Regional Governance in Unitary States: Lessons from the Netherlands in Comparative Perspective

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ABSTRACT There is a growing need for regional governance in Western European countries. Unitary states and nations like the Netherlands, France and England do not (yet) have fully fledged, general purpose intermediate governments that can fulfil this need. This article reviews the institutional arrangements for regional governance in the countries mentioned. The existing arrangements turn out to have a great deal in common and show comparable flaws. Drawing on experience from France and the Netherlands, and against the background of the debate on elected Regional Assemblies in England, the article reflects on the need for an autonomous regional government and the requirements it has to meet.

Ten years ago, Sharpe and others described the ‘rise of meso government’, throughout European countries (Sharpe, 1993a). Since then, there has been a growing body of literature based on the need for regional government. The main argument put forward is that there is a growing need for strategic planning at the regional level and that regional government would deliver accountability and democracy to regional governance (DETR, 2000a: 15–20). The arguments for regional planning are several. In the first place, regional planning is considered a means to overcome failure in social and economic planning by central government (Murphy & Caborn, 1995). In several countries, the need for decentralised economic planning gave rise to a transfer of competencies to intermediate levels of government, i.e. in Spain and in France (Cuchillo, 1993; Mazey, 1993). In the second place, there is a growing need for the co-ordination of local government policies, as many of the social processes relevant for local policies are no longer restricted to the territory of local government (Wannop, 1995: 375). In some European countries, this issue has been (partly) addressed by enlarging the scale of
local government, i.e. in Sweden and in the UK. In other countries intermediate levels of government have been entrusted with powers to plan and co-ordinate local government policies. A third argument for regional government is found in the European Structural Funds. Under the principle of subsidiarity, Europe adheres to the active involvement of sub-national government in regional development planning, and some argue that regional government is necessary to ensure proper access to European funding (DETR, 2000a: 19).

Sharpe’s book at the same time showed that unitary states like France, the Netherlands and (at that time) the UK, more than federal states, had difficulties to create adequate institutional arrangements for regional governance. Historically, central and local government dominate their administrative systems and they lack fully fledged, general purpose regional governments (Sharpe, 1993b: 253–273; Mazey, 1993: 82–85; Toonen, 1993). This article gives an account of institutional arrangements for regional governance in the Netherlands and their performance over the last 20 years. It compares the Dutch experience with arrangements and practices of regional planning and co-ordination in France and in England. Finally, it reflects upon the requirements for an autonomous regional government.

Institutional Frameworks and their Outcomes

The Netherlands

The Constitution of 1848 introduced a decentralised unitary state with three tiers of general government: central government, the province and the municipality. The fact that the Constitution stipulates a general competence for provinces and municipalities to issue bylaws and deliver services, justifies the description ‘decentralised’. The unitary character stems from the fact that the national legislator, i.e. government and the two chambers of parliament, has complete sovereignty. The legislative bodies are free to interpret the Constitution as they see fit and there are no specific safeguards for the autonomy of provinces or local government. So, the Constitution creates a general purpose intermediate government, but whether the province can actually function as a regional government largely depends on the national legislator.

Provinces, but no regional government. Until 1960 the domain of the province was limited to the provision for provincial infrastructure and the supervision over budgets and financial transactions of local government. With the rise of the welfare state the provincial domain broadened. The Spatial Planning Act (1962) instructed provinces to develop long term spatial plans and to supervise local structure and zoning plans. Over the years, spatial planning has become one of the main provincial activities with a substantial impact on town and country planning by local
government. Subsequently, a series of laws called in provinces to play a part in the development and execution of plans in a range of policy sectors, i.e. health care, social and cultural policies, waste disposal and environmental policies.

Despite the expansion of activities of provincial government, its power vis-à-vis local government remained restricted. In most policy areas provincial plans served as a basis for central government to allocate financial resources to local government. Provincial government mainly fulfilled the role of an intermediary agency for central government. Since the 1980s the position of the province has become rather weaker than stronger. In 1980 central government embarked upon a series of decentralisation projects to restore the position of local government. In several policy areas decentralisation eliminated provincial competencies for planning, resource allocation and supervision.2

We have lingered over details of the position of provincial government in the administrative system, because at first sight it seems to fulfil the institutional requirements for regional government. In fact it does not. Despite the general purpose character that is entailed in the Constitution, provincial governments’ actual domain and competencies are very limited. Although in some areas the province plays a substantial role, it is by no means equipped or legitimised to act as an overall regional planning institution that co-ordinates and integrates policies of local government. This is best illustrated by the fact that since the 1950s there has been an ongoing public debate on ‘the regional issue’ (Blaas & Dostal, 1989: 236–238; Hendriks, 1997; Hulst, 2000: 1–20). In the 50 years that have passed, a series of proposals has been forwarded to create new institutions for regional government, all meant to provide for the necessary planning and co-ordination of local government activities and to take over part of the responsibilities of central government. None has been implemented. In practice the regional issue has largely been addressed by voluntary and mandatory co-operation between municipalities.

Voluntary co-operation between municipalities. From 1930 on, the possibilities for co-operation between municipalities were steadily broadened and in 1950 a special law – the Joint Provisions Act – was enacted to stimulate and regulate co-operation between local governments. A large number of single-purpose regional agencies resulted.3 As the number of regional agencies increased, the drawbacks of these institutional arrangements became more evident. Regional policy-making was highly fragmented and hardly susceptible to political control by the elected local councils. In 1985, a revision of the Joint Provisions Act obliged local governments to integrate all existing regional agencies into a multi-purpose regional corporation. Furthermore, the act stipulated that a regional council consisting of members of the elected councils of the participating municipalities would govern the regional corporation.
The regional corporations – actually there are around 40 – offer public services that individual municipalities themselves cannot efficiently provide for, ranging from fire brigades, basic health services, ambulances, the issuing of permits for taxis to waste disposal. Public service delivery by regional corporations is generally considered to be satisfactory. This is not the case with regional planning. The municipalities have entrusted most regional corporations with a general responsibility for the co-ordination and planning of local activities with respect to economic development, public transport, education, cultural and recreational facilities, social work, health care, environment, spatial planning and public housing. However, the corporations lack the necessary means to effectively co-ordinate local policies. The municipalities are reluctant to equip the regional corporations with the necessary powers, not wanting to give up their autonomy. As a result, regional planning and co-ordination entirely depend on consensual decision-making between all municipalities involved.

In our own research we found that, even when all municipalities recognised the need for regional co-ordination, and they sometimes put in great efforts, they rarely succeeded in establishing regional plans (Hulst, 2000: 72–78). In a setting where unanimity constitutes a requirement for actual decision-making, parochial interests tend to predominate. In some regions we encountered a culture that favoured co-operation. In the end, however, it was the interests that counted, and in many regions the conflicts of interests that are part and parcel of regional planning hindered effective co-ordination (Hulst, 2000: 83–90).

*Mandatory co-operation in the metropolitan areas.* Towards the end of the 1980s, the inadequacies of regional planning through voluntary co-operation became more and more evident. This was thought especially worrying for the metropolitan areas. While the process of European integration called for vital metropolises to compete with other European commercial and industrial centres, cities like Amsterdam, Rotterdam and The Hague fought long lasting battles with neighbouring municipalities about the development of commercial and residential areas and investments in infrastructure and public transport. In 1990, central government embarked upon a project to create new administrative areas for the metropolitan areas, i.e. new small-scale city provinces. Wise from experience, however, central government did not attempt a top down reorganisation. It invited the municipalities in the metropolitan areas to set up special regional corporations. A special act entrusted the new regional authorities with a series of competencies for regional planning and co-ordination with respect to public housing, infrastructure and transport, economic development, among others. Moreover, the new corporations received resources to finance local government projects in a series of policy sectors. The new regional corporations were meant to be temporary and to serve as a stepping-stone for the establishment of city provinces. However,
after much discussion the idea of city provinces was dropped, and in 2003 government proposed a bill to give the special regional corporations a permanent status.

Whereas regional corporations based on the Joint Provisions Act are characterised by voluntary co-operation, co-operation between municipalities in the metropolitan corporations is mandatory. Once the municipalities in metropolitan areas consent in the constitution of the regional corporation, the law prescribes a domain and attributes competencies and financial means to the corporation. In theory, this constitutes autonomous regional institutions with sufficient powers to co-ordinate local government policies. In practice, the metropolitan regional corporations have achieved some successes, but they did not fulfil a series of tasks that were the very reason for their existence.

Our own research showed that most corporations in the metropolitan areas were very reluctant to use regional plans as a basis for the allocation of financial resources. They favoured proportional disbursement and maximum spending autonomy for local government (Hulst, 2000: 129–137). An evaluation study on regional governance in the Amsterdam area reported that most of the regional plans established by the corporation just summed up the wishes of local government and did not in any way deal with the actual regional issues. And if they did, they could not be carried out due to conflicts of interests between the municipalities (Hulst, 2001: 16).

The main explanation for the relatively poor performance of the metropolitan regional corporations is that their hands remain tied to the participating municipalities. As is the case with the voluntary based corporations, the regional councils consist of indirectly elected members, representatives of the local councils. Committees, where all municipalities are represented and can pursue their own interests, are the actual decision-makers. This hinders genuine regional planning and produces policies that circumvent the real regional issues (Hulst, 2000: 141–142).

Regional government. Above we mentioned that the Dutch administrative system does not contain a fully fledged regional government. However, during a period of 20 years, in the Rotterdam region a directly elected regional government existed, very similar to the Greater London Authority. The so-called Rijnmond Corporation was created with the explicit purpose to co-ordinate the policies of the 16 municipalities in the Rotterdam metropolitan area. The corporation had formal authority to establish regional plans, to supervise local plans and to issue bylaws and direct instructions to local government on a series of policy issues. We found that the regional corporation effectively co-ordinated local government policies (Hulst, 2000: 97–103). This was not the outcome of top-down, hierarchical steering. The Rijnmond Corporation was very aware that it depended heavily on local government for the implementation of regional strategic planning. Consequently, it engaged in extensive consultations with local
government to generate input and create support for regional plans and policies, which resulted in a practice very similar to the wheeling and dealing we found in other regional policy networks. The fact that local government recognised Rijnmond as a legitimate regional policy-maker, the fact that the regional corporation was well informed on local policy issues and that it had the formal authority and the financial resources to eventually bring around unwilling planning partners formed the key to success (Hulst, 2000: 116–121).

Although the existing legal framework does not attribute a general responsibility for regional planning and co-ordination to provinces, some provinces over the years have claimed this responsibility and have made efforts to develop and implement regional plans in various policy sectors. In our own research we studied one particular province that created an elaborate system of regional planning to co-ordinate the policies of its 114 municipalities. We found that the province was not equipped to act as a regional policy actor against that number of municipalities. It lacked the necessary powers and policy information, and was not accepted as a legitimate planning partner by local government. It was not able to bring local government to develop regional plans through inter-municipal co-operation, nor was it capable of developing feasible plans itself (Hulst, 2000: 111–120).

Our research on voluntary co-operation between local governments suggested that provinces, confronted with a large number of local governments, should try a new approach. The key factor seemed to find strategies to reinforce mutual interdependencies between municipalities and thereby strengthen the basis for co-operation. We suggested that the province delegate decision-making authority on financial resources and on spatial planning to regional corporations in exchange for their commitment to engage in regional policy-making and under the condition that regional policies would be established within a certain time frame and would meet some minimum standards. One of the provinces involved in our research adopted this strategy and entered into contracts with the ten regional corporations in its territory. On average, the strategy proved successful. Regional policy-making boomed if compared to the ten preceding years. The contracts created sufficient leverage for municipalities to seriously engage in regional co-ordination, although they could not resolve all the conflicting interests and this sometimes resulted in symbolic policies (Hulst, 2000: 149–175).

Still struggling. Fifty years after it reached the political agenda, the Netherlands is still struggling with the organisation of regional governance. In view of the experience with different strategies for regional governance, we can make some concluding remarks.

First of all, it does not suffice for an autonomous regional government (i.e. the province) to be responsible for regional planning. To be effective,
regional government needs both adequate administrative powers and legitimacy to settle regional issues and to generate the necessary support and co-operation from local government. In the Netherlands, these prerequisites are not fulfilled. Moreover, for several reasons it is unlikely that they will be in the near future. The province has never been considered as an administrative entity of equal standing to local and central government. In the nineteenth century the role of the province was downplayed out of fear of the resurrection of federalism. As a result, the province became an intermediate agent largely bestowed with technical, non-political functions, and with little political visibility (Hulst, 2000: 4–7). These very characteristics are now held against it: why would we take away powers from our precious local government and attribute these to the distant and invisible province? This creates a kind of a vicious circle: the province will not overcome its status of a paper tiger precisely because it is considered a paper tiger.

Consequently, co-operation between local governments is, and will remain for some time, the only institutional arrangement for regional governance. Although some of the obvious drawbacks have been addressed – the high fragmentation and the entirely voluntary character of the regional corporations – the main problem has not. The regional corporations are dominated by the very municipalities they are supposed to govern. Although co-operation is sometimes successful because of contingent circumstances, there are no structural provisions to fight the centrifugal forces from which regional corporations suffer.

France

During a long time the French administrative system contained two main tiers of local government: the departments (96) and the municipalities or communes (36,000). While the communes are the democratic heart of the republic and have a general competence to undertake any activities they deem necessary, the departments provide (a part of) the services beyond communal resources or services that need to be organised on a larger scale. Moreover, the departments serve as an administrative level for the implementation of state policies, with the prefect representing the state and all its ministries and agencies (Norton, 1994: 140–144, 152–153). Departments do not, however, provide for the co-ordination of local government policies with respect to territorial and environmental planning and the planning of social and economic activities and infrastructure. Regional planning is a matter of the state, of the regions and of co-operation between local governments.

Regions. As early as 1964 a rudimentary framework for regional planning was set up, primarily consisting of advisory committees with representatives of the ministerial field services, experts and members of the socio-economic
and political elite in the region. In 1972 the committees were substituted by regional public bodies and regional councils with limited functional powers that included the allocation of (modest) regional budgets to public works programmes and projects. Gradually central government increased the budgetary and policy-making powers of the regions.

The 1982 Defferre reforms transformed the regional public bodies into regional governments. It was considered a major shift towards the decentralisation of the French state (De Montricher, 1995; Le Galès & John, 1997). In 1986 the regions became authorities with executive and revenue-raising powers and directly elected regional councils and presidents. The formal responsibilities of the regional governments include urbanism, the planning of public transport and infrastructure, the planning and construction of secondary schools, economic planning and environmental and cultural activities. Overall, policy instruments are limited to the allocation of investment budgets.

There were several motives for the establishment of decentralised regional governments, but at least one of them related to the limitations of central economic planning vis-à-vis an increasingly complex society. One of the main issues was that central planning was not sophisticated enough to stop the growing economic disparities between regions. Decentralisation would enhance the participation of local government, private economic actors and citizens and thereby render public policies more effective (Mazey, 1993: 77–78; De Montricher, 1995: 105).

Almost 20 years after the founding of regional government, the regions have not developed into a general purpose intermediate level of government fit for regional planning. Although regions are actually involved in policy-making in many sectors, they have little decisive influence. They have not been able to effectively co-ordinate policies of local government. Institutional weakness is held responsible for this poor performance. Regions – as a matter of principle – have no formal authority over local government. Their budgets rose fast during the first years of their existence, but stabilised after 1992 and until 1999 amounted to no more than 10% of the total expenditure of local government. Moreover, regional autonomy was curtailed, as the regions were required to follow the states’ development priorities.

Regions were considered politically weak institutions, as regional elections took place within departmental constituencies. This encouraged the promotion of departmental interests and caused regions to behave more as federations of departments than as truly regional governments (Balme, 1995: 167–169; Scargill, 1996: 192; Le Galès & John, 1997: 53–54). Here, we can see a certain similarity between the French regions and the Dutch regional corporations. Overall, regional government is far from a fully developed intermediate government equipped and legitimised to plan and co-ordinate local government policies (Le Galès & John, 1997: 55–57; Jouve, 1997: 367).
However, some remarks are in order. First, there are notable exceptions to this rather gloomy picture of French regional government. In Nord-Pas-de-Calais, Bretagne and Languedoc-Rousillon regional governments developed relatively successful economic initiatives. Furthermore, regional governments have sought new ways to manifest themselves, engaging in arrangements with a large number of public and private actors, bypassing their weak formal powers. Moreover, in 1999, a reform of the statute for regional elections introduced single regional constituencies, in order to fight parochial decision-making.

Second, the administrative system is at the edge of substantial changes. A 2003 constitutional reform introduced decentralisation as a core principle for the organisation of the Republic, and subsequently, in 2004, parliament has approved a package of decentralisation measures. This operation, called *L’acte II de la decentralisation*, will strengthen the position of the regions, especially in economic development and planning, infrastructure and transport, the planning of health care, tourism and professional education (Rapport du Sénat, 2003).

**Voluntary and mandatory co-operation.** The 1982 decentralisation reforms not only established regional government; they also enhanced the responsibilities of the *communes*. The traditional functions – civil register, municipal police, local infrastructure and primary schools – were extended to include town planning, public education, economic activities and public service provision. The reduction of central rules for the spending of specific grants increased the financial autonomy of the *communes* (De Maurel, 1993: 145–146). Decentralisation was implemented, however, without reforming the territorial scale of local government. As a consequence a vast majority of the 36,000 *communes* were faced with new functions they could not fulfil efficiently due to their small scale. So, the retreat of the central state increased the need for co-operation and co-ordination of (the new) local government activities (Norton, 1994: 146).

As is the case in the Netherlands, in France voluntary co-operation between local governments has been a long tried strategy to overcome the limitations of scale. In 1972 there existed over 9,000 single-purpose joint councils of *communes* and more than 1,200 multi-purpose joint councils. Public service delivery was by far the most important field of action, i.e. water supply, sewage, energy supply, refuse collection, the maintenance of highways and school bus services. Since 1982 central government has launched a number of initiatives to further co-operation between local government, especially as a means to regional planning and co-ordination.

The Law on Territorial Administration (1992) introduced new corporations – communities of *communes* – with two mandatory functions: economic development and territorial planning. Profitable financial arrangements were to encourage the formation of the new corporations.
Initially, communities of communes were mainly set up in the rural areas of France (De Maurel, 1993: 151; Scargill, 1996: 189–190). In 1999, government introduced a new type of urban communities and agglomeration communities, with a series of mandatory tasks concerning social, economic and cultural development and territorial planning. With the introduction of these new institutions co-operation loses part of its voluntary character as the domain and competencies are prescribed by law, in much the same way as is done in the case of the metropolitan corporations in the Netherlands.

If we look at the development of arrangements for co-operation between local government bodies, they show a substantial increase over time (see Table 1). Moreover, it is evident that co-operation between local government is highly fragmented: communes participate at the same time in several single- or multi-purpose joint councils and in a community of communes or cities. In many cases these institutions organise different groups of communes.

In order to fight fragmentation, the Law of Territorial Management and Development (1995) introduced the concept of pays. The term pays refers to a territory with a geographical, cultural, economic or social cohesion and is meant to function as an organising principle for co-operation between communes. On 1 January 2004, 298 pays had been identified according to the procedures and criteria contained in the law; 99 of them had established administrative boards and 33 pays had signed contracts with central government on economic and social planning. The introduction of the pays represents a clear effort to integrate and concentrate inter-municipal co-operation and to accomplish that it covers functionally coherent territorial units.5

There are no comprehensive reports on the performance of voluntary and mandatory co-operation between local government entities. There are relatively successful urban communities, i.e. the urban community of

| Table 1. Institutional co-operation between local government in France* |
|-------------------|--------|--------|--------|
| Single-purpose joint councils (SIVU) | 9,289  | 11,967 | 14,490 | 14,885** |
| Multi-purpose joint councils (SIVOM) | 1,243  | 2,076  | 2,298  | 2,165** |
| Urban districts    | 95     | 153    | 324    | _***    |
| Communities of communes | 756    |         | 2,195  |         |
| Communities of villes | 4      |         | _***   |         |
| Agglomeration communities |         | 143    |         |         |
| Urban communities  | 9      | 9      | 9      | 14      |
| Total              | 10,541 | 14,043 | 16,801 |         |

* The table does not include mixed joint councils of government institutions and private groups
** Data from 1999
*** Abolished in 1999 and transformed into one of the other forms of co-operation
Source: Direction Général des Collectivités Locales: les collectivités locales en chiffres 2004
Bordeaux, where a large number of communes co-operate in the planning of major infrastructure projects for the agglomeration. There are more urban agglomerations, however, where co-operation for regional planning is not institutionalised or where urban communities are paralysed because of political rivalries and conflicts of interests between the participants, although recently some progress seems to have been made (Scargill, 1996: 189–190; 2001). Even the more successful French communities show some typical features of voluntary and mandatory co-operation, very similar to the ones we found in the Netherlands: proportional disbursement of funds to the participating communes and the adherence to non-intervention politics in communal affairs, save exceptional circumstances (Savary, 1998; Hulst, 2000: 133–135).

Moving away from fragmentation, overlap and consensual decision-making. For a long time, fragmentation and overlap have characterised the institutional framework for regional governance in France, the regions and the communities of communes engaging in economic and spatial planning on different territorial scales; the départements and the (bigger) communes fulfilling executive functions directly relevant to economic and spatial development. In the absence of hierarchical relations between the different levels of government co-ordination has been a matter of consensual decision-making. The only standing vertical co-ordination mechanisms have been the planning agreements between the communities of communes, the pays and the regions on the one hand and the central state on the other. Consensual decision-making has also characterised regional planning on the (sub)departmental scale and on the scale of the region. Both have suffered from centrifugal forces due to conflicting interests and electoral systems.

Recent years, however, have shown two important developments that may lead to a simpler, more transparent and more effective system of sub-national governance. First, the establishment and further development of the pays will create a more integrated sub-regional government that may function as a platform to co-ordinate municipal and departmental policies. Second, the decentralisation operation will substantially strengthen the position of the regions and will at the same time remove a lot of the overlap in responsibilities between different sub-national governments that has grown over time. Two questions remain, both inspired by the experience with regional governance in the Netherlands. The first is whether the reorganisation of inter-municipal co-operation will result in effective co-ordination between the municipalities and the departments. The contracts between the central state and the pays may create sufficient mutual interdependencies to stimulate co-operation, but they only cover part of the policy areas to be co-ordinated. The second question is whether the regions’ prime responsibility for economic development and their growing responsibilities in a series of other policy areas will translate into
effective vertical co-ordination. In the absence of hierarchical relations this will depend on the ability of the regions for strategic use of their financial resources.

**England**

Compared to the French *communes* and the Dutch municipalities, the basic units of local government in England – districts, boroughs and unitary authorities – are huge, with an average population of nearly 130,000. Some have argued that the large scale of English local government makes regional government unnecessary (Jones, 1988). Sharpe considered the county the true meso-government of the United Kingdom, as it can cope with the increased functional scale of public service delivery, population mobility and service externalities (Sharpe, 1993b: 274). It is self-evident that large-scale local government diminishes the need for regional planning and co-ordination, compared to administrative systems with small basic government units. Nevertheless, regional strategic decision-making on territorial planning, economic development, infrastructure and public transport is more and more necessary. This is especially true after the abolition of the former metropolitan counties and the creation of unitary authorities, as the external effects of the policies mentioned go far beyond the borders of districts and boroughs (Wannop, 1995: 373). Moreover, as in other European countries, the need for an intermediate level of government in England also relates to issues of devolution and to social and economic planning in relation to the European Structural Funds.

At present, the Greater London Authority is the only democratically elected body that is responsible for strategic decision-making at an intermediate level of government. It co-ordinates the policies of the London boroughs with respect to transport, spatial planning and economic and social development, and thus may be considered a regional government in the proper sense. Outside the London area there is no form of intermediate general-purpose government. This does not mean that regional planning has not been a point of interest. It has been in the past and recently, the Labour government’s White Paper (2002) *Your Region, Your Choice: Revitalising the English Regions* has set out plans to enhance regional governance. We will discuss some of the past experiences with regional planning and the proposals of the White Paper.

*The past: regional governance through central government agencies.* As was the case in France, in the early 1960s institutions were set up to produce regional plans within the framework of the National Plan. Regional Economic Planning Councils and Boards were installed for each of the eight English regions outside London (and one each for Scotland and Wales). The Councils were drawn from local government, business and other interest groups; the Boards comprised of regional representatives of government
departments concerned with regional planning. Central government envisaged that the regional institutions would eventually be turned into elected regional governments (Lindley, 1982: 172–173). The demise of the National Plan, the abolition of the mother Department of Economic Affairs, and the Local Government Act of 1972 introducing large scale counties, all contributed to a different outcome. The regional institutions slowly atrophied and were finally abolished in the early 1980s (Lindley, 1982: 183–189; Sharpe 1993b: 253–255).

Since then, and until 1997, regional planning in England was mainly in the hands of regional branches of departments, agencies and quasi-autonomous organisations, a manifestation of the increasing central control over local government during the consecutive Conservative Cabinets. As the primary concern of these organisations was the delivery of specific functions and not the management of territory, a variety of regional boundaries developed, which complicated an already difficult task of co-ordination of regional policies (Hogwood & Lindley, 1982; DETR, 2000a: 13–14). The growing importance of regional strategic planning to obtain subsidies from the European Regional Development Fund, and the increasing complexity of the regeneration task involving a great number of private and public actors, brought out the importance of a co-ordinated central government presence at the regional level (Mawson & Spencer, 1997: 73). In 1994 the Government Offices for the Regions (GOR) were introduced in England. At present they integrate the English regional services of ten departments and offices of central government.

The present: regional governance through voluntary co-operation. Only recently, in the slipstream of the devolution process regarding Scotland and Wales, steps have been taken to decentralise planning for the regions of England. The Labour government promoted the establishment of Regional Chambers, although it did not establish the new directly elected tier of government that the Labour manifesto had suggested. The Regional Chambers or Regional Assemblies, as they call themselves, are bodies that include councillors from local government authorities and other stakeholders in the economic, social and environmental well-being of the regions. Initially the participants had to provide funds for the establishment of the assemblies; recently central government has decided to subsidise their activities.

Central to the new regional planning efforts are the Regional Development Agencies, non-departmental public bodies, one for each of the nine regions (including London). Core functions of the RDAs are, among others, the development and implementation of regional economic strategies and the social, physical and economic regeneration of urban and rural areas, including the administration of regeneration budgets. Moreover the RDAs are expected to contribute to transport and infrastructure planning, to protecting the environment, to ensuring an appropriate spread of resources
and to co-ordination between regional agencies that cover tourism, culture, media and sport (DETR, 1997).

Parallel to the promotion of regional economic development planning, the Labour government shook up the system for spatial planning. It considered that the existing system of Regional Planning Guidance lacked regional focus and was too narrowly land-use orientated. Therefore it proposed that the Regional Planning Guidance would broaden its scope and provide a spatial framework for economic development plans, strategies for transport, energy, air quality and waste, and for operational plans for infrastructure and service provision. Furthermore, local government and other regional stakeholders must take the lead in the actual development of the Regional Planning Guidance, through Regional Planning Bodies or Regional Assemblies. Formal responsibility for the issue of the Regional Planning Guidance remains with central government (DETR, 1998; White Paper, 2002).

The institutional arrangements for regional governance that have been introduced since 1997 are still too young for conclusive statements to be made about their performance. It is clear though that effective regional governance entirely depends on co-operation between key institutions such as the Government Office, the Regional Development Agency, the Regional Assembly, the Regional Planning Body and other stakeholders in the regional arena. At the same time there are tensions between the institutions involved that hinder the realisation of genuine regional policies (Stephenson & Poxon, 2001: 109). Given the experiences with voluntary co-operation in the Netherlands and in France, we would not expect otherwise.

One of the main issues is the integration of economic development planning and spatial planning. Different institutions take the lead in the respective planning tasks and there are no built in mechanisms to resolve differences of view (Roberts & Lloyd, 2000; Stephenson & Poxon, 2001: 118). Although a wide range of regional stakeholders stress the need for clarification of the relationship between spatial and economic development planning, central government has refused to issue rules to that effect. It merely suggested that the regions themselves give the Regional Assemblies a central role in the development of integrated regional strategies (DETR 2000b).

Whether this will suffice to develop integral regional strategies and to procure implementation remains doubtful. Regional planning activities have been taken up with evident enthusiasm by at least part of the new institutions (Roberts & Lloyd, 2000; Stephenson & Poxon, 2001). Nevertheless it is obvious that regional strategic planning implies difficult choices where interests of small and big local entities, of shire and urban areas and of economics, housing, recreation and environment will frequently conflict. These diverging interests will be reflected in the representatives of local government and other stakeholders that make out the regional institutions.
And who will leave his primary loyalty at the door of the conference room and develop a genuine regional perspective (Wannop, 1995: 387)? Even if regional institutions overcome their internal differences of view, and succeed in compromising with other regional actors, it will be difficult to overcome NIMBY behaviour of local government. Typically, local government in the South East supported the urban renaissance concept in the Regional Planning Guidance, but equally felt that it should not be applied in their own area (Carmona, 2001: 212). The existing regional institutions do not possess legislative powers and they cannot establish strategic plans that in some way bind the local authorities. They can only allocate part of the financial resources that concern regional strategic projects.

**The future: regional government?** The White Paper on the regions sets out a two step strategy to strengthen regional governance. The first step entails the enhancement of the existing regional structures, allowing the Regional Development Agencies more flexibility in the allocation of resources and strengthening the role of the Regional Assemblies in different areas of regional planning. The second step implies the establishment of elected Regional Assemblies for those regions where people would vote for them in a referendum. A sounding exercise to assess the interest in an assembly referendum has resulted in a decision to hold referendums in three of the eight English regions.

Once established, the assemblies’ responsibilities will include regional strategies dealing with economic development, sustainable development, housing, transport, skills and employment, and culture. The Regional Development Agencies will be accountable to their elected assembly. The assemblies will receive a single block grant from central government that integrates existing specific grants and they will enjoy maximum flexibility over how to spend the money allocated to them. Moreover, the assemblies will take over the responsibility from central government to issue spatial strategies and will exercise supervision on a number of regional institutions.

As is the case with the French regions, there will be no hierarchical relations between regional and local government; there will be no transference of competencies from local government to regional government. The establishment of elected assemblies will, however, imply a reorganisation of the local government structure. In order to simplify relations between local and regional government the remaining two-tier local government authorities will be transformed into unitary local authorities.

All in all, according to the plans set out in the White Paper, elected Regional Assemblies will create a form of autonomous regional government in many ways comparable to the French regions, with no formal authority over local government but with a range of responsibilities for regional planning and with control over substantial financial resources. The referendums will of course decide on the actual establishment of elected...
Regional Assemblies. For those regions that do not opt for elected Regional Assemblies, voluntary co-operation between local government, regional institutions and private sector stakeholders will remain the dominant strategy for regional governance.

Two Strategies for Regional Governance

Our discussion of inter-municipal co-operation and regional institutions in the Netherlands, France and England shows that there are two strategies in use to meet the growing need for regional governance: regional governance through co-operation between institutions from different administrative levels and other stakeholders on the one hand, and the establishment of autonomous regional government on the other. Comparing institutional arrangements and experiences we can make a series of evaluating comments.

Regional Governance Through Co-operation

The existing Regional Assemblies and the Regional Development Agencies in England, the communities of communes and the regions in France, the regional and metropolitan corporations in the Netherlands constitute horizontal policy networks engaged in regional planning, as none of the participants has any formal authority to impose decisions on other policy actors. This strategy for regional governance shows serious drawbacks from the perspective of effectiveness and democratic accountability.

In horizontal networks joint decision-making largely depends on the character of the interdependencies between the actors (cf. Blau, 1964; Godfroij, 1981). When interdependencies are symbiotic, i.e. when the goals of actors coincide or when actors can contribute to the realisation of each other’s policies through the exchange of resources, co-operation or joint decision-making is likely to occur. When interdependencies are competitive, i.e. when goals are incompatible and are only realised at the cost of other actor’s goals, co-operation will not occur.

It is not surprising that co-operation between municipalities in France and in the Netherlands flourishes as a means to overcome the limitations of scale with respect to the provision of public services. In general, all the participating actors stand to gain from co-operation in terms of the efficiency and quality of these services. Regional planning on the other hand addresses the distribution of scarce goods and undesirable burdens. It implies that local government must adapt its policies for the benefit of its neighbours or just for the sake of preventing the waste of public resources. It implies competition between different stakeholders for scarce resources. At best, regional issues create mixed motive games: situations where policy actors at the same time have incompatible and common interests (Scharpf, 1997). Whether the joint policy actors are able to come up with effective regional governance then depends on the characteristics of the institutional
setting and on the existence of external incentives to collaborate (Scharpf, 2000: 779).

In all three countries we discussed, central government created financial incentives to promote the establishment of regional corporations. They were effective in the sense that local government entities created regional institutions and thereby accepted the responsibility to engage in regional policy-making. However, in none of the countries were the funds provided by central government made dependent on the outcome, i.e. on the development of plans that adequately address the regional issues. In France and in the Netherlands this created leeway for local government to enjoy the benefits of participating in regional institutions, without paying the price of effective regional co-ordination.

A second characteristic of the policy networks is the fragmentation of responsibilities with regard to different policy sectors. Economic development planning, the planning of infrastructure, environmental planning and spatial planning must relate to each other. In the three countries under consideration, responsibilities for regional planning on these subjects – as far as they go – are divided: between the Regional Development Agencies and the Regional Planning Bodies or Assemblies in England, between the regions and the communities of communes in France and between the regional corporations and the provinces in the Netherlands. The networks lack structural provisions for the integration of regional planning on different policy sectors.

Our own research showed that positive sanctions that directly relate to the outcome of co-operation between local government – which was the case in the contractual arrangements between a province and its municipalities – can, to some extent, overcome the centrifugal forces that inter-municipal co-operation faces. In France, central government has started a major operation to enter into contracts with the new pays on the organisation and funding of a wide range of activities and public services in order to promote integrated development policies. It is too early to tell whether these strategies to further co-operation and integration within the highly fragmented policy networks will be effective in the long run or whether they will prove to be time-consuming efforts that result in predominantly symbolic regional policies.

A third problem is the faulty democratic accountability with respect to regional governance. This stems from two features of the policy networks. In the first place some of the regional institutions, i.e. the existing English Regional Assemblies, the French communities of communes and pays and the regional and metropolitan corporations in the Netherlands, have not got directly elected boards or councils. In the second place, as we mentioned before, regional governance is the outcome of consensual decision-making within fragmented networks. This implies that the different government bodies may be held accountable for the stances they take in the bargaining games, but not, or at best partially, for their outcome. Who must John
Walker of Devon County, Jean le Duc of the commune of Rocamadour or Kees Jansma of Leiderdorp turn to if they are unhappy with regional investment plans that are the outcome of negotiations between the regional institutions representing local government and central government agencies?

It is a matter of course that administrative systems dominated by central and local government, when confronted with a growing need for regional governance, tend to resort to strategies of co-operation between local government, regionally based central government agencies, private sector stakeholders etc. The establishment of fully fledged, general purpose regional government would imply a major change in the administrative system, challenging central values and principles of the organisation of the state, and would more than likely meet with broad opposition. However, as the scope and complexity of the regional governance task grow bigger the drawbacks of regional governance through co-operation will become more evident.

Regional Governance Through Regional Government

The establishment of elected regional government addresses the problems of regional governance through co-operation, at least at first sight. The concentration of decision-making powers with respect to different policy sectors provides a mechanism for the integration of planning efforts in different policy areas. Regional government improves democratic accountability for regional governance, as directly elected councils formally establish regional strategic plans and scrutinise the allocation of financial resources. Experience with regional government in the Netherlands and in France gives rise to some caveats and comments about the institutional features of regional government.

In the first place there is the issue of the competencies of regional government. Both the Dutch provinces and the French regions have suffered from their relatively weak position in the administrative system. This has not only caused their regional strategic planning to be inadequate, it has also contributed to an image of political invisibility and to relatively low election turnouts. It is understandable that the White Paper on regional governance emphasises that the establishment of elected Regional Assemblies will not affect the competencies of local government, as this would surely generate considerable opposition. However, if elected Regional Assemblies are not adequately equipped to implement regional strategic planning, on occasion against the will of local government, they run the same risk as their European counterparts, to become relatively weak actors struggling for their legitimacy, despite all the White Paper rhetoric about the benefits of elected regional government.

On the other hand, experience from Spain shows that (new) regional governments, entrusted with formal authority over local government, tend to expand their domain at the cost of the municipalities. Although organic
laws contain safeguards for local autonomy, the position of Spanish local
government has weakened in favour of the autonomous regional govern-
ments (Carillo, 1997: 52). Therefore, it is vital to strike the right balance.
Experience with the Rijnmond Corporation in the Netherlands, mentioned
above, shows that a combination of supervision over strategic local
government decisions, the availability of financial resources and the use of
strategic bargaining can result in effective regional government, without
radically undermining the position of local government. Compared to the
Rijnmond Corporation the elected Regional Assemblies will have a lot of
responsibilities but limited powers.

A second issue concerns the organisation of local government in relation
to regional government. The relatively weak position of the French regions
and the Dutch provinces is at least partly caused by the large number of
counterparts within the region: municipalities; inter-municipal corporations
of different size and complexion; départements (France). The Rijnmond
Corporation was able to pursue its successful bargaining strategies thanks to
the limited number of municipalities in the region and the absence of inter-
municipal corporations. From this perspective, the transformation of the
two-tier local government into unitary authorities that will accompany the
establishment of elected Regional Assemblies in England will create
favourable conditions for effective strategic planning by regional govern-
ment.

A third comment relates to the role of the electoral system. Our discussion
of inter-municipal co-operation in France and the Netherlands has made it
clear that systems of indirect elections hamper effective decision-making at
the regional level, as they tend to transfer the existing conflicts of interests
between the municipalities to the boards and councils that govern the
regional institutions and prevent the development of a genuine regional
perspective. Even the directly elected councils of the French regions in the
past suffered from parochial decision-making because of the use of
departmental constituencies. From this perspective, the Additional Member
System the White Paper puts forward for the election of the Regional
Assemblies, which combines elections through individual constituencies and
elections through a regional list, seems to address two of the potential risks
that regional government faces: invisibility due to a lack of identification
with the voters on the one hand, and decision-making dominated by
parochial, local interests on the other.

**Conclusion**

Our discussion of regional governance in the Netherlands, France and
England suggests that there is a need for a general purpose regional
government, if only as an institutional framework for co-operation and joint
decision-making (cf. Keating & Loughlin, 1997: 12). By this, we do not
plead the substitution of unitary administrative systems by federal ones
through all-embracing devolution. This would violate values that are central to the national political culture in the three countries and that are widely reflected in their legislation. Nor do we mean to suggest that regional governments should become the main institutions for the planning and provision of public services, thereby reducing local government to mere agencies. This would violate central values attributed to local government as an institution where citizens can decide on issues that concern their daily environment and where they can experience the basics of democracy. We do argue the case for regional governments with a general competence to co-ordinate local government policies, entrusted with sufficient administrative powers and financial resources to play a significant part in the regional arena. Direct elections and a mandate for regional governance will bring about the necessary regional perspective, not burdened by individual local government interests. In the long run, regional governance through cooperation will not be a viable alternative for regional government.

Notes

1. Recent developments regarding the devolution of powers to Scotland and Wales challenge the unitary character of the United Kingdom. As our interest focuses on the way unitary administrative systems deal with the issue of regional governance, we will confine our analysis to England.

2. At this point we differ from Toonen, who states that provinces rather than municipalities were the recipients for decentralised tasks (Toonen, 1993: 142). In a number of policy areas specific grants were transferred to the Municipal Fund, thereby eliminating the intermediate role of provinces. In other policy areas specific funds were amalgamated into broad grants of which the bulk is directly distributed among the larger cities, leaving the provinces to distribute the crumbs among the small towns and villages.

3. In 1971 there were 1,500 regional agencies covering more than 30 different tasks.

4. Sub-units of the departments, the arrondissements and the cantons mainly served as administrative organisations for central government services.

5. The Regional Planning Guidance is the long term (20 years) territorial plan that serves as a framework for local development plans based on the Town and Country Planning Act 1990. The RPG does not directly bind local government. However, central government has formal powers to intervene in local development plans if these plans ignore the RPG.

6. In France, election turnout for the communes in 1995 and 2001 was 69% and 67%. For the regional elections turnout dropped from 78% in 1986 to 58% in 1998. In the 2004 elections it rose to 66%. In the Netherlands, participation in the provincial elections of 1999 reached an all time low of 45%, while turnout in the municipal elections in 1998 was 59.5%. Scholars of public administration in the Netherlands have labelled the province as the invisible administration.

7. Even now, according to a survey by the Local Government Association, local government fears that elected regional governments will reduce the powers of local government (LGA, 2003: 27).
References


