Public-private partnerships: A new channel for local mobilisation and participation

Introduction

The aim of this paper is to focus more strongly on a participatory perspective with regard to the ongoing discussion concerning the future of the public sector. So far the “modernisation discourse” has mostly revolved around issues regarding the design of more efficient forms of managing and delivering services. According to the reform-enthusiasts, the future legitimacy of the public sector depends on its ability to organise cost-efficient systems, and at the same time provide services which comply with the preferences prevailing in the population. The attention given to the consumers’ or users’ right to choose, indicates, however, a concern for empowering the citizens. Obviously reform programs by different Norwegian governments during the 1990s’
have been pre-occupied with how to strengthen the users’ involvement in the delivery of services (Christensen & Lægreid 2001). However important consumer rhetoric might be in efforts to increase the efficiency and productivity of the public sector, it nevertheless implies a rather limited conception of participation. Seen from a democratic-theoretical perspective, participation involves far more than acting as deliberate consumers or articulating self-interests. First and foremost, this perspective emphasises the obligation to take part in initiating the provision of public goods, and thereby to manifest a concern for the community. This collectivistic and integrative form of participation is not confined to the role of citizen, and embedded in formal, representative and democratic institutions. My paper suggests that other contexts provide arenas for bottom-up participation and mobilisation, aiming at community development.

As for instance Bogason (2000, 2001) remarks, organisational hybrids at the intersection of the private and public sector play an important part in the implementation of collective action. Local industrial development in particular has proved a fertile ground for trying out new forms of governance, encouraging public-private partnerships (Pierre 1998 a, Peters 1998). According to a survey carried out in Norwegian municipalities there has during the 1990s’ been significant growth in devolved agencies based on private-public partnership, and handling local industrial development (Andersen & Brattvoll 2000). Whereas preceding periods (1970-80s’) have witnessed strong efforts in many municipalities to institutionalise industrial development as an integral part of local government (Bukve 1994), the ideas of devolution and partnership are nowadays riding on the crest of a wave. According to the paper, flexible forms of organisation based on a collaboration between public and private actors, may release more creativity in this field as well opening up new channels for participation and mobilisation.

The following questions will be addressed in the paper: What turns these private-public partnerships into an alternative form of governance? How do they differ from traditional corporate structures (Savitch 1998), as well as informal, development regimes (Stone 1993, Lyngstad 2001)? How do such partnerships prepare the ground for the evolution of new arenas for community development? What are the implications for local government? In order to shed light on these questions the paper draws on available research concerning private-public partnerships (especially Pierre et al. 1998). In addition, observations from a selection of Norwegian municipalities are utilised in the analysis of such institutions.
Private- public partnerships: New arenas for participation and mobilisation?

The concept of partnership is popular, and a comprehensive English study refers to partnership as “the vogue word of the 1990s” (Roberts et al. 1997: 1). The expectations as to what such arrangements may yield, are rather ambitious. As a mechanism of governance it applies to a lot of fields, including “training, health care, housing as well as economic and social regeneration of urban areas” (Roberts et al. 1997: 3). Although Norwegian authorities rarely give such significance to partnerships, they are nevertheless conceived to be promising. Especially with regard to the designing and implementation of regional development programs, synergy-effects are expected through a collaboration between governmental organisations (at state and county level) and private business (Report to Stortinget no. 31: 1996/07, Report no. 34: 2000-01, Mariussen et al. 2001). According to state authorities, regional policy requires a mobilisation “.. by encouraging partnerships, including the state administration at the regional level, the municipalities, the business community, R&d-institutions in the districts and private, voluntary organisations” (Report to Stortinget no. 34: 2000-01: 9).

However, partnerships do not represent an unambiguous model of governance. On the contrary, they exhibit remarkable empirical variations regarding “scope, purpose, membership, degree of formality of their organisational structures, the levels of resources they command and their actual and potential impact” (Roberts et al. 1997: 6). Partnerships constitute rather loose umbrellas covering many and different initiatives to trigger off local and regional revitalisation, restructuring and development (Bennett & Krebs 1991: 82). More suggestions for classifying such arrangements are available as well (Bennett & Krebs 1991, Bailey et al. 1995). Important criteria for differentiation refer to whether the target is limited (formation of firms, retraining and education) or broad (community development and regeneration), whether the agents are local or national, whether the participating partners are limited to the public sector or across sectors, and the degree of formalisation.

In spite of the empirical variation some core-elements appear according to Peters (1998) in most partnership arrangements. Firstly, a partnership involves two or more actors, and in this context such arrangements include local public actors as well as different segments of the business community. Taking into account that local industrial development constitutes a field in which public actors are not always “seen as legitimate actors” (Pierre 1998 c: 188), the initiation and maintenance of such partnerships deserve special attention.
Secondly, it is required that the participating partners are *principals*, who are capable of acting on their own and “to make a stable organizational commitment to the partnership” (Peters 1998: 12). Thirdly, a continuity of relations is implied, distinguishing partnerships from the simple, one-off transactions which local government and private firms, in the capacity of purchaser and suppliers, are involved in. This means, fourthly, that the partners are willing to invest material as well as immaterial resources in the partnership. Thereby it follows that separate organisational structures are established to define objectives, tasks, financial platform and responsibilities.

**Partnership: Complying with short term, sectional interests or expressing a concern for collective and long term aims?**

An identification of core-elements constituting private-public partnerships does not reveal which problems are addressed, which values are embodied, and what kind of identity is enacted. As already mentioned, available research suggests considerable variation. Due to their hybrid character partnerships appear as rather unambiguous arrangements (Andersen 2001). Before analysing experience with public-private partnerships in Norwegian municipalities, some theoretical remarks about this phenomenon are required.

One may easily adopt an uncritical attitude towards the application of the partnership model in local and regional industrial development. That public and private actors collaborate, develop networks, fuse resources etc., often appear as something good or valuable in itself. Partnerships have a strong symbolic appeal. Forming such broad coalitions signifies a commitment to act for the benefit of the local community. Thereby the chances for mobilising support and attracting resources to projects from external institutions and authorities may increase (Mackintosh 1993, Pierre 1998 b: 116-117). Following Keating even “the expression “partnership” has positive connotation, but only if, as often, it is emptied of power relationships” (Keating 1998: 171). Seen from a power perspective, partnerships appear as alliances of local élites which are primarily devoted to their own sectional interests. Due to their access to strategic and financial resources, private interests are able to gain a privileged position, and even “colonise” sectors of the local political-administrative system (Keating 1998, Pierre 1998 c). In this case two theoretical concepts can help to clarify the situation.
Partnerships: Local corporatism or development regimes?

Partnerships bring to mind associations of corporate forms of governance (Bailey et al 1995, Savitch 1998). The focus is on the incorporation and co-optation of sectional interests into formal committees and hearings relating to the formulation and implementation of public policies (Torsteinsen 1992, Pierre b 1998). Considered this way such arrangements hardly suggest any form of innovation. Referring to experience from England, Bailey questions whether this phenomenon implies anything more than a continuation of local corporate structures “run by business, professional and public sector élites” (Bailey et al. 1995: 24). The remit has certainly changed. In addition, new actors within the private sector have gained in importance, and regarding the English local arena this especially applies to the Chamber of Commerce (Bailey et al. 1995:25, Chandler 1998:170).

In comparison, the regime theory seems better suited to account for the new form of governance based on partnerships. What appears to be clarifying, is the detachment from the state centric image of governance so typical for corporatism. Thereby the regime theory encompasses forms of governance in which political authorities neither claim to set the priorities on their own, nor insist on being “supreme inter pares”. Rather than relying on formal authority and hierarchical steering, a policy of negotiation and cooperation is pursued. (Pierre & Peters 2000). As Stone remarks: “The effectiveness of local government depends greatly on the cooperation of nongovernmental actors and on the combination of state capacity with nongovernmental resources” (Stone 1993: 6). Crucial for the success of regimes is the power to act, or to mobilise the resources and to co-ordinate the partners required to achieve their purposes. The formation of networks across the border between the public and private sector seems to have gained in importance, and may even substitute traditional corporate structures (Lyngstad 2000: 486). This especially applies to the local and regional level, where corporate institutions are weakly developed (Torsteinsen 1992)

However important the focus on power might be in approaching partnerships, some objections may still be invoked. Flaws especially pertain to the corporate conception of partnership. Firstly, corporatism hardly leaves any room for interpreting a partnership as a kind of organisation which stands on its own two feet. On the contrary, the discussions, the negotiations and the bargaining between the partners all take place in formal committees, which are tightly coupled to the political-administrative institutions. The involvement of partisan interests in order to increase the efficiency and legitimacy of public policy provides the rationality for the corporate form of governance. Indeed, a strategy of co-opting may underlie political authorities` efforts to include partisan interest in the preparation and implementation of
public policy. What Savitch portrays as the European corporate variant of partnership, means that “public officials orchestrate the action and apply the resources” (Savitch 1998: 182). Considered that way, it is rather dubious whether the concept of partnership is appropriate.

Secondly, the corporate form of governance is primarily pre-occupied with the aggregation of sectional interests. The remit underlying the establishment of corporate structures, is to assure that the interest groups directly affected by public regulations and entitlements, and having a status as users, have a bearing on the formulation of policies. The legitimacy and the efficiency of the policy being pursued, depend on the representation of sectional interests. Certainly, the possibility that interest groups through mutual discussions and negotiations may see further than their own noses, should not be excluded. On the other hand, the corporate system has a bias towards the aggregating dimension, based on the calculation of gains and costs. Even though comprehensive studies of the effects of for instance the Scandinavian corporate system on public policy-making are lacking, case-studies indicate that sectional interests are prominent (Blom-Hansen 2000).

Nor does the regime theory escape critical questions being posed. The manner in which this approach addresses the formation and maintenance of coalitions between governmental and nongovernmental actors, is rather incomplete. By conceptualising the interrelationships as regimes some form of institution is implied. Not surprisingly, Stone refers to the coalitions as durable arrangements. There is an inclination among the partners to preserve the relations once formed, and to avoid the transaction costs involved through the search for alternative partners. Provided that the partners gain from participating, and that their understanding of which preferences should be pursued, is met, there is “an additional reason to preserve rather than causally discard coalition membership (Stone 1993: 9). Not least “development regimes” are according to Stone easily formed and maintained. Suffice it to say that a small number of institutional élites join, and it is “not inherently difficult for them to frame a shared vision and inducements do not have to be spread widely” (Stone 1993:19). Should, however, development projects cause popular disapproval, a lot of selective incentives (for instance jobs, contracts, fees, new schools) are available, which renders the management of conflict less challenging. Hence, Stone portrays the partnership coalitions in instrumental terms, whose trajectory relies on the achievement of tangible results and the application of selective incentives (compare Stoker 1998). By highlighting the instrumental aspects his conceptualising of partnership coalitions is rather limited and one-sided.

Considered as institutions, norms, values and symbols constitute essential elements, which elucidate the motives for joining a partnership as well as the orientation of such
arrangements (Peters 1998: 15-16,29, Pierre c 1998: 197). The symbolic dimension, expressing a commitment for concerted actions locally, is not confined to the early stages of the development of partnership arrangements as Pierre tends to assert (1998 c: 197). A basis which transcends tangible results, synergy effects and selective incentives, is required in order to maintain and develop further partnership arrangements. Without any commitment to broad and long-range purposes (community development) it is hard to see how partnerships could appear as durable institutions. At least, a categorisation must account for types of partnerships, which display a normative-moral obligation from the participants (Peter 1998: 28) to contribute to the development of communities.

**Partnerships and transformation**

It is clarifying that Stone does not regard preferences as something given and fixed, reflecting the socio-economic positions of different actors. Thereby he rejects the images of politics as merely aggregation of preferences (Stone 1993:11). On the contrary, preferences are fluid, and exposed to transformation. Nor are preferences affected by practicability or situational factors including which resources are available and which support could be mobilised for the achievement. Preferences are also formed through the interactive relations in which the partners are engaged. Thereby visions can be changed or expanded by discussions, negotiations “leadership, exposure to a social movement, participation in a set of activities that point beyond the immediate, and much more” (Stone 1993:10). Involvement in partnerships may foster interactive learning (Cooke & Morgan 1998), and thereby contribute to a combination of small, and short- term purposes with a broadened and long term perspective. In this respect the transforming aspect of partnership is highlighted (Mackintosh 1993).

However, the rhetoric underlying a new form of governance, based on devolution and partnership, indicates that governmental actors should adapt to the standards and norms prevailing in the market sector. The application of the company-form as organisational principle signifies in itself a preference for business like behaviour, and a concern for making quick and efficient decisions rather than complying with demanding procedures (Peters 1998: 21). Although a bias may attach to partnership arrangements, the pressure to adapt is hardly unilateral and merely directed towards public actors. Firstly, governmental actors may still turn out to have a dominating role. Thereby the decision to incorporate private actors appears as a strategic choice, pursued by governmental actors to legitimate industrial initiatives or pro-growth policies (Pierre 1998 b: 118).
Secondly, bringing together different actors opens up for interactive learning and mutual influence. Nor do governmental actors acquire an understanding of alternative ways of organising and conducting tasks. Participation may also have the effect of making business leader more attentive to issues of community development (Harding 1998: 87). As such partnerships contribute to an expansion of the agenda and a concern for “*more “social” and longer term aims*” (Mackintosh 1993: 216). At least, more options are available regarding the trajectories of local private-public partnerships.

**Experience with local private-public partnerships: An organisational umbrella over whom and what?**

Case-studies of partnerships\(^2\) comprising a selection of twelve Norwegian municipalities, point towards variation regarding *who has been in charge* as well as *how the domain has been defined*. Experience indicates that the trajectories of such arrangements are turbulent (Andersen 2001), and, as time passes, changes occur according to how inclusive the umbrella is, and what kind of aims are pursued. In the following presentation some main types of partnerships are elaborated. The categorisation expresses differences in the sources and domain of this governance structure. It is important to note that the selected cases do not represent *success* stories, pretending to be a model for how to design partnerships. Certainly such arrangements involve more tensions and dilemmas. On the other hand, our experience suggests that certain forms have turned out to be more promising than others.

**Partnerships as instruments for corporative crisis management**

The view of partnerships as a continuation of traditional corporate structures has been put forward by several researchers (Bailey 1995, Savitch 1998). Regarding the Norwegian cases, this thesis has some relevance. At least it fits well regarding the formation of partnerships,

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\(^2\) Observations from different kinds of municipalities provide the empirical basis for the paper. Firstly, seven municipalities entitled to a stately restructuring grant, are included. They are defined as single industry districts, often dominated by one company (manufacturing or mining). These municipalities have previously been evaluated (Guvåg 1990, Andersen et al. 1997). An article is also available, based on observations from three of them (Andersen & Brattvoll 2000). Secondly, five other municipalities with a more varied economic structure are included. An unpublished paper draws on observations from some of these cases (Brattvoll & Kvåle 2001). In addition, an article is forthcoming (Andersen 2001).

Totally, this paper sums up observations from twelve municipalities. Studies of documents and interviews with core-personnel provide the sources. The interviews are comprehensive, encompassing about eighty informants (6-7 in each municipality). The informants comprise political and administrative leaders, managers of the development companies, board members etc. In addition, it is worth mentioning that a survey was carried out, in the end of 1998. 80 % of the municipalities responded. The survey aimed especially at a registration of changes taking place in the organisation of local industrial development.
originating in specific local contexts. In some instances, partnerships can be traced back to local restructuring bodies, which were initiated in the middle of the 1980s to handle a crisis situation. This applies to municipalities, characterised by single industries and often located in the periphery, and facing the threat of a severe recession, due to a decision to reduce or close down the activity of a dominating company (mining or manufacturing). A special development grant was made available by state authorities to strengthen the local capacity for coping with the new situation (Andersen & Brattvoll 2000). Of course the awareness of forthcoming crises paved the way locally for launching out on a more innovative course, forming coalitions across traditional divisions.

Studies from other countries confirm the significance of a crisis context in the formation of private-public partnership (Chandler 1998, Friedrichs 1998, Harding 1998). Joint efforts by governmental and non-governmental actors are often carried out to revitalise stagnating industrial regions. In England for instance, state inducements offered by the Conservative Thatcher government played an important part in launching out on new courses locally. In accordance with this government`s liberal ideology, the business community was given a leading role in the restructuring and revitalisation process, and separate agencies were established (“Business links”) outside the local, governmental system. The preference for new institutional structures expresses at the same time a sceptical or negative attitude within the Conservative government towards the local political system (often Labour- dominated), and its ability to build bridges to the business community and to initiate concerted actions. What Harding refers to as “shotgun” partnerships, is an adaptation to stately demands and inducements, favouring innovative organisational solutions. Thereby local private-public partnerships appear first and foremost as state constructions, displaying a top-down strategy in the restructuring of declining industrial districts.

The parallels to England must not be drawn to far. Certainly, the development grant initiated by Norwegian state authorities, nourished joint efforts on the local arena. The access to financial measures allowed the local political-administrative leadership leeway to pursue a strategy of mobilisation, and especially to rely on the incorporation of experienced persons within the business community. On the other hand, no instructions were given on how the management of the development grant should be organised. In accordance with the prevailing pattern, it has been within the jurisdiction of local government to decide how to organise and frame an industrial strategy. The realisation of projects has, on the contrary, been dependent on funds and measures, controlled by over-local and external institutions (for instance The Norwegian Industrial and Regional Fund).
Not surprisingly, actors in the local, political arena acquire a leading role in the restructuring process (Guvåg 1990). A distinctive trait of many of the so-called “restructuring-municipalities” is the dominance of the Labour party (DNA). For generations this party had commanded a majority in the local assembly, and recruited the mayors. Strong networks have evolved between the political elite and the leadership of the working trade union movement locally. Attempts to include partners beyond the traditional leadership seem half-hearted and include strong elements of co-optation. In this early phase it is hardly possible to identify a partnership, standing on its own feet. On the contrary, the evolving structures bear a resemblance to corporatism.

Gradually, the political-hierarchical steering of restructuring is weakened, and throughout the 1990s there is a tendency towards devolution (Andersen & Brattvoll 2000). A more genuine form of partnership is emerging. Nor are actors within the business segment of the municipality included on equal terms and as important contributors to the restructuring. Autonomous organisational structures are constructed as well, decoupled from the political institutions, and taking charge of the development grant.

To explain the transformation of crisis-generated forms of partnerships, more factors should be mentioned. Firstly, changes take place at the national level regarding rules for gaining access to the development grant. State authorities embark on a more restrictive course, requiring local government to standardise the management of the grant. According to new instructions issued in 1993, devolved agencies should be established, and the governing board should include members recruited from the business community. At the same time, amendments to the Local Government Act restricted the leeway of local authorities in relation to industrial development. Generally speaking, local government is through these changes more free to experiment with how to organise and handle different activities. There are, however, exceptions. The new act prohibits authorities at municipal and regional level providing guarantees for loans to business projects. The option of participating as owner in development agencies remains, provided that such agencies are organised as independent juridical subjects (LTD). Seen in this perspective, the partnership model complies with the liberal ideological currencies of the 1990s. Although Norwegian state authorities have, compared with other Western democracies, hardly been at the forefront of implementing new reform recipes based on New Public Management (Christensen & Lægreid 2001), they have nevertheless played an important part in authorising the devolved partnership as a model for organising industrial development (Andersen & Brattvoll 2000).

However important the stately imposed restrictions might be, local processes matter. Actually more of the pioneers among the “restructuring municipalities” had already chosen to
devolve industrial development, before state authorities made this model obligatory. The changes taking part at the national political level may just as well reflect experience being acquired locally. It is interesting to note that the first municipalities which obtained a development grant, were subject to an evaluation, financed by the Ministry of Local Government and Regional Development (Guvåg 1990). This evaluation provides arguments for devolution.

In some cases conflicts are conducive to reorganisation. The breakthrough of the new model occurs in some municipalities as a result of political changes. Changes reflect “shifts in the mobilization of participants” (March 1988: 170), giving rise to the formation of alliances across party cleavages. Re-organisation of this field becomes an issue in terms of broader mobilisation, which ends up with the replacement of a long-lasting Labour regime (Andersen & Brattvoll 2000).

The decoupling of industrial development from local government is probably mostly due to natural processes, “conditioned through trial and error” (March 1988: 170). For the pioneer municipalities a high degree of uncertainty characterises the situation occurring as a result of the decision to reduce or close down the dominating company. Nor had the company in many instances provided employment for many of the inhabitants. It had over generations acquired a position as a local institution, and had even served municipalities with some infra-structural facilities. Of course, local politicians and administrators possessed rather limited know-how and experience of handling problems and challenges pertaining to restructuring. Hence, the deliberation of what objectives to pursue and how to proceed involves uncertainty as well as ambiguity. Lacking experience, competence and role models to capitalise on, the evolution of partnerships exhibits prominent aspects of what Matland (1995) conceives of as an experimental implementation. Later in the 1990s’ other “restructuring municipalities” have been able to draw on experience acquired by the pioneers, and some of them have constituted a role model (Martinussen 2002).

Contrary to what seems to be the situation in some corresponding English districts, partnerships with a local foothold have evolved. Even though the Norwegian “restructuring-municipalities” have been dominated by firms which are externally owned and managed companies (private and public), the local embeddedness tends to be far more prominent in comparison with English stagnating areas. Nor do the relations between business leader/owners and the political leadership in Norwegian municipalities manifest a corresponding polarisation. At least English studies focusing on stagnating industrial districts (Chandler 1998, Jones 1998) indicate that transforming partnerships to self-supporting institutions for mobilisation turns out
to be problematic. As such the Norwegian experience emphasises the significance of combining top-down steering with bottom-up initiatives.

**Partnerships as development regimes**

Far from all partnerships originate in local political institutions, reflecting efforts by a Labour-dominated leadership to cope with a forthcoming crisis. Nor are stately economic incentives (development grants) a pre-condition for concerted actions in the field of industrial development. The thesis of partnerships as corporate crisis-management does not suffice. An alternative approach accentuates how a spontaneous mobilisation of networks within the business community may trigger-off such arrangements. Our observations point towards various types of private-public partnerships, initiated by core-personnel recruited from the business segment of the municipalities. The agents may hold a position in the local chamber of commerce and industry, or refer to enthusiastic persons, displaying know-how and a determination to invest time and attention in furthering industrial development. The demand for building bridges to local government appears as an important contextual factor for legitimating these kinds of entrepreneurial initiatives. The bringing together of individuals from a varied spectrum of organisations with the aim of exchanging visions and ideas often marks the first step in the mobilisation process.

The fact that private actors are initiators does not mean that the political agenda in these municipalities has traditionally excluded issues of industrial development. Complying with the situation in many Norwegian municipalities providing for industrial development has been defined as a public concern, at least back to the 1960s’. On the other hand, the attention given to such issues has been rather limited, sporadic and contingent on the preferences of the mayor. Seen in such a perspective, initiatives to institutionalise industrial development could claim to fill up a vacant niche locally. Such efforts illustrate at the same time how segments of the local community “want a share of the public power” (Bogason 2000: 78). Not in order to feather one’s own nest, but rather as Bogason so pertinently remarks, to care of “the public good”, indicating a special and general responsibility for actions on the behalf of a presumed entity” (Bogason 2000: 78).

Although partnerships emerge through a bottom-up mobilisation, experience still suggests how vulnerable they might be (Andersen 2001). In the absence of an external sponsor, and being based on ambiguous goals, such arrangements have to struggle to create a financial platform and to define a domain. Nor are they in the peril of running dry of fuel. Enthusiasm
prevailing in the initiating phase does not guarantee that partnerships gain a foothold. Firstly, a competition situation may arise between different organised interests within the business community (commerce, manufacturing, tourism), regarding how to channel scarce resources and attention. In that case the risk of fragmentation is impending.

Secondly and more importantly, local authorities may display an ambivalent attitude towards partnerships. Naturally politicians tend to have inconsistent preferences and goals, and the issue of devolving industrial development completely to independent agencies may provoke controversies. In some cases local authorities may have several preferences. While contributing financially to the running of the organisational umbrella, they insist on retaining some measures (development funds) within governmental jurisdiction. There are examples too of a divided structure, public or devolved units, both coping with industrial development. Even though they officially agree on a division of tasks, confusions as well as controversies about who is expected to do what may easily arise. A liquidation of the devolved agency may be the outcome of the struggle (Andersen 2001).

According to our observations the trajectory of this kind of partnerships is volatile. There are examples of arrangements which fade away, due to financial problems and lack of support, and then become revitalised and flourish. Although the challenges are demanding, our observations suggest that they have gained a foothold in several municipalities (Andersen 2002).

Partnerships: Business developer or catalyst for community development?
As mentioned previously, the domain of partnerships is far from given. Considered as a policy field, industrial development has a low degree of professionalism and institutionalisation, offering different claims of what should be core-activities and which goals should be pursued. Partnerships are not instruments, being utilised to address specific problems. On the contrary, this governance structure refers, as Pierre remarks, to “a configuration of actors” aiming at handling “a large number of different problems” (Pierre 1998 c: 195). This means that the actors engaged in such arrangements, have to define the domain. According to our observations, some patterns tend to crystallise. As time passes, the partnerships seem to change from specialism to generalism, a kind of goal transformation which Aldrich (1999 : 166) claims to be prominent in other studies of organisational transformation.

Not surprisingly, the images and expectations of business development form a crucial part of the rhetoric, which is applied to gain support for partnerships. A justification based of this kind of instrumental effect, has a strong symbolic appeal. The focus on the role as business developer reflectsorientations in national regional policy and measures taken in the last part of
the 1980s. During this period changes occur in regional policy. A higher priority is accorded to local self-reliance, and stately inducements are redirected towards favouring entrepreneurship and innovation (Report to the Storting no. 29: 1988-89). This rhetoric is, not least, well-suited to partnerships, initiated by a sense of crisis. The challenges in these contexts revolve around the issue of how to provide new employment, in replacement for lost jobs. A review of the distribution of the development grant during the period 1985-95 confirms that 78 % was given as support to existing local firms and up-starts (Karlsen 1999).

The emphasis on entrepreneurship is not confined to crisis-generated partnerships. Our observations provide evidence of the preponderance of this rhetoric in other municipalities as well in the mobilising of support for partnerships. Nor do they resort to the company-form. They concentrate as well on building up an identity as a profit-organisation, relying on providing assistance to entrepreneurs and development projects on a commercial basis (Andersen 2001).

Experience with this specialist role-definition is varied. Certainly partnerships do struggle to comply with expectations of them being commercial agencies. It varies considerably what they manage to procure of projects, adding sufficient incomes. It becomes gradually more evident that, unless private and public actors are willing to undertake long term financial commitments, such arrangements will not survive. This implies that partnerships have to construct a role-identity, different from what characterises a consulting firm. In order to gain a foothold locally, a broader identity has to be enacted. The case-studies indicate a transformation in how partnerships define their domain, according a higher priority to the catalyst role. As an illustration of this redefinition, one can mention the focus on projects like “Cultural heritage road”, “City jubilation”, “Collaboration educational institutions and the business community”, “The river park”. The expansion of the agenda probably confirms with a more general trend in how partnerships address industrial development. It is interesting to note that in a presentation issued by a development agency, located in a previous “restructuring municipality”, more projects (“The Artic circle land”, “Re-education centre”, “Free port”) refer to community development.

Obviously, processes of learning by trial and error taking place locally, are conducive to the expanded focus. At the same time, the redefinition reflects the national modernisation discourse prevailing in the 1990s. According to observations made by Brattvoll and Kvåle (2001), partnerships constitute arenas for construction and management of identity. Considered this way, it is important for municipalities to present development projects which comply with prevailing conceptions of what are required of a modern community. Thereby symbolic aspects
pertain to the expansion of the partnerships` agenda, and the stronger emphasis given to community development.

**Concluding remarks: Collective actions without a democratic mandate?**

The application of private-public partnerships in organising local industrial development represents a part of a more general transition taking part in the public sector. Nor does the last decennium bear witness to an extensive use of devolved forms in organising public activities, especially relating to national level (Grønlie & Selle 1998, Statkonsult 1998). Another and interesting aspect refers to efforts to collaborate across the division between the public and private sectors. Still less than previously it is appropriate to attribute problem-solving activities addressing collective problems merely to political-administrative institutions (Bogason 2000, 2001, Pierre & Peters 2000).

According to Bogason collective actions tend increasingly to unfold through “*networks based on hybrid forms of organisation, backed to some degree by the public power*” (Bogason 2000: 76-77). For Pierre and Peters (2000) this trend reflects the evolution of new form of governance, whereby state authorities, instead of conducting a policy of imposition and supervision, concentrate on “*such factors as entrepreneurial skills, political zeal and brokerage abilities*” (Pierre & Peters 2000: 198). Especially regarding local and regional industrial restructuring and revitalisation it is hardly sufficient to rely on either *individual entrepreneurs* or *political-administrative steering*. This problem structure is, on the contrary, well-suited for coalition building and joint efforts across traditional divisions.

Seen in a democratic perspective, such innovations can raise some objections. By establishing organisational structures not accountable to democratically elected bodies and not subject to public monitoring, exclusive networks, tailored to commercial ends, may “colonise” industrial development. A democratic deficit is attached to private-public partnerships, and according to Pierre it appears problematic that this governance structure “*displaces political accountability*”, and “*allows for market-based actors to penetrated the domain of the political*” (Pierre 1998c : 189). Without doubting the relevance of the mentioned objections, the main idea in this paper is still that these innovations are promising, not only considered as efficient instruments of governance, but also as institutions for local participation and mobilisation. By providing new channels for participation private-public partnerships have enriched, rather than undermined local government.
Firstly, partnerships have prepared the ground for the evolution of new arenas for collective actions. It is easy, however, to be led astray by the efficiency and management rhetoric underlying efforts to initiate private-public partnerships. The emphasis on tangible results, synergy-effects, detachment from procedural obstacles and public monitoring create the impression that governmental actors have to learn to behave in a “market-like” way. Our case-studies suggest, however, that a mutual, rather than a unilateral adjustment, takes place between the partners. It is also worth noticing the expansion of the agenda leaving greater space for community development. Considered as alternative models of governance, these partnerships have elements complying with what Pierre and Peters (2001) denote as the communitarian scenario. Although partnerships hardly reflect a comprehensive grass-root engagement, dedicated to principles of self-government, they undoubtedly emerge as a result of citizen initiatives and bottom-up mobilisation.

Secondly, groups who have been reluctant to participate in local politics, have been activated in community affairs through partnership arrangements. This especially applies to individuals belonging to the business community. They obviously dispose of know-how and capabilities which are beneficial in framing and implementing strategies within this field. Our studies illustrate as well how core-personnel recruited from the business community have played an important part in initiating partnerships. Issues which have a direct concern, more easily release bottom-up engagement. The role as “user” tends to have a stronger appeal nowadays compared with the traditional citizen role. This does not mean that individualism prevails, and that most people are unwilling to participate in community affairs unless benefits are gained or self-interests are at stake. It is rather one-sided to identify the role as user with the articulation and aggregation of interests. As Andersen and Helgesen (2001) concludes in a study of user or parental participation in primary and lower-secondary schools in Denmark and Norway, the enactment of a collective identity turns out to be important. Thereby the user role displays an integrative function. Our analysis of the business community’s involvement in industrial development seems to substantiate this assessment as well.

Summing up the paper, public-private partnerships addressing local industrial development, are vulnerable institutions, displaying rather unstable trajectories. Still, in more cases, they have gained a strong foothold locally, and at the same time their role as catalysts for community development has been strengthened. New segments have been integrated into collective affairs and actions. By opening alternative channels for participation and mobilisation, partnerships constitute an innovation in local governance.
References


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