

New Modes of Governance: Explaining Local Partnership Consolidation

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1. Introduction

Over the past years, partnership has become a very fashionable word in both political and academic discourses. Partnership analysis has been primarily connected to the diffusion of what has been labelled "collaborative discourse", which emphasises the advantages of social regulation patterns based on a broader inclusion of social and political actors.

The 'partnership solution' has rapidly and broadly spread out in Europe as a common strategy to deal with issues related to socio-economic governance at various levels of government: local, national and supranational. With respect to the local dimension, a good example is the Italian case, where during the second half of the 1990s many partnerships arose at both regional and sub-regional levels. These partnerships involved not only local governments but also other local societal interests, and their aim was to solve multidimensional problems such as limited local development growth. In several cases, a key role in the creation of such partnerships was played by local public actors who tried, successfully, to mobilise private resources and to make traditionally public decision-making processes more inclusive. Among other examples, the United Kingdom is an interesting case with regards to national partnership initiatives: the Blair government explicitly promoted a 'partnership culture' as a 'third way', different from more traditional hierarchical regulatory patterns based on the exclusive role played by public authorities or 'quasi-market' contractual forms of regulation. Finally, at the supranational level, what has been called a "partnership orthodoxy" has developed in connection with specific domains such as regional development, environment

and social inclusion policies. International institutions such as the OECD, the World Bank and the UNESCO have also increasingly made policy recommendations aimed at promoting horizontal cooperation among different social and political actors. Therefore, partnership experiences have acquired great interest over the past fifteen years at various levels of government, making its study particularly relevant for political science scholars.

2. Defining local partnerships

During the 1990s, in many European states public-private partnerships were increasingly referred to as good examples of innovative institutional arrangements aimed at territorial and socio-economic development. In numerous urban and regional policies, co-operation between public and private actors has become a new common pattern for local development policies. Nevertheless, it is quite difficult to find in the literature a shared definition of what a public-private or administrative partnership is. In general, 'administrative partnership' is a term used to characterize every kind of cooperation involving public and/or private actors operating at the same level of government (*horizontal partnership*) or at various levels of government (*vertical partnership*). The partnership goal varies according to both the specific policy domain (environment, local development, etc.) and the policy phase (agenda setting, formulation, implementation, etc.) involved. In order to delimit and clearly specify the object of our research, we focused on a specific form of partnership – the cooperative agreements among local public and private actors aimed at promoting territorial development – and reviewed some of the main definitions which can be found in the literature.

Looking more specifically at the literature on local development partnerships has been particularly fruitful. A relevant definition was adopted by an EU regulation at the end of the 1980s, when a radical reform of cohesion policy took place: in the text of the 1988 regulation, ‘partnership’ is defined as “a close consultation between the Commission, the Member State and the competent authorities designated by the latter at national, regional, local or other level, with each party as a partner in pursuit of a common goal” (Council Regulation 4253/1988). The main focus of this definition is on vertical partnership among various institutional actors. A second, broader definition is provided implicitly by US and UK policies or explicitly by scholars focusing on the horizontal nature of partnerships among local public and private actors. The problem with these definitions is that partnerships are described as general forms of cooperation established among public authorities and private organisations, without clearly identifying their specific features. In other words, their semantic contours still appear too vague. A more helpful contribution can be derived from policy-oriented research work carried out by the UK Audit Commission: in a report on local cooperative experiences, the Audit Commission defines partnership as a joint working arrangement and it provides a checklist of its main features: partners are (a) independent bodies; (b) that agree to cooperate to achieve a common goal; (c) create a new organisational structure or process to achieve this goal; (d) plan and implement a joint programme; (e) share relevant information, risks and rewards.

The above-mentioned features are particularly valuable in order to provide our general definition of a partnership as *a formalised cooperation mode among public and private actors which involves co-regulation processes, i.e. the co-management of the policy-making process, and the creation of one or more ad hoc administrative structures*. This definition limits the use of the term ‘partnership’ to only those cases where cooperation goes beyond mere consultation processes which do not give birth to any administrative structure or institution aimed at reaching specific policy goals selected by private and public actors. Furthermore, a partnership differs from more specific delegation forms which establish more tradi-

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tional principal-agent relationships, where the principal (for example, an administrative body or a public institution) autonomously sets the scope and the implementation mechanisms which have to be used in order to obtain the selected goal and where the agent (for example, a private organisation active in the territorial development policy field) is responsible for the implementation of the decision adopted by the principal. Such a relationship does not provide an opportunity for the agent to cooperate in the policy formulation phase, since goals are explicitly set by a contract conceived autonomously by the principal. By contrast, in a partnership the goals and implementation mechanisms are shared and agreed upon by all the actors involved in the decision-making process.

3. Explaining local partnership consolidation: what does empirical research tell us?

Moving from the literature on partnership experiences, our research has focused on four main conditions that may positively affect the consolidation process: the availability of economic resources, the presence of a “policy entrepreneur”, the presence of a “technical unit”, and the “political homogeneity” of the public

administrations involved. In our research, we explored how these variables have (or have not) influenced the dynamics of local partnership evolution in Italy.

The empirical research has been carried out with reference to the Italian context through an in-depth reconstruction of four cases in two different Provinces: Turin and Milan. For each Province, we have identified a case of “high” consolidation and a case of failed or “low” consolidation. Building on our analytical framework, our working hypothesis was that high consolidation results from a durable successful political exchange. In other words, after defining the analytical framework, the research design followed two empirical steps: the first stage of the empirical research has consisted in the reconstruction of the eight relevant cases of the Province of Turin and the six cases of the Province of Milan, providing us better knowledge of each partnership’s history and features - with particular reference to their consolidation process. On the basis of information provided by interviews with key policy actors and observers (experts, researchers and local political actors), and using available pieces of research and analysing official documents and internal reports, we have classified the eight pacts according to their different degree of consolidation. This has allowed us to select two cases for an in-depth comparative analysis: a partner-

ship that shows good evidence of consolidation and a partnership that is, to the contrary, characterized by a scarce degree of consolidation.

The empirical research provided us a better understanding of the patterns of partnership consolidation. But how relevant were the variables mentioned above? The availability of economic resources certainly constituted an important condition for the consolidation of partnership experiences. The trust in cooperative relationships between local actors has to be maintained not only by the general belief that the partnership represents an appropriate mode of governance for local development policies, but also by the fact that the partnership is a useful tool for the implementation of development projects in a certain territory. Hence, it is clear that the lack of financial resources or the possibility of activating different financing channels without resorting to a partnership may inhibit the reinforcement of a cooperative experience and limit its duration.

Nevertheless, taking account of such “resource availability” is not sufficient to explain the different degrees of partnership consolidation. In each of the four cases previously analysed (Zona Ovest and Stura for Turin Area; North Milan and Arese for the Milan area), the accessibility of resources to support local development programmes has not constituted *the crucial problem* for local actors. On the contrary, the main differences between partnerships with a high level of consolidation and those characterized by a low level of consolidation can be explained with reference to the combination of the three other specific factors.

Firstly, the presence of a policy entrepreneur appears to be a common feature in both Zona Ovest and North Milan cases – the most consolidated partnerships. By contrast, in the Stura and Arese areas, no actor has been considered to be an indisputable leader of the partnership. Therefore, the hypothesis that the role of some specific actors that are able to activate the interests of partnership members, not only during the emergence of a partnership experience but also in the following phases, seems to be confirmed by our empirical analysis.

Second, in order to achieve this goal, the policy entrepreneur needs the support of an *ad hoc* organisational structure provided with specific resources. The Zona Ovest and North Mi-

Further reading

This policy brief is based on research carried out within the NEWGOV project no. 18b on “Distributive Politics, Learning and Reform: Emergence and Evolution of Administrative Partnerships”. This project studied the dynamics (i.e. evolution) of learning and innovation of socio-economic governance, focusing on administrative partnerships. As forms of ‘networked governance’ administrative partnerships involve a social dialogue process in which (private and public) actors inform each other of their intentions and capacities, elaborate and exchange information provided to them, and clarify and explain their assumptions and expectations.

Further information can be found on the NEWGOV Website in the [special section](#) of project no. 18b.

lan cases clearly show the crucial role played by local development agencies in the consolidation process. Such agencies are characterized by some specific features. Firstly, they are not merely pure technical instruments, but they act as a catalyst for a “winning combination” between the political and technical dimensions of a partnership experience. Secondly, local development agencies need to develop “puzzling” capabilities, i.e. the capacity to promote the understanding and sharing by local actors of the points of strength and weakness of a specific area, and to assist the translation of such an analysis into effective development projects.

This specific role played by local development agencies is strictly related to a third – and last – facilitating condition of the consolidation process. Our empirical analysis has illustrated the importance of building a shared vision of local development strategy among actors. This appears to have been favoured by the homogeneity of political as well as territorial features of the Municipalities involved, which has facilitated collective agreements. In the Zona Ovest and North Milan areas, such a capacity of shared vision has also led to the creation of a new territorial identity, absent or weakly developed before the partnership experience. By contrast, the less consolidated partnerships have shown the presence of specific conflicts among local actors (Arese) or a weak cooperation attitude (Stura) that have prevented the definition of an agreed medium-term partnership approach to local development issues.

4. Conclusion

Partnership as a new mode of governance of socio-economic issues at the local level may represent an important strategy for the production of local collective competition goods. Nevertheless, it cannot be considered as the only or the best “game in town”. On the one hand, a partnership is not always the most effective way to produce collective goods and services. Moreover, it can also serve collusive redistribution of resources among stakeholders, without enhancing the competitiveness of the local area. On the other hand, it can constitute a sub-optimal solution even in term of consensus building, since it may represent an excessively costly activity which induces fatigue and disenchantment in the actors involved, eroding their mutual trust and commitment to cooperation.

However, our research has shown that some partnerships, under certain circumstances, can consolidate, producing good results in terms of initiatives implemented. In this case, one of the main consequences of the consolidation process is the emergence of a new actor in the system of local governance: the local development agency which can then become an active and effective actor in consolidating local development partnerships. But not all agencies are the same. In order to enhance local development through effective and lasting agreements, local development agencies should have three main objectives: firstly, they should coordinate the different networks of actors, informing and encouraging local stakeholders on possible initiatives related to their territories; secondly, they should act as an interface between the local area and competences and experiences developed abroad at the national or international level; finally, agencies should use their expertise to assist local authorities in the promotion of medium and long term local development strategies.

The European Commission, always interested in ‘shared visions’ concerning local development policies, should concentrate its incentives on those local development agencies which are capable of attaining all the above mentioned objectives.

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