Political responsiveness and credibility in regulatory administration

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Abstract

Regulatory administration in Denmark, the Netherlands, and Sweden has gone through frequent and dramatic changes since 1950. Reforms are neither restricted to economic regulation, nor to the post-1980-reform period. The changes facilitate political control through either the parliamentary chain of delegation or collegiate boards, often with strong corporatist traits. However, the changes do not follow a universal pattern. Rather they build on organisational forms that are embedded in national administrative traditions. The analysis questions the validity of functionalist theories of regulatory reform while finding support for structural choice theory. In parliamentary systems of the European type policy makers prefer organisational designs that maximise flexibility with regard to delegating to independent regulators, but remain within the confines of national administrative tradition. Here Swedish central government is of particular interest due to the dualist principles inscribed into the constitution that guide it. They represent a strong form of credible commitment through agency independence. However, the analysis shows how policy makers over time have gradually eroded this independence.

No government can work without extensive delegation of authority to the administration. However, such delegation raises two serious problems to be solved. One is to what extent politicians can rely on the civil servants to whom they delegate discretionary authority. The other is whether the public and business community can trust their cases to be handled in a consistent, fair and impartial way. This excludes both political discrimination between different groups of clients and political meddling in policy implementation when political contingencies induce politicians to act opportunistically. This dual concern makes the issue of political control of the bureaucracy and the credibility of official policy key issues in the political design of administrative arrangements. Their mutual linkage also implies that policy makers cannot be expected to take such design decisions lightly. To maximize the political responsiveness of the bureaucracy politicians may have a strong preference for solutions that integrate the administration in the executive hierarchy. But to demonstrate the credible commitment of present policies to their constituency they may feel an equally strong incentive to create administrative organisations beyond their own day-to-day and case-to-case intervention.

These issues are particularly pressing within regulatory policy and administration for two reasons. First, in democratic systems the rule of law presumes that administrative intervention in private affairs is based on the application of formal legislation backed up by an independent judiciary. However, this legislation is not able to specify in detail the administrative actions to be taken to implement policy. This is in part due to the political transaction costs involved in legislative decision-making, in part to uncertainty as to the precise nature of future problems (Horn, 1995; McCubbins, Noll and Weingast, 1987). The implication is that much legislation is quite vague in its policy-prescriptions. Second, government regulation represents the strongest form of state intervention. Business and citizens alike are placed in a situation where the legality of their decisions depends on the letter of the law and how it isapplied by public authorities. For economic entrepreneurs what is at issue is the confidence with which they can make long-term investments if they do not know which rules may apply and how the authorities choose to enforce them (Levy and Spiller, 1996). Citizens face similar problems in their dealings with e.g. building, immigration or police authorities. For them a civilized life depends on being able to predict how the authorities will deal with applications for permits and with the enforcement of prohibitions inscribed in law. Within both groups, this may create a concern for the credibility of the government’s commitment to the policy prescribed by legislation and the precedence laid down by administrative practice. This

problem has ever since Max Weber belonged to the core of administrative theory (Weber 1921/1980: 552)

An important insight from the literature is that as policy-makers cannot cope with these issues in the drafting of legislation, they have to rely on organisational instruments. Still, the organisational design strategy does not provide a straightforward solution to their problems. That is so because the delegation of discretionary authority to the bureaucracy raises the question of how politicians can make sure that administrative decisions mirror their preferences; one solution is to integrate administrative authorities into a hierarchy where the political executive has final say. But hierarchical integration may give rise to anxiety among business and citizens who fear for the government's commitment to present policy. An alternative design therefore may be to delegate authority to bodies that enjoy some bureaucratic autonomy. We define it as the formal exemption of an agency head from full political supervision by a departmental minister (Christensen 2001). A considerable literature has demonstrated that delegation to more or less autonomous authorities is quite widespread. There are even observations that the creation of independent regulatory bodies has been a common feature in regulatory reform in many countries over the past 20 years, and further, that this solution has spread between countries. In addition, it is a global phenomenon that is not limited to the advanced capitalist economies (Gilardi, 2002; Levi-Faur, 2005; Jordana and Levi-Faur, 2005). If this is true it indicates that national administrative tradition which in parliamentary systems stress ministers' status as political executives has given way to an international and modernising trend (van Thiel 2005). According to its recommendations the political executive should keep at arm's length of the implementation of economic regulation. In this paper we argue that things are in fact even more complex. With no easy solutions to the design problem policy makers in government and parliament must balance their concern for responsiveness and control with demonstrating their commitment to a generally phrased policy through delegation of administrative authority to a body beyond their own hierarchical control.

Based on this research we present an empirical analysis of how policy makers balance these contrary concerns. We present results from a long-term comparative analysis of organisational design solutions in three European countries, Denmark, the Netherlands and Sweden. These countries have similar systems of parliamentary government, and they all have a tradition for close coordination between the government, parties in parliament and organised interests. The implication is that policy-makers make regulatory policy and choose the design for its administrative implementation under similar institutional and political circumstances. Moreover, the latter have

been basically stable over time. But in one potentially important respect the three countries diverge from each other. The reason is that their basic administrative structures rest on very different historical-institutional foundations. This analytic design therefore allows us to answer three questions:

1. How do policy makers in parliamentary democracies of the continental European type balance the concern for control and responsiveness against the quest for credible commitment in designing regulatory administration?
2. When making design decisions have policy makers given in to a general trend in tune with modern regulatory reform, or are their design decisions still formed by the repertoire of solutions that are part of the national administrative tradition?
3. Is the quest for credible commitment through the establishment of independent regulators particularly strong for economic and business regulation, or are the institutional solutions favoured by policy makers similar for different types of regulation?

The next section presents the theoretical background of the study and the propositions governing the analysis. The theoretical discussion is related, first, to the problem of structural choice in parliamentary democracy, secondly to the issue of regulatory reform and administration, and thirdly, the impact of administrative tradition on organisational choice. This is followed by a presentation of the data and the precise design of the study. Finally, the empirical analysis is organised around the three questions set out above. It involves two steps. First, the organisation of regulatory administration in 2000 is analysed. Second, changes in regulatory administration from 1950 to 2000 are analysed.

Theoretical background and propositions

Structural choice in parliamentary democracy

Delegation research has shed considerable light on the importance to policy makers of formal organisation and procedures. In a situation where they cannot specify in legislative detail their preferred policies, they have to rely on organisational and procedural prescriptions in order to minimise the agency problem involved. This moves structural choice into centre stage of political decision making. When making these decisions policy makers are expected to create organisations and to set up procedures that maximise their own long-term political power while keeping their preferred policies from being overturned by a new majority. The participants in this political contest

over the future influence on policies already enacted are members of the executive, political parties and their members of parliament as well as interest group representatives (Moe, 1990 and 2005; Lewis 2003).

Most research on delegation and structural choice has concentrated on its implications within the American checks-and-balances system. It has been shown how Congress and interest groups prefer ex ante-procedures to constrain the power of the President and his bureaucracy (McCubbins, Noll and Weingast, 1987). It has also been shown how the severity of the constraints varies with the intensity of conflict between the executive and the legislative (Epstein and O'Halloran 1999; Huber and Shipan, 2002). However, this applies to the American checks-and-balances system where the relationship between executive and legislative institutions is governed by very complex procedures, and where, in addition, party bonds are weak. Even if the basic problems of structural choice are the same, little is known about how policy makers handle this problem in parliamentary systems (Moe and Caldwell 1994).

A basic trait of parliamentary democracy is the relative simplicity of institutional relations. This goes for relations between parliament and government as well as for relations between government and administration. First, the government is "accountable to any majority of the members of parliament and can be voted out of office by the latter" (Strøm 2000: 265). Second, the government and its individual ministers form a political executive that commands a hierarchically organised and professionally staffed administration. In ideal terms this creates an unbroken chain of delegation which, in Kåre Strøm's words, is governed by the singularity principle with non-competing agents for each principal and a single principal for each agent (ibid.: 269-270).

The purest form of parliamentary democracy is found in Westminster-systems where, based on its majority in parliament, one party forms the government. Under these conditions many of the problems discussed in the delegation literature on the basis of research within the American checks-and-balances system seem less relevant. A shift of majority will immediately allow the ensuing government to change policy, including the reorganising the administration according to its own policy program. The kinds of organisational and procedural safeguards that are so important in American legislation lose their political relevance under these conditions (Moe and Caldwell 1994; Müller 2000). However, Westminster systems are not the typical form of parliamentary democracy. In most of Western Europe parliamentary democracy takes the form of either coalition or minority rule, in some cases even a combination of the two. Under these circumstances administrative

arrangements specified in formal legislation may acquire an importance similar to that in American practice (Cf. e.g. Epstein and O'Halloran 1999: 242-244; Huber and Shipan 2000).

There is a severe restriction to this interpretation as it overlooks two other traits linked to parliamentary governments of the minority and coalition types (Müller 2000). First and most importantly, policy makers lose the very flexibility built into the chain of delegation. This clearly applies to the cabinet and its ministers who are then no longer able to intervene in cases where situational contingencies might induce them to make an exception to established practice. The same considerations apply to political parties in parliament. With an unbroken chain of delegation they have the option of putting pressure on the political executive to adapt policy implementation to political circumstances and of holding the minister in charge responsible for decisions made by him or her, and even decisions made within the departmental hierarchy. Second, public policy in systems based on minority and coalition policy may tend to be consensual (Bovens,'t Hart & Peters 2001). The implication is that the risk of abrupt and radical changes in policy because of a change of government is low. Therefore, political parties and interest groups have little incentive to give up the flexibility built into an unbroken chain of delegation. Rather, in parliamentary democracies with minority and/or coalition governments bureaucratic autonomy is low because the government and its individual ministers are political executives in a hierarchically organised regulatory administration. By implication, they have full supervisory authority over the civil service.

Regulatory reform and delegation to independent regulators

Regulatory reform has since the 1980'es been high on the policy agenda in the industrialised world. The general ambition has been to improve and expand the operation of the market through regulatory reform. With its emphasis on the market focus has moved to economic and business regulation. Neither social (e.g. environmental regulation, workers' health and safety, consumer protection), nor legal regulation of citizens' individual rights and obligations (in traffic laws, protection of property rights, immigration law as well as in administrative and legal procedures regulating individual rights vis-à-vis the state) have received similar attention.

In this perspective regulatory reform rests on a double rationale. The first is that market competition is an important driver for economic growth, but also that competition is contingent upon appropriate government regulation. However, the effectiveness of regulation is at risk because politicians may be sensitive to pressure from regulated business seeking protection from market forces; politicians may also be oversensitive to voters' concerns, thus encouraging them to interve

in the market even if market forces can be relied upon to solve the problems in due course. The second part of the rationale is that the prime strategy to improve the effectiveness of regulation is to design regulatory administration that shields regulation from political intervention. The solution is delegation of regulatory authority to independent regulators that operate on the combined basis of formal law and professional discretion. This is particularly important when former monopolies providing public utility services are removed from government control and transferred to the market. So, the former monopolists (often state owned enterprises) may be politically well connected, making it difficult or less attractive for new entrants to invest in these newly opened markets for e.g. energy, railway transportation, telecommunication or waste disposal.

This functionalist (and normative) reasoning is strongly represented by for instance the OECD, and EU internal market is to some extent an expression of this thinking (OECD 1997 and 2006; Majone 2000).[1] The same applies to economic analysis (Levy and Spiller 1996) and to political analysis relying on transaction cost theory (Horn 1995; Pollack 2003). The common point is that delegation to independent regulators creates a credible commitment as policy makers renounce their right to interfere in administrative implementation. This line of reasoning clearly finds support in empirical research, which has demonstrated that delegation to non-majoritarian institutions is a prominent feature of modern regulatory policy and administration (Gilardi 2002; 2005; Thatcher and Stone Sweet 2002). Other research within the same framework has shown how the idea of independent regulators has spread from country to country.

There are two limits to these claims. The first is theoretical. The implication of the functionalist argument is that policy makers should have waived their right to intervene in situations that they cannot foresee precisely. They have tied their own hands in order to demonstrate their credible commitment to a certain policy they deem socially efficient in a long-term perspective. If this argument holds, it is quite difficult to see why it should apply only to the past 20-25 years of regulatory reform. It should also hold for the past. Finally, the argument is in conflict with broadly accepted assumptions about the motivation of politicians. The other source of doubt is methodological. The empirical evidence cited in support of the claim of a near-universal wave of regulatory reform that relies on delegation to independent regulators and agencies is mainly cross-

[1] OECD has conducted a series of critical reviews of regulatory policy and administration in many member countries. These reports both identify problems and presents solutions to them. Such reports have been published for Denmark and the Netherlands, but not Sweden (OECD 1999 and 2000).

sectional. Yet, there are few - and nearly no thorough ones - analyses based on long-term historical data on the organisation of regulatory administration.

Both the theoretical and the methodological objections call for further empirical analysis. One goal of this analysis is to establish whether a major change in regulatory strategy has taken place. Its implication is that during the 1980'es and 1990'es independent regulatory authorities have been set up that remove regulatory administration from the executive hierarchy. Thus, the structure of regulatory administration in 2000 should be very different from that, for example, 50 years earlier.

Whether it is so is an empirical issue. But the functionalist argument for the change raises some doubt. This is particularly the case if the design of administrative structure is seen as a structural choice where the involved actors, parties and interest groups strive to place administrative authority within an institutional framework that 1) protects their own long-term concerns and 2) preserves their access to intervention in situations that at the moment of enactment are highly uncertain. One option is to keep the administration under political control within the executive hierarchy; another is to delegate to demonstrate a credible commitment. According to this view the demand for credible commitment comes from interests affected by governmental regulation. They may prefer a professional and independent regulator, but alternatively they might have a strong preference for institutional solutions that rest on the delegation to bodies on which they are represented. Such bodies will truly be removed from the executive hierarchy, but contrary to the independent regulators as described by functionalist theory they remain strongly integrated in the political system. To shed light on these contentions a critical analysis requires that a concept of delegation is appliec that captures the full range of institutional variation when it comes to removing regulatory administration from the executive hierarchy.

Structural choice theory is also skeptical of the claim that the reform wave should be particularly strong for economic regulation. For both social and general legal regulation affected groups might share the same interests as economic actors in the creation of regulatory structures that give them influence on policy implementation. Also a functionalist line of reasoning might lead to the creation of independent regulatory authorities because what is at stake is a similar kind of long-term concerns that we find in economic regulation. In the case of social regulation it might be the concern for long-term environmental sustainability and in general legal regulation the protection of minorities against politically motivated infringements on individual rights in situations where a political majority caves in to populist pressure.

Administrative tradition and path dependency

The above discussion presumes policy makers who are free to design the administrative organisation most appropriate to solve a given task. It is either a question of balancing interests and influence or of designing an organisation that meets the functional needs of the task in question. But policy makers do not make these decisions in a historical void. This is not the case when they want to reform and adapt existing regulatory policy, nor when they set up an administration to implement entirely new policies.

There are two important reasons why this is so. The first follows from the literature on historical institutionalism and path dependency. One finding in this literature is that there are strong vested interests in prolonging existing policy and also in upholding existing administrative arrangements. Change creates uncertainty for management and staff alike, and interest organisations risk to see their relative positions weakened (Christensen 1997). These vested interests even gain political weight over time. There is, as it has been expressed, an increasing return to continuing along the trodden path (Pierson 2004). From a different perspective several studies in public policy and public administration stress the importance of "administrative tradition" (Knill 2001). or "historical trajectories" (Pollitt & Bouckaert 2000) as key factors in explaining policy and administrative choices of politicians and bureaucrats across countries. Or, as Toonen and Raadschelder (1997: section 5.5, n.p.) put it, in "trying to arrive in at least a beginning of an explanation of institutional variation, it is clear that various, sometimes very fundamental and historically deeply rooted dimensions and traditions need to be explored." In the same vein Pollitt and Bouckaert have pointed to the importance of "historical trajectories" when pointing out "that a conceptually identical or at least very similar, reform develops differently in one national … context as compared to another" (2000: 39). Christensen and Yesilkagit (2006a) in a comparison of national regulatory administrations found strong support for a claim that policy-makers draw on a limited and nationally distinct repertoire of solutions when deciding how to organize regulatory administration.

The second reason is that policy makers are not only confronted with considerable political uncertainty as to what the future might have in store for them. This is very much the starting point of structural choice theory. It is also that the institutional and organisational models they might consider as solutions to these problems are ambiguous. Policy makers do not know for certain whether a particular administrative organisation will work and have no way of getting information

providing them with precise guidance in this matter (Zahariadis 2003). However, they can reduce part of their ambiguity by applying institutional and organisational models that have stood the test of time in their national systems (van Thiel 2005). This is the option they will rely upon both if they decide to amend existing regulation and if they decide to enter into entirely new fields of regulation, e.g. regulation of the new markets for public service utilities.

Empirical analysis and data

Our analysis covers the development of regulatory administration in three European countries from 1950 to 2000. Denmark, the Netherlands and Sweden share important institutional and political traits, making a critical analysis of their experience interesting. They are all parliamentary democracies with governments that during most of the period have been either coalitions, minority governments or a combination of the two. The implication is weak executive dominance and the development of certain checks and balances in the interaction between parliament and government (Siaroff 2003: 455-460). In addition, all three countries have developed strong corporatist practices. They have throughout the period been characterised by a comparatively high involvement of especially labour market organisations in economic policy making (Siaroff 1999). This basic similarity of their political systems simplifies the analysis considerably as we need not include these institutional and political variables in the analysis. They are treated as constants.[2] However, the combination of parliamentary dominance, the existence of some checks and balances and a high degree of integration of organised interests in economic policy making makes them ideal candidates for a critical analysis.

Their different administrative traditions have similar simplifying consequences for the empirical analysis. Denmark and the Netherlands have administrative systems that historically emphasise the role of the political executive as head of a hierarchically integrated administration accountable to parliament on any matter (for Denmark, see Christensen 2004; for the Netherlands, see Andeweg and Irwin 2002: 148-153; van der Meer 2004). Swedish democracy rests on very different principles that are inscribed into the constitution and originate from a historical compromise made in the early 19th century. Political conflict between the lower and the higher nobility led to a constitutional provision according to which members of the government cannot issue orders to the bureaucracy. Only the government can on a collective basis issue such orders, and the general presumption is that the government relies on general letters of regulation in directing the operation

[2] In an analysis of the creation of new agencies in the three countries we have shown that these variables do not account for the decision to set up new agencies (Yesilkagit and Christensen 2006).

of central government agencies (Premfors et al. 2003 60-62 and 83-89). This was fundamentally a constitutional solution to the kind of a credible commitment problem faced by hitherto dominant political actors unable to win the trust of others (North and Weingast 1989). The 1974 constitution still rests on these dualist principles. The implication is that Sweden has a central administration in which the constitution separates the authority of the government and its departments from the authority of central agencies. The former are responsible for policy planning and political advice, while the latter are responsible for policy implementation and administration. With the dualist principle rooted in the constitution it is difficult to imagine a stronger and more credible commitment to the delegation of administrative authority to independent regulators. This makes Sweden an ideal critical case. If the reasoning on government and political party preferences in parliamentary democracies holds true, we expect policy makers to develop structural solutions that modify the dualist principle. Conversely, if the functionalist reasoning underpinning the regulatory reform theory holds true we should expect the dualism to be upheld and even strengthened over time as this normative theory is strongly compatible with the Swedish constitutional tradition.

The research on regulatory reform and the use of independent regulators has mainly been concentrated on delegation of administrative authority to agencies, i.e. to central administrative units placed outside ministerial departments. This is clearly at the core of the analytic problem. However, an exclusive focus on regulatory agencies overlooks the institutional diversity that characterise real-world administrative organisation. This also applies to Denmark, the Netherlands, and Sweden. Like Sweden, both Denmark and the Netherlands know the agency institution; in Denmark they take the form of “direktorater” and “styrelser”, in the Netherlands of “agentschappen”, and in Sweden of “centrala ämbetsverk”. But this is not an exhaustive description. All three countries have a myriad of collegiate bodies to which administrative power has been delegated. Moreover, this is particularly important in regulatory administration. They have names such as “råd” and “nævn (Danish), “nämnder” and “styrelser” (Swedish) or “zelfstandige bestuursorganen” (ZBO) (Dutch).

To this comes that central government agencies are not organised in a uniform way. Relationships with mother departments vary, and they may even have boards of directors. Finally, the composition of such boards of directors diverges as does the composition of the independent regulatory boards mentioned above. As the most radical solution, administrative authority may even have been delegated to interest organisations or a self-regulating body.

Policy makers have to choose within this rich assortment of organisational models. Structural choice theory expects that parliamentary actors prefer solutions that rest on integration into the executive hierarchy. This affords them maximum flexibility and situational adaptability while still keeping the chain of accountability fully intact. The main reservation of the hypothesis is that interest organisations may prefer non-majoritarian solutions that represent a credible commitment towards them.

The data on which the analysis is based reflect the complex character of the bureaucratic autonomy variable. It is defined as the formal exemption of an agency head from full political supervision by a departmental minister and it increases if an alternative or a competing level of political supervision is inserted between the departmental minister and the agency.

Data on the formal organisation of regulatory administration were collected for ten-year intervals for the 1950-2000 period. The units have been identified through the official government handbooks for each of the three countries. Additional information was retrieved from formal legislation and from central government archives. All central level authorities are included in the analysis if 1) they are ministerial departments, 2) are set up by law, or 3) are permanent, i.e. appear in the official handbooks at two consecutive points of observation or more.

Political integration and bureaucratic autonomy in regulatory administration

The basic question is how policy makers balance concern for political control and accountability against the rival concern for the credibility of regulatory administration. According to both structural choice theory and functionalist theory these are matters of organisational and institutional design. Structural choice theory expects policy makers to design organisations that are integrated in the political system. The form of organisation they choose depends on the distribution of power. In a parliamentary democracy both government and parliament may have a preference for organisational solutions that fit into the executive hierarchy, as such integration ensures maximum flexibility and adaptability in future and uncertain situations. This allows the government to intervene in response to political contingencies and it allows parliament to hold the government and its departmental ministers politically accountable for administration within their portfolio. Conversely, functionalist theory posits that such integration will weaken the credibility of the political commitment to implement regulatory policy in a consistent and fair way, even in future situations where political contingencies might induce deviation from declared policy. This leads to the claim that policy makers not only should, but in modern regulatory policy also must delegate

authority to independent regulators. These regulators are hence freed not only from hierarchical supervision through the ministerial hierarchy; they are also kept at arm's length from affected interests, thus reducing the risk of regulatory capture.

Table 1 outlines the basic structure of regulatory administration in Denmark, the Netherlands and Sweden. It reveals a mixture of fundamental similarities and differences. First, all countries have central administrations that differentiate between ministerial departments and agencies; for Denmark and the Netherlands neither principles nor practice preclude that ministers and their departments decide individual cases. So even if Denmark has a long tradition for delegation to agencies, ministerial departments have, and in particularly have had, a portfolio of tasks which implied that individual cases also were decided here (Christensen, 1997). Similarly, Dutch departmental ministries are organised around two or more directorates general, each with its own specialised portfolio that integrates policy work and political advice with administrative responsibilities; in this context an illustrative example is the competition authority, the Nederlandse Mededingingsautoriteit (Nma), that is set up as a directorate general in the Ministry of Economic Affairs (Wise, 1998). Ministerial departments have such differentiated tasks because decision making authority is placed here in the first instance, and hence the case is brought to the department or the minister by a client, or because the department or minister decides to intervene into a procedure at a lower level in the executive hierarchy. Exclusion of ministerial and departmental engagement in administrative decision making presumes an explicit legislative clause to this purpose.

The dualist principle makes Swedish administration very different. The authority to handle individual cases is vested in an agency and following the constitution ministers and ministerial departments do not have authority to decide individual cases. The same goes for the cabinet, although it can issue general instructions to agencies. Following Swedish constitutional tradition it can also handle complaints over decisions made by the agencies. In Swedish administrative thinking administrative case work is seen as one of rule application analogous to judicial decision making (Larsson 2002; Premfors et al 2003: 68-72).

Table 1 approx. here

The second fundamental trait is that all three countries to a large extent involve collegiate boards in the handling of regulatory tasks. Numerically such boards dominate Danish regulatory administration and they have considerable weight in both the Netherlands and Sweden. But board status varies. They may have a strictly consultative status, but frequently decision making authority has been delegated to them. They may have narrow and specialised duties as in Denmark and to some extent the Netherlands, covering a well-defined part of departmental or agency business. They may also, as is the case in the Netherlands and Sweden, be a kind of board of directors to which agency heads report; this solution is extremely rare in Denmark.[3] This results in a striking difference. Danish agencies are, with very few exceptions, fully integrated in the ministerial hierarchy, whereas some 80 per cent of Dutch and Swedish agency heads report to a board or to a board of directors.

A preliminary observation is that Danish regulatory agencies are fully integrated into the executive hierarchy and the parliamentary chain of delegation. This is not so for Dutch and in particular Swedish agencies, but the extensive use of collegiate boards with decision making powers by any of the three countries implies that the independence of regulatory administration of regulatory administration depends on internal board organisation and composition. Table 2 shows the extent to which non-majoritarian authorities were responsible for regulatory administration, and how these authorities were organised.

The most striking observation is that in 2000 only Sweden has the kind of independent and professional agencies that maximize credible commitment. Similar agencies are unknown in Denmark and the Netherlands. Yet, it is important that the majority of Swedish agencies report to a board of directors (a “styrelse”), which is also the case for most Dutch agencies. Danish regulatory administration also relies heavily on non-majoritarian institutions, but they are specialised boards normally responsible for just a sub-field within an agency or departmental portfolio. It is therefore possible that independence from both ministerial supervision and affected interests is assured through the composition of boards.

Once again we find that practice differs considerably between the three countries with Denmark as the deviant case. Here only 22 per cent of the boards have representatives for neither interest groups nor political parties. This is to a considerable extent the case in both the Netherlands (46 %

[3] In 2000 only Domstolsstyrelsen (the agency responsible for administering the judicial system) reports to a board of directors. The same applies to the central bank, which is also placed outside the ministerial structure.

of the boards) and Sweden (33 %).[4] However, both Denmark and Sweden bolsters the independence of boards through an extensive representation of members of the judiciary. Judges are represented at 40 % the Danish boards, often as chairs, and on 36 % of Swedish boards.

Table 2 appox. here

Does this guarantee board independence? That is hardly the case as the same boards have a heavy representation of interest group representatives (78 % for Denmark) and parliamentary appointees (50 % for Sweden). Under these circumstances the role of judges is that of a neutral chair person who can act as a trusted mediator between possibly conflicting interests. In addition, their presence in the Danish case reveals that many Danish boards handle complaints, e.g. over decisions made in either an agency or a ministerial department, sometimes even by the minister. In this way their tasks are equivalent to those of administrative courts in other countries. They are, in other words, representative of the pragmatism that marks Danish public administration. Few regulatory contentions are seen as purely legal, but rather as cases with legal and political dimensions. They are solved through negotiation and intermediation by a board that combines legal expertise, interest representation and the integrity that a judicial career endows on the chair.[5] Dutch administration is characterised by the same pragmatic approach, and as in Denmark, the absence of administrative courts is as striking as the use of agency boards of directors and collegiate boards as frequently preferred forums for intermediation in regulatory affairs (Andeweg and Irwin 2003: 153-160).

The formal structure of regulatory administration in Denmark, the Netherlands and Sweden varies considerably. Only Sweden has an agency structure that comes close to the ideal type independent regulator prescribed and expected by functionalist theory. Still, even in Sweden the ideal type is hardly descriptive of the formal structure. The reason is that most Swedish agencies have boards of directors and that parliamentary appointees sit on many of them. For Denmark and the Netherlands the main structure is different, but especially in the Netherlands both the board of directors, to which agency heads typically report, and the boards (ZBOs) were in 2000 remarkably free of parliamentary appointees and formal representation of interest organisations was weak. In the Danish case the strength of the ministerial hierarchy and the parliamentary chain of delegation are as conspicuous as the role of collegiate boards with strong corporatist traits. Independence in the

[4] Especially for Sweden the coding was made difficult on this point because the official listing of board members often contained little information about their professional status and background. Coding therefore often had to rely on inferences from members' titles.
[5] Members of the Supreme Court are especially popular as board chairs (Department of Justice, 2006).

sense discussed in functionalist theory is not linked to the extensive use of regulatory agencies, but rather to the presence of judges on a large number of the regulatory boards. These conclusions do not reject the validity of functionalist theory, which stresses the importance to policy makers of credible commitment. Yet, it strongly indicates that the design of regulatory institutions also meets other, principally political, criteria that according to the circumstances give priority to either a hierarchical solution or to one that allows interests and political parties to be engaged in regulatory administration.

Institutional change in regulatory administration 1950-2000

Functionalist theory of regulatory reform claims that a key element in recent reforms is delegation to independent regulators. These independent regulators are authorities that do not report to ministers and the government and hence they are aptly called non-majoritarian (Thathcher and Stone Sweet 2002). However, their independence is not only a matter of not being integrated in the parliamentary chain of delegation. It is also a matter of being withdrawn from the political process in general. Therefore, independent regulators are presumed kept at arm's length of the political executive as well as parliament, parties and interest groups. There is no precise date for the start of this period of reform. Still, the general assumption is that is has been a gradual process that began in the late 1970'es and accelerated up through the 1990'es. Table 3 accepts this by using the basic traits of regulatory authority organisation in 1950 as the reference point. It also shows the figures for 1980 where, following hypothesis 2a change was about to start, and 2000 where the claim is that large-scale change has been accomplished.

Table 3 approx. here

This 50 year period has seen considerable change in all three countries, especially in the Netherlands and Sweden. But change is not limited to the 1980-2000- period. It is a general phenomenon for the post-war period. Two criteria indicate whether change and reform have led to more independence for regulatory administrators, namely 1) whether the agency reports to a decision making board of directors or to a collegiate board with which decision-making authority rests, and 2) whether these boards have neither representatives for interest groups nor parliamentary and partly political appointees. It is seen that on both criteria Denmark has not reformed in the direction expected and recommended by the theory. The ministerial hierarchy is firmly in place throughout the period, the main modification being the increasingly strong representation of interest groups on regulatory boards. Then and now members of the judiciary fulfil a role as members, in

most cases chairs of these boards, but party political representation through parliamentary appointees has been reduced and was in 2000 nearly brought to an end. The role of judges has been remarkably stable during the entire period.

The Netherlands and Sweden represent more complex developments. In the Dutch case agencies and boards (ZBOs) play an increasingly important role judged by their numbers. In addition, collegiate boards and boards of directors without interest group or party political representation are as important in 2000 as they were in 1950. But they were relatively unimportant in 1980. For Sweden the development is equally complex, although different. Collegiate boards and board led agencies came to play a very strong role during the 1950-1980 period, but have since then seen their role somewhat reduced. Similarly, the relatively few boards that existed in 1950 were virtually free of both interest group and party political representation, but this has changed dramatically. In 1980 it was the case for 40 % of the boards and in 2000 for just a third of them. Thus, change and reform are not recent phenomena exclusively connected with a wave of pro-market reform; but have taken place throughout the entire period, most probably related to specific factors rather than a general rationale or wave of reforms. It is also clear that the dramatic changes have in no way been linear.

In both countries the role accorded to interest group and party political representatives is particularly illuminating. Even though interest representation has always been at a lower level than in Denmark, it markedly increased from 1950 to 1980, but has since decreased equally dramatically. In both countries this development followed a very critical debate on the politically strong part played by organised interests in Dutch and Swedish politics and administration (Larsson 2002; van Oosteroom 2002). Such a debate has hardly taken place in Denmark (Christiansen and Nørgaard 2003). But the implication of this development in the two countries is not parallel. Party political representation on regulatory boards (of directors) was and is unknown in the Netherlands. This was historically also the case in Sweden, but political parties have since gained strong representation. In 1980 they were present on a third of the boards and in 2000 on half of them. Judges play a minor and decreasing role in Dutch regulatory administration, whereas they play a moderate and over time increasingly important role in Sweden.

The first conclusion therefore is that none of the national systems of regulatory administration has been static. However, change has not followed the direction expected by functionalist theory, nor has it been uniform between the countries. Yet, the implication is not that concern for independence and representation has been unimportant to policy makers deciding the right organisation of

regulatory administration. It has especially been an issue with regard to formal interest group representation on regulatory boards and boards of directors at the agency level; again national experience varies as Denmark has been practically immune to this debate. It is equally apparent that in the Swedish dualist tradition with independent agencies political parties have come to play an important role insofar as they appoint members to an increasing share of agency boards. Thus, the very country that has a strong and constitutionally defined non-majoritarian tradition has changed its basic institutional structure so that regulatory administration has been connected to the parliamentary chain of delegation. However, this has not happened through by strengthening the executive hierarchy.

The second and related hypothesis derived from functionalist theory is that regulatory reform involving the creation of independent regulatory authorities has been particularly important for economic regulation. So even if at the aggregate level there is only little support for functionalist theory, it is possible that a control for regulatory function will lend support to the theory. The analysis follows in two steps. Table 4 shows deviations from the ministerial hierarchy, while table 5 shows the change in regulatory board organisation, be it for agency boards of directors or for regulatory boards. Both tables control for regulatory function, i.e. economic regulation compared to social and general legal regulation. Again the tables show changes from 1950 to 1980 and from 1980 to 2000, thus making it possible to see whether the development after 1980 follow the predictions of the theory and also whether they have a particular direction and scope compared to the first decades after the 2nd World War.

Table 4 approx. here

Table 4 generally supports the claim that there is a difference between regulatory functions. This is clear in the Netherlands and Sweden where it has always been an important tradition to let authorities responsible for economic regulation report to boards and boards of directors. Over time this type of organisation has even gained importance. This form of organisation is less popular for the other regulatory functions, but over time similar board structures have been introduced for social and for general legal regulation. Denmark deviates with its reliance on the ministerial hierarchy and its clear hierarchical structure for both social and general legal regulation. Except for the creation of an independent agency with its own boards of directors responsible for the management of the judiciary, nothing has happened since World War II in this respect.

Table 5 lends further support to the claim that regulatory function is important for the political choice of organisation. Yet the differences we found are not those predicted by functionalist theory. Rather, in any of the three countries general legal regulation is set apart with board structures that strengthen the political independence of the boards responsible for regulatory decisions. First, it happens much more frequently that neither interest group representatives nor political party representatives sit on the boards. Second, in all three countries judges play a role in regulatory administration that for Denmark and Sweden is stronger than in economic and social regulation; this also applies to some extent for the Netherlands where the judiciary generally has been little involved in regulatory administration. This first observation has particular validity for 1950. The second observation is that over time the organisations has approached each other for all three regulatory functions in both Denmark and Sweden, while in the Netherlands social and general legal regulation upholds an administrative organisation that sets it apart from economic regulation. In Dutch economic regulation interest groups turn out to play a very important role throughout the period, demonstrating the importance of the strong corporatist traditions of the country (OECD 1999; Wise 1998).

Table 5 approx. here

The main conclusion is that the control for regulatory function reveals that policy makers in choosing how to organise regulatory administration demonstrate a concern for institutional autonomy. But this concern has different outcomes for economic and general legal regulation. Economic regulation is accepted as an area where interest groups are relevant and politically legitimate co-decision makers, whereas the boards involved in the implementation of general legal regulation have been kept free of both interest groups and party politics. However, over time the three functional areas increasingly converge in their administrative organisation. Finally, changes, even quite dramatic ones, have taken place in all three countries, but they have not been restricted to the post-1980 period often depicted as an epoch of radical reform with a highly profiled and near-exclusive focus on pro-market reforms.

National tradition and institutional precedence

Within the general trends laid out above it is clear that there is considerable variation between the three countries. There is in addition considerable institutional and organisation change over the

period, but no clear common trend. Table 5, for example, revealed that the administration of general legal regulation in all three countries bore the marks of a tradition for independence that has persisted over time, even if it has to some extent been weakened as also policy within this field has been politicised. In Denmark and Sweden this set it out in contrast to the preferred organisation for economic and social regulation, whereas in the Netherlands the organisation of general legal and social regulation follows a similar path that differs from that of economic regulation.

This differential pattern points in two directions. The first is that in each of the countries modern regulatory administration rests on fundamental preconceived notions of the proper organisational solution. In Sweden this conception has even been inscribed into the constitution and has survived later constitutional revisions, including the 1974-reform. In Denmark and the Netherlands administrative matters are little formalised as both governments and the civil services operate within a highly pragmatic framework. Still, also these countries have distinct national models that have served and serve as the nodal point in any discussion of the right way to organise central government, including regulatory administration. What is more, throughout the period the discourse has focused on the same basic themes and solutions. Examples are for the Netherlands the 1997 report from the Cohen-Working Group and for Denmark the 2006 Ministry of Finance report on the organisation of central administration.[6]

The second observation is that the existence of three distinct national models in no way reduces the design decision to the installation of a universal organisational appliance. It remains a matter of political choice as there is ambiguity about the operation of the model in a particular context, and as the precise implementation of the model raises concerns about the ensuing distribution of power and its consequences for the future implementation of regulatory policy. Under these conditions policy makers have a strong incentive to opt for a model that has been tested in previous national practice and is legitimate, but also to see to that it is properly adapted to the specific situation. Table 6 specifies the basic traits of the national administrative paradigms and the novel features that have been added to them during our period of investigation.

Table 6 approx. here

[6] On the Cohen-report, see Wise 1998; on Denmark, see Ministry of Finance 2006.

The core traditions present Sweden as radically different. Its dualist system of central administration makes it different not only from Denmark and the Netherlands, but also other parliamentary democracies. However, all three countries have complementary features in their basic administrative systems. The implication is a strong tradition for integrating organised interests not only in policy making, but also in regulatory administration. In doing so each of the countries has developed its own specific forms that have stood the test of time. In Denmark they take the form of specialised regulatory boards, while in the Netherlands and Sweden the preferred form is representation on the boards of directors to which agency heads report. In Sweden the installation of agency boards provides political guidance and accountability to a central organisation that is set apart from the parliamentary chain of delegation. Over time this has been developed as party political representatives have gradually replaced interest group representatives on the boards. In the Netherlands it is a complementary forum of leadership, guidance and control. However, it is only for the ZBOs (boards) that have this modified ministerial accountability within the parliamentary chain of delegation.

The coexistence of a distinct core tradition and complementary reliance on corporatist representation has in all three countries created a sufficiently flexible framework that allows for considerable change and even reform that can be enacted without discarding the components that have been the historical components of regulatory administration. So while the administration of economic regulation has been relatively stable over time, the administration of social and general legal administration has been developed by implementing features already known in the particular systems. The fact that change and reform within these areas, in particular in Denmark and Sweden, have moved in different directions clearly indicates that reference to established organisational practice is non-deterministic and open to influence from principled debates as well as political bargaining between parties and organised interests. With the combined strength and latitude of national administrative traditions, change and reform with minimal organisational and institutional innovation is the general pattern.

Sweden is a partial exception from this pattern. Both Denmark and the Netherlands have with remarkable consequentiality stuck to the principles and practice of a merit professional civil service (Christensen 2004; van der Meer 2004). This is also in accordance with the principles of delegation and accountability that constitute the defining characteristics of parliamentary government (Müller 2000). But these principles do not apply to Sweden because of the pre-parliamentary dualist system of central government. Therefore the formal capacity for political guidance and executive control as

well as the provisions for parliamentary accountability are weakened. The gradual, although modest, politicisation of Swedish central government is interesting in this perspective. So over time, appointments to leading positions in the ministerial departments have followed party political lines and undersecretaries in recent decades are without exception political appointees (Pierre 2004). Similarly, the directors general at the agency level have increasingly been recruited among people with a party political background. In 1950 and 1960 13%, respectively 9 %, had a background as ministers, undersecretaries or MPs. In 1970 their share was 19 %, and in 1990 and 2000 it has increased to more than 20 %. This development must be seen in connection with the increasingly strong presence of parliamentary and party political representation on agency boards.[7]

Politics and principles in regulatory administration

The comparison of long-term changes in regulatory administration in three European parliamentary democracies confronted a set of competing hypotheses derived from, on the one hand politics of structural choice theory and, on the other, functionalist theory of regulatory reform. The former sees administrative design decisions as primarily a matter of allocation of power, while the latter sees it as an important factor for economic welfare and growth. Whereas structural choice theory makes no claims as to dramatic and universal waves of reform, functionalist theory argues that a dramatic change in regulatory policy and administration has been enacted since about 1980, when governments initiated a series of quite radical pro-market reforms. This incidently pitches economic reform against both social and general legal regulation.

This study lends considerable support to structural choice theory, but it also concludes that the organisational strategies followed may vary between as well as within national systems of regulatory administration. Evidence for this is the delicate balance between an administration embedded in the parliamentary chain of delegation and a system of corporatist authorities organised as either regulatory boards or as boards of directors to which agency heads report. Such regulatory agencies and boards may be seen as policy makers demonstrating credible commitment to regulated subjects, in particular business interests. But it is a far cry from the independent regulatory agency found at the core of functionalist theory, be it as a prescription for good regulation or as a factual claim about the direction of recent reforms. Only Sweden knows an agency institution that meets

[7] The figures are collected for this research, cf. sources to table 1. The partial politicisation of appointments is subject to regular scrutiny by the Swedish Parliament's constitutional committee, cf. http://riksdagen.se . See also Larsson 2002.

the demands of functionalist theory. Interestingly, this institution dates back to a constitutional reform in 1809, and it principles were left untouched by the latest revision of the constitution in 1974.

Neither Swedish ministers nor the government is entitled to interfere in the administration at agency level. They cannot give orders to agency officials; equally, they cannot demand that a case be moved to the departmental level to be decided by the minister or even the cabinet. The instrument available to them is general instructions, presumably in the form of an annual letter of regulation (regleringsbrevet). From a parliamentary perspective the implication logically is that neither the ministers nor the government can be held accountable for specific agency decisions. With this constitutionally regulated organisation of central government inherited from pre-parliamentary times, Sweden has an administrative systems that meets the most modern standards for regulatory administration in a market economy.

Despite the remarkable persistence of the Swedish dualist system policy makers seem to be strongly aware of the control and accountability as well as the distribution of power aspects of administrative design decisions. In the present context we shall draw attention to three important indications of this. First, there has for years been a debate where a vocal point of view was that executive and administrative dualism had paved the way for a powerful and unresponsive administration. Therefore a thorough reform was to improve the capacity for ministerial leadership by integrating the central administration in a parliamentary chain of delegation modelled after the Danish and the Norwegian systems.[8] This debate is constantly nourished through reports that neither the government nor ministers and their departments has sufficient organisational authority to guide and control agency activities.[9] Second, empirical studies demonstrate a flexible and pragmatic interaction between departmental and agency officials, allowing for consultation on policy as well as the handling of administrative casework. This research also has shown how the relative strengths of departments and agencies vary from portfolio to portfolio and over time (Jacobsson 1984; Lindbom 1997).

Third, and most important in the present context, our analysis demonstrates that Swedish policy makers with considerable consistency have taken steps that partly compensate for the lack of

[8] See Molander, Nilsson and Schick 2002; cf. also Ekonomikommissionen 1993: 154-166, that also discussed the issue. But the commission, dominated by prominent Swedish economists, ended up concluding in favour of the dualist tradition.

[9] See e.g. a report from the Swedish national auditors on government control of the national agency for environmental protection (Riksrevisionen 2006).

political controllability and accountability built into the dualist system. This is primarily accomplished through increasingly strong representation of parliamentary and party political appointees on agency boards, but also through an increasing, although limited use of political appointments to the important offices as agency director generals. These institutional adaptations of the dualist model both lend support to the politics of structural choice theory and to our argument for the preference for the flexible forms of control and accountability inherent in parliamentary democracy.

The contrasting perspectives between structural choice and functionalist theory in many ways appear as a competition between a realist, even cynical, view of the relationship between politics and administration and a principled, general interest and welfare-oriented view of the same relationship. There may be some truth to this, but our comparative study has also shown that structural debate and even choice to some extent are results of principled discourse. So there are areas where regulatory administration is at least partly insulated from party and interest group politics and from ministerial meddling in the handling of individual cases. But contrary to the predictions of functionalist theory, this does not characterise economic regulation, and moreover, there are no signs of things moving in that direction. The exception is that the new authorities responsible for utility regulation in all three countries have been accorded a formal status that removes them from the ministerial hierarchy and from the traditional corporatist board structure. Similarly, and potentially more important, we have also found that the administration of general legal regulation has traditionally been entrusted to authorities that enjoy this form of autonomy and independence. Here not economic interests but the protection of individual rights and freedom are at risk, and all the three countries have maintained principles that contribute to and even safeguard the credibility of its regulatory administration. Another important instance of principled change is the targeted reduction of the role played by interest organisations in the Netherlands and Sweden since the 1980'es.

One set of hypotheses focused not only on the direction of change and reform, but also on the timing of it. We were in particular interested in learning whether the pro-market reforms launched since 1980 have left marks on organisation in the three countries. By including the whole post-war period in the analysis we find strong evidence of change and reform. However, reform activity is not restricted to a particular period and regulatory administration has not been through more far-reaching changes in the past two decades. Rather we conclude that regulatory administration is remarkably adaptable and prone to changes. These changes are not linear in that they do not point in

a particular direction, be it cross-nationally or nationally. They are definitely framed by national administrative tradition and institutional precedence, which constrain and inform structural choice without compromising flexibility.

Conclusions

This comparison has shed light on the relative merits of two lines of theory. Generally it has lent support to structural choice theory and demonstrated the institutional strength of the parliamentary chain of delegation. In our interpretation this strength is based on its flexible traits, allowing for executive control, parliamentary accountability and the option to respond to situational contingencies in regulatory administration. This conclusion is much in line with other recent research that has shown how national authorities within the specialised utility regulation, regardless of the precise national organisation, are quite open to and responsive to political intervention (Böllhoff 2006 and generally Coen and Héritier 2006). Deviations from the ministerial hierarchy are frequent and surely involve considerations about credible commitment. But generally, this commitment is achieved by involving affected interests in regulatory administration. This feature is particularly strong for economic regulation.

Because of the dualist principles inscribed in its constitution the organisation of Swedish regulatory administration represents an interesting critical case. The analysis shows how policy makers have consistently upheld the basic principles of central administration that date back to the early 19th century. But our findings also reveal how policy makers during the period analysed have gradually increased their formal access to controlling the independent agencies through a mixture of political appointments at the top management level and party political representation on increasingly frequent boards of directors. This result lends strong support to structural choice theory.

There are two limitations to our research. They both call for further research. One is that we have limited our analysis to three countries with very similar in institutional and political institutions. The other is that our study only looked at the formal structure of regulatory administration. Still, it is our contention that we have made a strong case for a strict political science perspective founded on the politics of structural choice, and further, for basing claims on the scope and impact of administrative reform on long-term historical data.

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Table 1. Organisation type and hierarchical integration within regulatory administration 2000

Organization types (absolute numbers)	Denmark	The Netherlands	Sweden
Agencies	41	132	64
Boards	234	67	83
Total	290	223	156
Agency head reports to (percentages)			
Departmental minister	93	20	0
Decision making board	7	80	77
Independent agency	0	0	23[1]
N= 100 %	40	126	64

Sources: Denmark: Hof- og Statskalenderen; The Netherlands: Staatskalender; Sweden: Sveriges Statskalender.
[1] Agencies reporting to neither departmental ministers, nor to a board or board of directors are coded here.

Table 2. Non-majoritarian regulator organisation 2000.

Regulator organisation	Denmark	The Netherlands	Sweden
Agency outside departmental hierarchy not reporting to board (percentages)	0 (40)	0 (126)	23 (64)[1]
Percentage of decision making boards[2] with representation of			
- organised interests	78	4	37
- parliamentary appointees	4	0	50
- members of the judiciary	40	5	37
- neither organised interests nor parliamentary appointees	22	46	33
No. of decision making boards = 100 %	129	103	96

Sources: Se Table 1.

[1] Agencies not reporting to a board or board of directors are coded here, even if they formally report to the government rather than to individual ministers responsible for the policy portfolio.

[2] The figure includes decision making boards that are served by a ministerial department or an agency or boards of directors to which agency heads report.

Table 3. Change in non-majoritarian regulator organisation 1950-2000.

Country - Year	Percentage of agency heads reporting to board/board of directors[1]	Percentage of boards/boards of directors with members representing				N = 100 %
		Interest groups	Parliament/political parties	Judiciary	Neither interest groups nor parliament/parties	
			Denmark			
1950	6 (48)	64	15	39	15	69
1980	7 (58)	75	8	43	22	99
2000	7 (41)	78	4	40	22	129
			The Netherlands			
1950	37 (82)	52	0	18	49	68
1980	59 (106)	71	0	9	30	99
2000	77 (131)	54	0	5	46	103
			Sweden			
1950	46 (37)	23	1	26	75	69
1980	83 (48)	47	35	26	40	129
2000	77 (49)	37	50	37	33	96

Sources: See table 1.
[1] Total N in parentheses

Table 4. Change in agency status 1950-2000

Percentage of agencies reporting to board within regulatory functions	1950	1980	2000
	Denmark		
Economic	9 (32)	12 (33)	11 (18)
Social	0 (9)	0 (16)	0 (12)
General legal	0 (7)	0 (8)	10 (10)
	The Netherlands		
Economic	48 (58)	81 (72)	91 (69)
Social	11 (19)	15 (26)	71 (38)
General legal	0 (5)	0 (8)	56 (18)
	Sweden		
Economic	55 (22)	85 (27)	86 (28)
Social	40 (10)	91 (11)	73 (22)
General legal	20 (5)	70 (10)	64 (14)

Sources: Se Table 1. N in parentheses.

Table 5. Change in board structure for regulatory functions 1950-2000

Regulatory function	1950				1980				2000			
	Percentage of boards/boards of directors with members representing											
	Interest groups	Parliament/ political parties	Judiciary	Neither interest groups nor parliament/parties	Interest groups	Parliament/ political parties	Judiciary	Neither interest groups nor parliament/parties	Interest groups	Parliament/ political parties	Judiciary	Neither interest groups nor parliament/parties
						Denmark						
Economic	76	14	22	20	86	7	22	13	83	3	15	15
Social	79	14	26	17	82	5	25	14	87	5	27	11
General legal	29	0	59	71	48	7	52	48	60	6	49	40
						The Netherlands						
Economic	62	4	11	39	74	0	3	26	70	0	1	30
Social	38	0	3	63	46	0	4	54	30	0	2	70
General legal	31	0	41	69	43	0	32	57	26	0	33	74
						Sweden						
Economic	22	3	18	75	38	39	15	40	41	37	29	35
Social	30	0	10	70	66	25	25	30	43	45	20	33
General legal	17	0	50	83	41	45	41	45	28	41	44	44

Sources: Se Table 1.

Table 6. Principal elements in national administrative tradition

	Denmark	The Netherlands	Sweden
Core tradition	Ministerial supremacy within parliamentary chain of delegation	Ministerial supremacy within parliamentary chain of delegation	Dualist administration inscribed in the constitution combined with parliamentary democracy
Complementary feature	Regulatory boards with strong corporatist representation in economic regulation	Agencies and boards with strong corporatist representation in economic regulation and pillarisation of civil society	Historical integration of organised interests in boards
Application in regulatory change and reform	Expansion of complementary feature to cover social and general legal regulation	Expansion of complementary feature to cover social and general legal regulation, but differentiation between economic from social and general legal regulation	Expansion of the use of agency boards of directors with extensive parliamentary representation and parallel reduction of corporatist representation
Introduction of innovative elements	None	None	Gradual, but limited politicisation of executive appointments