

When Governance Meets Populism : An Emerging Crisis ?

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Abstract

This paper explores the implications for the governance paradigm of the emergence of populism. The argument is that the governance debate developed with a set of assumptions and practices that are susceptible to populist challenge and attack. The emergence of a populist politics fundamentally challenges core assumptions about the nature of governing in contemporary democracies built into the governance paradigm and as such challenges the paradigm indirectly by damaging its foundations. Moreover, some governance practices - the use of market mechanisms and operating through networks - have become a more direct target for populist assault. The paper asks why the governance paradigm failed to address the populist challenge and whether it can recover the ground that it has lost.

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Introduction

The emergence of the idea and practice of governance is a complex development and one where there are multiple variations and diverse dimensions that could be considered (see Chhotray and Stoker, 2009; Bevir, 2011). Governance studies share a core concern with 'new theories and practices of governing and the dilemmas to which they give rise' and explore governing approaches that place 'less emphasis on hierarchy and the state, and more on markets and networks' (Bever, 2011:1). The governance paradigm that came to the fore from the 1980s onwards reflected a sense that the conditions for governing in contemporary democratic states were undergoing some profound changes. It was an engaged form of scholarship as Rhodes (2007:1258) puts it the narrative of a changed governance 'is not just a story that academics tell to one another'. The governance debate shaped the way that political and official elites understood the task of governing. There remain some substantial schisms in the literature but for the purposes of this argument the focus is on the shared components of a mainstream governance paradigm that set out to reframe the task of governing in contemporary democracies. The changed nature of governance was seen as conditioned by an increased impact for globalised forces of economic and social change, the development of new demands internally on nation states driven by new social divisions, more demanding citizens and seemingly more intractable policy challenges (on the origins of the governance debate see Peters and Pierre, 2016,8-16). New theories of governing in turn influenced new governing practices that in turn threw up new dilemmas for theory to explore.

However, one dilemma that the governance paradigm did not identify was the rise of populism. Populism as a political force has moved from a sideshow in contemporary democracies to the centre stage (Mudde, 2016; 2017). In Europe, much of the impact of populism has been through parties that have been set up to challenge the mainstream parties. The pattern is roughly that of right-wing-oriented populism doing better in Northern Europe and left-leaning populism finding expression in

Southern Europe. By 2015 a populist party had gained at least 10 per cent of voting support in twenty European countries. In five they had become the largest party: Greece, Hungary, Italy, Slovakia, and Switzerland. And in several countries populist parties have become the government or entered government coalitions. Outside of Europe, Pauline Hanson in Australia founded the One Nation party in 1997, claiming to speak for the people and suggesting that Australia was in danger of being swamped by immigrants and railing generally against the perceived 'political correctness' of the Australian political establishment. Hanson did have some initial electoral success and her career has seen continued to attract publicity but no further electoral success until her election to the upper house – with three colleagues- to the Federal parliament in 2016. The successful election campaign in 2016 for the USA Presidential office by Donald Trump has caused a degree of surprise but his manoeuvres do match a populist tilt at mainstream politics.

The indirect and direct challenges that populism provides to governance form the core focus of this paper. Before addressing these questions, the paper lays out, in introductory sections, the defining features of the governance paradigm and the emergent populist politics. Populism poses a profound threat to the assumptions of the governance paradigm and its claim to identify new practices of governing fitted to the needs of the twenty first century. A concluding section notes that the emergence of populism could lead to the charge that governance scholars misread the impact of the social and economic changes they observed and focused on only a narrow range of governing solutions in tune with their worldview. This in turn leads to the vexed question of how governance might, if at all, respond to populism.

The rise of the governance paradigm

The governance paradigm identified a range of trends in patterns of governing. The first is the de-centring of public power away from centralised nation states and towards the local, regional, and transnational levels (Bang, 2003). It also attested to the emergence of new governing tools based on market-style practices, the greater use of networks involving intensive interactions between public

and private actors and the greater use of persuasion and behaviour change measures targeted at citizens (Bell and Hindmoor, 2009; Bell et al, 2010). Hierarchy or government command and control was not an entirely abandoned tool and its shadow was also seen as an ever present (Pierre and Peters, 2000; Peters and Pierre, 2016) but there was a shift from strong forms of regulation to more soft-law or enabling practices that relied on voluntary cooperation from relevant stakeholders rather than direct enforcement by government (Salamon, 2000)

As it unfolded the governance paradigm had embedded within it assumptions about the nature and character of governing. These were:

1. *The assumption of interdependence based on the mutual need of diverse social actors to work with one another.*

One of the clearest statements of this position is Rhodes (2007: 1244-5) who argues that 'the roots of the idea of policy networks lie not only in the political science literature on intergovernmental relations but also in the interorganizational analysis literature....To this day, exchange theory lies at the heart of policy network theory'. Two core premises are that 'any organization is dependent upon other organizations for resources' and that in 'order to achieve their goals, the organizations have to exchange resources'. The governance paradigm holds as self-evident that the interdependence of actors and organisations defines the governing challenge. Modern governing faces an extremely demanding set of power dependencies (Stoker, 1998). Power dependence implies that organizations committed to collective action are dependent on other organizations and cannot command the response of each other but rather must rely on exchanging resources and negotiating common purposes.

2. *A second assumption of the governance paradigm looks to the reconstitution of actors and the building of new identities to express mutuality and solidarity.*

Governance solutions mould together actors creating new identities. The interaction goes beyond exchange 'it is deeper and... refers to the constitution and reconstitution of actors or entities' (Kooiman, 2003:211). Governance creates partnerships, networks and groupings that give participants a new basis for defining who they are and what they are trying to achieve. As Janet Newman (2001, 6) argues to understand governance requires an emphasize on 'the way in which social arrangements are constructed as a result of the production of meanings and the repression, subordination or coordination of alternative meanings'.

3. *A third assumption is that the goal of self-governance is more prominent than in the past; people expect to make more choices and more decisions and governing becomes about helping people to govern themselves*

The governance paradigm rejects government command and control as an approach not only because it is viewed as not likely to work but also because we have entered a period where citizens are focused on their rights, entitlements and capacities to get things done. Everyday makers and expert citizens occupy the governance world where citizens are taking the initiative and leading change rather than waiting for the guidance of government and their emergence is a functional response to the new conditions of governing (Bang, 2005). As a result, it is important to view governance as a 'communicative relationship'. The new context of governing demands that the processes of exchange between governed and governors are going to have to be open, developed and reflexive. Government is in 'a state of constant ambiguity' and 'new more engaging and flexible forms of governing will have to be offered to citizens' (Bang, 2003: 8).

4. *Connected to this assumption there remains a role for a central authority or government to steer governing processes which in turn may require new practices of meta-governance (some more hands-on and some more hands-off) but is underwritten by the capacity of*

government to have the expertise and legitimacy to frame rules, establish shared understandings and support processes leading towards co-ordinated outcomes

Within the governance literature the concept of metagovernance developed to address these issues. Those with a more society-centred focus used the discussion of metagovernance to explore the tactics and strategies used by government and other actors (Klijn, Koppenjan and Termeer, 1995; Kickert, Klijn and Koppenjan, 1999; Sørensen, 2006; Sørensen and Torfing, 2009). The core argument is that government is acquiring new skills in order to operate within the world of network management. This argument is developed by writers who seek to provide practitioner oriented advice and theory (Salamon, 2002; Goldsmith and Eggers, 2004) and the focus the state learning to operate in a different way. Governance writers taking a more state centric approach focus on how metagovernance to be about the state finding a way of working through networks of governance to achieve its ends. This perspective is less concerned with how public officials play the game of metagovernance and more focused upon their capacity to do so. Bell and Hindmoor (2009:190) argue that embedded states, those intertwined in complex governance arrangements, can metagovern effectively and “...are not undermined by close links with powerful economic actors, but rely on them.” Bell and Hindmoor (2009: 191) conclude their study by announcing that “...governments have *enhanced* their capacity to achieve goals by developing closer relationships with non-state actors.”

5. *A final if largely unstated assumption was that governance operated in the context of a pragmatic understanding of the nature of democracy based not on a crude idea of rule by the people but on the idea that democracy worked through the reconciliation of diverse interests and communities driven by a complex and often opaque processes of bargaining and mutual adjustment.*

In this understanding politics is about patching up the disagreements that characterize our societies without recourse to illegitimate coercion or violence. Politics, especially in democratic societies,

enables people to compromise and reach an agreement. It is a means to orderly and legitimate self-rule. As Bernard Crick puts it in his classic book, *In Defence of Politics*:

Politics is simply the activity by which government is made possible when differing interests in an area to be governed grow powerful enough to need to be conciliated ... Other paths are always open. Politics is simply ... that solution to the problem of order which chooses conciliation rather than violence and coercion, and chooses it as an effective way by which varying interests can discover that level of compromise best suited to their common survival.

In other words, politics provides a way to live in an ordered manner with your neighbours, but one that unavoidably often calls on you to sign up to deals and compromises that might not be your first or even tenth choice, but which nevertheless have something in them that enables you to put up with them.

The rise of modern populism

In the past, populism has been associated with the oppressive and intolerant political ideologies or creeds such as Nazism that were blatantly antidemocratic. But populism today finds its most common expression inside democracies and has in most cases forged an accommodation with democratic institutions (Deiwiks, 2009; Albertazzi and Mc Donnell, 2008). These modern forms of populism do not propose to abolish free elections or install dictatorship: on the contrary, their demand is for a democracy that 'delivers what the people want'. As Mudde (2015) explains: 'Populism can be found on both the left and the right. This is not exactly the same as saying that populism is like a "chameleon," as it is not necessarily the same populist actor who changes colors. Populism rarely exists in a pure form, in the sense that most populist actors combine it with another ideology. This so-called host ideology, which tends to be very stable, is either left or right. Generally, left populists will combine populism with some interpretation of socialism, while right populists will combine it with some form of nationalism'.

It is worth drawing a further distinction between populism as a zeitgeist, a way of thinking about contemporary politics and populism as a political movement or form of political mobilization (whether of right or left). Populism is then both a tool used by many politicians and campaigners and a base from which particular political movements or parties can spring. 'Support for populism appears foremost as a consequence of a very negative view of the evolution of society – declinism – and of the feeling of belonging to a group of people that is unfairly treated by society' (Elchardus and Spruyk, XXXX).

Most contemporary commentators agree that at its core populism is an anti-phenomenon. It relies on the distinction between a pure and sovereign people, on the one hand, and a corrupt and unresponsive political elite on the other – and, of course, the (moral) primacy of the former over the latter. Populism flows from a sense of resentment about the way that politics is working and relies on an attractive leader to exploit the situation and create a dynamic of engagement and support among the public. A key dimension of populism is built on the axis of 'us' against 'them', and as such it can take a variety of diverse positions and platforms. It just depends how the 'us' is defined, and who exactly the 'them' is taken to be. It could be that the 'them' is the liberal establishment immigrants or 'big business' or corporations.

Populism's tendency to demonize its opponents in political debate means that many populists do not like to listen and want instead to 'tell it like it is'. Populism can take deeply illiberal and intolerant forms. The narratives of populism often portray opponents as evil rather than simply people with different interests or values, often taking an emotive tone that can undermine the role of reason, evidence, respect and rules in the political process. So, although populism has accommodated itself to politics as practiced in twenty-first century democracies it does so on its own terms and in way that challenges the assumptions of the established political system.

Populism should not be dismissed as simply a product of economic troubles or decline. As we have seen populism has risen to the fore in relatively good economic times (in Australia) as well as bad

times for countries. Historically one of the patterns of support for right-wing populism has been a having the shape of a V curve with support coming from either side of the curve: the relatively deprived and those relatively well off. Populism relies to a great degree on the capacity of leaders to manipulate resentment that is real or perceived. For example, it can do this ‘by portraying “ordinary people” as the victim of an alliance between those at the bottom (needy immigrants and asylum seekers) and those at the top (the wealthy elite who aspire to even greater wealth and political clout)’. (Populism in this way plays to issues of social identity as much as economic reality.

The indirect challenge of populism to governance

The underlying assumptions of the governance paradigm identified in the discussion above are challenged by the emergence of populism. The first and most obvious challenge is that populism is not comfortable with the idea that governing is about embracing diversity but recognising the interdependence of interests who need to work with one another. Governance is comfortable with pluralistic diversity and difference, whereas populism is not. Rather for populism the governing challenge is viewed as the people- as a group with shared ambitions and interests - versus an elite or establishment that fails to respond to popular demands or concerns. What is needed is not pandering to diverse minorities but a stronger willingness to put the interests of the silent majority first. One of the ways in which this focus finds concrete expression is concern about the impact of immigration and the threat of terrorism. In a now familiar narrative the needs, values and interests of natives or the host community are viewed as in danger of being undermined by the way that globalisation, migration, and free movement of labour has driven societal change. Global elites have got their mobile workforce and increased productivity and creativity; but the cost is experienced by many others in terms of loss of community, increased inequality and greater social alienation. The narrative can be challenged but it is grounded enough for populists to exploit in some diverse ways. Governance sees the interdependence of a complex pluralist world as part of a new world

order. Populism has a nostalgic commitment to an older order of less diverse and more settled communities.

The essence of populism is the construction of “us” and “them” social identities which seek to deny the value and validity of a cosmopolitan and pluralistic social settings of interdependence. The definition of the divide can come in the form of a focus on rural versus urban identifies, ethnic or religious divisions, class or economic conflicts or geographical differences. The enemy is usually drawn from those city dwellers, races, religions, or rich people who have conspired with the political elite to disadvantage ordinary folk of power and just rewards. The policy challenge from a populist perspective is not to build on interdependence but rather about how to deny it. The focus is on a rugged independence of the “us” community that achieved its position through hard-work and good character only to see its position threatened or undermined by others. As for the “them” at the extreme populism can be associated with a view that it is better for different groups to live part from one another and in more moderate tones it’s focus can be about rejecting the promotion of multiculturalism in favour of assimilation to the norms of the silent majority.

The second assumption of governance that looks to the reconstitution of actors and the building of new identities to express mutuality and solidarity is in the light of what has been argued above also plainly an anathema to many populists who see a political world as defined by regret or nostalgia about the loss of past identities. Throughout Europe you can see calls for the reassertion of past identifies that are regional or more local. Populists rail against the false identities created for governing convenience and want to go back to something they view as more natural or organic.

Taggart (2016) illustrates the point with two examples:

In the case of the Flemish Bloc this critique resonates in a state already composed of a profoundly divided society in Belgium based on historical, linguistic and cultural identities in terms of Wallonia and Flanders. Largely as a consequence of this, the nature of politics and the functioning of the central states has faced profound

difficulties in recent years as perhaps exemplified in the challenge of forming coalition governments that have to span both an ideological range but also do so in such a way that also spans the Flemish-Walloon divide...The Northern League... represents a development that reflects the profound transformation of Italian politics in the early 1990s with the collapse of the party system in the wake of corruption scandals. The failure of central Italian politics is also twinned, in the case of the Northern League, with a critique of the regional disparity between the (in the eyes of the Northern League) the industrious North of Italy and the feckless, corruption-ridden South. This critique is embodied in calls for greater autonomy for the North to free itself from the ineffective Italian state and from the need to support the South.

There is a strong streak of Euroscepticism in many of the populist parties of Europe. They complain about the European Union driven by an out-of-touch European elite, its attempt to ride rough shod over national and regional identities, its costs, its bureaucracy and its favouring of certain interests over others. In the UK, these pressures led to demands for a referendum on membership of the EU and indeed a vote to leave the EU. Pragmatically many populist parties have gained winning representation at the European Parliament and then using the funds obtained through their representatives to support further expansion of their parties' activities. A system designed to support stable party government has ironically underwritten an expansion of populism that in turn has fought to protect regional or identities at expense of the building of a European identity.

The third assumption of much of the governance literature is that there is a large grouping of citizens committed to governing themselves is also challenged by the rise of populism. The talk is of "everyday makers" who want to operate with but also beyond government sorting out issues or problems in a dynamic and creative way. That such people exist is undeniable but they are not the constituency for populism. Populists do not value activism or autonomy

as such they rather value responsive leadership that speaks and acts for them. Populism for citizens is a *reactive* form of political activity based on mobilization at the behest of the leader. It is the leader that is followed and who, following the cues provided by 'the people', identifies and then expresses their wishes. Populism is not about direct democracy: referendums may be advocated but they are a means to an end and that end is what Mudde calls 'responsive government':

The heartland of contemporary populism is thus focused primarily on the output and not on the input of democracy. What [populism] demand[s] is responsive government, i.e. a government that implements policies that are in line with their wishes. However, they want the politicians to come up with these policies without bothering them, i.e. without much participation from them.

What modern populism rests on, in all its forms, is the claim that it will make the 'grand project' of democracy work by creating a form of politics that is responsive to popular will.

Matching the assumption of much of the governance literature that there a new wave of active citizens is the assumption that government remains in the position to offer expert and legitimate leadership of the processes of governance. Populists do want leadership but they are vociferous in their rejection of the current political establishment of contemporary democracies. They do not view current political leaders or governments as able to steer governance processes. Indeed, they can appear suspicious of all institutions. Populists tend to dislike any institutions or people – bureaucrats, party officials, parliamentarians – that get in the way of communication between leader and followers. These institutions need to be carefully managed so that they do not usurp that direct line of communication between governed and governors: failure to communicate can lead to precisely the forms of political neglect and misunderstanding that originally drove the populist engagement with politics. How can politics be responsive when formal institutions the European court, self-serving civil

servants or informal institutions such lobbyists, special advisors and spin doctors get in the way?

More generally there is great scepticism over the role of expertise by populists and their supporters. In the UK's EU referendum Leave campaigners Michael Gove's assertion that "people in this country have had enough of experts" was one of the striking moments of the campaign. After the result in a vote to leave experts from economics, business, trade, environmental, farming, science and Universities wondered aloud about why their views appeared to have been ignored. Echoes of anti-expertise can be seen in populist mantras more generally. What do these climate change experts know that local farmers cannot know better? Why should we accept that those marine scientists know more about fishing stocks than fisherman that brave the high seas? What do economists know since they failed to predict the financial crisis of 2007/8? Formal expertise is not prized as much by populists as the expertise that is gained through craft, experience and hands-on engagement. Governance steered by effective technocratic or legitimate political leadership is a claim with oxymoron overtones for most populists.

Finally, populism does not respect the core features of politics – the search for compromise between different interests, the need to understand another's position and the complexities of implementation – and as such it challenges the fifth governance assumption identified earlier. It fails to do this because it does not allow for the presence of multiple differences between citizens. It posits that the people are one, and their voice, if properly understood, has a unified and unifying message. The people speak and the government should act to fulfil their wishes. Anything else that gets in the way of the delivery of that vision is a malfunction – or, worse, an act of deliberate sabotage – on the part of other political interests or actors.

Populists have several problems with mainstream politics and associated governance practices. First of course establishment politicians are out of touch and live in their

government bubble far from the concerns of real people. Moreover, populists tend to view politics as boring and bland. Governance processes are complex and tedious and populists prefer a politics of redemption. Against the pragmatic, dull conception of politics as Weber puts it a process resembling the 'strong and slow boring of hard boards' –a dynamic embraced by the governance paradigm- populists favour a redemptive politics. They want to be told that exciting things can be done. Democracy can lead to a better world by giving the people the power to take control of their lives: it is a politics of faith, built on the belief that the world can be a better place and that if people work together, they can achieve a superior life. Redemptive democracy glorifies the sovereignty of the people and wants to see people engage in politics with passion and commitment. In the UK's EU referendum it was the Leave voters that were the optimistic ones and the Remain voters the pessimists (Morris, 2016).

The direct challenge of populism to governance

Governance not only finds its underlying assumptions challenged by the rise of populism but also some of its favoured tools of governing. The suspicion of networks has been identified as a concern. The processes of networking, deal-making and compromise reveal a corruption at the heart of politics. Taggart (2016) argues that some practices of consociational democracy are particularly prone to being criticised for tying the political processes up in elite knots.

For parties like the Freedom Party in Austria, it has been the collusion between the major parties and their tendencies to act together and to act in ways that have placed them at a distance from the constituencies of citizens, that have made the established political parties such objects of scorn. The Austrian case with its consociational aspects, of course, particularly lends itself to the idea of parties divorced from their constituencies, but this critique of the corrupting nature of parties is widespread.

Governance with its strong focus on multi-level networks and deliberate and careful developmental policy processes for many populists appears to be long-winded way of achieving a politics that is divorced from the concerns of citizens.

In the early stages of the development of populism in Poland the sense that networks are exclusionary was explicit in the mobilisation populist strategy of one candidate:

Tyminski distanced himself from the past and from the newly established political elite who, supposedly, were a part of the “network.” The concept of the “network,” introduced by Tyminski himself, was general enough to include the new political elite as well as other groups and institutions. The common practice of including anybody into the network eventually worked against Tyminski, for eventually people were included, who were explicitly opposed to Tyminski’s candidature. The network, therefore, was not only against Tyminski, but it was also against the people who supported him.

For populists networks a key tool of governance are not automatically seen as positive. They can be exclusionary. They can also be a source of corruption Beppe Grillo’s Five Star Movement in Italy provides one example of a party mobilising explicitly on the issue of opposition to corruption. Transparency tends to be favoured by populists and networks as even the advocates of network governance are prone to challenges around their closed and unaccountable form.

Marketised governance in its various forms has been a target for populists. The Greek leftist party Syriza came to power in Greece in 2015 and promised to revise the unpopular privatisation programme that involved the selling off of assets owned by the state, although it has had to concede ground on this issue under pressure from the EU. In UK, the Corbyn led Labour Party has also raised concerns about the private ownership of public services; with similar concerns finding expression in Spain and Italy.

The grounds of concern reflect classic populist territory. First many of the asset sales appear to be in other state-owned companies-including some based in China. There is some evidence that consumers pay more for privatised utilities and that buyers cherry pick the successful ones and leave the state to subsidize others, or rely on state-subsidy to a considerable degree. The strategy of austerity driven privatisation it is claimed merely allows the banks and finance companies hit by the financial crisis of 2007/8 to recoup losses at public expense through the backdoor. As the Transnational Institute (TNI) concludes there is clear link between this privatisation practice and populist resurgence. It argues: ‘this powerful nexus of forces cannot hide the social costs of policies that put private profits before human needs. Along with anger at the surging inequality expressed in the rise of anti-establishment party candidates on both sides of the Atlantic, there is also growing disaffection with growing cases of privatisation that have led to declining public services and rising prices... European Commission bureaucrats would do well to learn from before ploughing ahead with the next wave of austerity-drive privatisation in its most indebted countries. Their failure to listen, will only contribute to a growing disaffection with the European Union project, from both the left and the right, that won’t be reversed until economic policies are designed for the benefit of the majority rather than a privileged minority’ (<https://www.tni.org/en/article/the-winners-and-losers-in-eus-great-privatisation-fire-sale>).

Similar concerns can be expressed about another practice of marketised governance: outsourcing. The practice of contracting public companies to provide public service has attracted the concerns of the Corbyn led Labour Party in the UK and especially around the provision of health care through the NHS. Critically contracts allow profit taking at the expense of taxpayer and the workforce by outsourcers and has created giant conglomerates which are largely unstable bidding machines driven by the hunt for fresh contracts and acquisition, not the pursuit of efficient service delivery (CRESC, 2015). Above all it is policy challenged on the classic populist grounds of benefitting the few rather than the silent

majority. Add to that concerns about the secrecy around contracts and the networks of influence as former governments officials swop from public service to well-paid jobs in the private outsourcing sector and it is possible to see there is plenty for populists to question or condemn. The 2017 Labour manifesto commits to reversing privatisation of the NHS and the renationalisation of railways, water utilities and some energy power suppliers.

Defenders of these tools of governance could point to counter-evidence of debts paid off due to privatisations, new capacity to deliver through out-sourcing or of problems solved through network collaboration. But such arguments may not be a powerful contribution to public debate. The classic governance defensive mantra of it is “what works is that matters” looks generally weak when faced with an ideological attack from populists. Arguing that important incremental gains and more can be made through innovative governance arrangements might pale in impact when met by claims of moral failure (profits before people), corruption (dodgy deals) and injustices (only the few benefit) associated with these governance practices.

Concluding remarks

The rise of populism draws its inspiration from the same social and economic changes that encouraged the development of the governance paradigm. Globalisation, the weakening of national sovereignty and the emergence of more challenging citizens led theorists to see the emerging practices of governance as response. Governance seemed to offer a more adaptable form of governing able to deal with a new context for governing. Yet populism reflects a very different response to the same set of forces. Its reaction is one of ‘more back to the future’ in style: let’s restore lost identities and a simplified version of democracy that delivers rule by the people. The governance paradigm did not so much miss the trends that were changing contemporary democracies as fail to recognise that its response was not the only option available.

The problem of not seeing the alternative reflects a wider division in societies (Jennings and Stoker, 2016)). Governance saw a world of many divides but no big divide. Yet bifurcation of the economy

may be delivering the big divide unseen by governance advocates and opening up the prospects for populism. Many developed economies are becoming increasingly divided between locations where clusters of industries are developing new products and services, drawing in large numbers of migrants from both within and beyond national boundaries and creating a tranche of high paid employment. These dynamic cosmopolitan areas are driving the future of national economic prosperity in a harsh globally competitive world. Outside of these areas there is a rather different economic and political dynamic dominated by areas that are either in a steady state or in long-term decline. The two cultures of these economies encourage their citizens see the world in very different terms. One part of society is occupied by a large number of well-educated, city dwellers in creative or dynamic economics and one is occupied by less well-educated citizens outside those areas. 'On one side are the liberal, socially mobile and university-educated "people from Anywhere", who subscribe to an "achieved" and cosmopolitan identity. On the other side are conservative, marginalised "people from Somewhere", who subscribe to a roots-based conception of national identity and cherish ways of life that have been lost or are under threat.' (Goodwin, 2017). Governance is more a child of cosmopolitan culture and populism is more a child of the 'people from Somewhere world'.

The cosmopolitan communities might be inclined embrace governance because its commitment to diversity, partnership and finding the right solution fits in with the wider social and economic environment in which they operate. For people in other areas, the appeal of populism is potentially more powerful as given their sense of detachment from smart governing practices such that their world characterised by the tyranny of distance in three senses. First distance from the booming creative clusters is key driver of a set of attitudes that stands in opposition to those dominant among the citizens of those dynamic areas. There is a politics of resentment about a neglected economy, a fear of immigration and a conservatism about social issues which is combined with a nostalgia for the past. Second the distance is expressed in terms of the degree of alienation from and lack of trust in the national political elite; politics is done by an alien and metropolitan them. There is a tyranny

of distance from the perceived centre of power and influence in a democracy. Finally, there is a tyranny of distance from the assumed values and norms of those driving change- the experts, the technocrats, the cultural leaders and the media- in the creative clusters. Many of the citizens in these areas are more fired up by a politics of populism rather than the insights of the governance paradigm.

How can governance respond to populism? Calling for more education in citizenship and the complexity of governance is unlikely to make a difference. Populism does not call for the people to be educated or learn the skills of citizenship; rather, it is assumed that the people have those skills and the good sense to make wise decisions and that all that is required is an opportunity for them to express their views and leaders that will act on those views. The 'people' may need to be liberated and given the scope to have an impact; but they do not need to be changed. For populists, the common sense of people is what should drive politics. A similar level of doubt could be expressed to an argument that the best response to populism is more citizen participation, more democratic innovations or even more referendums. Given the analysis presented above such an approach would not appear appropriate as it misreads the underlying drivers of populism.

Governance with its focus on 'it is what works that matters', its commitment to partnership and diversity and its embracing of new identities and politics stands in contrast to the populist preference for policymaking determined by values, government driven by popular demands and a uniform vision of the public and established identities. The two styles of governing are waged in a series of battles -Europeanism versus Euroscepticism, cosmopolitan liberalism versus provincial conservatism, economic orthodoxy versus anti-austerity movements - and the outcomes are not possible to predict. Governance as a paradigm may emerge as a product of its time - a period of extend globalisation, liberalisation, and political centrism- and fade from the story of governing. Or it may evolve to cope with the populist challenge by showing a capacity to deal not only in what works but also in what is to be valued, the importance of identity and the need to support the

fundamentals of cohesion. Future research in governance needs to address how to put the politics back into governance- in a way that can meet both the demands of cosmopolitans but also non-cosmopolitans- to meet populism head on rather than try to by-pass it or ignore it.

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