contemporaneity, a struggle for proper spheres of powers among national and subnational governments (Li, 2010; Haque, 2010). According to this

conceptualization, coordination in IGR is an attempt to optimize coherence and consistency of political decisions across levels of government, policies, and actors to find solutions to problems of common interest to multiple stakeholders (Wollmann, 2003). IGR has thus far relied on three types or patterns of coordination—that is, hierarchy, network, and market—which have been widely accepted by public administration scholars (Wollmann, 2003; Rodríguez, Langley, Béland, & Denis, 2007; Kapucu et al., 2010). A traditional form of coordination, hierarchy moves the decision from the top, most authoritative position, down through the ranks of the organization (Kapucu et al., 2010). It is instrumental for the politically accountable government to make sure that the lower levels of government carry out the policies in a coordinated manner (Wollmann, 2003). Networks are loosely formed voluntary associations among organizations (Kapucu et al., 2010). Based on shared values, trust, solidarity, or consensus, network coordination is related to mechanisms like bargaining and negotiation, in which the actors find themselves basically in a parity or equal footing situation (Wollmann, 2003). Market coordination has emerged with the proliferation of new public management, and arguably replaced that of hierarchy. Its basic assumption is that coordination can be achieved through the market economy and the self-interest of the participants in policymaking and implementation (Wollmann, 2003).

An additional approach that has not been reflected in IGR scholarship, but that we argue could offer conceptual and analytic contributions to the field, is that of the hybrid organizational perspective. Drawing from concepts and research in institutional theory and organization study, as well as practical examination of the organizational complexity found in American metropolitan governance, the hybrid organization perspective looks beyond hierarchies, networks, and markets to consider how multiple governmental stakeholders blend their institutional authority, purposes, goals, and resources to address problems in IGR. The hybrid organization takes into account organizational complexity that is common in modern public administration and policy. It recognizes the inter-organizational/inter-sectoral public service problem-solving that characterize the New Public Management (NPM) and New Public Governance (NPG) perspectives. According to

this conceptualization, organizational resources of multiple stakeholders are essentially re-engineered to address social, economic, and political problems in shared organizational environments found in national and subnational public economies. The organizational products of this blending of organizational interests and resources range from temporary informal arrangements to new organizational forms with identities distinct from the source organizations that created them. Sometimes, these inter-organizational arrangements result in new organizational entities that represent the hybridization of the purposes, objectives, structures, and processes of the organizations that link together to form them. Hybridization is particularly notable in dense organizational governance settings such as urban regions, wherein multiple jurisdictions, private companies, and NGOs are linked together to produce public services (Crumpton, 2008). The current study is framed by the arguments that the addition of the hybrid organization perspective to analyze organizational complexity—particularly in the world’s urban regions—should be added to the theoretical and analytic repertoire of IGR.

IGR Settings in Federal and Unitary States

Relations between different levels and types of government exist not only in federal states but also in unitary states where decentralization is regarded as a key ingredient to national development. The difference between federal and unitary states might be seen as a division of authority and decision-making power (Hague, Harrop, & McCormick, 2016). According to this framing, federal states are based on “the principle of sharing sovereignty between central and state (or provincial) governments” (Hague et al., 2016, p. 202). By contrast, in unitary states, “sovereignty lies exclusively with the central government; sub-national authorities, whether regional or local, may make policy as well as implement it but they do so by permission of the centre” (Hague et al., 2016, p. 208). As the form that IGR takes varies across countries, the following discussion considers its variation in seven selected federal and unitary countries: United States, Canada, Germany, Australia, United Kingdom, China, and Thailand.

IGR in the Federal States

The United States. The United States is a federal

system in which the federal level, as well as the individual states, exercise significant legislative and executive functions in their own right (Wollmann, 2003). IGR in the U.S. is often described as a complex, varying structure, constituting layered relations between federal, states, local general service, local limited service, and even tribal governmental bodies (Wollmann, 2003; Steinman, 2004). IGR in the United States is unavoidably characterized by two contrasting phenomena: conflict and collaboration (Wright, 2003; Cho & Wright, 2004). There are always tensions in defining the proper sphere of powers between and among federal, state, and local governments, especially in terms of fiscal issues (Thomas, 1990; Donahue, 1997; Gillette, 2001; Greenblatt, 2002; Oates, 2008). Over the past decade, cities have become laboratories for alternative governance approaches. The conventional division of labor between federal and state governments is challenged by the state government performing better than the federal government in the prevention of and in response to security incidents (Tepperman, 2016). Reform strategies and methods developed at the local level have been adopted by state and federal governments. This has raised an important question regarding a diminishing role for hierarchical coordination (Peters, 2001). This is exemplified in research promoted by the Advisory Commission on Intergovernmental Relations (ACIR). This work demonstrated the extent to which collaboration among local jurisdictions has served as a laboratory for IGR solutions to shared local level public policy and service problems. For instance, in their examination of the St. Louis and Pittsburgh metropolitan areas on behalf of ACIR, Parks and Oakerson (1993) found a variety of bilateral and multilateral responses to public policy and service problems among local jurisdictions in the fragmented local government settings that typify American metropolitan areas. Parks and Oakerson (1993) offered evidence regarding how organizationally dense metropolitan areas function as public economies substantially apart from federal and state hierarchies in which local jurisdictions seek IGR solutions to public policy and service problems.

Canada. IGR in Canada is less institutionalized than the United States (Bolleyer, 2006). The relations have long been influenced and shaped by the concept of “executive federalism” or “federal-provincial diplomacy,” in which most interactions rest upon a limited number of political or permanent bureaucratic

executives (Cameron & Simeon, 2002; Bakis, Baier, & Brow, 2009). The limited number of actors involved in IGR brings about advantages as well as disadvantages: at times, it helps reach agreements more easily; other times, it fails to acknowledge the needs of many other actors (Bakis et al., 2009). Therefore, the executive federalism prism has come under increasing stress in recent years from a number of forces that have affected the nature and conduct of federalism and IGR in the country. Executive federalism has not been displaced, but it has been increasingly criticized by a set of more open, collaborative practices (Cameron & Simeon, 2002). Pelletier (2013) has considered Canadian IGR in terms of constitutional barriers to IGR innovation and the potential for pursuing extra-constitutional alternatives. As in the United States, interesting attention to challenges in IGR in Canada has addressed the governance of the nation’s metropolitan areas. For example, Spicer (2013, 2014) has compared the circumstances under which provincially-imposed regional schemes, inter-local agreements, and annexation or consolidation have been deployed to address governance problems in Canada’s metropolitan regions.

The Federal Republic of Germany. Since the Second World War, Germany has pursued a decentralization policy. Its IGR is unique. The federal government possesses most of the legislative powers, whereas the executive and administrative functions lie almost entirely with lower levels of government (Wollmann, 2003). Since the Unification in 1990, the existing system has been challenged and gradually developed into a more “asymmetric” federal system, highlighting the multilevel scenario (Auel, 2014). The practice of and experience gained from Germany’s IGR led to the development and implementation of multilevel governance in many European countries (Dolar, 2010). German IGR is characterized by a maze of vertical and horizontal relationships (Arnold, 2013). In response to greater European Union integration, in Germany, greater federal-Länder and Länder-Länder cooperation emerged (Goetz, 1995). As in the United States and Canada, a useful examination of problems in IGR has been conducted concerning governance within German urban regions. For instance, Blätter (2017) has argued that Germany’s urban regions have developed bottom-up policy and administrative approaches to the problems of urban governance that involve crossing jurisdictional boundaries and that

vary substantially among urban regions. Benz and Meinecke (2007) have also examined the variety of inter-jurisdictional arrangements that have emerged at the sub-Länder level to address urban regional governance challenges that are shared by fragmented local jurisdictions.

Commonwealth of Australia. The elements of cooperation and competition among Australia's tiers of government and the problems of coordination have had a major bearing on the development of the country and its constituent cities and regions. The balance between the powers of the national and state governments has undergone major changes over the last century (Stilwell & Troy, 2000). Tension usually arises because the state governments are responsible for broader state development beyond the metropolitan areas (Stilwell & Troy, 2000). Due to highly fragmented local government systems, in recent decades, Australian states have promoted extensive amalgamation of local authorities. Although amalgamation produced beneficial outcomes in some limited local governments, in other cases, it faced council resistance and failed to reduce costs. Australian states, thus, have shifted their focus to council cooperation as an alternative way forward (Dollery, Byrnes, & Crase, 2008). Demonstrating the portability of IGR lessons learned in the laboratory of metropolitan governance, Dollery and Johnson (2005) have applied Oakerson's work in the U.S.'s jurisdictionally complex metropolitan areas to local governance fragmentation in Australia. IGR research in Australia has also been pursued regarding specific policy domains such as environmental protection (Hollander, 2015). Carroll and Head (2010) found that, as a product of national regulatory reform, a variety of national-subnational relationships emerged, including new coordinating bodies. In an examination of regulatory reform, Collins (2015) compared IGR in Australia with that found in Canada and argued that, although Canada favors horizontal arrangements, vertical relations are found more frequently in Australia.

IGR in the Unitary States

The United Kingdom. In 1999, the British government devolved significant powers to the newly established Scottish Parliament and National Assembly for Wales (McConnell, 2006; Laffin, 2007). After the devolution, the research found three key elements in U.K. central-local relations. First, the Scottish

and Welsh cases indicate that devolution does not inevitably lead to regional centralism and that central-local relations at the regional or intermediate levels are less competitive and more collaborative where a power balance or symmetry exists between the intermediate and the local level. Second, the trend towards governance is not immutable but, at least partly, a matter of political choice. Third, the post-devolution policy similarities between the metropolitan center and the three devolved territories remain pronounced with a pattern of continued policy tracking, through which the dominance of the metropolitan center is maintained indirectly rather than directly (Laffin, 2007). Within the post-devolution frame, McEwen, Swenden, and Bolleyer (2012) found that, in the face of inter-party flux, IGR involved both intense conflict and cooperation, with a preference for bilateral relations surfacing. In more recent considerations regarding central and regional relations, McEwen (2017) has examined bilateral and multilateral intergovernmental councils as mechanisms to improve coordination and collaboration in the devolved governmental environment. Parry (2012) has reported upon how senior civil servants have played important roles in facilitating IGR in the post-devolution U.K. In his analysis of policy development among the constituent nations since development, Keating (2012) saw the development of something akin to competitive federalism in divergent approaches to policy. As with the federated states considered above, a robust literature with IGR implications concerns metropolitan governance in the United Kingdom. For instance, in separate studies of the IGR complexity of governance in the London urban region, Turok (2009) has considered how individual municipal interests within the region can conflict with urban regional governance objectives, whereas Pilgrim (2006) emphasized inter-local collaboration to support regional governance objectives.

The People's Republic of China. The evidence indicates that China's central-local dynamics are not as efficient as in many Western nations (Feinerman, 1998; Lan, 2003; Lan & Chen, 2010). Two fundamental factors hinder such efficiency: first, the instructional structure in which central government is regarded as the lord and local ones are the subjects; and second, its moral philosophy of governance in which the subjects serve the interests of the master and the master is morally obliged to the subjects (Lan, 2003). In other words,

relationships between central and local governments are not on the basis of co-partnership but more on that of principal-agent or supervisor-supervisee (Li, 2010). Within the subnational level of government, Yu, Li, and Shen (2016) have examined issues of administrative capacity and policy development in relation to the devolution of authority from provincial governments to townships. Cheung (2014) used the collaborative governance regime framework to study economic cooperation between Hong Kong and mainland China. Addressing the vertical relationship between Chinese central and local governments from a different IGR perspective, Fang and Pal (2016) argued that vertical fragmentation in urban policy has contributed to urban sprawl in the country.

The Kingdom of Thailand. Due to political instability over the past 80 years, relations between central and local governments in Thailand are best described as a tug-of-war between centralization and decentralization (Chardchawarn, 2008; Lowatcharin, 2014; Wongsekiarttirat, 1999). In the early 1990s, Thailand reintroduced decentralization as the key mechanism for providing basic public services nationwide. There have been a number of challenges in the move to more local governance (Krueathep, 2004; Haque, 2010; Ree & Hossain, 2010). These challenges are reflected in at least three critical issues regarding the relations between Thai central and local governments. First, fiscal autonomy of local governments is , and local administrative organizations (LAOs) have to heavily depend on decisions of the central government on how much power is shared or granted (Krueathep, 2004). Second, in spite of the plan and process stipulated in Thai national laws and evidence among LAOs of positive outcomes, many central administration agencies have shown reluctance to hand over governmental tasks and responsibilities. And at times, the national government has implemented recentralization policies, undermining the decentralization process and plan (Chardchawarn, 2008). Third, the central government and its administrative branch—the so-called “regional administration”—continue to exert direct and indirect control over the LAOs (Nagai et al., 2008). The latest coup in 2014 has intensified this situation in that the military government has ordered a halt to local elections, and the 2016 constitution downplays local governments’ roles. With a level of autonomy not granted to other cities in Thailand, Bangkok is

treated as a special case. Among the IGR issues found in the Bangkok urban region involved is the fact that only 60% of the urbanized area of the region is under Bangkok municipal control, thus presenting inter-local coordination challenges in controlling urban sprawl (World Bank Group, 2015).

IGR settings in the above-mentioned countries provide valuable lessons of some, if not all, major problems in diverse parts of the contemporary world. One of the most prominent problems found in this review is a struggle for the appropriate devolution of powers between different levels of government. Problems like this, as argued by various public administration scholars, can be diminished by the emerging, yet widely adopted concept of multilevel governance.

The cross-country evidence briefly considered here also indicates that a rich area of emerging evidence regarding IGR responses to governance challenges is coming from the urban regions of the world. In the work of Parks and Oakerson (1993) for the ACIR three decades ago, we see that urban regions have been important IGR laboratories for many years. What we also see in the growing body of IGR urban region governance evidence is the potential value of applying the hybrid organizational analytic frame to understand better the nature and consequentiality of inter-organizational “engineering” that takes place to make urban regions not just more governable, but also more competitive in the face of globalization challenges.

IGR in a Challenging World of Governance

In the 1980s, the term “governance” took hold in public administration in parallel with the rise of NPM. Like NPM, NPG looks beyond established paradigms of governmental production and delivery of public goods and services for alternative forms within and outside of governmental hierarchies (Morgan & Shinn, 2014). What public administration students agree upon is that governance differs from the government: it refers to something broader than government (Kjaer, 2004; Dolinar, 2010). Laffin (2009) argued that the concept of governance not only has changed the structures of public policymaking and delivery in a more complex way but also provides room in public policy arena for non-governmental actors, who play an increasingly significant role.

We argue that the broad conceptualization of governance should also consider the inter-organizational “engineering” that takes place in organizationally complex national and sub-national public economies. Responding to changing conditions, public entities seek solutions that involve complex linkages of shared purposes and organizational resources with other public and non-public entities. The resulting hybrid organizational solutions range in nature from temporary arrangements to new organizational forms with distinct identities (Crumpton, 2008). Building upon the work of Parks and Oakerson (1993), and drawing from organizational studies and institutional theory, Crumpton (2008) has demonstrated how this works in the organizationally complex settings of metropolitan areas of the United States. This analytic approach could be gainfully deployed to examine urban regions and other governance settings in other countries as well. We see the hybrid organizational conceptualization of inter-organizational arrangements for governance as fitting nicely into this historical arc of scholarly attention to matters of governance.

The application of hybrid analysis can assist in measuring the consequentiality of governance arrangements. The table that follows offers a hypothetical example of how this might occur in an urban region setting. It assumes that two local

jurisdictions—one city and one county—collaborate with private businesses and an NGO to produce two public services. It compares their levels of objectives determination, staffing contributions, budgetary contributions, and operational oversight. In this simple hypothetical case, the value of hybrid organizational analysis’ offer of evidence regarding comparative stakes of the participating “source organizations” (Crumpton, 2008) is obvious. The potential value of this approach to support inter-contextual comparisons also should be obvious.

A number of public administration scholars argue that theories and practices of IGR have to move towards those of governance (Peters & Pierre, 2003; Wright, 2003; Laffin, 2009; Kapucu et al., 2010; Dolinar, 2010). This is largely attributed to the incapability of contemporary mechanisms to deal with complexity and diversity. For instance, a study on the inter-organizational and intergovernmental response to catastrophic disasters of Hurricanes Katrina and Rita in the United States in 2005 found that the use of intergovernmental and inter-organizational responses to coordinate complex operations in multiorganizational environments of catastrophic disasters was not successful. Thus, there should be more emphasis on building up local networks and sub-state partnerships, an important characteristic of governance (Kapucu et

Table 1

Hypothetical Hybrid Organization Analysis

Service	Role	Source Organization			
		City	County	Private Business	NGO
Service A	Objectives determination	40%	20%	20%	20%
	Budget contribution	50%	30%	0%	20%
	Staffing contribution	10%	10%	50%	30%
	Operational oversight	40%	30%	10%	20%
Service B	Objectives determination	30%	30%	10%	30%
	Budget contribution	30%	50%	0%	20%
	Staffing contribution	15%	15%	40%	30%
	Operational oversight	30%	40%	10%	20%

al., 2010). The hybrid organizational analysis could be utilized to assess the pre-event conditions that impeded inter-organizational responses and identify future inter-organizational “engineering” that is needed to build a more responsive institutional framework.

European interest in multilevel governance (MLG) emerged in parallel with the attention directed to European integration. As the European states collaborated to create new European institutions of governance, scholars took note and began to build the MLG field of inquiry (Hooghe & Marks, 2001; Piattoni, 2009). As this field became more established, interest moved beyond questions of inter-state institution building to consider more complex questions of inter- and intra-state consequences of European integration. MLG gained more ground due to the development of the European Union’s policies on economic and social divergence, as well as redistribution of resources (Kjaer, 2004). In part, the idea of MLG gained force because of the IGR forces within the German state. The German Länder objected to the idea that they would be treated just as administrative units in a model of integration between the German and other European states. They insisted on playing an integral role in building the European polity (Dolinar, 2010).

MLG can refer to a model in which decision-making competencies are shared by subnational, national, and supranational actors and not monopolized by the state (Kjaer, 2004). It can refer to negotiated, non-hierarchical exchanges between institutions at the transnational, national, regional, and local levels. It also refers to a layering of governance processes at these different levels. Institutional relationships, in this light, do not have to operate through intermediary levels but can take place between transnational and regional levels (Peters & Pierre, 2003) because MLG acknowledges the importance of and focuses on both vertical and horizontal actors and coordination in the policy arena (Dolinar, 2010). We argue that the MLG approach can be further enhanced through the introduction of hybrid organizational analysis, as described above. The multilevel exchanges that MLG scholars consider often involve complex vertical and horizontal organizational “engineering” in response to complex challenges in the national and sub-national governance environment.

Nevertheless, governance and MLG are not without their shortcomings, mostly related to accountability

and legitimacy (Laffin, 2006; Papadopoulos, 2007). Laffin (2006) argued that structural changes and non-governmental actors in the era of governance have three crucial implications. First, those in government entities need to devise new coordination and management strategies for working with non-governmental counterparts. Second, informal policy actors, that is, private, voluntary, and civil-society entities, have their own agenda which may not be in line with formal policy actors. Third, involvement of non-government actors in the policy arena sparks concerns about accountability and legitimacy of such actors in the democratic political structure (Laffin, 2006). Again, we see that hybrid analysis can contribute to bringing greater transparency to governance and MLG. For instance, Crumpton (2008) has shown that the tools of hybrid organizational analysis can produce evidence regarding the differential organizational resource commitments (budgetary, staffing, etc.) among source organization participants in hybrid responses to public service problems. This evidence reveals which source organization or organizations play dominant roles in the formation and operation of the hybrid organization response. Analysis involving a comparison of the purposes of the hybrid response to those of its source organizations offers further evidence as to which source organization or organizations exert “ownership” in the hybrid response.

The above implications lead to a number of important questions regarding IGR. Prominent among such questions are: On the one hand, how formal policy makers in centralized government departments react and adapt to the involvement of non-government entities under the complex and highly decentralized structures for public service delivery? On the other hand, how do informal policy actors in the non-government sectors adjust their goals to accommodate government policy agenda? Does the decision-making power of central government agencies diminish, and how do they maintain their policy discretion and influence? What kind of structure and mechanism are needed to guarantee the accountability and legitimacy of non-government actors in the policy arena and public service delivery? How to optimize citizen participation and decision-making under the ever-growing complex policy structures? (Laffin, 2006). To these questions, we propose to add two more regarding the analytic capacity of IGR: Has IGR adequately considered and

learned from the governance transformations that are occurring within urban regions across the globe? Are the current analytic tools of IGR adequate to explain the complex inter-organizational “engineering” that takes place in IGR responses on the national and sub-national level?

A study by Papadopoulos (2007) echoes the problems of democratic accountability and legitimacy of governance, in particular MLG. Papadopoulos (2007) concluded that MLG undermines democratic considerations mainly for the following reasons: the weak visibility of MLG networks, their selective composition, and the prevalence of peer over public forms of accountability. And, these problems can yield unintended negative consequences, such as a lack of policy efficiency as well as problems of governability that may ultimately lead to a decrease in legitimacy. As suggested above, we believe that hybrid organizational analysis can offer a more robust understanding of these consequences.

Conclusion

IGR refers to activities and interactions occurring between governmental units of all types and levels in which coordination is essential. It encompasses a variety of important issues for federal nations as well as unitary nations where decentralization is favorably adopted. This article has provided a fresh review of the concept of IGR to support the consideration of contemporary challenges to the concept through the theoretical and analytic lenses of organizational complexity. In four parts, this article has offered an updated review of the literature concerning IGR concepts and research. It has also presented suggestions regarding how the field of IGR might be enhanced going forward.

IGR can be studied from a wide range of perspectives, from political to fiscal, legal, and sociological. It can also be assessed in terms of the conflict and collaboration that tend to be involved in interactions among governmental entities. The coordination found in IGR can be described in terms of hierarchy, networks, and markets. We also see variations and similarities in IGR across federated and unitary states. One of the most challenging issues about IGR in both federated and unitary states involves the identification of a proper sphere for powers of national and subnational governments.

We also considered ideas surrounding governance and its prospective role in IGR. In a world where the concept of governance—multilevel governance, to be more specific—has emerged as a key mechanism for public administration between different levels and types of government, there are a number of questions for public administration scholars to address in searching for answers and deeper understanding. One of the most crucial questions is that of democratic accountability and legitimacy of networked forms of governance embedded in the concept. Lessons from the settings of IGR in the selected countries and the argument on multilevel governance bring about several important questions for further study. How do/have the relations, hierarchical coordination in particular, between national and subnational governments change/changed in response to the proliferation and increasing significance of the idea of governance and that of multilevel governance? To what extent should non-governmental actors be allowed to play some role in the public policy arena? How can we acknowledge and legitimate the role of non-governmental actors, and on the other hand, how and to what extent can they be accountable to the public?

We have offered two suggestions regarding how the IGR study can be more robust in answering these questions. First, we suggest that more IGR attention should be directed to the urban regions of the world as laboratories in IGR. The urban regions of Europe, North America, and developing regions of the world are seeking and finding governance solutions apart from the governance issues generally considered in IGR or MLG. In seeking solutions to land use, transportation, housing, and other problems, urban regions often act independently of their national and sub-national hierarchical “superiors” to make themselves competitive in a globalized milieu. Additionally, urban regions in both the global North and South play critical roles in decentralization and local governance consolidation schemes. It can be argued that national decentralization approaches cannot be viewed apart from the governance challenges of the world’s urban regions (Eyoh & Stren, 2007). In particular, we suggest that the IGR study should direct attention to the burgeoning urban regions of the developing world. The megacities of Africa, Southeast Asia, and South America likely offer interesting IGR lessons within the contexts of urbanization, sustainable development, globalization, and government decentralization.

Second, we argue that hybrid organizational analysis can bring a more nuanced understanding to IGR regarding the complex inter-organizational “engineering” that takes place in the search for governance solutions in organizationally complex national and sub-national public economies. We see that hybrid organizational analysis might assist in addressing the accountability, legitimacy, and transparency problems that can be associated with governance and MLG. In the hypothetical case presented above, we have demonstrated how the hybrid organization analytic approach can be applied in organizationally complex urban regions.

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Declaration of ownership

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Conflict of interest

None.

Ethical clearance

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