
Preface

The *Governance Report 2015* is the third in this annual series about the changing conditions of governance, the challenges and opportunities involved, and the implications and recommendations that present themselves to analysts and policy-makers.

The Governance Report is an interdisciplinary effort to examine the state of the art of governance. In doing so, it enlists experts from the Hertie School of Governance in Berlin as well as from other institutions. Special attention is paid to institutional designs and approaches, changes, and innovations that both state and non-state actors have adopted in response to the shifts that have been occurring—and, in this year's edition, in response to the fiscal and economic crises experienced in the European Union, especially the eurozone.

The results are available in an annual series that includes this compact report and an edited companion volume, both published by Oxford University Press, and a dedicated website at www.governancereport.org. Together, these various outputs and outlets are designed to provide both policy-makers and analysts with ideas, knowledge, and tools to consider and implement policies and programmes that lead to better solutions to public problems.

Launched in February 2013, the first edition examines the challenges of financial and fiscal governance, proposes a new paradigm of responsible sovereignty for tackling global issues, highlights selected governance innovations, and introduces a new generation of governance indicators. In the 2014 edition, the focus turns to administrative capacity in OECD countries and how governments and their public administrations coordinate branches of the state, regulate markets, deliver services, implement policy, and make sense of increasingly complex tasks through the use of knowledge and analysis. It questions how much 'muscle' is left during the current 'age of austerity' after waves of reforms that have changed the architecture of the state.

The 2015 edition again picks up many of these topics and examines them in the context of the European Union, especially since the onset of the eurozone crisis. In keeping with the Report's interdisciplinary approach, Hertie School faculty members Mark Dawson, Henrik Enderlein, and Christian Joerges apply the lenses of their respective academic disciplines to assess where the European integration project is now, where it should go, and alternatives for getting there. In the process, the lead authors highlight the practical and political trade-offs facing governance actors in dealing with the eurozone crisis, the interdependence and heterogeneities of

the EU's economies and polities, and the externalities resulting from judgments and decisions made at the nation-state level.

Unlike previous editions, the 2015 edition does not include a separate chapter on governance innovations. Instead, each of the chapters authored by a Hertie School faculty member highlights economic, institutional, and legal innovations that emerged before and during the eurozone crisis. Ultimately, the EU itself is an unprecedented innovation that continues to unfold.

Finally, the Governance Report series seeks to provide evidence to support decision-making processes by developing a new generation of indicators. The dashboards in which we present data on a variety of variables either taken from existing sources or collected by our indicators team provide a wealth of information for policy-makers and researchers that can be extracted and analysed according to the issue or question at hand. In the first edition, we offer the rationale for introducing a new set of indicators into a veritable 'indicators industry' and a sampling of the kinds of useful analyses that could be performed. For the 2014 edition, the set of dashboards is expanded to incorporate variables that focus on administrative capacity. Sample analyses illustrate the many possible applications and uses of this new generation of governance indicators. The 2015 edition, focusing on EU member states, offers a dashboard of various economic and public opinion variables and suggests ways of tracing convergence or divergence on those variables and examining other key relationships. The dashboards and analytical tools described in the Report are also available at www.governance-report.org.

Work on future editions focusing on infrastructure governance, metropolitan governance, and other topics has already begun. We invite your comments and suggestions at www.governancereport.org.

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