Regional Development Partnerships in Sweden: Putting the Government Back in Governance?

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ABSTRACT Regional development partnerships were introduced in Sweden in 1998 as part of a new regional policy. Here it is argued that these partnerships can provide support for the concept of governance in which the state continues to play an important role in steering the direction of policy. On the surface, as a decentralized organizational form, emphasizing inclusion of a broad range of regional stakeholders in the production of regional growth agreements/programmes, the partnerships would seem to fit a strategy of ‘letting other regimes rule’ on the part of the state. However, the central role played by the Swedish county administrative boards (the extended arm of the state in the region), suggests that the partnerships could also be a way for central government to retain control over the direction of regional development. In this way, they become an example of the state’s ability to adjust to a changing environment rather than its ‘hollowing out’.

KEY WORDS: Regional policy, regional development partnerships, regional growth agreements, government, governance

Introduction

The competitive globalized economy has led to greater differences both between and within regions, and it has become increasingly difficult for the state, on its own, to produce standardized ‘solutions’ to diverging regional problems. This coupled with EU policies promoting regions has led in Sweden, as in many other European countries, to a ‘decentralization’ of regional policy and greater responsibility being placed on the regions themselves for securing their future growth and well-being. This transference is being accompanied by a powerful rhetoric stressing inclusion, that all regional stakeholders are needed (not just the public sector), ‘pulling together’ to improve the region’s social capital, to build a democratic base for development and growth, achieve greater efficiency and effectiveness in the use of the region’s resources and
to create ‘strong’ regions. Thus a process of regional governance is emerging where actors from various sectors and levels are becoming involved in complex networks and negotiations around the content and form of regional policy. This is leading to the appearance of new forms of co-operation and joint working. The regional development partnerships set up in 1998 to produce growth agreements (later programmes) for their respective regions are one such example. These have been promoted within the new regional policy as a means for improving both efficiency and democracy by bringing together regional stakeholders from all sectors, encouraging dialogue and networking between them and facilitating their participation in forming sustainable growth strategies for the region.

However, the encouragement of strong, self-reliant regions also raises the problem of how to control them. Membership of the EU has opened up greater opportunities for regions as independent actors, and this coupled with the new regional policy would seem at least to offer potential for regions to challenge the state’s authority. Is the state prepared to accept this? Are the regional partnerships and growth agreements/partnerships part of a process of ‘letting other regimes rule’ whereby the state steps back and allows the various regional stakeholders (from public, private and voluntary sectors) take over responsibility for developing ways of promoting regional growth? Or do they form a means for national government to retain control over the direction of growth policies in the regions, thus ‘bringing the state back in’ (if it ever left) and maintaining government within regional governance? In other words, is this an example of the adaptability of the state to a changing environment, rather than its hollowing out?

The article begins by considering the changes taking place in Swedish regional policy. It locates these within the broader context of regional governance and, in particular, theories of governance put forward by, for example, Kohler-Koch (1996), Kooiman (2003), Pierre (2000) and Pierre & Peters (2000) that the state is still an important institution of governance. It discusses the emergence of a new regional discourse in Sweden stressing the need for the regions themselves to take responsibility for their own well-being and underlining the importance of partnership and inclusion and the need to achieve consensus, co-operation, and harmony between regional stakeholders in order to promote regional growth. The article then focuses on the regional development partnerships set up to produce the regional growth agreements/partnerships. It considers whether, despite the apparent greater decentralization of responsibility to the regions themselves and the ostensible loosening of state control over regional policy, the regional development partnerships are a means for national government to (re)assert its ability to steer the direction of development in the regions.

Although the focus in this article is specifically on the changes taking place in Swedish regional policy, these are part of a broader trend. Changes in regional policy and ways of organizing are taking place in many other West European countries (see Ansell, 2000; John 2001). Similar processes have been documented in, for example, Ireland (Adshhead & Quinn, 1998), England (Wilson 2004) and the other Nordic countries (see Seija 2002 on Finland, Gjertsen 2002 on Norway, and Halkier & Flockhart 2002 on Denmark). However, each country has its own specific characteristics which influence how these broader trends play out in that particular country. Variations in traditions, culture, established institutions, political, social,
economic conditions and so forth mediate the general trends, strengthening some and modifying or weakening the impact of others. This is the case even with regard to the Nordic countries where the study by Östhol & Svensson (2002) illustrates differences between these countries in how they have worked with the regional partnership processes in terms of, for example, the levels of state and private sector involvement and how well the partnerships were anchored in the regions. Let us turn now to the Swedish version of what is happening.

Changes in the Regional Policy Context: A Discursive Shift

The changes in regional policy in Sweden can be located within a discursive shift that has been taking place during the last decade or so.² Here discourse is used in the sense suggested by Schmidt (2001) both as providing a common language and framework though which key policy groups can come to agreement in the construction of a policy programme and as a means for persuading the public that the policies developed are necessary and appropriate. A new regional discourse is emerging (Hudson 2000a) and is finding expression not only in Swedish public documents and policies and in the new institutions in which actors from the public sector, business and civil society meet, but also in the mass media and academic literature as the policy actors try to construct and legitimate their policy programmes. It can be seen as relating to the broader processes of governance (including membership of the EU), globalization and the shift to the knowledge economy and is permeated by an emphasis on inner (regional) harmony and co-operation to achieve outer competitive strength i.e. a more market-driven regionalism (see Olsson & Åström 2003; Pierre & Peters 2000). This is not to argue that older agendas are being wholly displaced; discursive shifts are not neatly sequential (see Stenson & Watt 1999) and multiple discourses exist contemporaneously and even conterminously. Thus old and new discourses co-exist and compete with each other,³ with the new often incorporating elements of what it is seeking to replace.

In the official documents and speeches by ministers on regional policy, the previous focus on standardized, national solutions to the ‘regional problem’ and provision of assistance to declining or ‘backward’ regions (SOU 2000: 36) has changed to one which encompasses growth and vitality in the whole of Sweden (SOU 2000: 87; prop. 2001/2: 4; Messing 2002; Messing 2003) and requires the active contribution of all the country’s regions to development (Ds 2002: 34). This is seen as necessitating ‘a regional economic policy for a new age’ (Ds 2001: 15 page 7) and a transference from regional policy to regional development policy (prop. 2001/2: 4; Ds 2002: 34) building on co-operation between different sectors and stakeholders (public, private and voluntary). The previous conventional wisdom that regions are dependent on the health of the national economy is being turned on its head (see, for example, Ds 2001: 15; NUTEK 2002). Thus it is suggested in, for example, official documents and government publications that it is no longer possible to say that if things are going well for Sweden as a whole then they will also go well for its regions. Instead, the reverse appears to be regarded as the case: ‘if it goes well for our regions, it will go well for Sweden’ (Ds 2001: 15 page 7).

Supported by EU policy, there is a shift in emphasis from development from above to development from below and the idea of fostering self-reliant and self-governing
regions (see e.g. Gren 2002; Olsson & Åström 2003; Prop. 1997/98: 62; Ramfelt 1997; Johansson 2000). A more devolved model of government is promoted in Government Acts, speeches and other documents (see e.g. prop 1996/97: 36; Landstingsförbundet 1997; SOU 1999: 103). These present the need for regions to be given greater autonomy and responsibility for their own well-being and future (Hudson 2000b; NUTEK 2002) and to become ‘strong regions’. Focus is moved from state regulation to regional self-regulation, and the idea of the empowerment of regions and of people is highlighted. The new-style regional policy is seen as requiring the transformation of the region from a passive recipient of aid from the centre to an active agent responsible for shaping its own future, mobilizing and utilizing its resources and tailoring actions to meet particular local circumstances and needs (see e.g. Ds 2000: 7, SOU 1997: 13). A strong sense of local identity and an ability to turn the ‘I’ into the ‘we’ become key factors in enabling a region to build political institutions with a real capacity to solve problems (Gren 2002; Olsson & Åström 2003; Putnam et al. 1996). Regions need to be able to construct an identity that will encourage indigenous growth, as well as attract and retain inward investment and highly qualified workers – to become ‘sticky places in slippery space’ (Marcusen 1996).

Globalization is often invoked as requiring the construction of a regional solidarity in which all stakeholders (women and men, different ethnic and social groups, public and private sector actors, rural as well as urban communities) are needed to be ‘pulling together’ as a united force to enhance their own and the area’s competitiveness and create a regional profile that will promote growth in the global economy (Gren 2002; Hudson 2000a; NUTEK 2000; NUTEK 2002; Olsson & Åström 2003). Different groups are all seen as able to contribute to the non-material assets of the region – its knowledge, skills, culture and institutional thickness – its social capital (Putnam et al. 1996). Synergy relationships between actors are encouraged to develop the ‘soft’ enabling infrastructure of trust, norms, values and tacit and personal knowledge seen as necessary for achieving economic growth.

Within the new discourse, institutional hierarchical structures and departmentalized/sector thinking are questioned and instead emphasis is placed on networking, co-operation and consensus building both within and between levels (see e.g. Brogren 2002; Gren 2002; Prop. 1997/98: 62; Svensson & Östhol 2001). Collaboration between stakeholders in policy development, widening involvement, recognizing different forms of local knowledge, and building social networks (as institutional capital) are advocated to enable new initiatives to be taken rapidly and legitimately (Healey 1998). This has led to the promotion of interactive practices, such as regional partnerships, as a form of organizing (see e.g. Ds 2001: 15).

A further aspect in the discourse is the idea of improving democracy through decentralization of responsibility for regional development to directly elected bodies in the region (Ds 2001/02: 7; Landstingsförbundet 1999). By so doing, it is expected that access to, participation in and accountability of regional governance will increase (see e.g. SOU 1995: 27; prop. 1996/97: 36; Landstingsförbundet 1997) and its democratic legitimacy be strengthened (see e.g. SOU 2000: 1; SOU 2000: 85; Landstingsförbundet 1998a; Landstingsförbundet 1998b). These issues are not taken up in this article, but for a discussion on the democratic aspects of the regional partnerships see e.g. Hudson 2003; Hudson & Rönblom 2003; Johansson et al 2000; Olsson 2000.
The key features of the changes in the regional policy context as portrayed in the new regional discourse are summarized in Figure 1 below.

The developments in Swedish regional policy portrayed above tie in with Kooiman’s (2003) concept of social-political governance where the focus is on the ‘totality of interactions’ between state, market and civil society actors participating in ‘solving societal problems or creating societal opportunities’ (Kooiman 2003: 4). Indeed, they seem to be a prime example of the ‘letting other regimes rule’ governance scenario.

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<th>From: Regional policy</th>
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(Developed from Hudson 2003)

**Figure 1.** Changes in the regional policy context according to the new regional discourse
sketched out by Pierre & Peters (2000: 114ff) in which the state is conceptualized as stepping back in response to economic globalization and sub-national political assertiveness and allowing other institutions and actors to take a more prominent role. However, as Schmidt (2001) points out, it is necessary to remember that ‘the ideas articulated by a discourse cannot easily be separated from the interests which find expression through them, from the institutional interactions which shape their expression, or from the cultural norms that frame them’ (Schmidt 2001: 250). Accordingly, it is important to emphasize that while the new regional discourse contains a rhetoric of regional empowerment, this may diverge from what is happening in practice. Indeed, as Kooiman (2003), Pierre & Peters (2000), Kohler-Koch (1996) and Pierre (2000) amongst others argue, the fact that the state is apparently encouraging other actors to take responsibility for solving societal problems and developing policies should not be taken as a sign that the state is reneging its responsibility or loosing control. Instead, they suggest that this is a deliberate move on the part of the state in response to the increasingly complex nature of today’s problems which mean that ‘going it alone’ is no longer an option. Dealing with multidimensional, dynamic problems or creating societal opportunities requires actors from the state, the market and civil society working in concert. What we are witnessing, they argue, is an example of the state’s adaptability to a changing environment and its ability to find new strategies to maintain some degree of control rather than its disappearance from the scene altogether. Thus, although the state could be regarded as having been in flux in recent years, it has still retained many of its core features and is very much alive as an institution of governance (Kooiman 2003) i.e. government and governance are closely intertwined (Kohler-Koch 1996). The following section will now consider this argument in relation to the Swedish regions.

**Bringing the state back in, or did it ever really go away?**

Traditionally, the Swedish model has been characterized by, somewhat paradoxically, both strong national and strong local government (Prop. 2002/02: 7; Svenska Kommunförbundet & Landstingsförbundet 2002; Gren 2002; Olsson & Åström 2003) The regional level has, on the other hand, been weak, fragmented and politically insignificant and dominated by the political centre (see e.g. Gidlund 1998; Gidlund & Jerneck, forthcoming; Landstingsförbundet 1997; Lindborg 1997). Regional development has largely been the responsibility of the national government’s extended arm in the regions, the county administrative boards (Länsstyrelsen). It might appear from the discussion in the previous section that this is changing and that the state is largely abdicating its role in regional policy. The requirement (put forward as necessary for the sake of the country as a whole) to encourage the development of strong, independent, self-reliant regions that can compete in the global economy (see e.g. Ds 2001: 15; NUTEK 2002) appears to be promoting regional economies that are (at least) partly independent from national government. Such powerful regions could pose a threat to or at least challenge the authority of the state. This raises questions of how they can be governed and how the complex networks and relationships between different regional stakeholders can be managed and by whom.
If we look more closely at the debate, concern is voiced in the official documents that the existing Swedish administrative regions (län) may lack the capacity to meet the demands imposed by global competition for a diversified economy (see e.g. NUTEK 2000). In many cases, for example, the Swedish regions are seen as too small to provide this diversity. However, rather than reforming the existing administrative structures, a more flexible solution is presented whereby enlargement is achieved through the development of more adaptable, functional labour market regions and improvements in the transport system rather than through the creation of new larger, directly elected regions (see e.g. prop 2001/2: 7; NUTEK 2002). With the exception of the creation of two large regions (Skåne and Västra Götaland), with directly elected regional self-government, the model of regional government being advocated by national government (see Prop. 2001/02: 7) in the remaining 19 regions is based on indirectly elected regional government in the form of regional associations of local authorities within the existing regions. This type of regional co-operation would seem less likely to challenge the power of central government (or of municipalities within the region) than would directly elected regional government. Landstingsförbundet (the Swedish Association of County Councils) points out that these municipal associations have a much weaker legal status and far less government resources than the two directly elected regional councils (Landstingsförbundet 2003). Indeed Eriksson (2002) goes so far as to argue that this proposal halts the democratization of the regional level in Sweden. He suggests that the fact that the directly elected county councils do not have to be members of the municipal association and that all municipalities in the region must agree to be members (it only takes one dissenter to stop the project) is a way for national government to divide and rule in the region.

The problem of dealing with increasing differences in the conditions for growth and employment between different parts of the country has challenged the traditional regional policy, making it difficult for the state to produce ‘one-size-fits-all’ solutions. In response, the state has sought to develop a (de)centralized regional policy that is more sensitive to diversity, and to adapt policy instruments to better meet the particular conditions of different regions. However, even if a more decentralized system of responsibility is being introduced, with the regions being given the ‘starring’ role in achieving development, national government has not seen this as meaning that it should abdicate its power. On the contrary, it sees itself as needing to be ‘a powerful partner in building strong regions, and in a much more conscious way than at present’ (NUTEK 2002: 5). Thus the regional level is portrayed as having ‘a given place as an arena for co-operation between nation government and municipalities, county councils, business and organizations’ (Prop. 2001/02: 7: 41).

Two trends become apparent here: the need for regions to take greater responsibility for promoting their own growth and well-being, and the need for national government to be able to control the direction of development so that regional aims do not conflict with national goals. The next section considers how these meet in the regional growth partnerships and agreements/programmes established as part of the new regional policy. Are regional growth partnerships and programmes a sign of national government abdicating its role in the regions or can they serve a more traditional ‘government’ control function?
Partnerships as an Institution and Instrument of Regional Policy

As was mentioned earlier, it has been argued that government in the traditional sense is being increasingly replaced by a process of governance (see e.g. Rhodes 1997; John 2001) where local/regional policy institutions implement their programmes in concert with civil society actors and interests, and within which these actors and interests gain (potential) influence over local/regional politics (Pierre 1998: 5). This involves a more flexible pattern of public decision-making based on loose networks of individuals (Rhodes 1997) and conveys the idea that ‘public decisions rest less within hierarchically organized bureaucracies, but take place more in long-term relationships between key individuals located in a diverse set of organizations located at various territorial levels’ (John 2001: 9). It has been seen as part of an inevitable and global shift away from public sectors that ‘row’ to ones that ‘steer’ (Osborne & Gaebler 1994).

However, as Loughlin (2004) argues, governance has always been a part of government ‘in the sense that there have always been interest groups from outside the official political system involved in the policy-making system’ (Loughlin 2004: 13). This can be clearly seen in the Swedish case where policy-making has been characterized by a tradition of democratic corporatism (Gustafsson 1995) with an extensive system of consulting organized interest groups (mainly the employers’ organizations and the unions, but also pensioners’ organizations, sports associations and so on) when they are affected by a proposed policy. (This is known as the remiss system in Swedish).

Public-private partnerships are a feature seen as emerging as part of the governance process in many countries (see e.g. Savitch 1998). They are regarded as an example of the new breed of institutions appearing in response to the more complex and multi-dimensional nature of public problems (John 2001) such as regional development. They need to be flexible and adaptable to be able to keep pace with the speed of change, to match the complexity of the problems they are dealing with, and to operate on several levels to cope with the multi-level governance of the regions (see e.g. Jerneck & Gidlund 2001). In West European countries, the EU’s ‘partnership principle’ in structural policy and other programmes has been seen as playing an important role in fostering partnerships (see Hallin 2000). This principle can be understood as a multi-level policy steering device that allows public authorities and societal actors to trade access, information and commitment and encourages ‘shared responsibility’. Since its introduction, as one of the four EU structural fund principles, in 1988, it has become a common feature of many other policy areas (Bauer 2001).

Although it has been suggested that partnership is a relatively new concept in Swedish politics (Hallin 2000), the tradition of democratic corporatism mentioned above means that there is a long history in Sweden of co-operation between different sectors in public policy-making on which the partnership principle can build. This may help to explain why it has generally been well accepted by dominant Swedish actors (see Bache & Olsson 2001). Indeed, with regard to the regional level, Sandberg (2004) suggests that partnership, as a phenomenon, has existed within Swedish regional policy since its inception as a separate policy area in the 1960s. For example, Värmland’s region established an Economic Development Committee (Värmlands läns näringsråd) comprising representatives from the county administrative board, the county council, the municipalities and business already in the 1960s and Gävleborg’s region...
established GORF (Gävleborgs organisation för rationell företagsutveckling) a joint organization for business development between the county administrative board, the Municipality of Gävle and the regional chamber of trade and industry.

One of the most prominent examples of partnerships in recent years, in Sweden, is the regional partnerships set up to produce the regional growth agreements (and later the regional growth programmes). In 1998, the regional growth agreements (tillväxtavtal) were introduced by the Swedish government as an important tool for achieving the goals of the new regional policy. National government was to sign a broad development ‘contract’ with each region which, in return, would get a greater say in the disposition of both the Swedish and EU resources designated for the region – its ‘growth capital’. The government defined these as ‘an agreement concluded between a number of partners who have united on carrying out a joint action programme for growth’ (Närings- och handelsdepartement 1998). They were to be part of the decentralization of responsibility to the regions with the aim of mobilizing all the positive forces at the local and regional levels to achieve growth and employment (Prop. 1997/98: 62). The regional partnerships were to have a broad membership of regional stakeholders from all sectors. Emphasis was laid on including representatives from local and regional government, national government agencies at the regional level, unions, universities and other higher education institutions, and particular prominence was given to the inclusion of business representatives⁸ (see e.g. Prop. 1997/98: 62; Ds 1999: 32). However, it was emphasized that other interests such as voluntary organizations, women’s groups and other representatives of civil society could and should also be invited ‘as sustainable growth can only be obtained when everyone’s ability and competence is utilized’ (Ds 1999: 32 page 5). Thus they were to support broad ‘bottom-up’ mobilization around regional development issues (Östhol & Svensson 2002).

One of the partnership’s functions was to suggest priorities and direction for the government’s ‘growth capital’ in the region (Ds 1999: 32). No additional government funding was to be made available for regional policy; rather the aim was that existing resources were to be used more efficiently and effectively (Prop. 1997/98: 62) and coordination with EU structural fund programmes was also encouraged. According to the Minister then responsible for regional policy, Mona Sahlin, dynamic development would be stimulated in the regions ‘if constructive partners co-operate and pull in the same direction’ (Sahlin 2000: 3). Thus, the regional stakeholders (public, private and voluntary) were to come together, through the partnership, to produce a common strategy. This was seen as having the advantage (at least for those included) of enabling the representatives of the different interests to, for example, get to know each other, gain insights into each other’s ‘worlds’ and obtain a better understanding of how the other thinks and works and in this way achieve ‘value-added’ for the region (Prop. 1997/98: 62). In other words, partnerships were to become a way of reaching agreement between key actors in the region, contributing to the strengthening or consolidation of certain fundamental values and helping to build social capital.

A New Means for Central Steering?

As mentioned previously, despite the emphasis on transferring responsibility for regional development to the region itself, national government does not appear to be
substantially relinquishing its control over regional policy. This is evident in relation to the regional partnerships and growth agreements/programmes. Here national government can be seen to have exerted both internal and external influence over the form, functioning and content of the regional partnerships and growth agreements. Via its invitation to the regions to establish growth agreements, the government laid down a general framework concerning both the content of the agreements and the government finance that could be used in them. It was also able to influence the process through the participation of the government authorities/bodies in the region in the partnerships. This applied above all to the county administrative boards, but also, for example, to the county labour boards and the higher education institutions in the region. The government gave directions through its annual ordinances to these authorities concerning their involvement and role in the regional partnerships and agreements.

*Internal ‘steering’*

National government has maintained an influence over the regional partnership process from the ‘inside’ through its use of its extended arm in the region, the county administrative boards (Länsstyrelser). These boards are responsible for both regional administration and for regional development in line with nationally set goals. Their main tasks include the monitoring and evaluation of compliance with central government decisions. They were given the task of co-ordinating and leading the regional growth strategies9 (Prop. 1997/98: 62). The county administrative boards were also accorded a ‘gatekeeper’ function in that they were given responsibility for inviting participants, thus enabling them to influence (and to some extent control) who and what is included. The partnerships were generally organized into a ‘large’ or general partnership usually open to all interested regional stakeholders and a ‘little’, more exclusive, decision-making partnership to which admission was restricted. The county administrative board’s role has been successively strengthened. In the initial invitation from the government, they were asked ‘to initiate, run and co-ordinate’ the work with the regional growth agreements (Prop. 1997/98: 62 p.203). A succession of Government Ordinances (2000, 2001 and 2002) accorded them an increasingly active role with responsibility not only for co-ordination and finance but also for the process of implementing the regional growth agreements (RVV2002: 23). They continue to have a key role in the implementation of the regional growth programmes, during the period 2004–2007, in regions where there is no directly elected regional government or municipal regional associations.

Some caution needs to be exercised in seeing the county administrative boards simply as a handmaiden of the centre. They have divided loyalties; on the one hand, they are the extended arm of the state and, on the other, they have had an advocacy role representing their region vis-à-vis central government. However, there have been moves in recent years to redefine the county administrative board’s role in the region more clearly as that of an agent of the state (see for example Prop 2001/02: 7). Responsibility for appointing the county administrative board’s governing board, for example, has once again become the remit of national government, not the local county council. In practice, however, it is still mainly actors from the region who sit on the board. The county governors (Länshövding) have always been appointed by
the government but nevertheless are often vociferous in their criticism of national
government policies that adversely affect their regions.

External ‘steering’

National government has also exerted an external steering function over the regions’
work with the growth agreements and has subjected them to continuous supervision.
The partnerships’ independence and strength has been limited by the various deadlines
and annual follow-ups (see Ds 2001: 15; Ds 2002: 34 and Ds 2003: 43) instigated by the
government and the formal requirements with which the partnerships have had to
comply (see, for example, Näringsdepartementet 2002 concerning guidelines for the
regional growth programme). Thus the regions have been required to tailor their
measures and efforts to fit a model devised at central level which, in effect, has contrib-
uted to the centralization of the work with regional development. The partnerships have
also been limited in terms of power resources. As Ds 2001: 59 points out, a significant
problem has been that the ‘use of central government funds for the work on the growth
agreements is strictly regulated and that the partnerships lack the authority to make
decisions on potential resources that can be provided by participants’ (Ds 2001: 59:
150–151). This continued centralization of financial control accompanying decentra-
lization of regional responsibility is not specific to Sweden but is a feature of develop-
ments in other countries. It ties in, for example, with Bache’s (2000) study of
regeneration policy networks in the Yorkshire and Humber region in England, where
he found that the Government Office for the region ‘retained sufficient control of
resources to intervene successfully in the network where central government principles
were at risk’ (Bache 2000: 590).

Further, a number of government agencies and ministries have had a supervisory role
in connection with the various ‘check-points’ and evaluations. The follow-up of the
first year of the work with the growth agreements (see Ds 2001) was, for example,
carried out by a group comprised of representatives from the Government Office
(Regeringskansliet), Swedish Business Development Agency (NUTEK), the National
Institute for Working Life (Arbetslivsinstitutet), the Swedish Environmental Protection
Agency (Naturvårdsverket) and the National Agency for Education (Skolverket). The
Ministry of Industry, Employment and Communications (Näringsdepartementet) has
been responsible for producing the model used in the annual follow-ups. In addition,
the Swedish Business Development Agency has been responsible for providing guide-
lines for the regions’ work with the growth programme and has had an evaluative func-
tion with respect to the regional growth agreements (see for example NUTEK 1999).
The Institute for Growth Studies (ITPS) has been given the task of checking whether
the regions’ proposed growth programmes follow the government’s guidelines and
intentions. Its assessment forms the basis for the government’s decision whether or
not to approve a region’s programme. Further, the Swedish Agency for Administrative
Development (Statskontoret) has been made responsible for surveying and analysing
both implemented and proposed follow-ups and evaluations of the work with the
regional growth agreements (Näringsdepartementet 2003).

It is interesting to note that in connection with change from regional growth
agreements to regional growth programmes in 2004, national government took the
opportunity to increase its control opportunities. It was made clear that the final approval of the growth programmes rests with the government, which was not the case with the growth agreements (see RRV 2002: 23). Indeed it has been suggested that the term agreement (in Swedish avtal) has connotations of a legal binding document, i.e. that once it has been signed by all partners then it must be abided by. The use of the term programme, on the other hand, would suggest that more ‘room’ is left for central government to go in and make changes, if, at a later date, it decides that it does not agree with the region’s own priorities and measures for achieving growth or that they conflict with national government policies and goals. This is made clear in the governmental directives concerning the growth programmes for 2004. The interest of the national level is quite explicit:

The regional growth programmes will contribute to sustainable national growth by utilizing local and regional resources and circumstances and thereby contribute to achieving the national goal in question. Local and regional interests must not be allowed to obstruct efforts which would, collectively, lead to a positive result at the national level (Näringsdepartementet/Ministry of Industry, Employment and Communications, Government resolution 2002-11-14: 6)

In fact, the partnership principle can be interpreted as a good strategy for the government to keep control over development policies and at the same time borrow local and regional know-how and democratic legitimacy (Bache & Olsson 2001). Indeed it could be argued that the central role accorded to the county administrative boards means the regional growth agreements have effectively increased national government’s influence over other stakeholders’ resources rather than increasing the region’s influence over national government’s resources. Thus it is possible to argue that while the state may have decentralized responsibility for achieving growth to the regions, it is on the whole retaining its control function. The regions do not appear to have been given any greater freedom to pursue a more independent policy than before. However, what can be seen is that, in response to the increasing differences between (and within regions), national government is adapting the instruments of regional policy to make them more sensitive to the particular needs of different regions. Thus, in line with, for example, Kooiman’s, Kohler-Koch’s and Pierre & Peters’ arguments, the state is once again exhibiting its adaptability and is still very much ‘alive and kicking’ in the governance of the Swedish regions.

Conclusions

A new regional policy is taking shape within the discursive shift in regional development fostered by the broader processes of globalization, governance and the growth of the knowledge society. The rhetoric of the discourse emphasizes inclusion, co-operation, consensus and harmony in order to develop the networks of trust portrayed as necessary for building the social capital required for successful regional growth and the development of strong regions. This together with the delegation of responsibility to the regions themselves for achieving their own development and becoming active (rather than simply administrative) regions has encouraged the
growth of a new form of institution: partnerships. The attainment of sustainable regional growth is seen as requiring the involvement of a broad spectrum of regional stakeholders working in concert. Regional partnerships are promoted as an appropriate, more flexible forum for bringing these actors together, encouraging dialogue and networking between them and as a way of strengthening and revitalizing regional democracy. By bringing together the regional stakeholders, partnerships can be seen as a way of helping to build and/or strengthen the social infrastructure needed to ‘cement’ the region together. In this way, the regional partnerships and the growth agreements/programmes they are responsible for producing can clearly be seen as part of what Kooiman calls a social-political form of governance at the regional level where actors from various sectors and levels become involved in complex networks and negotiations around the content and form of regional policy.

This brings us to the question of whether regional partnerships are a sign of national government abdicating its role in the regions or whether they can also serve a more traditional ‘government’ control function. The emergence of more independent regional economies opens up problems of how these can be governed. Here the regional partnerships seem to offer the state a means of, at least partly, retaining control over regional policies and influencing the direction of development. This is being done through, for example, the key role given to the country administrative boards (the extended arm of the state in the region) in the co-ordination and running of the partnerships and the growth agreements/programmes and the supervisory and evaluative role given to a number of national government agencies such as NUTEK and ITPS. Further, by bringing together key regional stakeholders, partnerships also enable national government to capitalize on regional knowledge and democratic legitimacy. It is suggested here that the delegation of responsibility to the regions is, in the end, more rhetoric than substance. National government’s reluctance to relinquish substantive control is understandable, particularly given the increasing significance it, itself, accords to the regions within the Swedish economy (i.e. that Sweden’s economic growth is now dependent on the success of its regions in the global economy). However, the introduction of regional partnerships in their present form would seem to support the suggestion that this is a vehicle not only of regional governance but also a way of putting back (or keeping) the government in governance. In other words, they can be seen as an example of the state’s ability to adjust to a changing environment rather than contributing to its ‘hollowing out’.

Notes

1With apologies to Peter Evans & Theda Skocpol.
2The change in policy is accompanied by changes in the structure of national government departments (e.g. the Ministry of Industry and Trade became the Ministry of Industry, Employment & Communications) and the establishment of new governmental organizations or changes in the remit of existing ones from 1 January 2001 (e.g. Swedish Business Development Agency (NUTEK), Swedish Agency for Innovative Systems (Vinnova) and Institute for Growth Studies (ITPS). However, these are not dealt with here.
3In the case of Swedish regional policy, an example can be seen in the lack of synchronization between Mona Sahlin and the Björn Rosengren, the then Ministers for Industry, Employment and Communications reported in Dagens Nyheter 9/2/2000, page A10. Mona Sahlin is portrayed as launching a new decentralized regional policy which Björn Rosengren appears to be in the process of thwarting through his pursuit of measures associated with more traditional, centrally-steered regional policy.
Their roots go back to 1634 when a country-wide system of national government regional administration was established (Prop. 2001/02: 7).

These were set up as experiments in 1997 and 1999 respectively. Prop. 2001/02: 7 extended the experimental period to 2007.

The municipalities within a region were allowed to build regional associations from 1 January 2003. These have been established in seven regions to date.

It has been argued that because of the tradition of strong government in Sweden, corporatism rather than leading to a possible democratic deficit led to both more democracy (in the sense of participation) and greater efficiency – hence the term democratic corporatism (see for example Gustafsson 1995).

A special memorandum entitled Regional Growth Agreements – Business in Focus (Regionala tillväxtavtal – näringslivet i focus) dated 6 May 1998, accompanied Anders Sundström’s invitation to the County Administrative Boards and the directly elected regional councils.

Except in the experimental regions, where the directly elected regional councils are given this responsibility. The then Minister for Industry, Anders Sundström, sent an invitation (6 May 1998) to the county administrative boards and the directly elected regional councils inviting them to initiate, run and co-ordinate the preparation of the Regional Growth Agreements.

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