

# **Inter-municipal cooperation: a democratic deficit?**

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## **Abstract**

In this paper we study the existence of a democratic deficit in intermunicipal cooperation in the Netherlands and the effect of the structure of intermunicipal cooperation on democratic quality. We study both direct effects and indirect effects through the cultural climate of cooperation. Rival hypotheses from monocentric (Regional Reform) and polycentric (New Regionalist) theories are put to the test using data from all Dutch municipalities. Our findings are mixed. In terms of a democratic deficit, the general conclusion is that, as far as the representative institutions are concerned, there is little evidence of a systematic deficit. Citizens and organizations are however to a large degree dependent on their representatives to have any influence in IMCs. With regard to the effects of structural complexity, our findings are mixed. Both rival theories find only limited support in the data. For the legal regime, we find weak support for the monocentric position.

## Introduction

Over the years the proper organization of regional governance is a hotly debated topic, both in academic circles and in political arenas. In the US regional governance debate two camps can be distinguished: the “Progressive Reformers” and the “New Regionalists” (Ostrom 1972; Feiock 2004; Oakerson 2004). Both camps recognize the need for some form of regional governance to avoid a range of problems that will emerge in a system of completely independent municipalities. These problems include possible production inefficiencies (diseconomies of scale), allocation inefficiencies (failure to internalize spatial spillover effects), effects on regional economic growth as well as a lack of democratic accountability and representation of affected interests. In this paper we will focus on the democratic issues.<sup>1</sup> With an eye on such problems there is widespread consensus on the need for some form of regional governance. But there is an enduring controversy about the proper organization of regional governance (Olberding 2002). “Regional Reformers” have a preference for a monocentric solution through the amalgamation of all municipalities in a region into one unitary authority or the establishment of a regional authority that takes responsibility for all decisions that require regional governance (Ostrom 1972; Feiock 2004; Oakerson 2004). Alternatively, “New Regionalists” prefer a polycentric system, in which independent municipalities are free to enter into collaborative arrangements and where higher tier governments can establish rules of the game for voluntary cooperation (Ostrom 1972; Feiock 2004; Oakerson 2004).

In the European context the regional governance issue is also hotly debated (Baldersheim and Rose 2010, Teles, 2016). The Dutch case is no exception. In the Netherlands, since the 1950s Regional Reformers continuously have made attempts at introducing new regional public authorities, which should either replace municipal government or serve as an add-on to the

traditional system of local government. The dire fate of these efforts is well documented (e.g. Boedeltje and Denters 2010; Denters and Klok 2005; Schaap and Hendriks 2010). Because of the continuous failure of these monocentric Regional Reforms the entire weight of the coordination and cooperation of regional affairs still rests on a polycentric system of cooperation. It cannot however be concluded that the structure of Dutch regional governance over the past seventy years has remained unchanged. By means of a series of minor reforms the system gradually changed. All-in-all these changes resulted in a reduction of the complexity of the traditional polycentric system. In this context three types of reforms were particularly important. First, amalgamation reforms were implemented. Through these reforms, reformers hoped to reduce the need for intermunicipal cooperation by increasing the size of municipalities and their administrative capacity. The amalgamations have drastically reduced the number of municipalities (from 1015 in 1945 to 390 in 2016). Second, efforts were made to harmonize and integrate the system. Efforts at harmonization and integration were introduced by the national government in the 1990s in an effort to bring some order to what the government considered as a “crazy-quilt” pattern of intermunicipal cooperation. The Dutch national government established 42 cooperation-regions and ruled that all functional cooperative agreements between municipalities in such regions would have to include all the regional municipalities. This legal requirement should lead to more territorial uniformity (or congruence) in patterns of cooperation. Moreover, the Dutch national government aimed at an integration of different single-purpose intermunicipal boards in one single multi-purpose regional cooperation board. The hope was that the combination of territorial harmonization and integration would lead to a more orderly, better-functioning system of regional governance. However, in 2006 the legal obligations regarding territorial harmonization and integration of intermunicipal cooperation were abolished, thereby liberalizing the regime and allowing more flexibility. Third, the reforms also aimed at providing more order (uniformity)

and transparency in regional governance agreements by prescribing the organizational model of the national Joint Provisions Act (WGR) as the default model for intermunicipal cooperation.

The basic postulates of the US Regional Reformers and the Dutch advocates of the amalgamation, harmonization and integration reforms were rather similar. Both were convinced that their reform proposals would simplify the structure of regional governance thereby reducing the system's transaction costs and increasing the system's effectiveness and democratic quality. The presumptions of these reformers are clearly at odds with the ideas of "New Regionalists" and other proponents of polycentric governance.

The differences in the preferences of the supporters of both camps are in part normative; based on different value orientations. Regional Reformers are for example more concerned with democratic accountability and transparency and equity than New Regionalists. But for another part, the reasons for the dissent are also the result of different expectations about the effects of different governance arrangements. Here advocates of monocentric governance are typically negative about the performance of polycentric governance systems. They fear that the more polycentric a system is, the more likely it is that interjurisdictional competition will lower responsiveness and transparency, resulting in a democratic deficit. Contrariwise, proponents of polycentrism are more optimistic about the prospects of adequate interest representation in polycentric systems of governance (E. Ostrom 1972; Oakerson 1999; Feiock 2004; Oakerson 2004).

Feiock (2004) rightly observes that such claims about positive and negative effects of monocentric and polycentric governance are testable, empirical propositions. Nonetheless, he also notes that rigorous empirical tests of such propositions are rare. It is for this reason that in this paper we adopt an empirical approach. The Dutch case allows testing claims about the

positive effects of differences in the make-up of regional governance arrangements. Our main question pertains to the possible effects that the structure of regional governance arrangements (directly and indirectly via related cultural factors) will affect the democratic quality of intermunicipal cooperation. Hence, our main research question in this paper is:

*To which extent is there a perceived democratic deficit in cooperation amongst Dutch municipalities and what is the effect of the structure of collaborative arrangements – directly and indirectly through related cultural factors – on perceived democratic quality?*

We will answer this question on the basis of the results of a recent, comprehensive study of all 393 Dutch municipalities.<sup>2</sup> As the formulation of the question indicates, in our research we focus on perceptions of the democratic quality. Obviously, the perceptions of democratic quality may differ from the actual level of interest representation. But getting a comprehensive and reliable estimate of the actual level of interest representation of all collaborations of 393 municipalities was completely unrealistic. Hence we had to rely on a perception-based measure; based on the judgement of two generally well-informed local public officials: the municipal Chief Executive Officer and the municipal Council Clerk.

From a scientific perspective our research is relevant because it fills a gap in the literature on local governance. Our main ambition is to add to a better understanding of the actual process of intermunicipal cooperation and its positive and negative effects by testing a number of hypotheses about the effects of the structure of collaborative governance in Dutch local government. Moreover, much of the literature on regional governance is US-centered. In Europe the attention for the structure and performance of regional governance and intermunicipal cooperation is more recent and studies so far have been predominantly descriptive (Heinelt and Kübler 2005; Hulst and Van Montfort 2007; Swianiewicz 2011) or

based on comparative case-studies (e.g. Heinelt, Razin and Zimmermann 2011). It is only recently that attention has shifted to an empirical analysis of the effects of different regional governance arrangements (Teles, 2016). As part of the EU-funded COST Local Government Reforms project, a group of researchers has focused on (the effects of) amalgamation reforms and new arrangements for regional governance. This project is likely to lead to a number of interesting new publications.

From a practical perspective our research is also highly relevant. It provides information on how in an essentially polycentric system (like the Dutch system) amalgamations, and harmonization and integration reforms affect systemic performance. How do such piece-meal, incremental reforms improve or harm the democratic quality of intermunicipal co-operation?

In the next section we will discuss two alternative theoretical models. On the basis of this discussion we will identify our main dependent and explanatory variables and subsequently formulate the hypotheses that are relevant for answering our main research question. In the methods and data section we will introduce the measures of our main variables. In the results section we begin with a general description of the values of our variables, after which we will test our hypotheses. In the final section we will draw our conclusions and discuss some implications of these findings.

## **Two theoretical perspectives on intermunicipal cooperation**

We are interested in the factors that affect the quality of democracy concerning the decisions made and activities employed by IMCs. In the Dutch local government system this implies that three types of actors are important. The actors most likely to be involved in intermunicipal decision making will be the representatives of the municipal executive. In the Dutch system the municipal executive is formed by a board of Mayor and Alderman and depending on the policy domain either the Mayor or the responsible Alderman will usually

represent the municipality in some form of governance of the IMC. Therefor the *influence of the (members of the) executive board* on the IMC is a first dimension of democratic quality. The second type of actor are the municipal councilors that are directly elected by citizens. Councilors can play a double role in representing the citizens. First, in some cases they might be directly involved in the governing board or some form of council of the IMC. This depends on the institutional setup of the particular IMC. Councilors also play a role in guiding and supervising the members of the municipal executive board that participate in the IMC governance. The municipal council can set guidelines for members of the executive, they can collect information on how both their representatives and the IMC board are performing and they can hold them accountable. Thus, the second dimension of democratic quality is formed by the *influence of councilors* on the IMC decision making. Third, the individual citizens and local organizations themselves might play a direct role in governing the IMCs. In the Dutch institutional system the IMCs are not allowed to have any form of direct elections. However, IMCs are all allowed to organize forms of citizen participation, sharing information, collecting information on the opinions of citizens and providing public accountability information. Although we do not expect citizens and local organization to play a major role in governing the IMCs, the *influence of citizens and organizations* on IMC decision making is still a dimension of (direct) democratic quality to take into account.

When we consider the impact of governance arrangements, both monocentric and polycentric theories of regional collaboration emphasize the importance of a number of structural factors:

- I. The size of the municipality: normally measured in terms of population size;
- II. The complexity of the governance network: as indicated by e.g .the number of cooperative arrangements (number of IMCs); the number of participating municipalities et cetera.

III. The regulatory regime of collaboration: to what extent are municipalities obliged to include mechanisms for interest representation their terms of collaboration?

The *size of municipalities* (I) is expected to have an effect on the likelihood that interests of citizens are represented in IMC decision making. First, the size of the ‘demos’ that is represented is by definition larger for larger municipalities than for smaller ones. Second, as far as the representatives of municipalities (either executives or councilors) play a direct role in IMC decision making, their votes might actually have a higher weight in the voting rules of the IMC. Larger members of IMCs often have ‘more votes’ than smaller ones or even have veto positions in terms of specific decisions (for instance budgets). We therefore expect a positive relation between the size of the municipality and perceived democratic quality (influence of the executive board, the council and the citizens and organizations). This first hypothesis is presented in table 1, together with all subsequent hypotheses.

**Table 1:** Overview of hypotheses

EFFECTS:	Mono-centric	Poly-centric
(1) Of municipal size on democratic quality		+
(2) Of complexity of the IMC network on democratic quality	-	+
(3) Of legal regime (dominance of WGR-based IMCs) on democratic quality	+	-
(4) Of aspects of cooperative culture on democratic quality		+
(5) Of complexity of the IMC network on cooperative culture	-	+
(6) Of legal regime (dominance WGR-based IMCs) on cooperative culture	+	-

With regard to the expected size effects there is no need to differentiate between a monocentric and a polycentric perspective. For the effects of complexity (II) and the regulatory regime (III), however these two perspectives imply clearly different expectations.

In addition to the size of municipalities, the democratic quality also depends on the *complexity of the regional governance structure* (II). Here the general presumption of the monocentric paradigm is that the more complex the system of regional governance is, the lower the democratic quality will be (see hypothesis 2M in Table 1). The rationale underlying this general hypothesis is based on a Wilsonian-Weberian paradigm in public administration. In this view “the more power is unified and directed from a single center the more responsible it becomes” (V. Ostrom 1989: 24-25). To the extent that such a system is established, it is clear who is responsible for which decisions, increasing transparency and providing clear relations in who represents who. The complexity of the intermunicipal governance system is a multidimensional concept that, for example, pertains to

- a) The number of different intermunicipal cooperative arrangements (number of IMCs).
- b) The number of unique partners with which a municipality in total is collaborating with in all its IMCs (Net number of partners).
- c) The incongruence of a municipality’s IMC system: a system is incongruent to the extent that in every other IMC a municipality is collaborating with always different other municipalities.
- d) The singularity of a municipality’s IMC system: a system is singular to the extent that every IMC a municipality participates in is oriented towards only one single purpose. If cooperation is spread over many single purpose IMCs, the entire system is more complex than in case of a few multi-purpose IMCs.

With regard to complexity the general presumption of polycentrism is that institutional complexity may be an asset, rather than a setback. The general presumption here is that a complex system, characterized by a multitude of incongruent, overlapping, single-purpose regional units – works (Oakerson 1999:106-130). The main reason why such a disorderly system works is that it allows for requisite institutional variety, which is able to meet the demands for a wide variety of local and regional public provisions, with the communities of interest of their different catchment areas (Oakerson 1999: 112). In a system with a limited number of actors that sustain of close, and enduring strong, multiple relationships, the partners are locked-in and are “unable to mobilize effectively for collective action across multiple municipal boundaries”. On the other hand, a more fragmented system of weak ties provides “greater and more diversified connectivity” and allows “local governments to solve collective action dilemmas using horizontal networks” (Tavares and Feiock 2014: 12). Hence we formulate hypothesis 2P, indicating a positive relation between complexity and democratic quality.

A second presumption of the monocentric perspective is that the performance of governance systems is affected by the *legal regime* (III). It is expected that generally democratic quality is improved when the system operates under a well-ordered, transparent set of rules that clearly describes who is responsible for what. On the basis of this argument we have formulated hypotheses 3M in table 1. In the Dutch case the national legislator in the 1980s and 1990s has made efforts to induce municipalities to cast the cooperative arrangements in the mold of the organizational models formulated in the national Joint Provisions Act (WGR; see introduction). This act includes some general provisions that establish some form of interest representation of the member municipalities, mainly at the level of the executive board. To the extent that municipalities have adopted the WGR as the frame for organizing their system of regional governance we may test the empirical validity of this hypothesis.

Whereas the monocentric perspective assumes that the performance of governance systems is positively affected by establishing a well-ordered, national legal regime, polycentric theorists contend that a rigid, uniform legal regime is likely to have negative effects (Feiock 2007; Tavares & Feiock 2014). Their main argument is that in the context of diversity, a uniform legal regime will turn out to be a Procrustean bed. Polycentric theorists prefer a legal system that allows for multiformity and flexibility in gearing legal provisions to the specific demands of particular tasks and settings. On this basis we have formulated hypothesis 3P.

Although we are primarily interested in the effects of structural complexity and the legal status (use of WGR as framework) at least in part these structural factors are likely to affect democratic quality through “*cultural*” factors. Interest representation is likely to be enhanced by a favorable psychological cooperation climate. Here we, first of all refer to the degree of trust and consensus amongst partners in the intermunicipal network. Secondly we also consider the degree to which regional interactions are results-orientated and decisive. As is stated in hypothesis 4 (see table 1) both monocentric and polycentric theorists acknowledge that a positive cooperative culture is conducive for effective interest representation (e.g. Putnam et al. 1993; Ostrom 1998).

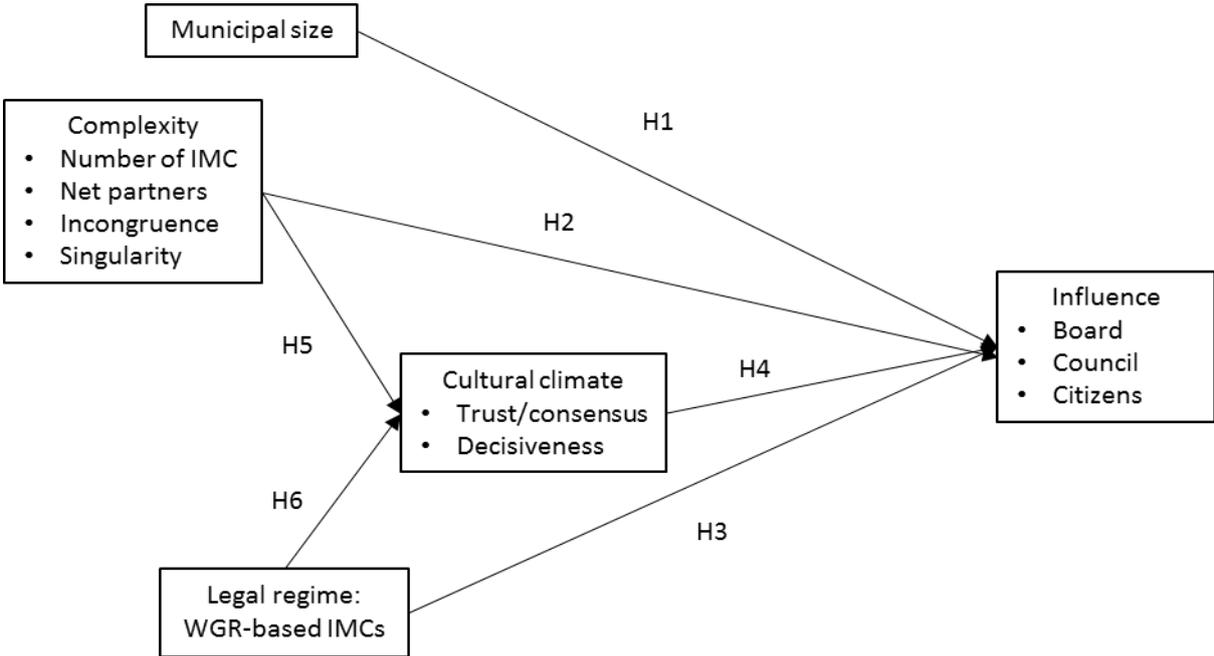
Moreover, from a monocentric perspective, limited complexity and a clear legal regime are believed to create a productive cooperation climate. It is often argued that attributes like mutual trust; consensus and decisiveness are enhanced by a small number of participants, a stable environment with well-known partners, and in multi-purpose, or densely clustered networks (e.g. Axelrod 1990; Ostrom 1998; Feiock 2007). Hence we have formulated hypothesis 5M and 6M.

In polycentric theory it is expected that in complex networks in which there are more, loosely coupled actors (weak ties), it may be easier to find willing partners and the likelihood of

partners to use hold-out strategies is less than in dense networks. For such reasons, Feiock (2007) has argued that a polycentric system that combines strong and weak ties may be optimal for developing mutual trust and minimize conflicts and therefore contributes to successful collaboration. Hence we have formulated hypotheses 5P.

Moreover, from such a perspective it is also expected that a loose, flexible legal structure may have positive effects on cooperation culture. A uniform, rigid regional governance structure “locks in” municipalities (organized on the basis of the principle “out together, home together”) and forces their patterns of engagement into a straitjacket. In a more flexible system, municipalities can only include those partners that have an interest in a specific project. Here it is possible to organize “coalitions of the willing” and adopt rules that are specific for a particular collaboration context. In this way conflicts can be minimized and it is easier to develop mutual trust and results-oriented, decisive regional governance. In accordance with this argument we formulated hypothesis 6P.

**Figure 1:** A causal model of the hypotheses



## Methods and data

In this study we describe the democratic quality, structure and cultural climate of IMCs from a municipal perspective. In order to measure the democratic quality of IMCs and the cultural aspects of cooperation, an email survey has been conducted of all 393 chief municipal officers and all council clerks. The response rate is 228 completed questionnaires from CMOs (58%) and 273 from council clerks (69%).<sup>3</sup>

***Democratic quality of IMC networks.*** Chief municipal officers and council clerks were asked a set of six questions indicating to what level their executive board (for CMOs) or council (for Clerks): a) are timely involved in IMC decision making, b) have opportunities to present their opinions, c) show an interest in IMC decision making, d) have sufficient time to participate in decision making, e) actually use opportunities to influence decision making and f) have influence on IMC decision making.<sup>4</sup>

- *Influence of the executive board:* From these six items a scale has been constructed that specifies the perceived influence that the executive board of a municipality has on decision making in IMCs. Factor analysis resulted in a one-factor solution and the constructed scale has a Cronbach's Alpha of 0.81.<sup>5</sup>
- *Influence of the council:* Factor analysis on the 6 original items resulted in a two-factor solution (Eigenvalues 2.31 and 1.04). Removal of item d (sufficient time) resulted in a clear one-factor solution. The constructed scale from these 5 remaining items has a Cronbach's Alpha of 0.70.

Both respondents were also asked to what extent the municipal IMCs: a) provide opportunities for individual citizens to participate in decision making, b) provide opportunities for local and regional organizations to participate in decision making, c) actively

provide information about the performance to citizens and organizations, and d) provide opportunities for citizens and organizations to ask specific questions. Additionally they were asked to indicate to what extent e) citizens and organizations are informed about the tasks of the IMCs.

- *Influence of citizens and organizations:* for both type of respondents a factor analysis of these five items resulted in a clear one-factor solution. The two resulting scales have a Cronbach's Alpha of 0.83 for CMOs and 0.86 for Clerks. Both scales have been combined into one variable for influence of citizens and organizations by taking the mean value.

***Structure of IMC networks.*** In the absence of a national register of IMCs, it was it was necessary to obtain an inventory of IMCs from all 393 municipalities. Dutch municipalities are legally obliged to give an account of their spending on IMCs in their annual local budget plans. Using these budget plans a comprehensive database has been developed of all IMCs with information on the municipalities that partake, the legal regime of the organizations and the policy area(s) in which they operate. On the basis of this, variables for each municipality have been constructed that indicate the structure of their IMC network.

- *Complexity of the IMC network:* the complexity of the IMC network of a municipality is measured by four dimensions:
  - *Number of IMCs:* the total amount of IMCs in which a municipality participates.
  - *Net number of unique partners:* the number of all different partners with which a municipality is collaborating in all IMCs.
  - *Incongruence:* The variable (in)congruence is basically a characteristic of two IMCs and is defined as the percentage of overlapping members. Congruence of two IMCs is calculated by dividing the number of overlapping members (members of both IMCs) by the total (unique) number of members of the two IMCs. To

obtain information about the congruence of all IMCs of a municipality, the first step is to calculate the congruence of all pairs of IMCs in the database. In the next step the overall average congruence score for a municipality is calculated by taking the mean score of all combinations of IMCs that a municipality is simultaneously a member of. This results in an overall congruence score between 0 and 1 for all municipalities. To be in line with our theoretical expectations, this variable has been subtracted from 1 in order to measure incongruence rather than congruence.

- *Singularity*: An IMC is defined as singular if its activities are limited to one task of government or one policy area. As the number of IMCs is large, a distinction had been made of 11 general policy domains that are commonly used in the Netherlands. For each IMC it was indicated on which of these fields they are active, resulting in a variable that has a theoretical range of 1 to 11 (active in only 1 domain or active in all 11 domains, indicating a general purpose IMC). In order to calculate singularity as a characteristic of a municipality, the mean score of the number of policy domains of all the IMCs that they are member of is taken as an indicator of the average number of domains of their IMCs. This variable has been subtracted from 11 to construct a variable that has high values for municipalities with singular IMCs (value of 10) and low values for municipalities with IMCs active in many policy domains.
- *Legal regime*: For each IMC, information has been collected on its legal regime: based on private law (company, foundation, etc.) or public law (the Local Provisions Act: WGR). The share of WGR-based IMCs has been calculated for each municipality.
- *Municipal size*: the population size of the municipality.

**Cooperative culture.** In order to obtain insight in the perceived qualities of the cultural climate, two sets of questions were asked about the levels of mutual trust, consensus and aspects of goal orientation.

- *Trust/consensus:* in the survey, questions were asked about the levels of trust and consensus between municipalities and between municipalities and the IMC-organization: a) consensus between municipalities, b) consensus between the IMC-organization and municipalities, c) trust between municipalities, d) trust between the IMC-organization and municipalities. According to the results of a factor analysis, all variables can be retraced to one dimension. Consequently, a scale has been constructed that indicates the level of trust and consensus in the IMC-network of a municipality (Alpha=0.82).<sup>6</sup>
- *Decisiveness:* the degree of decisiveness is measured by constructing a scale from the answers to questions about the extent to which the municipal IMC network can be described by a) compliance to agreements, b) swift and decisive actions, c) binding obligations, d) agreements with tangible goals, and f) transparency (Alpha=0.73).

## **Results**

In this paragraph we will first describe the separate variables, after which we will test our hypotheses.

### **Democratic quality, structure and culture of cooperation**

**Democratic quality.** The average level of *influence of the executive board* on a scale from 1 to 10 is 7.0 (Sd 1.2). This is well above the medium point of the scale (5.5). Of all municipalities, 89% indicate that the influence of the board above the medium value of 5.5.

Lowest values are 3.5, the highest value is 9.7. Chief executive officers are clearly of the opinion that their board has a large influence on what is going on in the IMCs in which they participate.

The average score of *influence of the council* is 6,2 (Sd 1.2). Lowest scores are 1.0, highest scores are 9.0. Again the medium point of this scale is 5.5, so the results show that most municipalities are positive about influence of the council: 73% indicate a value above 5.5. Council clerks are thus also rather positive concerning the influence of their council, albeit somewhat less than CMOs on the influence of the executive board.

Both respondents clearly have a different perception of the *influence of citizens and organizations*. The average score on the combined scale is 3.4 (Sd 0.99). In only 2.1% of the municipalities the scale has a value on or above 5.5. Lowest values are 1.0, highest value is 6.0. So much for direct democracy in the case of the Dutch IMCs.

Overall we find considerable variation in our three dependent variables, meaning there are substantial differences in perceived democratic quality of IMCs in different municipalities. In terms of a democratic deficit, the general conclusion is that, as far as the representative institutions are concerned, there is little evidence of a systematic deficit. Citizens and organizations are however to a large degree dependent on their representatives to have any influence on IMCs.

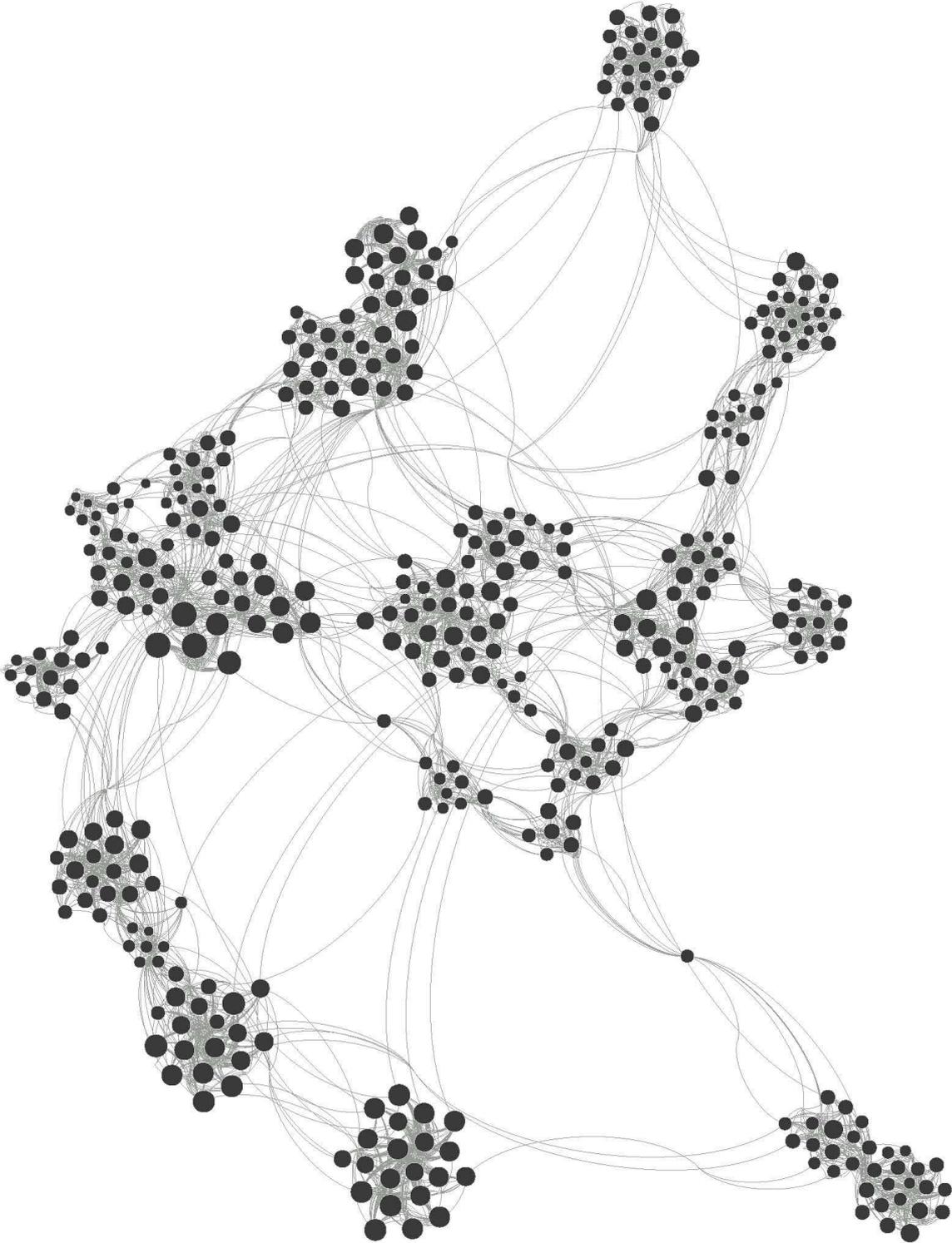
***Structure of cooperation.*** Inter-municipal cooperation is a widespread phenomenon in the Netherlands. A total number of 779 IMCs were identified. Together, they account for 6467 membership relations. The average number of members for IMCs is just over 8 municipalities, but there is a large variation, ranging from 2 to 54. The average *number of IMCs* for municipalities is just over 16. Again the variation is considerable (Sd 3.53). The

lowest number is 9. Taking into account that for all municipalities the number of mandated IMCs is 6, these municipalities have only very limited voluntary cooperation. At the other hand there are 3 municipalities that have 28 IMCs.

In order to show the interrelatedness of cooperation, a graphical representation is presented in figure 2, using network software (see next page). The graph represents the municipalities and their IMCs as a two-mode network, showing relations between each municipality and their IMCs. In order to focus on the municipalities, the IMCs are represented as small dots. The size of the municipal nodes is indicating the number of IMCs that they are member of. The location of municipalities is based on the IMCs they have in common: municipalities that work together in many common IMCs are located close together.

The graph shows that cooperation is indeed a regional phenomenon, as most municipalities cluster in clearly identifiable groups that are closely linked together and have very limited relations with other clusters of municipalities. The 'cooperative map' map also shows a very high resemblance with the geographical map of the Netherlands, indicating that geographical regions form the basis for inter-municipal cooperation. This is in line with the proposition that geographical closeness contributes to cooperation (Feiock, 2007).

**Figure 2:** Inter-municipal cooperation in the Netherlands



The average *number of unique partners* that municipalities have is 47. Again, variation is considerable (Sd 21.0). The lowest number of different partners is 12. The highest number of different partners is 114. These municipalities participate in a couple of the larger IMCs.

Measured on a scale from 0 to 1 the average level of *incongruence* is 0.55 (Sd 0.11), indicating an average overlap of 45% of members in all IMCs that municipalities are members of. Municipalities with the highest levels of incongruence have a value of 0.81 (indicating only 19% overlap). At the other side of the scale the lowest level of incongruence is 0.29.

The average score on the *singularity* variable is 9.6 (Sd 0.23), on a scale that has a theoretical range from 0 to 10. The scores for singularity appear to be very high, but it has to be taken into account that this variable measures singularity using a very broad definition of policy domains. Minimum levels (meaning maximum policy integration) can only be reached if all IMCs would contain activities in all relevant policy domains (meaning they would be general purpose organizations). The highest levels of singularity is 10.0, the lowest 8.7.

The legal structure is measured by the *share of WGR-based IMCs* in the total IMCs of a municipality. The average share of WGR-based IMCs is 59% (Sd 0.12). Highest values are 90%, lowest 31%.

**Cooperative culture.** The average score on the scale for trust/consensus is 5.9 (Sd 1.62), with 58% of the municipalities scoring above 5.5. Lowest values are 2.25, highest scores are 9.5. The average level of decisiveness is somewhat lower at 5.6 (Sd 1.16), with also 58% of the municipalities scoring above 5.5. Lowest values are 2.6, highest scores are 9.0. Both scores indicate that cooperative culture shows considerable variation, but is overall neither very high nor low.

## Testing the hypotheses

In this section we will test our hypotheses using multi-variate regression. All coefficients are presented in table 2.<sup>7</sup> We will subsequently discuss the findings for our three dependent variables: influence of executive board, influence of council and influence of citizens and organizations.

**Table 2:** Results of the multi-variate regression analyses

### *Democratic quality*

Dependent:	Influence Board		Influence council		Influence citizens	
Independent:	Beta	Beta	Beta	Beta	Beta	Beta
Municipal Size	-.09	-.04	.03	.08	.04	.06
Number of IMC	.10	.14**	.01	-.02	.03	.05
Net partners	-.22***	-.23***	-.04	-.10	-.04	-.04
Incongruence	.18**	.09	-.02	.03	-.07	-.10
Singularity	.03	.00	.02	-.02	.05	.04
WGR-based IMCs	.20***	.13**	.01	.03	.28***	.26***
Trust/consensus		.09		.06		.00
Decisiveness		.35***		-.09		.15
Adjusted R <sup>2</sup>	.06	.20	.00	.00	.06	.07

\*Significant at .10\*; at .05\*\* or at .01\*\*\* (two-tailed test).

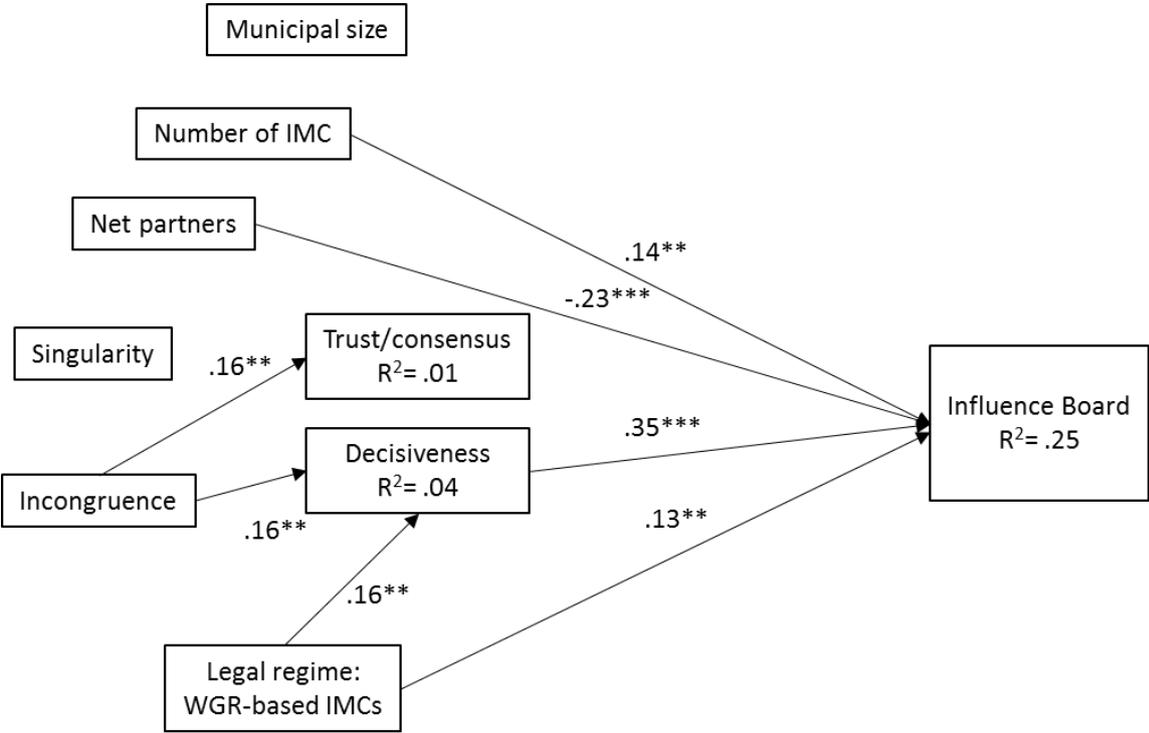
### *Cooperative culture*

Dependent:	Trust/consensus	Decisiveness
Independent:	Beta	Beta
Number of IMC	-.10	-.11
Net partners	-.04	.05
Incongruence	.16**	.16**
Singularity	.03	.05
WGR-based IMCs	.03	.16**
Adjusted R <sup>2</sup>	.01	.04

\*Significant at .10\*; at .05\*\* or at .01\*\*\* (two-tailed test).

**Influence of the executive board.** The results of our regression analysis for influence of the executive board are mixed. In the limited model, including only the structural variables, only 6% of variance is explained. Three variables show significant effects, of which two are positive (incongruence and percentage of WGR-based IMCs) and one is negative (number of Net partners). Including the variables for cooperative culture in the model increases the explained variance to 20%. The direct effect of incongruence is not significant anymore and the direct positive effect of the Number of IMCs becomes significant at 5%-level. Decisiveness has a clearly significant effect on influence of the executive board. The results are summarised in figure 3.

**Figure 3:** Path model for influence of the executive board



Hypothesis 1 has to be rejected, as municipal size does not have a significant effect on the democratic quality, measured as influence of the executive board on IMCs. Regarding the complexity of the IMC structure the results are mixed. For singularity and incongruence both versions of hypothesis 2 (monocentric and polycentric) have to be rejected, as no significant direct effects are found. It can however be noted that the sign of the relation of incongruence (significant in the model without culture) is positive, which is in line with the polycentric model. The positive direct effect of Number of IMCs (the higher the complexity, the higher the democratic quality), is in line with the polycentric version of the hypothesis. The negative effect of the number of net partners (the higher the number of partners, the lower the democratic quality), is in line with the monocentric version of the hypothesis. The same is the case for both positive effects (direct and indirect, through decisiveness) of the legal regime (the higher the percentage of WGR-based IMCs, the higher the democratic quality). This is in line with the monocentric version of hypotheses 3 and 6. The positive effects of incongruence on cooperative culture (and the small indirect effect through decisiveness on democratic quality) are however in line with the polycentric version of hypothesis 5. Hypothesis 4 is only confirmed for decisiveness, not for trust/consensus.

***Influence of the council and influence of citizens and organizations.*** We can be very short about the model used for explaining the influence of the council, as no significant effects appear and consequently all hypotheses concerning democratic quality have to be rejected. For the influence of citizens and organizations only the percentage of WGR-based IMCs has a positive influence, which is in line with the monocentric version of hypothesis 3. However, the explained variance is low (7%) and for all other variables the hypotheses have to be rejected. For obvious reasons we will refrain from presenting graphical representations of the path models for these two dependent variables, as only one significant relation is present.

## Conclusions and discussion

The aim of this paper was to answer the following research question: *To which extent is there a perceived democratic deficit in cooperation amongst Dutch municipalities and what is the effect of the structure of collaborative arrangements – directly and indirectly through related cultural factors – on perceived democratic quality?*

We answered this question on the basis of an analysis of data collected in 2015 for 393 Dutch municipalities. We considered the effects of three structural factors (municipal size, the complexity of their cooperation network and the legal regime of the network) on the perceived democratic quality of cooperation.

In terms of a perceived *democratic deficit*, the general conclusion is that, as far as the representative institutions are concerned, there is little evidence of a systematic deficit. Given the Dutch institutional context, it is not a surprise that the influence of the executive board is rather strong. Councilors are perceived to have considerable influence as well. Citizens and organizations are however to a large degree dependent on their representatives to have any influence in IMCs.

As for the effects of *municipal size* we found that the perceived democratic quality is unrelated to the size of the municipality. Apparently, small municipalities have developed equally effective ways to make themselves heard in IMCs as larger ones. There are no indications that small municipalities are overpowered by the larger ones, perhaps because they usually outnumber the large ones in each IMC. Regarding the effects of the two remaining structural factors we tested the empirical validity of two competing theoretical perspectives on regional governance: monocentric (or Regional Reform) theory and polycentric (or New

Regionalist) theory. Both perspectives do poor in explaining the influence of *councils and citizens and organizations* as dimensions of democratic quality. Only one significant effect appears for the percentage of WGR-based IMCs on the influence of citizens and organizations, which is in line with the monocentric perspective. The dimension of democratic quality that shows little democratic deficit (influence of the executive board) is also best explained by the variables from both perspectives (20%, when cooperative culture as intervening variable is included), but results are mixed, showing only some support for both rival theories. Therefore the battle between both perspectives ends undecided, with one common note: as far as our results are concerned, the role of structural variables in explaining democratic quality should not be overestimated.

In subsequent research it would be interesting to develop more differentiated tests of both theories, in which we can see whether the effects of structural variables differ for different types of goods and different types of cooperation (e.g. voluntary collaboration versus collaboration imposed by national or provincial government).

Another direction for future research would be an analysis in which we would use the region rather than the municipality as the unit of analysis. In such analysis one should also consider to study the effects of the homogeneity of the regional partners (in terms of e.g. size, political culture and social and economic interests). Moreover, in such more differentiated analyses researchers might also use objective rather than subjective measures of democratic quality, using actual influence on decisions made by IMCs. In the introduction we already indicated that from the comprehensive approach (focusing on the entire set of collaborations of a municipality) a subjective measurement of democratic quality was unavoidable. We think that such an approach to measuring the performance of collaboration networks is useful. On the one hand, we are convinced that our respondents are well-placed to assess the democratic performance of cooperation for their municipality. On the other hand, we obviously cannot

claim that such subjective assessments are always accurate. But even then, it is interesting to study these perceptions of democratic quality. After all, even when these perceptions are wrong, they will be real in their consequences for the prospects of future collaborations.

Our findings also have a number of important practical implications. First of all, our findings clearly demonstrate that we are ill-advised to use “proverbs” of regional administration as guideline for reforming systems of regional governance. For example, there is no evidence whatsoever that an indiscriminating imposition of territorial uniformity (by imposing congruence) and unitary governance (by territorial integration) on polycentric systems improves the democratic quality of regional governance. This speaks against at least one of the popular arguments for municipal amalgamation reforms. But at the same time our findings also show that we should not go from the one extreme to the other. Our findings also indicate that bringing some regulatory order by using legal instruments such as the WGR does provide some opportunities to increase democratic performance. They offer some help in creating more transparency in the “crazy-quilt” pattern of regional governance.

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<sup>1</sup> In a previous paper, still under review, we focused on the effectiveness and cost issues.

<sup>2</sup> Since our data are from 2015, the number of municipalities is 393. In 2016 the number is reduced to 390, due to amalgamation.

<sup>3</sup> No structural nonresponse from certain categories of municipalities can be reported.

<sup>4</sup> All survey questions indicating aspects of democratic quality or cultural climate use a 10 point scale.

<sup>5</sup> All scales measuring democratic quality or cultural climate are constructed by calculating the mean of the items.

<sup>6</sup> Separate scales for consensus and trust would have a very high correlation (R=0.71), causing multicollinearity problems in the multivariate regression analysis.

<sup>7</sup> We have used OLS regression analysis to estimate the models. No multicollinearity problems were found.