

Governance Network in city regions – In the spirit of accountability?

ANN KARIN TENNÅS HOLMEN

IRIS – International Research Institute of Stavanger / Department of Administration and organization, University of Bergen, Norway. E-mail: ann.k.holmen@iris.no

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ABSTRACT:

This paper is concerned with governing through network in city regions. Focus is directed towards legitimacy in policy processes related to regional business development. This policy field involves actors across sectors, branches and geographical structures like municipal borders. The question is how are accountability issues handled in these processes in order to legitimize this network based governance? The article presents three cases from different city-regions in Norway. All cases represent a policy process towards a policy output related to general business development in the city region. The three cases show different approaches related to accountability. The cases show that inclusion, publicity and responsiveness are approached differently, but they are all necessary in order to be perceived as an accountable governance network. The analysis also shows that formal and stable meta-institutionalized structures in close relation to the governance networks provide a positive basis to follow criteria for accountability.

Keywords: Governance network; city-region; Legitimacy; Accountability.

Introduction

Legitimacy is in our political system based on democratic principles and ideals of liberty and equality. To legitimate is to justify political power and is an essential foundation in order to make collective decisions in a political system. These principles are challenged in the case of governance network and governance networks in city regions. The paper's understanding of *Governance Network* rests on several contributions, but is specifically used here to describe:

“...public policy making and implementation through a web of relationships between government, business and civil society actors. Governance network emphasizes that the network relationships are specifically those concerned with governance that is the articulation, resolution and realization of public value in society” (Klijn and Skelcher 2007:587).

Governance networks are based on interdependencies between actors which is more flexible, unanticipated and diverse than the traditional corporative arrangements. These diverse, dynamic and often borderline network arrangements give the benefit when it comes to getting things done. Governance network is considered efficient in the sense of access to different recourses which makes the policy process smoother. Information and dialogue with strategic actors through the decision-making process also affects the implementation-phase in a positive direction. The critique is closely related to the lack of control, transparency and predictability in governance network. The fact that these arrangements strongly affect policy process makes the critique most relevant (Pierre 2000, Mayntz 2003, Koiiman 2005, Torfing and Sørensen 2005/2007, Klijn and Skelcher 2007).

In this paper this discussion of governance network and legitimacy will be related to the city-region. Policy development in city-region is not only based on the power of one municipality and the different local actors, but several. In this context governance network crosses traditional institutional and geographical borders and creates projects where governing through network appears as a solution in order to solve regional policy issues (Fimreite and Medalen 2005, Farsund and Holmen 2007, Healy 2007). This does not only challenge the question about control, transparency and predictability, but also the question concerning accountability when crossing geographical and administrative borders. The emerging use of network structures as tools when problems exceed fixed boundaries challenges the traditional view of how policy processes legitimize (Aars and Fimreite 2007).

The question addressed in this article is related to the attention and awareness these networks and networks-processes give to the production of legitimacy. All cases involve not only many citizens in a large geographical area concerning priorities, but it also involve a lot of actors in the process towards the policy - output. Do these networks have a strategy in order to legitimize in their geographical area, and how do they play it out in the policy process? In order to answer this question there is a need to investigate whether there is a clear "someone" to be held accountable, for what to be held accountable for and who they represent. The degree of transparency and openness in these strategy-processes gives a picture of how these networks relate to the question of legitimacy. The third element is related to responsiveness and by this how these network processes are linked to the possibility to respond and sanction those who are held accountable.

In this article three cases related to a concrete policy output¹ of governing through network in city-regions will be presented. All cases are different in the sense of geographical scope, policy process and approaches to accountability. Still, they are all examples of strategy processes concerning regional business development policy. These are common goals which both public and private actors in that geographical area must relate and adjust according to.

¹ Policy output is understood in terms of a specific policy report, action plan, project, regulation or initiative. (See also section "Research design")

Democratic challenges concerning regional governance network

Literature related to the benefits and challenges by governance network and this network-based way of policy making, has been and is growing. Still there has been a shift in focus. While network form, features, output and efficiency was the centre of attention in the 90'ties (Mayntz 1993, Rhodes 1997, Jessop 1998), there is now considerable more focus on democratic challenges, control of governance network and normative as well as pragmatic perspectives in how to use governance network as a tool in a legitimate way. (Hoff 2005, Torfing and Sørensen 2005/2007, Nyseth and Ringholm 2008).

As a result of this, several contributions discuss the most difficult balance between efficiency and legitimacy (Torfing og Sørensen 2005, 2007, Börzel and Panke 2007). Efficiency through recourse interdependency is one of the core arguments related to why governance network appear and are being used in policy development. These network based constellations combine different recourses in order to manage their task in a better way. At the same time the question about public control of powerful policy processes, has questioned the input legitimacy in network arrangements. Börzel and Panke characterize the balance between these two elements as a "trade of" between competing governance requirements, where there is a reciprocal dependence between both elements (Börzel and Panke 2007).

Sørensen and Torfing emphasize a more normative approach to these challenges, by suggesting four different forms of democratic legitimacy as function for democratic anchorage. Governance networks are considered democratic if: 1. it is controlled by democratic elected politicians, 2. represents the membership basis of the participating groups and organizations, 3. is accountable to the territorially defined citizenry and 4. follows the democratic rules specified by a specific grammar of conduct (Sørensen and Torfing 2005). This list of criteria for governing through network might not be on the different stakeholder's desk, even though the intentions might be to act accountable in a democratic spirit. The question is if it is possible in a policy process based on network governance to have control over all phases in the process, and too what degree is legitimacy an issue in these networks? How do they cope with these issues, and how do they solve the challenge concerning regional cooperation in a strategy-process? Meta governance is used as a solution in order to manage governance network. They present three ways of meta-governance which enhance the democratic legitimacy of network governance; 1. Elected representatives are involved in network design, 2. Elected representatives are involved in network framing, which involves the formulation of political goals and objectives to be pursued by governance networks, and 3. Elected representatives as participators in the network (Torfing and Sørensen 2005).

Patsy Healy is concerned with collaborative strategic processes in urban areas, and follows the line of political geographers who see governance network as a necessary tool for policy development in urban areas. She emphasizes the need for new *governance institutions* and institutionalized discourses and practices. (Healy 2007). This is in line with Aars and Fimreite (2005) who claim that powerful and well-organized governance network in city-regions tend to be established around political power centres and established institutions. In the field of business policy,- different

sectors, different rationalities, motives and goals meets in order to cooperate and create better results for their common region. The need for some kind of stabile coordinating arrangement in order to secure all interest involved in a regional network is, among others, one of the essential elements in order to be perceived as an legitimate and accountable network.

Legitimacy and accountability in Governance networks

Governance means ruling and ruling is intimately linked to legitimacy (Kersbergen and Waarden 2001). According to Luhman, legitimacy leads to a “generalized preparedness to accept, within a certain margin, a decision whose content is not yet known (Luhman 1975:25). The literature linked to legitimacy has its foundation in social political theorising, but the concept has broadened. In addition to indicators like participation and political accountability, efficiency and effectiveness is now also a measure for legitimacy. In literature there is a distinction between *input-oriented legitimacy* and *output-oriented legitimacy*. Input legitimacy, which is the centre of attention in this paper, focuses on the democratic standards in policy-processes in order to link political decisions to the preference of the citizens. Output legitimacy focuses on how the output and the outcome meet the expectations and reach the attended goals. According to Sharpf (1997) both of these approaches are necessary when measuring legitimacy.

In this paper, questioning governance networks effort to organize the process in a legitimate way, the understanding of legitimacy is related to Schmitter who defines is as:

“...a shared expectation among actors in an arrangement of asymmetric power, such that the actors of those who rule are accepted voluntarily by those who are ruled because the latter are convinced that the action of the former conform to pre-established norms” (Schmitter 2001:2)

According to this definition the rulers have to manage to build a trust relationship to those who are ruled. Those who are ruled have to be convinced that the rulers lives up to their expectations, and at the same time the ruled has got a possibility to sanction the rulers if not. The rulers are because of this held accountable. Accountability is not necessarily democratic, nor is it necessarily political, but it implies the existence of more or less institutionalized and formalized rules of making explanations, giving and assuming responsibility. *Democratic accountability*, in our sense of governance network implies that:

“Decision –makers can be called upon by those whom they represent to explain and assume responsibility for their decisions” (Esmark 2007:276).

According to Esmark network can alleviate the accountability deficiency for electoral institutions. In order to do so, the networks have to recognize that they are supplements rather than a replacement of electoral institutions. In addition the network themselves must work within a framework of representation. He presents three criteria of democratic accountability: inclusion, publicity and responsiveness.

Inclusion is the simple question about who is included and who are not. Inclusion does not necessary mean direct participation in decision-making, but rather to be represented in decision-making. The most important value of governance network is their capacity to bring all relevant stakeholders together in a relation to a specific decision or problem. Thus, networks as such are not able to include all stakeholders, but rather, as potentially being able to include representatives of stakeholders. It follows that the network should not be considered as an array of network members, each with their own set of stakeholders to whom they are accountable. The democratic potential stresses the capacity of network to function as proper deliberative forums and public spheres in themselves.

Publicity is referred to procedures of openness, transparency and access to information. The most basic principle is documenting decisions and access to these documents, which is the basics in publicity. A proper public sphere not only implies procedures of making decisions public, but also a particular way of justifying decisions. There is always a question of how much information it is can and ought to put out in the open, but Esmark points at issues that can provide democratic network accountability. The first point is for networks to keep sufficient records and journals in some way. The second point stresses procedures for documentation and access. This is especially related to policy processes where networks are involved and where decisions are affecting the public. Often public decisions are taken within networks before they appear in the formal decision-system as a case. These processes can be better monitored through better access to documentation (Esmark 2007).

Responsiveness is related to the possibility of imposing sanctions on those we hold accountable. Theories of representation through deliberation understand responsiveness on the bases of mandates and sanctions as an ongoing adjustment in the public sphere. Esmark (2007) stresses the plurality of possible mandates and sanctions and the mechanisms through which mandates and sanctions can be imposed, and says that network should not be considered a collective identity subject to the same mandate, but a forum for coordination between actors with their own mandates and sanctions leading back to whom they represent. This raises the need for a clear mandate which can be re-examined by those who are being represented by those who are accountable.

The three criteria for democratic network accountability presented above constitute a theoretical frame for the further presentation and analyzes. This approach functions as a normative viewpoint when analyzing how regional governance networks approach the question about accountability in a process towards a specific policy output. All three criteria calls for a kind of *structure* which makes governance network more predictable for all. In the following text cases from the three Norwegian city-regions; Tromsø, Stavanger and Bergen will be presented after a short account of the data used in this article.

Research design

In order to study governance networks in the field of business development it is necessary to find a uniform way to identify these governance networks. The goal was to

study the complex interaction among all of the social and political actors. The gradual step by step identification of all relevant policy actors in one policy area is slow and time-consuming, but can be accelerated by looking for some formal network structures. Torfing (2007) recommend identifying the different governance networks in relation to a *policy output*² in terms of a specific policy report, action plan, project, regulation or initiative. Policy output are much easier to identify and trace back to host of policy actors, who, in one way or another, are responsible for their form and content. Both top-down and bottom-up policy analyses tend to privilege a certain policy actor, but by beginning with a certain policy output and then attempting to unravel the complex network of actors somehow involved in its production, it is possible to capture all of the relevant policy actors and explore how they act through a process towards a policy output. This is the research strategy of *output-based backward mapping* (Torfing 2007).

A particularly well-suited method for identifying actors involved in certain policy processes are used in this study. The so-called “snowball method aims to identify the relevant policy actors on the basis of their respective reputation within a particular policy field. Initially informant interviews, documentary studies (including discourse - analysis in papers and Internet searches) are used to identify a number of central policy actors, who are asked to name other key actors who have been involved in the policy making process. These are then asked to do the same until, ideally, the policy actors no longer come up with new names (Bogason 1998, 2007). Data presented in this paper are based on qualitative interviews with such key actors related to the three policy-output studied. In addition documents connected to the cases are collected and used in order to create a timeline, support and check information given through interviews.

Three “regional” governance networks

– In the spirit of inclusion, publicity and responsiveness?

In the following section three cases of network governance processes where a governance network is identified as the centre of the policy process, will be presented. All cases are related to a regional strategy-process regarding general business development. A short presentation of the case and the regional context will be given, followed by a discussion related to the networks strategy and approach to legitimacy and accountability. We will start in Tromsø in the north and follow the coastline towards Bergen and Stavanger in the south west of Norway.

² The alternative would be to start out from a *policy outcome* in terms of the problem-solving effect of a certain policy. However, policy outcomes are not only difficult to measure, but also notoriously difficult to ascribe particular effects to particular policies due to the presence of multiple and contingent causalities. Policy output are much easier to identify and trace back to host of policy actors, who, in one way or another, are responsible for their form and content.

Tromsø – The Olympic Governance Network

Tromsø municipality and city is located in the northern Norway, and is referred to as the “Paris of the North”. The municipality of Tromsø includes 65 000 inhabitants and is the second largest municipality in Norway in geographical scope. Tromsø is considered the centre of the city-region³ and the centre of the northern Norway as well⁴.

Background

Taking the role as centre of the Northern Norway seriously, Tromsø decided to apply for hosting Winter Olympic games 2014. The idea was born on a jogging trip and discussed with a small group of friends on a café autumn 2002. This is the starting point of an idea and an initiative which has now grown into a whole local, regional and national industry in politics.

The story is complex and long and it stretches over six years, and some highlights are necessary to start with in order to put the case into context. The idea of Tromsø Olympic Winter Games 2014 became a project involving actors from all of the Northern Norway. The result of this process was an application which painted a tremendous picture of the Northern Province. Less focus was given to the detail concerning land use and area-utilization. Another result was an enthusiastic cooperation between different local and regional actors towards a common “northern” goal and the formalizing of an organization named Tromsø2014. Tromsø won the national competition against Lillehammer in the first phase, but had to resign after a declined State government guarantee in December 2004. This ended the first Olympic chapter, the network who had been involved and the organization Tromsø2014 who was the formal applicant.

Still, the hope of an Olympic touch was present. Change of national government in October 2005 from a “conservative coalition” to a “red and green coalition” gave the project a new start. This political side had earlier in the 2014 process, given a positive voice towards Tromsø as a Norwegian candidate for the Olympic Winter Games. In addition the application had clear elements of improvement which also made the argument even stronger to have one more go. In the end of 2005, Tromsø municipality allowable money to restart the Tromsø Olympic organization, now called Tromsø2018. The winter Olympic Games 2018 was the new goal.

Today the status is as such: Tromsø won the competition against Oslo and Trondheim to be the Norwegian applicant candidate for Olympic Winter Games in 2018 which was decided by the Norwegian Olympic Committee and Confederation of Sports (NIF).

3 According to “storbymeldingen” - the city region consist of two municipalities: Tromsø and Karlsøy. In addition a regional cooperation with Balsfjord is established. These three municipalities cover 5000 sq.km² and hold 73.000 inhabitants, whereas 65 000 of these live in Tromsø. Today (2008) they are working on a new regional developing plan in order to include other surrounding municipalities as well. Tromsø

4 Northern Norway consists of three counties; Finnmark, Troms and Nordland. Tromsø is considered as a provincial centre because of its localisation (in the middle between Finnmark and Nordland county), the provincial university (UiTø) and the provincial university hospital (UNN).

Still, we do not know whether the same scenario as the 2014 process will appear again. The decision of State Government guarantee will be taken at the end of 2008.

Policy-output.

The demarcation of scope in my specific case is concentrated at the point where Tromsø was accepted as the Norwegian applicator for the Winter Olympic Games in 2018 by NIF. The policy output is based on the formal application as product which was accepted by NIF in March 2007. Through backward based mapping the case traces back to the beginning of 2006 when the 2018 Olympic process started. The project is by Tromsø considered one of the most important policy goals and is included in the municipality's strategic priority area in the future. Focus in this article is directed towards the local/regional organization of the process towards the application document.

Governance network

All activity related to Tromsø as applicator is concentrated around the organization Tromsø2018. Tromsø2018 is organized as a Ltd., owned by Tromsø municipality (who holds all A-shares) and four local private stakeholders⁵ (who hold only B-shares). Both the board and the administration have had several shifts during the period, but mostly after march 2007. In the demarcated case study the board consisted of national, regional and local actors basically representing different private stakeholders. The administrative recourses were in this period very small because of lack of economic recourses.

The owners, with the mayor at the top and the political leadership, also had an important role. Especially did the mayor have an active role as initiator to begin with and in pushing the project forward during the period. Politically, this is a project which is broadly supported. Still some political parties as "Rødt" and "FrP" have had a clear standpoint against this project. Other important public stakeholder was the department for urban development. They had an active part regarding detailed planning concerning land use and area-utilization in this working process.

Local and regional actors like contracting firms, construction firms, real-estate firms, different kind of supporting consulting firms especially related to planning has been involved in the process of creating the application. In the process of documenting different aspects related to specific criteria and demands made by IOC, different kind of research and investigations was done. Also different persons were involved in writing the actual document.

In the process of "selling" the application in order to win the national competition, a lot of stakeholder was involved. In this paper the focus is directed to the organizing process towards an application product.

5 Sparebank1 Nord-Norge, Troms Kraft AS, Ludwig Mack AS, TFDS ASA and now also Troms county

Inclusion

Olympic Winter Games in a small town like Tromsø is a big national, regional and local event, and it certainly affects all citizens in Tromsø. The project is expensive and demands for long term planning and priorities, which implies use of a lot of local resources and allocation of resources. The question of inclusion in such a public policy process is because of this obvious and natural.

The process and the governance network that developed the application have been criticized for being closed with few possibilities to penetrate. I will here point at two elements in this discussion; inclusion of the public and political inclusion.

The regional paper Nordlys underlined, during this period, the lack of the public's possibility to get included, to follow, get information and have the ability to influence the application. There were few arenas arranged for actual input, suggestion and general contribution from the local citizens in this period. The organization kept a quite silent profile concerning the new elements that they worked on in the 2018 application, - especially details concerning planning. Using the Esmark's argument related to governance network; how many is it possible to include in order getting things done in a case where everyone is affected? The fact that the Tromsø2018 in this period had a very low administrative budget makes extensive participation processes difficult to arrange. Another fact is that this was tried out in the 2014 process with little positive effect for the organization and network, and knowing that planning-issues concerning land-use and priorities would contribute to huge discussions. This would not be favourable for the creation of the application in a time pressured period.

The board and administration included several of local and regional profiled stakeholders. They were put together based on competence and the selection of new board and administrative members happened through a closed process in the boardroom. The previous administrative director, who had a local anchorage, was replaced by what was considered strategic competence. Though the mayor had been involved in these selection process, the politicians in Tromsø was held outside. According to traditional democratic accountability, the politicians should be more involved as the citizen's representative. Still, governance network are often based on functional representation and Tromsø2018 was given the responsibility, as a Ltd., to develop the application by their owners. The organization and the network around the application were formed and developed based on the actor's specific qualifications. The dilemma in this case is the lack of information from the company Tromsø2018 to its owners (the municipal council). Whether this responsibility was the mayors or the director of Tromsø2018 seems to be a point of disagreement.

Publicity

The basic principle related to publicity is documenting decisions and access to these documents.

“...I will not claim that the reason for letting all the private owners in Tromsø2018 pay 48 000 for B- shares was a strategy to prevent the public access to information regarding Tromsø2018. Still, one thing is clear the mayor and the head of Tromsø2018 has used this possibility to exclude democracy to its fullest....” From article in sports analyse 26.3.2008,

written by member of Tromsø municipal executive board representing “Rødt” and member of the organization “Nei til OL⁶”

Routines for documentation and public access to related documents have been difficult during the period. Questions have been raised related to public planning of localization of different arenas, planning of infrastructural challenges concerning this event and political involvement in the process. All planning related to the application 2018 has been a process between a part of the planning section, a few consulting firms and Tromsø2018. This was not a part of the political process until the well formulated, well argued suggestion was presented to municipal council.

.. They (Tromsø2018 and private consultant) prepare proposals which are really thought through. You get surprised and do not have the time to formulate counterarguments at all. It's hard to be critical in such a situation where a majority is saying YES!! Informant in municipal council

It is possible to point at two interpretations of the lack of openness and publicity; First the element of competition. There was a competition going on between Tromsø, Oslo and Trondheim in this period, who all wanted to be the Norwegian candidate. They had to take into consideration what kind of information they opened for the public. This is also one of Esmarks points concerning publicity; it can be used against you.

Second, the owners did not demand orientation. The organization of the project was discussed and decided in 2003 related to the first application. It was considered as no option to organize this project as a municipal undertaking. The municipality wanted to give the organization around this project the “space” they needed as regard to efficiency. A Ltd. seemed to be a good way for the municipality to maintain some kind of control. The mayor, who was a part of the network, but not formally a part of the organization and also being the general meeting, sat close to the process and did not communicate the way the owners and Tromsø2018 expected.

...The mayor and some of his fellow party members had a double role in this process, which was a good thing in some cases, but sometimes it went a little bit too fast... informant in the governance network

Because of this overlap of roles and the involving of elected representatives in the network along with a general positive political support to the project, the lack of transparency was in a way accepted by the majority in this period. Those who where against the project did not have a strong enough voice.

Responsiveness

Tromsø2018 got a clear mandate to create an application to be the holder of the Olympic Winter Games 2018. The municipality of Tromsø, all municipalities in the Northern Norway, all three County councils in northern Norway, the Saami Parliament and local business represented by Tromsø Chamber of commerce all supported this mandate by funds and enthusiasm. Still, the mandate and main goal was clear, there

⁶ No to Olympic Winter Games in Tromsø. A formal organization created in order to counterargument the project Tromsø OL2018.

were no stated expectations and demands related to the *process* towards this policy output, which is and has been criticized. The critique has mainly been produced by the opposition against this project and media that has put their finger on process weaknesses during the period. These voices have had an effect on the public which can be witnessed through public opinion polls and discussions between different stakeholders in the media. Those who are held accountable are being questioned by who they represent, and when the communication between the owners and the Ltd. Doe's not work as expected it is hard to clarify who the accountable are.

The period after Tromsø was accepted as the Norwegian application city there is a lot of examples of how such a Governance Network can be sanctioned. These sanctions were not clear during the process, but has awake in the period after. Members from the governance network left voluntarily or not. Those with a double role in this network have been questioned. The discussion related to the formal organization of this project has been considerable and the general enthusiasm related to this public and grand project has been turned to a lot of critical questions, demands for openness and cleanup work for the governance network.

Bergen – The beginning of a Regional Governance Network

The city of Bergen is located on the west coast of Norway, and is the second largest urban area. In 2008, the total population of the Bergen municipality was 247 000, 360 000 in the city-region (which encompasses 14 municipalities).

Background

The City Council of Bergen approved the first strategic business plan in 1995. Although the plan laid a foundation for some important initiatives that involved cooperation with both the County Council and the local business community, it was unable to establish any organised cooperation either with these actors or with neighbouring municipalities. The Bergen Chamber of Commerce undertook an important new initiative in 2003 by inviting other important actors in the city to join a “scenario project” for the city of Bergen. The idea was to focus on future challenges and possibilities. Both private and public actors were invited to participate; ultimately, eight full partners emerged, among them the City Council, the County Council and major companies. The project was coordinated and mainly funded by the Chamber of Commerce. The scenario project builds on the civic pride of the city of Bergen. Though Richard Florida's (2002) indices of what is important for the “creative class” are not directly mentioned, his ideas about how the whole community must have certain qualities if a city is to maintain its competitiveness are clearly visible. This broad perspective made the “scenario project” somewhat apolitical, because it was possible for social democrats, conservatives and the business community to find aspects they could support (Holmen and Farsund 2007).

The City Council also agreed to start up a new process and create a new strategic business plan for Bergen. This decision was made in 2003, but because of the broad and successful Scenario process this process did not start until January 2005. The intentions and expectations were to continue the good dialogue between different actors in the

city-region and anchorage this into common strategies for the city of Bergen and the area around.

Policy output

The demarcation of scope in my specific case is concentrated at the point where the strategic plan was agreed to by the City Council in September 2006. Through backwards based mapping the case traces back to the start-up of the planning process. This meeting was held by the Commissioner for finance, culture and business who has got the public responsibility for this area. This meeting was held in January 2005. Focus in this article is directed towards the local/regional organization of the process towards the strategic plan for Bergen 2006-2009 “*The city-region Bergen towards 2020*” as a formal document.

Governance Network

All activity related to the Strategic business plan for Bergen 2006-2009 was concentrated around a steering committee which was established in order to lead this process towards a complete plan. The steering committee was selected by the commissioner and his administration and consisted of 8 members. These were representatives from the regional business community (3), Bergen chamber of commerce (2), public support system (Innovasjon Norge), The University, County executive committee and the commissioner. The steering committee was supported by a secretariat from the commissioner’s administration.

Four reference groups were established in order to develop strategies within strategic frames set by the steering committee. These initial frames were a considerable part of the results from the Scenario process. The three main priority areas were ensured by three groups; 1. Culture and experience, 2. Ocean, coast and energy and 3. Innovation and entrepreneurship. The leader of each group was also a member of the steering committee. Number of members in each group varied between the different groups and the different meetings⁷. They all met four times where the outcome of these meetings was passed on to the steering committee through the secretariat and the leader. The fourth reference group was the Regional Council of the Bergen region⁸. They did not have practical work tasks during the process, but they were briefed through the process and had the ability to respond. The leader of the Regional Council was also represented in the steering committee.

In 1995 Bergen municipality established several network-organizations in order to come closer to the business community⁹. These organizations function as policy instruments related to business development in different areas. This relationship has grown over the

⁷ Number of participants varied between 8 and 22. The average attendees were approximately 15 persons.

⁸ They changed their name from “The Regional Council for Bergen and surrounding municipalities” to Regional Council for the Bergen Region at the end of 2007. The council consists of Bergen municipality and 10 surrounding municipalities.

⁹ Maritimt Forum, Hordaland Olje og gass, Bergen reiselivslag, Bergen MediaBy, Fiskeriforum Vest, IT Vest and Design Region Bergen.

years and when the steering committee started the strategic process towards a new plan, these organizations was introductorily consulted.

Inclusion

The Strategic Business Plan for Bergen 2006-2009 “The Bergen region towards 2020” had an ambition to capture regional development into an overall and long-term perspective. They wanted to continue the cooperative and inclusive spirit that followed the comprehensive scenario work, and narrow ideas and visions into concrete strategies. The scenario process had been open for all, but in order to join the “scenario train” obligations and active participation was demanded. The scenario process provided as an overview of actors in the region, and was because of this a useful tool for the commissioner and his administration when picking potential members for the steering committee. The commissioner and his administration can be considered as the centre of the network, the process and the policy output. In the sense of representation, is elected by the people and has a clear mandate trough his statement as commissioner.

The commissioner collected members of the steering committee in the spirit of representation and resources, and the constituted committee had a discussion whether to include more members or not. Especially was the lack of a representative from the County Council under discussion, but was at the end legitimized through the representative from the Regional Council because of its city-regional anchorage. The steering committee picked members for all reference groups by the same criteria; representation, resources and in addition they wanted to cover a broad assembly within each priority area in order to get as much information as possible.

The representatives within each reference group differed which made the discussions within each group diverse.

“It’s hard to discuss overall strategies when some of the members only tells stories concerning a specific firm. It is like two worlds where it’s difficult to meet half way – it is not how strategy making works. Because of this I draw back from the discussion and my engagement decreased” Member of reference group.

Broad inclusion can result in too many voices and lead to loss of efficiency. Still, the goal of a broad inclusion was to capture many perspectives and get as much information as possible. This should lay the foundation of the outcome.

The regional inclusion was a new aspect, and was considered as a welcomed and positive element to the strategic business plan by most stakeholders. The strategic document formally covers Bergen municipality, but some of the plans actions also included a cooperation across municipality borders,- a city-regional cooperation. This way of including surrounding municipalities functioned as an invitation to such cooperation and also stated Bergen municipalities need to work together with surrounding areas in order to develop.

Publicity

Procedures concerning the process were organized as open and transparent. This was a necessary strategy in order to get as much input as possible and in order to gain trust

regarding a more regional cooperative strategy. Documents during the process was available to all stakeholders involved and all meetings in the steering committee and reference groups was referred in public document which was available for all citizens. The process was also covered and discussed in newspapers, and was considered as a continuous line following the scenario process.

All contributions from the groups were captured in reports which were used to inform the steering committee during the working process. It also functioned as a tool to narrow down strategy areas towards the next reference group meeting. The secretariat and the steering committee worked through all contributions and narrowed it further down to concise strategies. There was no communication between the reference groups and the secretariat/steering committee in this period concerning clarifications or crosscheck. The reference groups did not see the product before the official hearing. Still, most of the informants claim the strategies in the finished output, corresponds to what they discussed in the groups.

Responsiveness

This policy output and the process towards it, all leads back to the Commissioner for finance, culture and business as an elected representative. The mandate for the steering committee was quite clear, and they were expected to act in the spirit of the scenario process. The main strategies were because of this pointed out before the reference groups were involved. According to Esmark (2007) responsiveness is associated to which mandate and sanctions the members of the network has to deal with related to whom they represent. It also refers to the possibility the represented has go in order to respond to those who represent them. In the case of the members of the reference groups, the invited members did not get a clear mandate. For many busy stakeholders this appears as waste of time, and not very inspiring.

“ ...We did not get a clear mandate. There was no distribution of responsibility and we did not get an explanation of why we were the chosen ones. Because of this I did not know what kind of recourses they expected me to use. It because a forum of talking and in this kind of forum we always talk about the things we already agree on.....” Member of reference group.

Another participator had another view:

“...The fact that we manage to put different recourses together and physically meet, is a goal in it selves. This is a process where it is possible to talk to potentially cooperatives you never meet in other occasions. It broadens the perspective and opens for innovation, and that is what this is all about!?... Member of reference group.

The possibility to sanction is through public hearing, but the main test is whether the plan is functioning as a policy instrument or if it is “just a plan”. All members of the steering committee had a common goal; they wanted this plan to result in a common regional Ltd working with regional business development in the city-region of Bergen. The Regional Council’s place in this process as a reference group (active or not), was in this way the first step towards this new organization. Business Region Bergen (BRB) was

established in October 2007 and is organized as an Ltd¹⁰. How the city-region of Bergen responds to this organization is yet to see.

Stavanger – The incorporated Regional Governance Network

Like Bergen, the city of Stavanger is located on the west coast of Norway. Stavanger is the fourth largest city by population in Norway, but together with its close neighbour Sandnes it constitutes the third largest urban area in the country. In the last 30 years, the population in the city of Stavanger has expanded from 80 000 to 119 000. The surrounding municipalities has grown even more, and the 14 municipalities in which cover the functional region have close to 300 000 inhabitants.

Background

Systematic cooperation between different actors in the Stavanger-region is today well incorporated. Because of the strong oil and gas industry, Stavanger has had a long experience and a great deal of success with innovation and the establishment of new firms within this industry. This strategy has led to growth in population, employment and economy. Yet in the mid-1990s, leaders in Stavanger acknowledged that the city and the city-region had challenges when it came to future production, innovation and employment. In January, 2000, the four core municipalities in the city-region¹¹ decided to prepare a common strategic business plan for economic development in the Stavanger region (2001-2004). The objective was to create a common platform with concrete projects on which they could cooperate. A secretariat, named the ARNE-project, was established to coordinate these activities¹². Partners in the ARNE-project included the four municipalities and the Rogaland County Council. The goal was to generate arenas where the most important decision makers in the region could meet to create an environment for future business development, and the ARNE-secretariat was supposed to push, inspire, coordinate and organise projects in these arenas. The ARNE-project started as a four-year period, and a board led by the Mayor of Stavanger supervised the activities.

At the end of this four year period an evaluation of the project was done, which resulted in an extended and institutionalized continuance of this project. First the geographical area of responsibility was extended to all 14 municipalities in the functional city-region. Second, they decided to concentrate the project portfolio on a selection of high-priority

¹⁰ The City of Bergen is the largest owner with 35 %. 30 % is owned by 19 other municipalities, 10 directly and 9 jointly through a company. The members of the board are recruited from business and research, and the staff will be recruited from both the public and private sector. The main objective for Business Region Bergen is to initiate and coordinate cooperation between business interest, the RD-sector and the public sector that can strengthen the economic development in the region. Marketing activities and “branding” of the region externally is included in the field of responsibility.

¹¹ Stavanger, Sandnes, Randaberg og Sola

¹² ARNE is the acronym (in Norwegian) for Arena for regional business development. Today (from 2006) this project changed into an Ltd and is called Stavanger Region Economic Development.

tasks. Third, they decided to establish a new organisation that included the Forus Business Park¹³. This gave the organisation an extra economic strength.

One of its first initiatives, in 2004, was to invite the 14 municipalities in the Stavanger-region to take part in the process of developing a new strategic business plan. The intention was to create a plan which represented a shared platform for economic development policy in all the municipalities in the region.

Policy output

The demarcation of scope in this specific case is concentrated to the point where the strategic plan was agreed to by the ARNE-board in October 2005. The motion was carried out after all 14 municipalities committed to this plan through a decision in each municipal county. Through backwards based mapping the case traces back to the beginning of the planning process. This meeting was held in June 2004 as a start up session in ARNE. Focus in this paper is directed towards the local/regional organization of the process towards the strategic plan for Stavanger region 2005-2020 as a formal document.

Governance network

All activity related to the creation of the Strategic business plan for Stavanger-region 2005-2020 was tied to ARNE. ARNE consisted in this period of a board, a group of four chief officers (from the owner municipalities) and a secretariat. The board members were mayors from the four owning municipalities, the County council mayor and eight private stakeholders from different sectors. The secretariat managed the strategy-process and was the driving actor. The secretariat consisted of 6 persons, where one person had the main responsibility for this strategy process.

A drafting committee was established in order to function as practical support for the secretariat in the process. This groupe had representatives from both local and regional administration and private stakeholders from different geographic areas in the region. This groupe was also important in the process of writing the document.

As a result of a big opening round-table conference two main business areas was chosen: the energy cluster and the food-industrial cluster. Two cluster groups were established in order to cover these areas. Simultaneously, six strategic areas were pointed out as important for growth and increased innovation in the region, with independent strategies for knowledge, innovation, quality of life, internationalisation, infrastructure and public services¹⁴. Each of these seven strategic areas was covered by a working group.

In addition three reference groups were established. The first consisted one representative from the department of business and industry in each of the 14

¹³ The Forus Business Park is a company owned by the same four municipalities; it develops building sites for business development.

¹⁴ These strategic areas was a result of the continuous work "Indicators for regional development" by Reogalandsforskning/IRIS

municipalities. The second consisted an assembling of all 14 chief officers, and the third consisted an assembling of the seven leaders of the working groups.

Inclusion

The official opening of the strategy process included over 100 stakeholders in an all day strategy event in June 2004. The purpose of this assembling was to clarify regional possibilities and challenges related to regional business development and look for common regional priorities in general business policy. There was also a goal to mobilize a broad set of stakeholders in addition to clarifying the mandate for all working groups. The conference both included talks and a broad round-table working session in order to get the process started. These groupe sessions made the foundation for the future working and cluster groups during the process.

This conference made a demarcation of the inclusion of stakeholders in this network. All of the invited municipalities accepted the invitation and the list of participants covered public administration at the local and the regional level, public support system and private stakeholders. Politicians where held outside in this part of the process. The politicians had the responsibility to discuss and vote for the suggested strategies when they where presented to each local Council. According to the management, this kept the process more clean and attractive for the private sector. This was a plan concerning stakeholders in private sector, and in order to get them to show up it had to be based on their views, not on a political struggle.

The selection of members of the different groups was done in two phases. The leader of the seven working groups and the two cluster group was selected inquired by the ARNE secretariat. According to the process manager they all accepted. The chosen leader of each group selected their members to work with. The secretariat expected the leaders to choose by the criteria of function and recourses in order to reach the goal. At this point some critique came up; there were few women and the average age was high. Another point was that the leader did not choose on the basis of the regional inclusion, only based on function, recourses and who they knew.

The working and cluster groups were supposed to be the area for developing and discussing concrete strategies. They had a mandate and a task given by the secretariat which was interpreted by the group. Some of the groups found the task harder than others and in these cases the secretary of ARNE supported the process. The process of the working groups lasted for approximately two months, and the output was expected to be a working document. The groups also had to present their work at a new conference at the end of the period.

All groups were different in the sense of size, process and output. The size of the groups varied from 6 persons to 13, and some of the members joined a second group as well. All groups were open and in some of them more stakeholders joined in during the process. In such processes stakeholders are included because of their regional capacity and their regional presence, but still in a small region like Stavanger, it is not difficult to enter these arenas.

“...there is no hidden agenda in these arenas. You can easily get invited if you want to and get tasks if you show some initiative. The doors are open and stakeholders available and if you show some interest, they suck you in..” Leader of working groups

Publicity

The whole process was organized in the purpose of “information and anchorage”. In order to manage this, the process needed to include a broad set of stakeholders and be a central part of the public sphere in this period. The opening conference was broadly covered by the media and was given a lot of attention.

“In this region all actors seems to enjoy gathering at “important arenas”, and I was impressed by the attendance..” attendance of the opening conference

During and after the process some chosen documents related to the process were available on a public website. There were no systematic records available from the working groups, but it was not claimed as an expectation from the secretariat. All groups had different approaches to how they solved the working process. Some were very structured while others very informal and unstructured. Some of the groups hired professional consultant to create the output document, others wrote in turns based on initial discussions. Some of the groups arranged meetings where they tested out their thoughts on other stakeholders. The groups output was presented at a similar conference in December 2004. In this way the planning process involved and engaged, and at the same time it was transparent and flexible to its environment.

The secretariat continued working with the strategies based on the working group’s contribution. In this phase the door got closed to the secretariat. All working groups were dissolved and there was no cross checks back from the secretariat to the work that had been done in the working groups.

“ ...I was provoked by the way this comprehensive working group session ended. We used a lot of time and resources in order to contribute to this process, but we did not get the chance to follow it to the narrowed strategies. Its sad that good working groups crumble away in this way..” member of working group

In order to manage the creation of a strategy document the amount of people and words had to narrow down. Several of the output documents from the working groups were comprehensive and some members stated that all this work was missed when only a small part of it was presented in the strategy document. Still, most participants claim to recognise their work in the documented strategies.

The public met the finished document first when it was presented at a conference in April 2005, three months after the working group sessions ended. At this event politicians from the different municipalities was present and each element in the strategy plan was presented. The further process included discussions and decisions of the strategy document within every local council.

Responsiveness

This policy output and the process towards it lead back to the ARNE-secretariat who was responsible for organizing this process which led to a policy document as an output. The secretariat worked closely with the board of ARNE, which was important in order to anchor the strategy process and the strategy output at the top. In this way the secretariat worked extendedly both towards the top and from the bottom up in order to make sure that strategies were anchored both ways. Still, in order to manage this process, the secretariat had a firm hand of control on the process and the work done by the groups. All groups were given clear mandates and followed up during the process. Most meetings of the groups were held in offices located at ARNE. In this way the secretariat had a close way of following both the participants, but also to join all meetings.

The secretariat's mandate and the goal for the process was communicated in a public way and created huge expectations for the process. In this way the secretariat could meet a huge drop if this process did not work out. Still, it gave the public a chance to sanction if expectations were not fulfilled. The many stakeholders in this process argue for a well included process, but who are to be held accountable? The secretariat built a process organization in order to put responsibility on every stakeholder within the process. A result of this was a sense of ownership from a broad group of regional stakeholders and an anchorage of regional strategies. The outcome of the political process was to be accountable by the elected representatives. In this way the secretariat balanced the fine line between representation and responsibility which made every actor accountable during the working process. The final check of this process was the deliberative process in every municipality board. The geographical anchorage had been an important part of the process. During the working period all representatives for business and industry, the mayor and chief officers in all 14 municipalities had been involved and informed. In addition several regional private stakeholders had been a part of the working sessions or groups.

As a consequence of the new cooperation between the 14 municipalities a decision was made to change the name of the secretariat from the ARNE-project to the Greater Stavanger Economic Development. The new name was meant to symbolise a new phase with a long-term horizon. It also provided branding of the region in both national and international contexts. Today the main objectives for the Greater Stavanger Economic Development are to facilitate and collaborate on projects with the municipalities and partners from the private and R&D sectors. The secretariat facilitates analysis and research, create arenas where actors from the public, private and R&D sectors can meet and discuss challenges and opportunities and implement selected projects. They also market the region's businesses and industries, and they have established offices in Houston and Brussels for direct contact between the region and important markets.

In 2008 the Greater Stavanger Economic Development was reorganised again. Two major changes were implemented. First the organisation is no longer integrated with the Forus Business Park, and second it is now owned by all the 14 municipalities in the city-region. The board is led by the mayor of Stavanger, while five other mayors and five representatives from public and private partners are also members of the board. The

administration has also started on a revisited version of the strategic business plan for the region.

Conclusions

The question addressed in this paper was related to the attention and awareness regional governance networks and networks-processes give to the production of legitimacy. Do these networks have a strategy in order to legitimize in their geographical area, and how do they play it out in the policy process?

The three cases presented in this paper show governance network in different phases. Tromsø as a governance network which is not strategically thought through concerning legitimacy and accountability. Bergen who is starting a process of creating common strategies in a regional context and Stavanger who has practices this kind of network governance in some time and are improving their legitimacy strategies. Because of this they have different approaches towards how to legitimize as a regional governance network, and to be considered as responsible network. They all want to be perceived and accepted as a network in which the citizens can trust. They are all also aware of the public accountability that comes with the given mandate.

Three criteria for democratic network accountability were presented as a theoretical frame; inclusion, publicity and responsiveness. All three criteria call for a kind of *structure* which makes governance network more predictable for the citizens. The three criteria are treated differently in each case.

Inclusion is an important strategy for the cases in Stavanger and Bergen. They emphasized the accesses to all kind of relevant information, which comes with a broad inclusion. At the same time inclusion of different stakeholders also lead to an early phase of anchorage through the strategy process. The challenge concerning including many stakeholders in a strategy process is to narrow down all input into clear and concise strategies. This is time and resource consuming. In the case of Tromsø inclusion was not the case in the sense of broad representation, but rather inclusion based on competence and specific skills in order to create a good application. The matter of democratic anchorage was in this way not prioritized, even though some small initiatives to public participation were taken. This was not followed because of lack of resources.

Publicity is strongly related to the structure of the process in every case. This was highly prioritized area in the case of Bergen, who organized the process based on public routines of documentation and access. They made sure of representation of all relevant groups both in the steering committee and the reference groups. They were in need of this kind of openness in order to lubricate the regional process towards the goal of a formal organizing of regional business -policy instrument. Also Stavanger had an open approach, and started the process with clarifying visions, goals, organization of the process and distribution of tasks at a big event. These events continued through the process and represented an important public forum for information related to the process. The publicity –strategy in Bergen and Stavanger also provided an anchorage of

regional strategies with regional stakeholders. In the case of Tromsø the element of competition affected the strategy for publicity. Few persons had access to full information during the application process. Because of this anchorage of decisions made had to be done after and not during the process. Still, keeping information close to Tromsø2018 is also a result of the organizational solution chosen in this project. In this case the owner leaves the responsibility to the Ltd, which creates problems in communication and expectations between owners and the Ltd. The question that pops up during the process is; who is responsible for bringing out the information,-the owners or the organization Tromsø2018?

Responsiveness is connected to both inclusion and publicity and also structures in the governance network. The challenge is to clarify who is responsible, who they respond to and how the responsible can be sanctioned. The cases show that a clear organization of the process, with clear distribution of responsibility and mandate gives better conditions for the governance network to be perceived as accountable. Tromsø had challenges concerning the distribution of responsibility between owner and the Ltd. The mixing of roles in this unclear relationship also makes the situation difficult concerning who are responsible and who are to be held accountable. Responsiveness in the case of Bergen is strongly related to the Commissionaire for finance, culture and business. Still, the heritage from the scenario-process makes this a project where several stakeholders take a part of the responsibility. This is also strongly related to the common goal towards a formal organization of a regional business policy institution. Responsiveness in the case of Stavanger is strongly based on a common responsibility. The secretariat built a process organization in order to put responsibility on very stakeholder within the process. A result of this was a sense of ownership from a broad group of regional stakeholder and an anchorage of regional strategies. The outcome of the political process was to be accountant by the elected representatives.

The cases shows that inclusion, publicity and responsiveness are approached differently, but they are all necessary in order to be perceives as an accountable governance network. The analysis also shows that formal and stabile meta-institutionalized structures in close relation to the governance networks provide a positive basis to follow criteria for accountability.

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