FOUNDINGS AND TERMINATIONS: ORGANIZATIONAL CHANGE IN THE NORWEGIAN STATE ADMINISTRATION 1947-2011

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The article examines organizational change in the Norwegian state administration in the post World War II period, based on data from the Norwegian State Administration Database. The main focus is on different types of foundings and terminations of state agencies. The importance of international and national administrative doctrines and party constellations in government for organizational change is analysed. To some extent, the pattern of change reflects global trends on NPM and post-NPM administrative reforms, but national doctrines, party constellations and agency-specific characteristics like the form of organization and the extent of specialization are also found to be relevant.
Introduction

In this paper we will examine the form and extent of organizational change in the Norwegian state administration in the post World War II period. We are particularly interested in foundings and terminations of state agencies. What determines the growth and decline of state agencies as an organizational form, and in what ways have these Norwegian public sector organizations changed or remained the same?

In Norway, state agencies are civil service organizations formally separate from but subordinated to a parent ministry. Thus, they are semi-autonomous organizations without legal independence but with some managerial autonomy, or what is normally included in category 1 in classifications of different types of public sector organizations (e.g. James & van Thiel, 2011; van Thiel, 2011). In this longitudinal study of continuity and change in the Norwegian state administration, the prevalence of state agencies will also be compared to the prevalence of other forms (i.e. state-owned companies and governmental foundations) normally being included in category 3 of public sector organizations. However, with regard to foundings and terminations, the analysis is restricted to change events involving state agencies.

Internationally, the growth of state agencies and structural devolution to agencies has been related to New Public Management (NPM) administrative reforms (e.g. Christensen & Lægreid, 2001, 2007; James & van Thiel, 2011). Moreover, recent trends on the decline of state agencies and increased hierarchical control of agencies have been related to administrative reforms that go beyond NPM (e.g. Christensen & Lægreid, 2007, 2011). Likewise, along the horizontal dimension, while NPM-inspired administrative doctrines prescribe increased specialization, post-NPM doctrines prescribe de-specialization (e.g. Christensen & Lægreid, 2007, 2011). Thus, the form and extent of foundings and terminations of agencies in state-specific contexts like Norway may be affected by global trends and dominant doctrines.

However, international level pressure for similarity in the prevalence of certain organizational forms in the public sector are being transformed through state-level and agency-level pressures for dissimilarity (cf. Christensen & Lægreid, 2007; Verhoest, Roness, Verschuere, Rubecksen & MacCarthaigh, 2010). In this longitudinal study of organizational change in the Norwegian state administration we are particularly interested in examining the importance of administrative doctrines on the international and national level, as well as other state-level characteristics like
party constellations in government and some agency-level characteristics. The development of Norwegian administrative doctrines, and how they are affected by international doctrines, is presented elsewhere (e.g. Christensen & Lægreid, 2009; Roness, 2007; Verhoest et al., 2010), and will not be recounted here. Moreover, this study goes beyond previous longitudinal studies of the structural anatomy of the Norwegian state (Lægreid, Rolland, Roness & Ågotnes, 2003, 2010) with regard to time period, types of change and state- and agency-level characteristics being examined.

We will first outline our distinction between different types of foundings and terminations of organizations. In presenting the theoretical framework we also briefly mention the characteristics being examined and how they may affect the form and extent of organizational change. The data is based on the Norwegian State Administration Database (NSA), which is described in a separate section. The empirical analysis is divided into two sections: first on the development of the formal structure of the Norwegian state administration in the 1947-2011 period and then on changes in the formal structure of civil service organizations 1947-2010. The paper ends by discussing the importance of the international-level, state-level and agency-level characteristics being examined, and concludes by emphasizing some main findings.

**Theoretical framework**

We distinguish between two types of foundings and terminations of organizations, inspired by the literature on population ecology in organization theory that go beyond simple dichotomies based on the birth, survival or death of organizations (e.g. Hannan & Freeman, 1989; Peters & Hogwood, 1988, 1991; cf. MacCarthaigh & Roness, 2011; Rolland & Roness, 2011). Pure foundings are new organizations with no prior organizational history, while organizations founded on the basis of existing units are created from one or more existing organizations. This may take the form of splitting an existing organization into two or more new organizations, or of secession, where a new organization is created based on parts of an existing organization. Similarly, pure terminations are changes where no parts of the unit are continued in other units, while
termination into existing units denotes changes where all or some parts of an organization continue in one or more units. This may take the form of a merger of two or more existing organizations or the absorption of an organization into another existing organization. More complex reorganizations involving foundings and terminations based on existing units may also occur.

While foundings and terminations primarily are related to the form and extent of horizontal specialization and de-specialization, immigration and emigration are related to the form and extent of vertical specialization and de-specialization (cf. Lægreid et al., 2003, 2010). Thus, taking a certain organizational form as the point of departure, immigration implies that an existing unit having another form is converted into this form, while emigration implies that an existing unit is converted in the other direction. This is parallel to ideas in population ecology on inclusion and exclusion of organizations in populations.

In recent years, several explanations on organizational change in public sector organizations have been presented, particularly on terminations of organizations (e.g. Adam, Bauer, Knill & Studinger, 2007; Boin, Kuipers & Steenbergen, 2010; cf. MacCarthaigh & Roness, 2011). However, in this paper only some of these explanations will be explored, partly based on the type of data being used. Our point of departure is ideas from a transformative perspective (e.g. Christensen & Lægreid, 2007) and an integrated heuristic model including structural, cultural, task-specific and environmental features of organizations affecting agency autonomy and control (Verhoest et al., 2010). Thus, international environmental pressures for isomorphism (e.g. through NPM or post-NPM doctrines) may be transformed through state-level characteristics implying divergence across states and time periods. We are particularly interested in the importance of party constellations in power and deliberate actions through administrative reforms over time. This is in line with rationalist explanations on the structural design of agencies based on ideas from economic organization theory (e.g. Lewis, 2003; Moe, 1995).

Potentially different party constellations and administrative reforms may, in turn, affect organizational change in state administration in different ways, according to structural, cultural and task-specific characteristics of agencies (cf. Verhoest et al., 2010). With regard to structural features of state agencies we will examine the importance of the existing organizational form and the extent of specialization for organizational change. While cultural features of agencies will not explicitly be
looked into, one task-specific feature of agencies will be examined, namely their field of state activity or policy area. For example, how and to what extent is organizational change of agencies affected by stages in the development of state activities (cf. Premfors, 1999; Rose, 1976)?

Data and method

The Norwegian State Administration Database (NSA) covers all non-temporary state organizations with full-time employees from 1947 until present, maps their organizational structure at any time as well as changes in the organizational structure throughout this period. The units consist of state organizations of different formal-legal types reporting directly to a minister or ministry (i.e. having different forms of affiliation to the central political authorities). Thus, an organization is included in the database if it meets one of the following four criteria (cf. Rolland and Roness, 2010: 470; see also http://www.nsd.uib.no/civilservice/):

a) It is a ministry or subunit within a ministry, such as a division, section or office. This represents category 0 in classifications of different types of public sector organizations (cf. James & Van Thiel, 2011; van Thiel, 2011).

b) It is legally part of the state and separate from but subordinated to a parent ministry or to parliament. Organizations having this form are labelled civil service organizations outside the ministries. This is the state agencies in category 1 mentioned above.

c) It is state-owned or partly (i.e. majority) state-owned. These organizations are labelled state-owned companies (SOCs), and are included in category 3 of public sector organizations.

d) It is a self-owned organization founded by a ministry or a civil service organization. These are labelled governmental foundations, and are also part of category 3 of public sector organizations.
For the organizations that are included in the NSA, all changes in formal organizational structure from the founding of an organization to its termination are recorded. A predefined categorization that classifies organizational change events in three main categories is used: changes related to the founding of an organization, changes related to the survival or maintenance of an organization, and changes related to the termination of an organization. For each main category of change events there are several sub-categories, including splitting, secession, merger and absorption, as well as movement of organizations vertically and horizontally within the state apparatus and into or out of it (cf. Rolland & Roness, 2011, 405-407).

Compared to most other countries, the formal structure of the Norwegian state administration is quite well documented, e.g. through a government yearbook. The development of the database (and the recording of formal structure, organizational change and policy area) has been undertaken by the same person(s). This should provide for high consistency in recording over time and across the whole state administration (cf. Rolland & Roness, 2010, 471).

The formal structure of the state apparatus 1947-2011

The Norwegian State Administration Database (NSA) has a detailed categorization of different forms of affiliation (cf. Rolland & Roness, 2010, 470). We will first look at the number of units within three main forms of affiliation from the beginning of 1947 to the beginning of 2011: civil service (outside the ministries), state-owned companies (SOC) and governmental foundations.

The major formal dividing line runs between civil service organizations and state-owned companies (cf. Christensen & Lægreid, 2003; Roness, 2007). Civil service organizations outside the ministries are, legally speaking, government entities subject to ministerial directions and directly subordinated to ministerial control. SOCs are primarily characterized by their independent legal status, by having their own control or scrutiny bodies, by holding responsibility for their own economic resources, and by their closely observing the laws regulating private companies. There is also a significant difference between SOCs and governmental foundations. Governmental foundations are separate legal entities, founded either by a ministry
(central foundations) or by a civil service organization outside the ministries (fringe foundations). Like state-owned companies, they are not covered by the civil service rules and regulations. In contrast to state-owned companies they are self-owned entities and thus have more formal autonomy from the ministry than SOCs.

It may also be added that in the civil service outside the ministries, organizations covering certain regions of the country that have similar tasks are grouped together and counted as one unit. State-owned companies also include limited companies with the state as majority owner (e.g. Statoil). With regard to governmental foundations only central foundations are included in this paper.

We will distinguish between seven periods in the post World War II administrative history in Norway, mainly related to the party in government (cf. Lægreid et al., 2003, 2010). First, the period from 1947 to 1970 represent the growth of the Norwegian welfare state, with a Labour government in power most of the time until 1965. Second, the period from 1971 to 1981, also mainly had a Labour government. The strong democratization and political decentralization movement connected to the No-to-EEC referendum in 1972 represents the start of the period. The first Conservative government in Norway for more than 50 years in 1981 represents the change to the third period, introducing the first New Public Management ideas of administrative reform. The fourth period starts in 1991 with the follow-up of the Hermansen commission and the Labour government returning into office. The fifth period (1997-2001) mainly covers the term of the Centre government, and the sixth period (2002-2005) the Conservative-Centre government. While the previous periods represent a gradually greater scope and intensity of the NPM reform movement, this government launched a more radical NPM-inspired programme (cf. Christensen & Lægreid, 2009). The last period (2006-2011) covers the Centre-Left government, which was elected on an anti-NPM ticket and is the first majority government since 1985.

Figure 1 reveals that there was a steady growth in civil service organizations outside the ministries to the end of the second period, reaching a high of 309 units in 1981. While there was a slight decline during the third period, during the next three periods there was a more marked reduction in the number of civil service organizations. Even if the last period has seen a smaller reduction in the number of units, at the beginning of 2011 there are fewer civil service organizations reporting to a ministry than at the beginning of 1947 (171 vs. 224).
Figure 1 also reveals that the number of state-owned companies and governmental (central) foundations has increased over time. The first wave of SOCs was in the 1950s. After a short cutback period, the number increased somewhat during the 1970s, and again during the first part of the 1990s. Nevertheless, the greatest increase came during the sixth period, with the Conservative-Centre government in power. There has been a slight reduction in the number of state-owned companies during the last period, but in 2011 there still are more SOCs than 10 years ago (55 vs. 49). From the start of the third period onwards, the number of governmental (central) foundations has increased even more, reaching a top of 55 units in 2003.

The main post World War II public discussion on the choice of form of affiliation for state organizations was related to the report from the Hermansen commission (1989) (cf. Roness, 2007). The commission assessed the coupling between tasks and organizational form, and suggested more active use of different standardized forms of state-owned companies. Governmental foundations were not recommended because of accountability and steering problems connected to this form of affiliation. Nevertheless, as we have seen, the number of governmental (central) foundations continued to increase during the 1990s, and in 2011 there are still more units of this type than in 1989 (47 vs. 40).

For the rest of the paper we will focus on civil service organizations outside the ministries. In this section we will present different ways of categorizing these units, while in the next section changes in their formal structure are examined.

Formal autonomy of civil service organizations

Civil service organizations outside the ministries may be divided into various sub-categories. Central agencies (directorates) are mainly exercising public authority, e.g. having regulatory tasks. Some civil service organizations are given some extended authority, mainly related to managerial autonomy. Most governmental administrative enterprises have taken care of public utilities, and they have even more formal autonomy related to financial and personnel matters. Other ordinary civil service
organizations often have tasks related to service production and delivery, but some may also exercise public authority excluding regulatory tasks. Like for central agencies, their formal autonomy is quite limited, even if the standardized rules through the state budget and the state collective agreement have become a bit more flexible during the last two decades (e.g. Lægreid, Roness & Rubecksen, 2006a, 2006b).

A main question in the Norwegian administrative history from the mid 19th century onwards has been whether the central administrative bodies should be organized in the form of ministries or agencies (directorates) (cf. Christensen & Roness, 1999; Roness, 2007). How much autonomy directorates should have in relation to ministries has been a recurrent problem. Form the mid 1950s, a dominant administrative doctrine was that the ministries should be relieved of routine tasks, which were administrative and technical in nature, and that these should then be transferred to subordinate directorates and agencies. Another important doctrine was that the ministries should be developed into secretariats for political leadership.

From the early 1970s, there was a stronger focus on political decentralization to counties and municipalities at the expenses of the central agencies. A new political body at the regional level was established, and the policy programmes from the mid 1970s announced that tasks and responsibilities should be moved from ministries and central agencies to this political-administrative level.

As shown in Figure 2, to some extent these changing administrative doctrines are reflected in the number of units over time. Nevertheless, there is also a marked increase in the number of central agencies during the third period and a decrease during the fourth and the sixth period.

The rise in the number of agencies with extended authority is in line with recent administrative doctrines on the formal autonomy of civil service organizations outside the ministries (cf. Lægreid et al., 2006a). However, during the last period with the Centre-Left government in power the increase from the two previous periods has stopped. The number of government administrative enterprises has also been stable during this period, and in 2011 there are much fewer units in this sub-category of civil service organizations than during the first two periods (4 vs. 10-12). Nevertheless, the
sub-category of other civil service organizations (outside the ministries, and not being defined as central agencies) has decreased the most, in 2011 comprising less than one third of what it did three decades ago (68 vs. 211).

Extent of specialization

In the NSA database, the civil service organizations outside the ministries are divided into three different categories, based on whether and how a principle of specialization according to territory or area is combined with principles according to purpose, process or people (cf. Rolland & Roness, 2010, 471): 1) national single civil service organizations without area-specific subordinated units, 2) services that consists of a central (national) unit and area-specific regional/local offices (integrated civil service organizations), 3) group of similar organizations, each reporting directly to a ministry. As noted above, area-specific units with similar tasks reporting directly to a ministry are grouped together and counted as one. Almost all integrated civil service organizations are headed by a central agency. On the other hand, some central agencies are national single civil service organizations.

Figure 3 in about here

Figure 3 shows some marked differences in the number of the different types of civil service organizations outside the ministries over time. National single civil service organizations have constituted the main type of agency throughout the post World War II period, and the development of the number of units of this type mainly corresponds to the overall development of agencies. For integrated civil service organizations there was a steady increase until the late 1980s, and since then the number has been quite stable. On the other hand, the number of groups of similar organizations has declined, particularly from the mid 1990s onwards. To some extent, this reflects recent administrative doctrines of making area-specific civil service organizations report through a central agency instead of directly to the parent ministry (cf. Lægreid et al., 2006b).
**Policy area**

In the NSA database, all units outside the ministries are also classified according to the COFOG standard referring to field of state activity, or policy area (cf. MacCarthaigh & Roness, 2011; Rolland & Roness, 2010). While formal autonomy and extent of specialization are rather objective criteria related to organizational structure, the determination of the appropriate COFOG category of public sector organizations involves some discretion. Moreover, even if some units may have changed their field of state activity over time or comprise several activities at any point in time, what has been regarded as the primary policy area during the whole period has been recorded.

**Figure 4 in about here**

Figure 4 presents the number of civil service organizations in each of the 10 categories at four different points in time, corresponding to the start or end of some of our seven periods. We first notice that in some policy areas, particularly in housing and community amenities and in environmental protection, there have only been a few agencies throughout the whole post World War II period. In defence and social protection there have also been a limited and relatively stable number of units. General public services and public order and safety are policy areas with a quite stable, but somewhat higher number of agencies. The highest numbers of agencies are found in economic affairs and education, but particularly for the last category there has been a marked decrease during the last two decades.

**Figure 5 in about here**

In Figure 5, the COFOG categories are merged into three main groups of policy areas: welfare and social policy (categories 6-10), economic policy (category 4) and others (categories 1, 2, 3, 5). For the first group of civil service organizations outside the ministries, the rise during the first period reflects the growth of the welfare state. The increase also continued during the second period, followed by a marked decrease in recent periods. For economic affairs, the number of civil service organizations was at
its highest in the 1950s, while the decrease was most marked during the 1990s. For the final group comprising other policy areas the number of units has been relatively stable. Thus, while from the 1960s to the 1980s there were more than twice as many civil service organizations in the welfare and social policy areas than in other areas like general public services and public order and safety, in 2011 the difference is quite small (68 vs. 59). This may indicate that the night watch state has not been replaced by the infrastructure/economic development state and the welfare state.

Changes in the formal structure of civil service organizations 1947-2010

We will here analyze organizational changes that influence the number of civil service organizations outside the ministries from the start of 1947 to the end of 2010. In practice, it is not easy to distinguish between pure foundings and fondings based on existing units, and between pure terminations and terminations based on existing units. The determination of the appropriate form and extent of organizational change involves some discretion. We have taken the organizational history of civil service organizations as the point of departure, emphasizing whether we find a separate unit before or after the change event. We are primarily interested in the net number of changes along the horizontal dimension. This means, for example, that a founding of a new civil service organization (pure founding), a splitting of an existing organization into two organization or a secession of a new organization from an existing organization are counted as one founding. Likewise, instances of a termination of a civil service organization (pure termination), a merger of two existing organizations into a new organization or an absorption of an existing organization into another existing organization are counted as one termination. Moreover, with regard to changes along the vertical dimension, immigration implies that an existing unit not counted as a civil service organization outside the ministries is converted into this form, while emigration implies that an existing unit having another form of affiliation is converted into a civil service organization.

In the analysis we distinguish between the different periods in the post World War II administrative history being used in the previous section. Since the periods are of unequal length we focus on the average number of changes pr. year in each period.
Moreover, we emphasize changes in the Norwegian civil service outside the ministries along the horizontal dimension through foundings and terminations, while changes along the vertical dimension through immigration and emigration are analyzed more fully elsewhere (Lægreid et al., 2003, 2010).

*Table 1 in about here*

The extent of the various types of organizational change in total and in each period is presented in Table 1. In total, with regard to foundings, there are more than twice as many changes that we have defined as pure foundings than foundings based on existing units. The extent of terminations is also almost as high as the extent of foundings, implying that civil service organizations are not immortal (cf. Kaufman, 1976). However, with regard to terminations, there are four times as many changes that we have defined as terminations into existing units than pure terminations. Nevertheless, even a pure termination does not necessarily imply that the state activities disappear, but only that no part of an existing civil service organization is being continued as a separate unit or as part of another civil service organization.

Comparing the different time periods, we find that two periods in particular have a large extent of change. In both instances, a large extent of the changes consists of terminations into existing units. While a Labour government was in power between 1991 and 1996, a Conservative-Centre government was in power between 2002 and 2005. On the other hand, the recent period with a Centre-Left government in power has the lowest number of changes.

Looking more closely at foundings, we find that while the first two periods were characterized by many pure foundings and few foundings based on existing units, in the three last periods there have been more foundings based on existing units than pure foundings. We also find a large extent of foundings compared to terminations in the first two periods, while since the early 1990s it has been the other way around. Taken together, this implies that a construction of the Norwegian state administration has been replaced by a reconstruction since World War II (cf. also Lægreid & Pedersen, 1999; Rolland, 1999).

Even if our main focus is on the horizontal dimension, we also notice that along the vertical dimension the extent of emigration is higher than the extent of immigration. Thus, particularly during the 2002-2005 period several civil service
organizations outside the ministries were converted into state-owned companies, in line with the prevailing administrative doctrines (cf. Lægreid et al., 2010). On the other hand, there are fewer traces of agencification through conversion of ministerial units into central agencies and other types of civil service organizations outside the ministries throughout the post World War II period, even if this was a main administrative doctrine from the mid 1950s to the early 1970s (cf. Christensen & Roness, 1999).

Summing up, the form and extent of changes in the formal structure of civil service organizations outside the ministries since 1947 to some degree reflects the form and extent of national and international administrative doctrines and party constellations in government. Thus, we find the highest number of changes per year during the 2002-2005 period, with a Conservative-Centre government in power propagating more NPM-inspired administrative reforms. However, even in this period the extent of pure foundings and pure terminations is lower than the total average. The extent of terminations is also at its highest in the 1991-1996 period with a Labour government in power, propagating more modest NPM-inspired administrative reforms. Labour was also in power for most of the first two periods, but as noted above seeming to be primarily interested in constructing the Norwegian state administration. However, a more nuanced picture may appear when we analyse the form and extent of foundings and terminations for different categories of civil service organizations.

Formal autonomy

With regard to formal autonomy we are particularly interested in central agencies. As noted above, the number of central agencies increased until the early 1990s, but has decreased somewhat since then.

Table 2 in about here

The extent of different types of foundings and terminations of central agencies in each period is presented in Table 2. In total, we find that terminations are almost as common as foundings. However, like for all civil service organizations there are more
foundings and terminations involving other central agencies than pure foundings and terminations of central agencies. Moreover, in the 2002-2005 period as well as in the 2006-2010 period there are no changes related to central agencies that we have defined as pure terminations. This means that the recent reduction in the number of central agencies is related to mergers, absorptions or complex reorganizations of existing central agencies. The 2002-2005 period also has the highest extent of foundings based on existing central agencies, while the extent of pure foundings is somewhat lower than average. Thus, with regard to central agencies, more radical NPM–inspired administrative reforms during this period seem to involve reconstruction rather than pure construction or deconstruction.

Extent of specialization

The degree of the different types of foundings and terminations according to the extent of specialization of civil service organizations is presented in Table 3. In each cell, the numbers represent the yearly average for national single civil service organizations, integrated civil service organizations and group of similar organizations, respectively. The numbers are affected by how many civil service organizations of different types have existed during each period.

Table 3 in about here

As noted in the previous section, a majority of units have been national single civil service organizations. Thus, focusing on this type, it is no surprise that the pattern of foundings and terminations is not much different from the overall pattern for civil service organizations, e.g. more pure foundings than foundings based on existing units, but more terminations into existing units than pure terminations. The extent of pure foundings is particularly high in the first two periods, which may indicate that the construction of the Norwegian civil service outside the ministries until the early 1980s mainly took the form of national single organizations. Moreover, the extent of terminations into existing units may indicate that the reconstruction from the early 1990s to the mid 2000s mainly was related to national single civil service organizations.
For integrated civil service organizations, foundings based on existing units have been more common than pure foundings, in contrast to what we find for national single civil service organizations. On the other hand, only one event involving pure termination of an integrated civil service organization has been registered. Foundings and terminations based on existing integrated civil service organizations are particularly prevalent in the 2000s, which may reflect a mixture of different forms of reconstruction of the civil service during the last two periods.

As noted in the previous section, the number of groups of similar organizations has declined, particularly from the mid 1990s onwards. Nevertheless, here too we find only quite few instances of change events involving pure terminations. The relatively high number of terminations into existing units in the fourth period reflects a major restructuring of state schools in 1994, where many groups providing specific types of education were merged to form a new group of university colleges.

Finally, comparing organizational change across the various categories according to the extent of specialization, for national single civil service organizations we find a quite high frequency of pure terminations, but taking the number of units into consideration also more pure terminations than for groups of similar organizations and (particularly for) integrated civil service organizations. This may indicate that in the Norwegian civil service, national single organizations are the easiest ones to establish, but also less robust than other types of organizations.

**Policy area**

With regard to policy area, the limited number of units in several of the 10 COFOG categories implies that we only examine the extent of different types of foundings and terminations for the three main groups. Table 4 on organizational change according to policy area is parallel to Table 3.

**Table 4 in about here**

Looking first at economic policy area, we find that, in contrast to the overall pattern, except for the first period there are as many foundings based on existing units as pure
foundings. However, in line with the overall pattern we find more terminations into existing units than pure terminations. The decrease in the number of units during the 1990s also mainly took the form of mergers, absorptions and other ways of terminations based on existing units rather than pure terminations. The extent of pure terminations of civil service organizations in the economic policy area was at its highest in the 1980s, but even then there were more terminations based on existing units than pure terminations.

For the welfare and social policy areas the growth during the first two periods primarily seems to have taken the form of pure foundings. On the other hand, the decrease in recent years seems to have taken the form of terminations into existing units. Moreover, now there has been as many foundings based on existing units as pure foundings. Combining the extent of different types of foundings and terminations this may indicate that in the 1990s and 2000s the welfare and social policy areas have been under reconstruction rather than construction or deconstruction, while we primarily find construction until the early 1980s.

For other policy areas like general public services and public order and safety we don’t find any marked tendencies. Nevertheless, while there have been no change events involving civil service organizations in these policy areas since the early 1990s, here too we find several instances of terminations into existing units. Thus, comparing organizational change across policy areas may also strengthen the conclusion from the previous section that the night watch state has not been replaced by the infrastructure/economic development state and the welfare state.

**Discussion**

Our point of departure has been ideas from a transformative perspective, emphasizing the interplay of organizational factors at different levels. Global trends and international doctrines on NPM and post-NPM are also to some extent found to be reflected in the pattern of change in the Norwegian state administration in the post World War II period. Shifting international administrative doctrines seem to be particularly important for the prevalence of state-owned companies. On the other hand, the prevalence of state agencies seems to be more loosely coupled to global
trends. Thus, the existence and growth in the number of state agencies predated NPM, and the decline in the number of state agencies started well before post-NPM doctrines on de-specialization.

In Norway, central agencies (directorates) are quite similar to what is called executive agencies in other countries (cf. James & van Thiel 2011; van Thiel, 2011). While the increase in the number of central agencies from the mid 1950s onwards was in line with national administrative doctrines, the even greater increase from the early 1970s to the early 1990s does not seem to be based on changing national doctrines. Moreover, the decline in the number of central agencies since then does not seem to be rooted in national doctrines. On the other hand, the rise in the number of agencies with extended authority is in line with more explicit administrative doctrines.

With regard to national doctrines, the Hermansen commission (1989) changed the focus from internal structural devolution and the relations between ministries and central agencies to external structural devolution focusing on state-owned companies and governmental foundations. While the number of SOCs increased somewhat in the first part of the 1990s, the number of governmental (central) foundations increased even more. Thus, for these organizational forms as well, the coupling between national administrative doctrines and the pattern of change is somewhat mixed.

To some extent, changes in the dominant administrative doctrines are related to party constellations in government. Thus, prescriptions on the use of central agencies from the mid 1950s onwards were propagated by the Labour party, while the use of state-owned companies (and conversions of civil service organizations into SOCs) between 2002 and 2005 was propagated by the Conservative-Centre government. The stability in the number of public sector organizations in the recent period may also be a consequence of the change of government in 2005. Nevertheless, party constellations in government are not being fully or clearly reflected in organizational change in the Norwegian state administration. This may be due to the importance of top civil servants and sector-specific ministries in the formulation and implementation of administrative reforms in recent decades (cf. Christensen & Lægreid, 2009; Verhoest et al., 2010).

We have distinguished between different types of foundings and terminations. Overall, there are more than twice as many pure foundings than foundings based on existing units, while there are four times as many terminations into existing units than pure terminations. Comparisons across time periods again reveal the relevance of
party constellations in government, but not always in clear and predictable ways. For example, Labour was in power in the period having the highest extent of terminations (1991-1996) as well as for most of the time during the first to periods having the lowest extent of terminations. Labour is also the dominant party in the current coalition government, not implementing any pure terminations and only a few pure foundings.

We also have found actor-level characteristics to be of relevance for the pattern of foundings and terminations of state agencies, and for the extent of construction, reconstruction or deconstruction of the Norwegian civil service. For central agencies, over time construction through pure foundings has been followed by reconstruction through foundings based on existing units or terminations into existing units, while deconstruction through pure terminations has become quite rare events. The degree of the different types of foundings and terminations according to the extent of specialization also reveal that integrated civil service organizations and groups of similar organizations primarily have gone through different forms of reconstruction, while national single civil service organizations have been more exposed to construction and deconstruction. Moreover, comparisons across policy areas often being connected with certain stages in the development of state activities indicate that organizations related to an early stage is not being replaced by organizations related to later stages, which mainly are being created in addition to the existing ones (cf. Premfors, 1999; Rose, 1976).

**Conclusion**

In recent literature on public sector organizations a form of structural devolution often called agencification has been seen as part of NPM reforms (e.g. James & van Thiel, 2011). NPM (and post-NPM) administrative reforms have also affected Norway (e.g. Christensen & Lægreid, 2009). Since the mid 1980s, state agencies gradually have been given increased autonomy from central political authorities, combined with new forms of control (e.g. Lægreid et al., 2006a; Verhoest et al., 2010). However, in this paper we have demonstrated that the growth in the number of agencies in Norway has predated NPM. The decline in the number of agencies also started in the 1980s and
continued at an increased pace during the 1990s, i.e. decades representing a greater scope and intensity of the NPM movement in Norway. Even during the more radical NPM-inspired period with the Conservative-Centre government in power (2001-2005) the number of agencies has decreased. Thus, there is no clear correspondence between international (and national) administrative doctrines and the proliferation of state agencies.

Another main finding in this paper is related to the form and extent of foundings and terminations of state agencies. Even if the number of agencies has declined since the early 1980s, most terminations have involved other units. Thus, organizational changes through mergers, absorptions and complex reorganizations have been more common than changes implying pure terminations where no parts of the unit have continued in other units. State agencies are not immortal, but termination often means that they survive as part of other agencies.
References


Figure 1. Number of state organizations according to main forms of affiliation 1947 - 2011

Legend:
- Dotted line: Civil service organizations
- Dashed line: State-owned companies
- Solid line: Governmental (central) foundations
Figure 2: Number of civil service organizations outside the ministries according to different forms of affiliation 1947 - 2011
Figure 3. Number of civil service organizations outside the ministries according to extent of specialization 1947 - 2011

- National single civil service organizations
- Integrated civil service organizations
- Group of similar organizations
Figure 4: Number of civil service organizations outside the ministries according to policy area 1947, 1971, 1991, and 2011. Frequencies for all policy areas.
Figure 5 Number of civil service organizations outside the ministries according to policy area 1947-2011. Frequencies for main groups of policy area.
Table 1 Organizational changes influencing the number of civil service organizations outside the ministries. Average number of changes pr. year 1947-2010.

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