

Oddbjørn Bukve, Western Norway University of Applied Sciences

Policy noncompliance and policy change – the case of local government amalgamation

Introduction

This paper studies local government amalgamation reform in Norway in order to analyse policy dissonance and noncompliance by policy targets, together with the government's attempts at policy reconciliation (Gofen, 2015). By focusing noncompliance as a strategy to avoid or change a policy, we study target resistance and government response as an interactive process characterized by policy dissonance and contest, where noncompliance may influence policy change over time. In the case of local government amalgamation in Norway, the reform policy became highly contested in spite of the fact that a broad majority in the parliament voted for reform. It is therefore a suitable case to study policy dissonance and responses. The paper addresses three questions: What are the reasons for policy dissonance and noncompliance by policy targets in the case of municipal amalgamation? How do policy makers change the initial policy in response to noncompliance and policy dissonance? What can we learn from the case about the conditions for implementation of complex and contested reforms?

Local government amalgamations are complex reforms. They involve all levels of government, from the national to the local. Implementation have to take place in different local contexts. In the periphery, there are many sparsely populated municipalities with long travel distances from one municipality to another. Other places, we find a fragmentation of a functional city region with efficient internal transport structures into several municipalities. Amalgamation is also a radical policy, because the policy targets in many cases are supposed to participate in a fusion and lose their local council. As for most fusions, amalgamations imply substantial changes in the administrative part of the organization.

The challenge under such circumstances is not only to implement a policy, but also to reach agreement on policy content. In Norway, amalgamations has been on the political agenda since the 1990's. The major parties agreed that the country needed a LG reform and a reduction of the number of municipalities. However, they could not agree on how to implement the reform. Disagreement was mainly about whether amalgamations should be voluntary. Due to this disagreement on the decision making process, the major parties did not reach an agreement about municipal reform (Bukve, 2002). The various government coalitions during the last decades also split on this question. Only in 2013, when the right wing Solberg government came to power after parliamentary elections, did a party coalition with a majority reach agreement about LG reform. The agreement was a political compromise. The biggest opposition party, Labour, also supported the reform principles when the reform passed parliament in the spring of 2014 (Kommunalkomiteen, 2014). Hence, close to 90% of the parliament members supported the reform. The main principle should be voluntary reform through local negotiations. Where amalgamation was necessary to

create stronger LG's and more united labour market regions, the parliament could enforce reluctant municipalities to participate (Kommunaldepartementet, 2014).

Regarding the implementation structure, the amalgamation reform is a case of mandated collaboration. A mandated collaboration can generally be defined as a case where a third-party organization is attempting to impose collaboration on other organizations within its range of influence (Halpert, 1982). When state actors use collaborative governance arrangements to implement a policy or manage a public program, they also may have the power to enforce participation, create and change the rules for the collaboration, and to provide incentives for participating actors. This makes it relevant to talk about much of the collaborative governance within the public sector as a hybrid kind of governance where multiple modes of coordination are involved (Rodríguez, Langley, Béland, & Denis, 2007). Horizontal relationships do not simply replace hierarchies. Rather, these modes of coordination interact in complex ways.

Other factors add to the complexity of the case. Amalgamation of local governments is a policy promoting a broad range of goals. According to the parliament's decision, both stronger local democracy, economic robustness, ability to deliver specialized services and integration of local labour market regions are main reform goals. The many dimensions included in the policy can lead to ambiguity in the implementation process (Matland, 1995). Policy targets, which are local councils and communities, are heterogeneous. Heterogeneous actors may react differently because they have different interests related to the policy goals. On the other hand, it is also possible that they develop a common understanding through the collaborative process (Vangen & Huxham, 2010).

Successful implementation of policies and reforms usually requires that the policy targets understand and accept the reform intentions, or at least perform the actions that are necessary for policy success. In one way or another, policy targets are also policy implementers. This is true whether we talk about drivers complying towards traffic rules, agencies' compliance to new rules for public procurement, or local governments' compliance towards policies introducing new services. Common understandings, values and active ideological support can of course provide a foundation for compliance. However, policy targets can also act in accordance with new policies due to a fear of sanctions, due to incentives that make it profitable to comply, or in order to follow up compromises and package deals where gains and losses balance. Even if the compliance rate is high, this does not tell us much about the mechanisms that lead to compliance.

As well as the reasons for policy compliance can vary, there can be many reasons for noncompliance. Obviously, noncompliance can occur because implementers or policy targets lack the information, knowledge or capacity that is necessary to follow up a policy (Winter & May, 2001). The first wave of implementation studies focused on these kind of reasons for noncompliance. Some authors pictured the implementation process as a long decision chain, where information could be lost and focus distorted at many successive decision points (Pressman & Wildavsky, 1973; Sabatier & Mazmanian, 1980). Others pointed to the need for local knowledge in implementation in order to adapt the policy to real world problems and conditions (Hjern & Porter, 1981), and the need for an experimental approach in complex settings where the technology behind a policy was ambiguous (Berman, 1980).

A more politically loaded situation may arise when policy targets do not support the values and goals underlying the policy that the decision makers expect them to implement. In this case, ideologically based resistance or even sabotage may undermine implementation of the policy. Claims to remake the policy may also follow this kind of reactions. The implementation process may become a political process in itself, with ongoing negotiations on policy goals and tools (Barrett & Fudge, 1981) and even open conflict over what the policy goals should be (Matland, 1995). In these cases, policy

noncompliance is not merely a technical problem. When there is contest among policy makers about policy content and policy values, we can talk about policy dissonance. Policy dissonance has been defined as a situation where competing policy makers seek to institutionalize different policies (Bekele & Myers, 1995). Gofen (2015) suggests extending the concept to cover a situation with conflict, incongruity and discrepancy between an existing policy and the behaviour of policy targets. Drawing a parallel to cognitive dissonance theory (Festinger, 1962), she suggests that policy dissonance motivates the government to act in response and achieve less discrepancy between policies and targets behaviour (ibid. p.7).

In some cases, policy compliance problems may occur because policy targets and policy observers perceive a gap between what policy makers say and what they actually do. If a policy is said to promote a certain set of values and goals, but observers are suspicious that the actual policy do not lead in the direction pronounced, we may experience a situation with policy dissonance (Imbeau, 2009). According to Imbeau (2009), policy dissonance is “a situation where the policy analyst observes that all the components of a given policy are not congruent or «in harmony» with each other”. One reason for such incongruence can be that policy targets do not believe that the policy actually will work. In other words, they do not share the action theory behind the policy. Policy dissonance can also occur when observers are suspicious that policy makers try to hide unpopular effects of a policy. One example of policy dissonance connected to the amalgamation reform is about disagreement on the effects of mergers on local democracy. Both policy makers and opposition consider local democracy to be a positive value. However, they do not agree about how to promote this value. The pro-reform argument sounds that higher capacity in local government strengthens local democracy, while the anti-reform argument maintains that each voter will have less influence in a bigger LG. Policy dissonance in these cases occur because of ambiguous relations between policy values, goals and tools, not because the aims themselves are not desirable

A final reason for noncompliance and policy dissonance may be that the involved citizens question the legitimacy of a policy. In political theory, acceptance of a policy as legitimate in spite of interest conflicts is commonly attributed to acceptance of the procedures for decision making (Habermas, 1996). If targets consider that procedures and rules of the game are not justified or not followed, the willingness to comply with a policy can erode.

The intention with this article is not only to expose the drivers behind policy dissonance and noncompliance. Taking a dynamic perspective on policy implementation, I also want to analyse how policy dissonance and noncompliance feeds back on policy formation. Gofen (2015) distinguishes between enforcement, acceptance, adaptation and embracement as different policy responses in order to reach reconciliation of policy dissonance. Enforcement and acceptance are the types of policy response relevant when noncompliance is not socially acceptable. In the case of enforcement, the authorities use sanctions to enforce the policy and avoid unacceptable behaviour. Acceptance is the situation when the formal policy is not changed, but deviant behaviour in some cases are silently accepted. This may happen when a certain level of noncompliance does not make too much harm, and elements of the policy may be adapted in order to reduce the harms caused by noncompliance. Policy adaptation typically happens when noncompliance becomes socially accepted, and the policymakers reluctantly adapt to the situation by partly changing the policy. Embracement requires that noncompliant behaviour is consistent with policy goals and tools. Then a policy change may lead to reconciliation of policy dissonance, through making the formerly noncompliant behaviour legitimate. Through case studies based on theoretical sampling, Gofen (2015) has shown how these concepts are fruitful for analysing responses to policy dissonance. I deploy her conceptual framework

to analyse a different kind of policy targets – local governments, and a complex reform policy where a number of governance tools are in use.

Most studies of policy implementation focus the technical reasons for noncompliance. They study the action theory behind a policy, information, knowledge and capacity. There are also studies showing how varying local conditions create a need for policy differentiation (Strand, 1978), and studies focusing the effects of value conflicts and ambiguity on policy implementation (White, Davidson, Millar, Pandey, & Yi, 2015). On the other hand, there is a lack of detailed studies of how noncompliance and policy dissonance influence policy responses and attempts of reconciliation. Neither are there many studies of implementation where targets question both policy content and constitutive rules (Clark & Vernon, 2016). These are the issues addressed in the paper.

Design and methods

The study design is a theoretically informed case study, where I also aim to develop our understanding of the conditions for different response patterns and for policy reconciliation. I seek to answer the research questions through analysis of an interactive process, or rather a set of interactive processes, where the main elements are an initial policy, implementation and noncompliance by the policy targets and the policy response. The analysed processes take place at different government levels. The initial policy-making takes place at the national level between the elections in September 2013 and the passing of the reform in the parliament in June 2014. The implementation period is from the autumn 2014 to the end of 2016. In the implementation phase, the municipalities and the county governors play main roles. During this phase, however, a considerable level of noncompliance with the government's policy becomes visible. In its turn, this triggers policy responses at the national level, both during and after the implementation phase. The response process partly overlaps the implementation process in time, and takes place from the spring 2015 to the passing of the reform bill in parliament during the spring of 2017. It is of course possible that the process continues after 2017 with a reformulated policy and a second stage of local implementation processes. For my purpose, however, I consider the implementation process only to the government's final proposal to the parliament in April 2017.

I use documentary data for analysis of policy formation and responses at the national level. The initial policy formation is analysed through a reading of policy documents, from the policy platform of the Solberg government to the White Paper and parliamentary proceedings in 2014. I use public documents also for analysing policy responses about changed tools and guidelines. The main sources here are government white papers and recommendations from the county governors to the LG ministry.

For analysing local implementation and noncompliance, the research group picked four local cases, together comprising thirteen municipalities. Two of the cases were cases of successful noncompliance, in the meaning that the municipalities did not send any application for merger, even if the local elites supported amalgamation. The other two cases were different, since the councils finally agreed on an application. Noncompliance was visibly present in these cases too. Several of the local mayors, supported by their councils, were against mergers in the first phase of implementation. However, they changed their conclusions after defeat in local polls and referendums. In order to understand the reasons for noncompliance I analysed municipal documents, interviews with local political and administrative elite representatives and local newspapers accessible on web. As a

control of representativeness for the chosen cases, a sample of national newspaper articles was analysed in a search for arguments not present in the cases.

Results

In the first part of this section, I discuss the initial policy formation, looking at both the substantive policy formation and the constitutive policy process. While substantive policy formation is about the aim and content of the reform, constitutive policy is about the rules for decision-making. In the next part, I present the results of the implementation process, focusing the reasons for noncompliance and policy dissonance. The last part presents policy responses at the national level.

Initial policy formation

The Solberg government launched a local government reform immediately after the parliamentary election in 2013. In that election, Stoltenberg's red-green coalition lost power to a right-wing minority government formed by the Conservative and Progressive parties, with parliamentary support from two smaller centrist parties. The agreement between these four parties encompassed a local government reform, and the government stated the reasons for a reform in its inaugural address:

The Government will implement a municipal reform ensuring that necessary decisions are made during this parliamentary term, cf. the Cooperation Agreement. A more robust municipal structure will enhance competence and professionalism within each municipality. This will be an advantage, for example in complicated child welfare cases, for provision of resource-intensive services and for a better management and development of care and educational services. The Government will invite the parties in the Storting to take part in deliberations on this process. The Government will conduct a review of the tasks carried out by the county authorities, the county governors and the central government with a view to transferring more power and authority to the municipalities (Sundvoldenærklæringen, 2013).

The emergence of inter-municipal companies and collaboration shows that the tasks already exceed the capabilities of the current municipal structure. Key decisions related to municipal tasks, such as infrastructure and basic welfare services, have shifted from elected bodies to inter-municipal companies. In the view of the Government, this has undermined democracy. A comprehensive municipal reform will thus also be a democracy reform.

The making of a compromise

The Norwegian Act on territorial divisions, passed in 2001, is a general act. The act regulates both amalgamation and division of municipalities as well as minor border regulations. According to the act, the Storting (parliament) makes binding decisions on the territorial borders of municipalities and counties. If the involved local governments agree, the government can make a decision without passing the case to the parliament. Citizens and local organizations can initiate a process on change of territorial organization, but only municipal and county councils can make a formal application to national authorities. Before an application, the council should hear the local citizens' opinion. This hearing could be a local referendum, but it could also be a poll or a public meeting.

According to the Act, it is evident that citizens and local councils do not have any veto power in cases of territorial division changes. Where there is local disagreement, the parliament makes the final decision. On the other hand, there is a parliamentary decision from 1995 stating that the parliament should not decide in favour of municipal amalgamation against the will of a local majority. The parliament made this decision during a debate on regional policy. The principle of voluntary amalgamations got a majority even if the programs of two biggest parties, Labour and the Conservatives, were clearly in favour of a comprehensive LG reform. The conservatives voted for the principle of voluntary LG reforms mainly to pave the road for a coalition government with the centrist parties, who opposed LG amalgamation. The following year, this decision effectively blocked a LG reform initially supported by both Labour and the Conservatives. However, the Amalgamation Act does not mention the principle of voluntary LG reforms.

When the parliament discussed LG reform in the spring 2014, it was in a situation where the relationship between the Amalgamation Act and the principle of voluntary amalgamation is still unsettled. The result was an agreement between the four parties supporting the government and the biggest opposition party, Labour. The agreement on the reform process consists of three main elements. Firstly, all municipalities have to take part in local processes where they assess the need for reform and pick potential partners for negotiations. Secondly, voluntary reforms should be the preferred solution. Thirdly, it should be possible to depart from this principle where a municipality says no to an amalgamation deemed appropriate according to the substantial reform goals. Regarding the substantive reform content, the parliament agreed on four broad goals. Municipalities should be strong enough to deliver quality services to the inhabitants, both basic services and services requiring specialist knowledge. Municipalities should as far as possible cover functional labour market regions. They should be sustainable from an economic point of view, and they should be arenas for a viable local democracy (Kommunalkomiteen, 2014).

Even if the reform goals gained broad support in the parliament, the decision criteria in specific cases remained ambiguous. When should the principle of voluntary reform have priority, and when should the substantial reform goals motivate a decision? This is by no means clear from the agreement in the parliament.

The LG ministry appointed an expert committee, led by professor Signy Vabo, to operationalize the criteria for reform. The committee suggested a minimum municipal size of 15-20 000 inhabitants in order to deliver quality services, to organize the new municipalities in accordance with existing labour market regions, and some measures to enhance local democracy and reduce direct state control of the municipalities (Vabotvalget, 2014).

The programs of the two parties in the Solberg government, the Conservatives and the Progress Party, states that Norway should abandon the regional level of government and introduce a two-tier system. Politicians from the two parties has argued that we should reduce the number of municipalities to about 100. The report from the Vabo commission, recommending a minimum municipal size between 15 000 and 20 000 inhabitants, could lead to a structure with about 100 new local governments. In order to reach this goal however, many LG's in peripheral areas need to be bigger than the local labour market region. Facing this dilemma, the LG minister early in the reform process said that there should be no fixed minimum size for the new local governments. Geographical conditions should count, but also be balanced against the requirements for provision of quality services.

Due to the inherent contradictions in the proposals from the Vabo committee, it is easy to understand that the government had to relax the criteria for a minimum municipal size. However,

this also meant that the operational criteria for reform became more blurred. The government gave no advices about how to balance between size criteria and distance criteria.

Preparing the ground: Promotion campaign and incentives

Following the reform decision in the parliament in the spring 2014, the Ministry of Local Government sought to set the reform agenda. The minister presented the local government reform as the most important reform in the ministry's field, and was active in promoting reform in the media and in meetings around the countries. He had also picked a deputy minister tailored for promoting the reform: a former mayor in a small municipality in Northern Norway, who had been in favour of an LG amalgamation also in his home region. During 2014 and 2015, the deputy minister attended a large number of local meetings around the country, presenting the government's reform policy. The active campaigning by the minister and deputy minister was undoubtedly the most important element in the government's strategy to put forward the reform policy and set the agenda for local processes. Additionally, the government established web information pages presenting the arguments for reform. These pages also contained a function where users could compare key statistics from existing and possible new municipalities, including demography, service production and municipal economy.

The White paper launching the reform also introduced a set of financial incentives for amalgamating municipalities (Kommunaldepartementet, 2014). The first of these incentives is a so-called reform grant. The reform grant is between 5 million and 30 million NOK (550 000 – 3 300 000 €), according to the population of the new municipality. The second incentive is meant to cover costs in the amalgamation process, and varies between 20 and 65 million NOK (2.2 – 7.1 million €). Most important in terms of money is the third grant, which the government gives for a period of 20 years. During the first 15 years, the new municipality receives an annual block grant from the state equal to what the amalgamated municipalities would have received without an amalgamation. Small municipalities have higher costs per capita and receive a higher per capita block grant. If the new, bigger municipality succeeds in reducing per capita administrative costs, it will be able to spend over average on service production during the transition period. After 15 years, the plan is gradually to reduce these incentives.

The government also changed the block grant system for financing of local governments as an explicit effort in order to promote LG amalgamations. A new indicator, trying to measure whether a local government was "voluntarily small", became a part of the indicator model for distribution of block grants. The indicator measured the distance from a larger centre. A small municipality within commuting distance from a more populated area, would lose a share of the block grant, while municipalities with longer commuting distance could maintain or increase their share.

The implementation process

After the reform passed the parliament, the LG ministry demanded all municipalities to launch negotiations on possible mergers with one or more neighbouring municipalities. The government set a time schedule requiring that all LG's who wanted to receive the announced financial incentives had to send applications for amalgamation to the ministry within July 1, 2016. The parliament would make the final decisions on mergers in the spring 2017, and the local amalgamation processes had to be finished before January 1, 2020. For municipalities finishing their negotiations before the summer of 2015, the amalgamation process could be finished in 2017. The main track, however, implicated a

period of three years between applications for merger in 2016 and elections to the new local councils in the autumn 2019.

The government assigned the role of process advisor for local negotiations to the county governors. After the local processes were finished, the governors should present a report and recommendations to the ministry. These recommendations should take into account the result of the negotiations between the municipalities, but also consider the municipal structure from a regional point of view. Hence, the county governors had to operationalize the balance between voluntary mergers on the one hand and the requirements for service provision and integrated regions on the other.

Taken together, the county governors got a main role in implementation of the LG reform. How the governors enacted this role, could influence both the progress in the local negotiations and the final recommendations. From the beginning of the process, it was a worry for some commentators that the political background of the governors – most county governors had a political career before appointment to their current position – could influence their recommendations on LG reform. Indeed, there was clear variation in the performance of the governors' roles as process advisers and in whether they recommended amalgamations in cases without local agreements on mergers. Some governors were more active both as process champions and in suggesting non-voluntary mergers than others. It is more difficult to decide whether this was a result of the governors' preferences, or rather a result of how they judged the local circumstances and their chances to succeed in a more active role.

Noncompliance by policy targets

Noncompliance in the local decision-making processes

The Amalgamation Act gives local councils the mandate to apply for amalgamations. Before sending an application, some kind of public hearing is required. The council chooses how to carry out this hearing. It can be a public meeting, a poll with a representative sample of the population or a referendum.

According to the parliamentary decision, it was mandatory for the municipalities to participate in processes with their neighbours. Even if mergers were voluntary, the decisions to participate in discussions about amalgamation were not. Only a few municipalities refused to participate in local negotiations at all, but about one of four withdrew from the negotiations without presenting any agreement for a local hearing. During 2015 and 2016, close to 300 municipal councils signed 151 declarations of intent to amalgamate. Many of the municipalities signed more than one declaration. 217, or more than 70%, organized the hearing of the public as a referendum, some of them in combination with a local poll. About one quarter of the hearings were by polls alone.

In some cases, there were local discussions resulting in several declarations of intent, with different partners behind each declaration. Obviously, this strategy permitted local councils to comply the formal requirements for participation, but without providing any signals about where to move in the next step. One witty county governor commented that there seemed to be many declarations of intent without any intentions. These municipalities entered the stage of public hearing without local leaders giving any clear advices to the people, often presenting more than one alternative for polling or referendum. In many cases, the results of hearings were confusing, due to a negative majority against all alternatives presented. Typically, the councils facing such open processes split when voting for an application.

On the other hand, we find the processes where the local leaders in two or more municipalities presented a declaration of intent and stood firmly behind the decision to merger during the next stages of the local process. Some of them succeeded, but in a considerable share of these cases, the referendum resulted in a no. Even if the referendum only had an advisory status, most local leaders conceived a no in the referendum as a de facto veto. Hence, when making the final decision on whether to apply for a merger, they voted in accordance with the majority in the referendum.

To conclude, the majority of the municipalities participated in local negotiations in a way that at least satisfied the formal aspects of participation that the parliament required. On the other hand, only 155 municipal counties, or 36% of the total number, voted in favour of a merger in the last stage of the local processes. In 273 municipalities, or 64% of the total number, we may regard the result of the amalgamation process as a more or less active noncompliance with national policy. Moreover, 61 of the 155 complying municipalities did not find a partner. The result of voluntary amalgamation was the merger of 94 out of 428 municipalities, or 22% of the total, into 38 new local governments.

The reasons for noncompliance

In order to understand why the rate of noncompliance became so high, we need to consider the arguments put forward by local politicians and citizens who actively opposed amalgamation. An analysis of these arguments as presented in personal interviews and media shows that they divide into five groups. Arguments relate to the local situation, to positions and relations within a new entity, to policy dissonance, to disagreement with policy values, and to the constitutive rules of the game.

The most typical arguments related to the local situation state that there is no real need for a LG reform. "Our public services are good as they are today". "Our economic situation is good. We are able to provide the necessary services without a merger". "Our community is a good one to live in, and we want to keep it this way". In some cases, these positive expressions mix with fear that the existing situation will change after a reform.

Another type of arguments relate directly to this fear of a weaker position within a new entity. "Today, we have access to the public services that we need in our own community. Will that be the case after a merger?" "The distance to the municipal centre will be too long for us". This type of argument often addresses the power relations directly: "Today we have the power to make decisions ourselves. How much power will we have in a bigger municipality? I fear they will make decisions without caring about us. They will focus on the city".

A third set of noncompliance relates to a perception that there is a divide between what the government says and what they do. "The government said that the aim was to create more robust local governments. What actually happens is that we get stronger city regions, while the smaller municipalities do not participate in the reform. The municipal structure becomes more imbalanced". "The government do not implement the reform in a consistent way. Where the local branches of the parties in government oppose mergers, the government do not enforce amalgamation even if it should be done according to other reform criteria".

Still another set of arguments appeal to values that oppose reforms like the amalgamation reform. "Smaller is better. People are more satisfied with services in the smaller municipalities". "Smaller is more democratic. In a small municipality the politicians and people know each other, and people have more influence." "It is too many centralization reforms in Norway today. LG reform, police reform, closures of local hospitals, regional reform. All that leads to centralization and weaker rural

communities". Identity is also a theme here: "People identify with their community, not with a bigger entity". This set of arguments are more often present in the national media, put forward by political actors. When we find them in local media, the writer usually refers to his or her political point of view as a party official or member.

Lastly, we find arguments questioning the rules of the game. "The people in a referendum, not the council, should decide about amalgamation". "When the local politicians decide to organize a referendum, they should respect the result even if their personal opinion is different." On the other hand, some players are of the opinion that referendums are not suited as tools for decision-making on municipal mergers.

Taken together, the reasons for non-compliance include both technical arguments, disagreement on goals and values, and procedural considerations.

Challenging block grant reform

In 2016, the government proposed a change in the criteria for distribution of block grants to local government, through the introduction of a so-called "distance factor". Small municipalities within commuting distance from a regional centre would lose money, while peripheral municipalities would profit. The change in criteria was in accordance with the reform goal of creating more integrated labour market regions. However, many local politicians and parts of the opposition opposed the block grant reform. The typical counter-argument run that this would put a pressure on local governments to vote for a merger, and such a pressure was not acceptable from a democratic point of view.

Dissonance within the parties: Institutionalizing a counter policy

Table 1 shows how party programs correspond with the initial policy set up in the parliament. Before the election in 2013, the programs of the three biggest parties all said that there is a need for an LG reform, and that the parliament should make final decisions on municipal structure. Three smaller minority parties opposed a reform. Only the program of the Christian Democratic Party combined a demand for structure reform and the idea that mergers should be voluntary. The majority compromise in the parliament was closer to the CD program than to the programs of the four other parties supporting the reform agenda. For the government, however, support from the Christian Democrats was important as a long-term strategy for survival.

Table 1: Party programs and LG reform

	Pro LG reform	No need for comprehensive reform
Voluntary mergers	Labour 2017 (55) Christian Democrats 10 10 (65)	Centre party 10 Socialist left party 7 Green 1 18
Decisions at national level	Labour 2013 55 Conservative Party 48 Progressive party 29 Liberal party 9	

	141 (86)	
--	----------	--

During the reform implementation, many local politicians who opposed the reform challenged their party programs. The result was that the biggest party, Labour changed their program before the parliamentary election in 2017. Now, the Labour party's program is closer to the Christian Democrats. Partly, this is a result of a process among local party members. However, the change also suits the party leadership well. A Labour government after the election will probably be dependent on the Centre Party and the Christian Democrats. Seeking policy reconciliation through this strategy will affect not only local government structure, but also the ability to seize power after the election.

Among the other parties, the opposition remains mainly at the local level. Several mayors and politicians from the government parties opposes mergers in their region, but without being able to change the party program. On the other hand, several of the local politicians from the Centre party are in favour of local reforms. At the local level, party affiliation is not a good predictor for compliance vs noncompliance.

Policy responses – a road towards reconciliation?

The reform proposal organized the policy response to local implementation of the LG reform in two stages. Firstly, the 17 county governors were to give their recommendation for an LG structure in their county, based on the reform criteria provided by the parliament. Secondly, the government should give the final recommendation to the parliament.

Proposals from the county governors

Table 2 gives an overview of the voluntary applications for amalgamation together with the recommendations of the county governors in all 17 cases.

Table 2: Voluntary mergers and county governors' proposals

Voluntary reductions in the number of LG's	County governors' proposals for mergers		
	In compliance with local proposals	Moderate increase (3-8%)	High increase (>17%)
Low (<10%)	Hedmark (0-0) Oppland (0-0)	Telemark (6-11)	Nordland (7-24) Troms (4-24) Finnmark (5-26) Agder (3-27)
Medium (10-20%)	Nord-Trøndelag (13-13)	Rogaland (12-15) Østfold (11-18) Sogn og Fjordane (16-24)	Buskerud (10-33) Oslo & Akershus (15-65)
High (>20%)	Hordaland (24-24) Vestfold (46-46)		Sør-Trøndelag (30-52) Møre og Romsdal (22-53)

Voluntary merger proposals are first number within parenthesis. CG proposals are last number.

When we analyse the arguments behind the proposals from the county governors, we find that we can group them into two main types. The first type uses procedural criteria, while the second type uses substantial criteria. We find the first type in the seven counties with low or medium level of voluntary reductions and proposals from the county governors identical with the local proposals, or only a moderate increase. A moderate increase means a proposal with only one additional merger, or 3-8%. In all these cases, the county governor gives priority to procedural reform criteria. They take as the departure point for their proposals that they should follow the principle of voluntary mergers. The exceptions in Østfold and Sogn og Fjordane is of a special kind. Here, two LG's voting for voluntary mergers are geographically divided by a third municipality voting against. In this case, the parliament explicitly mentions that decisions could depart from the principle of voluntary mergers. This bridging principle is also of a procedural kind. Only the county governor in Rogaland argues for one additional merger due to lacking strength of a divided labour market region in the southern part of the county.

On the other hand, we find the ten cases with a high number of voluntary mergers or a high level of additional merger proposals from the county governor. In these cases, the county governors' responses emphasizes substantial reform goals. The substantial responses fall into two subtypes. The focal point of the first type is the creation of LG's which integrate a strong labour market region. The second response stresses the need to merger the weakest municipalities, particularly those who are weak in terms of finance and qualified staff. The need to merger weak LG's are the most prominent argument for the three county governors in Northern Norway, the most peripheral part of the country. Here, it is not possible to merger many of the smaller municipalities in order to reach the minimum size listed by the Vabo commission, 15-20 000. Proposals to create new LG's of this size are restricted to the regions around the bigger cities. The county governor in Sør-Trøndelag also defends merger proposals with this type of arguments.

The remaining six CG's, all from counties in Southern Norway, are all oriented towards the goal of shaping municipal borders in compliance with the borders of existing labour market regions. The range of their proposals varies a bit. Some of them see the current reform as the first stage of a longer process, where amalgamations that are not yet "ripe", can wait to a later stage. The municipalities considered as least ripe are usually the most peripheral ones, and most of the current proposals are oriented towards the city regions. A result is that the proposals outline a more unequal municipal structure than today.

All together, we find that the county governors are loyal to the reform criteria decided by the parliament. However, they have to choose from a menu of reform criteria not ranked by the government and the parliament. This opens for a varied range of responses from the county governors. Some of them focus on the procedural criteria, which stresses that mergers should be voluntary. In these cases, local noncompliance becomes important for the outcome, regardless of which substantial arguments that guide the resistance. Other CG's focus on the substantial criteria, but they still have an option to choose between different criteria that are not reconciled.

The government's decisions

What then with the final proposals from the government? Table 3 shows that in most of the cases, the government are closer to the local proposals than to the county governor. In ten counties, the government proposes only the voluntary mergers, even if six of the governors proposed additional amalgamations. In two of the remaining counties, the proposal are much closer to the local agreements than to the proposals from the governor. Only in two cases do the government suggest

additional mergers compared to the governors. The cases are Østfold and Nord-Trøndelag. In Sogn og Fjordane, the CG's proposed reductions is followed, while they are partly followed in Troms and Agder.

The process before delivery of the government's white paper was a bit unusual. The minister does not make the first announcement about the coming proposals. The leader of the parliamentary committee in charge of the LG reform presented an agreement in the aftermath of negotiations between three parties in the parliament. Two months later, the white paper from the ministry delivered an argumentation for the negotiation results. The ministry departed from the locally negotiated results in 11 cases, involving 16 additional municipalities. In four of the cases, the ministry proposes to integrate a number of economically weak municipalities into voluntary mergers. In six cases, the ministry adds new municipalities to voluntary agreements in order to create more functional new LG's. One case involves division of a municipality in accordance with a local hearing. Taken together, the ministry follows the principle of voluntary mergers quite close. The ministry do not join the proposals from the CG's in most of the cases where the CG's argued for new LG's better adapted to functional labour market regions.

Even if the debate in the parliament is going to take place in June 2017, we know the probable outcome after the government announced its proposition to the parliament in April. Only three of the four parties behind the government supported the proposition. The Christian Democrats does not support any non-voluntary mergers. Hence, only a slight majority in the parliament will probably vote for the proposition.

Table 3: Voluntary and enforced mergers

County	Municipalities 1.1. 2015	Reduction by voluntary mergers %	Proposed by county governors %	Government's final proposal %
Østfold	18	11	18	24
Oslo og Akershus	23	15	65	23
Hedmark	22	0	0	0
Oppland	26	0	0	0
Buskerud	21	10	33	10
Vestfold	14	46	46	46
Telemark	18	6	11	6
Agder	30	3	27	17
Rogaland	26	12	15	12
Hordaland	33	24	24	24
Sogn og Fjordane	26	16	24	24
Møre og Romsdal	36	22	53	25
Sør-Trøndelag	25	30	52	30
Nord-Trøndelag	23	13	13	26
Nordland	44	7	24	5
Troms	24	4	24	16
Finnmark	19	5	26	5
Total	428	372	314	356
Reduction %		13	27	17

In total 118 municipalities will enter into mergers, creating 46 new municipalities¹. The total reduction in the number of LG's is 72 or 17% of the total. This is slightly more than half the number of mergers proposed by the county governors, who proposed a reduction of 114 municipalities (27%). Taken together, the level of policy enforcement is not high so far. Mainly, the government accepts the results from local negotiations.

Discussion and conclusion

Sources of dissonance

The amalgamation reform has complex goals, and implementation must take place in varying local contexts. Substantive goals include the creation of stronger local units in terms of expertise and capacity, integration of functional labour market regions and strengthening of local democracy. Procedural criteria require that local councils reach agreement on new borders after a hearing of the citizens, with scope for national intervention only in special cases.

This complexity opens for several kind of policy dissonance. On one hand, there are unclear relationships between the substantive goals. Which goals should be preferred in case of internal goal conflicts? The political parties divide in their preferences, and there are internal dissonance within the parties. On the other hand, there is a clear majority in the parliament for a broad amalgamation reform. In many similar cases, the majority would probably be able to negotiate a compromise in cases where goal inconsistencies were apparent.

When this case gets more complicated, it is mainly because there emerges a dissonance on decision procedures, not only policy content. The procedure dissonance is about whether mergers should be voluntary, or whether territorial divisions is a responsibility for the parliament. The cleavage line on procedures do not overlap with the dissonance on substantial goals. Moreover, the procedural dissonance also cuts through the most probable government coalitions. In this situation, the procedures for decision-making came to the foreground of the public debate. Even if only some smaller parties mentioned the principle of voluntary mergers in their programs, these parties were important as coalition partners for the government as well as the opposition. Hence, the majority did not dare to make an agreement on amalgamation policy on their own. They also had to take into account internal disagreement on procedures within the pro-reform parties.

The search for policy reconciliation – at which terms?

In the amalgamation reform, there were two stages of policy responses. Firstly, the county governors should make their recommendations to the ministry. After that, the ministry should deliver a white paper in advance of the parliament's decision.

What we could observe, was that the county governors typically selected one of the reform goals as the departure point for their recommendations. About half of the county governors suggested mergers that would build larger labour market regions. The others gave most weight to the criterion of voluntary mergers. In a few cases, the county governors also treated small municipalities with

¹ One of the mergers is in two stages. A municipality that voluntarily merged in 2016 participates in a new merger in 2020. Hence, the number of existing municipalities in 2015 entering into mergers are 118, not 119.

weak economy as objects for merger. We could also observe that the decisions of the ministry and the parliamentary committee with a few exceptions follow the criterion of voluntary mergers. Only in 11 cases, involving 16 municipalities, do the government's use authority against the will of a local council.

On the other hand, we should not interpret this as an embracement of non-compliance and as a turning point for change of substantive policy goals. Both in news media and policy documents members of the government and the parliamentary majority maintains that the goal is to create bigger municipalities that are able to take care of existing and new tasks, and to create stronger labour market regions. Rather, policy makers give the procedural principle of voluntariness status as the basic principle behind reform.

This is a bit surprising if we take into account the party programs for the government party and the parliamentary majority. The three parties behind the enforced mergers are all in favour of bigger regions and say in their programs that the parliament should make decisions about municipal structure. Their problem is that an enforcement of this view would not lead to policy reconciliation. Back in 2013, more than 80% of the parliament would have supported the view that the Parliament should have the final decision regarding municipal mergers. When the Labour party changed their point of view, this majority became as small as possible, and LG reform has become a hot issue in the election campaign. We can conclude that the majority's invocation of the principle of voluntary reform is a necessary acceptance due to policy dissonance and the current political power relations in the parliament. The majority hopes for a temporary reconciliation on the reform issue, fearing that they will lose the majority by enforcing municipal reform.

The need to accept local results is a result of a situation where procedural criteria and not substantial reform content has come to the foreground in the public discourse. If we look at the parties' viewpoint of the substantial reform goals, there is still a huge pro-reform majority in the parliament. As much as 90 % of the representatives support a pro-reform political platform. Much of the problems with policy reconciliation stems from the fact that policy-makers had to consider procedural criteria and substantive reform goals simultaneously during reform implementation. It is possible that the government in 2013 could have reached a broad agreement on substantial reform goals, including Labour in a reform coalition. After the election, however, the overarching goal for the new government was to include the Christian Democrats, who could support bigger LG's mainly due to voluntary mergers. Hence, a party with ten representatives happened to decide the platform for LG reform.

Taken together, the low level of enforcement through use of the parliament's formal prerogatives is not due to an embracement of the values proposed by non-compliant implementers. Rather, we can view it as an acceptance of noncompliance in a situation where policy reconciliation seems unlikely in the short run. There are also a few elements of enforcement during the reform process. One is the use of the parliament's authority in a few cases. Another is the new block grant system, which increases the economic pressure on municipalities who choose to be "voluntarily small".

The most probable way forward for the reform is that the government after the next election continues the acceptance of local decision procedures. A full embracement of changed policy procedures, which would mean to inscribe the principle of voluntary mergers in the division Act, is less likely. Since all probable majorities in the parliament need to include one of the parties favouring voluntary mergers, coming governments will probably continue to accept the current compromise on procedures. Any government not dependent on the Centre Party will probably use a mixture of

carrots and sticks for promoting substantive reform goals as far as possible. For a government including the Centre Party, this path towards enforcement is less likely.

Lessons from the case

We can draw two main lessons from the amalgamation case. Firstly, the probability of policy dissonance increases when implementation requires collaboration between targets, and parts of the target group perceive the policy to be in conflict with basic values. Target heterogeneity in itself does not necessarily produce dissonance, since local actors through a process of collaboration may conclude that the advantages of amalgamation outweigh losses. In other words, heterogeneity does not hinder what Winter and May (2001) labelled calculated and social motivations for compliance. When some in the target group understand disagreement as resulting from different policy values, however, we get a more polarized context and less common ground for compromises. The conditions for normative compliance, in Winter and May's terms, can be lost. In our case, party actors not participating in local negotiations are instrumental in transforming the implementation process to an arena for value conflicts.

Lastly, policy reconciliation becomes more difficult when political contest include both substantive and procedural matters. This is in line with the findings of Clark and Vernon (2016) in their study of elk management policy in Yellowstone National Park. In case of contested procedures as well as content goals, it becomes more difficult to find a common ground for decision-making and compromises. In our case, the processual claim for voluntary mergers made it difficult for state actors to use hierarchical power in order to promote mergers in accordance with substantive policy goals.

In the case of local government amalgamation in Norway, we find mechanisms that lead to both types of problems for policy reconciliation. Attempts at reconciliation then become incremental and provisional. It is still possible that a kind of flexible enforcement (Winter & May, 2001) can succeed in the long run, but it will probably require a solution to the procedural ambiguity still present in the amalgamation reform.

References

- Barrett, S., & Fudge, C. (1981). *Policy and action : essays on the implementation of public policy*. London: Methuen.
- Bekele, A., & Myers, W. E. (1995). *First things first in child labour: Eliminating work detrimental to children*: International Labour Organization.
- Berman, P. (1980). Thinking about programmed and adaptive implementation: Matching strategies to situations. *Why policies succeed or fail*, 8, 205-227.
- Bukve, O. (2002). Demokrati, effektivitet og debatten om kommunestrukturen. *Norsk statsvitenskapelig tidsskrift*(Årg. 18, nr 3), 263-283.
- Clark, S. G., & Vernon, M. E. (2016). Elk management and policy in southern Greater Yellowstone: Assessing the constitutive process. *Policy Sciences*, 1-22. doi:10.1007/s11077-016-9268-7
- Festinger, L. (1962). Cognitive dissonance. *Scientific American*, 207(4), 93-107. doi:10.1038/scientificamerican1062-93
- Gofen, A. (2015). Reconciling policy dissonance: patterns of governmental response to policy noncompliance. *Policy Sciences*, 48(1), 3-24. doi:10.1007/s11077-014-9202-9
- Habermas, J. (1996). *Between facts and norms. Contributions to a discourse theory of law and democracy*. Cambridge, Mass.: MIT Press.
- Halpert, B. P. (1982). Antecedents. In D. L. Rogers & D. A. Whetten (Eds.), *Interorganizational coordination: Theory, research and implmentation* (pp. 54-72). Ames: Iowa State University Press.
- Hjern, B., & Porter, D. O. (1981). Implementation Structures: A New Unit of Administrative Analysis. *Organization Studies*, 2(3), 211-227. doi:10.1177/017084068100200301
- Imbeau, L. M. (2009). Dissonance in Policy Processes: An Introduction. In L. M. Imbeau (Ed.), *Do They Walk Like They Talk? Speech and Action in Policy Processes* (pp. 3-15). New York, NY: Springer New York.
- Kommunaldepartementet. (2014). *Prop 95 S (2013-2014) Kommuneproposisjonen 2015*. Oslo: KMD.
- Kommunalkomiteen. (2014). *Innst. 300S (2013-2014) Innstilling fra kommunal- og forvaltningskomiteen om kommuneproposisjonen 2015*. Oslo: Stortinget.
- Matland, R. E. (1995). Synthesizing the Implementation Literature: The Ambiguity-Conflict Model of Policy Implementation. *Journal of Public Administration Research and Theory: J-PART*, 5(2), 145-174.
- Pressman, J. L., & Wildavsky, A. (1973). *Implementation*. Berkeley, Calif.: California University Press.
- Rodríguez, C., Langley, A., Béland, F., & Denis, J.-L. (2007). Governance, power, and mandated collaboration in an interorganizational network. *Administration & Society*, 39(2), 150-193.
- Sabatier, P., & Mazmanian, D. (1980). The Implementation of Public Policy: A Framework of Analysis. *Policy Studies Journal*, 8(4), 538-560. doi:10.1111/j.1541-0072.1980.tb01266.x
- Strand, T. (1978). Staten og kommunane: standardisering, hjelp og sjølvhjelp. In J. P. Olsen (Ed.), *Politisk organisering organisasjonsteoretiske synspunkt på folkestyre og politisk ulikhet* (pp. 143-184). Bergen: Universitetsforlaget.
- Sundvoldenærklæringen. (2013). *Political platform for a government formed by the Conservative Party and the Progress Party*. Sundvolden.
- Vaboutvalget. (2014). *Kriterier for god kommunestruktur*. Retrieved from Oslo:
- Vangen, S., & Huxham, C. (2010). Introducing the theory of collaborative advantage. In S. P. Osborne (Ed.), *The New public governance?: emerging perspectives on the theory and practice of public governance* (pp. XV, 431 s. : ill.). London: Routledge.
- White, L. A., Davidson, A., Millar, H., Pandey, M., & Yi, J. (2015). Policy logics, framing strategies, and policy change: lessons from universal pre-k policy debates in California and Florida. *Policy Sciences*, 48(4), 395-413. doi:10.1007/s11077-015-9234-9
- Winter, S. C., & May, P. J. (2001). Motivation for Compliance with Environmental Regulations. *Journal of Policy Analysis and Management*, 20(4), 675-698. doi:10.1002/pam.1023

