Delegation and specialization in regulatory administration: 
A comparative analysis of 
Denmark, Sweden and The Netherlands

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Delegation of administrative authority to agencies and other independent bodies is an important phenomenon. In recent political and administrative analysis it has attracted strong attention, especially in studies of regulatory policy and administration. This paper presents a comparative analysis of regulatory administration in Denmark, The Netherlands, and Sweden. The three countries have very similar political systems, but their administrative traditions and systems diverge. In the analysis we find that delegation of executive authority to more or less independent regulators is an old and well-tried phenomenon in all three systems, but the forms and scope of delegation are heavily mediated by the institutional traditions on which the administrative systems rest. By implication we conclude that neither the concern for creating credible commitments through delegation to independent regulators nor the concern for the democratic capacity of coordination find much support in the administrative development of the three countries.

The division of labour between political executives and the bureaucracy is at the core of the study of government. In recent years the interest in this aspect of administrative organization has gained renewed and strong attention as scholars and policy-makers focus on the delegation of authority from politicians to bureaucrats. For both groups, the issue is a concern for how to balance political authority against bureaucratic autonomy.

These issues are general, but they have gained special attention within the fields of regulatory policy and administration. Behind it is a realization by scholars in economics, law, and political science that it is impossible to write laws that in every detail specify what is allowed and what is forbidden. As a consequence, these scholars have concluded that legal regulation, economic incentives, and administrative organization are part and parcel when it comes to developing and designing regulatory reform and policy. To shed light on the issues we present a comparative analysis of developments in regulatory administration in Denmark, Sweden and The Netherlands.

**Political control and regulatory credibility**

From an analytic perspective the questions are to which extent, in which forms and why delegation takes place (Epstein & O’Halloran, 1999; Huber & Shipan, 2202), as well as how it has developed over time (Jordana & Levi-Faur, 2004). From a policy perspective the issue is to find the proper balance between political – and democratic – governance and executive decisions that respect the principles of the rule of law. If emphasis is placed on the former concern, priority is given to the integrative role of democratically elected politicians. In parliamentary systems this includes a political executive that is accountable to parliament and eventually to the voters. This is the
rationale of the parliamentary chain of delegation. However, if priority is given to concerns for the credibility of an administration guided by the consistent application of policy to all equal cases, disregarding situational contingencies, there is a rationale for delegating authority to autonomous units. For all purposes this modern interest in delegation mirrors Max Weber’s classic discussion of how to optimize political control over the bureaucracy while at the same time ensuring that citizens and entrepreneurs can be certain as to how the law will be applied to them (Weber 1921/1980: 562-566). Modern research and theory have rephrased and specified this issue, but it is important to retain Weber’s clear focus on what is at stake in decisions on the organization of government.

Balancing these concerns involves delicate organizational choices. These choices are not made in a vacuum. On the one hand, each system of government has its distinct traditions, which have made their imprint on its administration in past and present. On the other hand, policy rationales and institutional blueprints vary over time, e.g. when ideas floating around in an international policy community are taken up by national policy-makers who are facing specific problems.

One set of ideas is quite specific. They represent a clear and consistent rationale for the administration of regulatory policy. According to the rationale, policy-makers are advised to set up regulatory authorities that are removed from direct control by the political executive and by political parties in parliament (Levy & Spiller, 1996; Majone, 2000). The argument is that delegation of decision-making power to independent regulatory authorities will serve as a credible commitment by policy-makers to uphold an administrative practise that does not give in to opportunistic incentives. This again will provide entrepreneurs and investors with a degree of certainty that induces them to make long-term investments. Since the 1990s, this argument has been widespread in international organizations like the OECD and to some extent The European Union (see e.g. 2001 & 2002; EU Commission, 2001). They may have served as channels of dissemination for radical reform ideas like New Zealand’s principle of functional delegation and the creation of next step agencies in the UK (Boston et al., 1996: 72-76; Hogwood, Judge & McVicar, 2001).

Even if this institutional reasoning is specific to regulatory policy it is closely related to the other and broader set of ideas. They are often subsumed as New Public Management (Peters & Pierre, 1998). NPM also recommends extensive delegation from politicians to bureaucrats, but here the concern is efficiency and specialization. According to the NPM-logic, delegation will leave management and current implementation to specialists who have the training and experience to act efficiently. The NPM-prescription does not distinguish between the implementation of regulatory policy and e.g. the provision of welfare services, and thus presents a
universal blueprint for how to design a public sector that is both efficient and effective.

According to the third set of ideas, widespread delegation of administrative authority may weaken the power of the political executive. As bureaucratic autonomy represents a break with the chain of delegation from parliament to the government and the civil service, it also weakens the mechanisms of democratic accountability. As a result it becomes more difficult for the government to fulfil its integrative functions because it has lost part of its control over policy delivery and because delegation of executive authority may imply the dispersion of responsibilities for specific public policies over many administrative units that are no longer held together by the government, its departmental ministers and departments reporting directly to them (T. Christensen, 2001; Lewis, 2004; Suleiman, 2003).

The three sets of ideas presented above all have a distinct prescriptive content. In addition they argue that it is important to organize government in the prescribed way in order to guarantee certain values. The recommendation that regulatory administration should be delegated to independent regulatory authorities or agencies is based on an idea that gives priority to the strict application of regulatory legislation or to discretionary decisions made by expert civil servants, who are shielded from political intervention. By delegating executive power to such independent authorities, policy-makers demonstrate their credible commitment to stick to policies once decided. The competing recommendation that executive power should be concentrated in administrative organizations headed by departmental ministers argues that this concentration of power provides for a combination of political control and coordination. The implication is that this model both improves policy coherence and facilitates democratic accountability.

The two ideals diverge on another dimension. The rationale behind the agency model is that in order to ensure the credible implementation of regulatory policy, executive authority should be delegated to independent agencies. This model presents itself as clearly modern. Its emphasis is on the orderly operation of the market and of the public sector, and it is based on the assumption that these are interdependent concerns. The rationale behind the ministerial model similarly presents itself as a defence for the classic values of democratic governance. It derives from a serious concern about sustaining democratic institutions as the integrative force in society, and there is considerable fear that setting up an administration whose basic mission it is to facilitate the operation of the market will undermine democratic values and put society at risk of fragmentation and disintegration.

These models and the beliefs behind them raise issues that are open to empirical testing. Both contain propositions as to the direction in which things are expected to have developed. So one question that this paper intends to answer is whether it is
right that the implementation of regulatory administration is increasingly delegated to authorities that enjoy some autonomy vis-à-vis the political executive. To the extent a development in this direction can be observed, the other and related question to be answered in this paper is to what extent this has led to a fragmentation of regulatory administration and to a weakening of the coordinative capacity of the political executive.

From an analytical perspective either proposition may arouse certain doubts. Neither proposition and the theoretical reasoning behind them has explicitly dealt with the political and institutional constraints that face institutional designers. Here it is not important whether they want to reform and modernize regulatory administration, or whether they want to protect the putative democratic qualities of an administration placed under direct political control. The political constraint follows from the assumption that the political executive wants to keep the implementation of regulatory policy in its hands and therefore is reluctant to delegate executive authority to independent regulatory agencies. The institutional constraint follows from the assumption that any change of the existing institutional set-up, e.g. to implement new models of governance, confront prospective reformers with considerable transaction costs. These are of a political nature, and they arise because the existing organization mirrors vested interests in and outside the bureaucracy. Over time, these interests have been increasingly entrenched into the institutional set-up. Any attempt to change or reform them thus involves tough political bargaining and considerable political transaction costs as it may be up against strong vested interests that have gained a solid stake in the existing administrative arrangement (Christensen, 1997).

**Delegation and bureaucratic autonomy**

Bureaucratic autonomy is defined as the formal exemption of an agency head from full political supervision by the departmental minister (Christensen, 2001: 120-122; Verhoest et al., n.d.). Conceived in this way, bureaucratic autonomy is a multidimensional phenomenon. For regulatory administration two dimensions are of special relevance. One is *structural autonomy*, which arises if an alternative or competing level of political supervision is inserted between the agency and the departmental minister. The other is *legal autonomy*, which arises if the law authorizes the agency head to make decisions in his own capacity, while forbidding ministerial or government intervention in his decisions as well as the agency head’s consultation with the minister or the minister’s advisers on decisions that, according to the law, are delegated to him. In this analysis the main focus is on the structural autonomy. Legal autonomy is only included to a limited extent.
Bureaucratic autonomy is conceived as a continuous variable. Autonomy increases when we move away from the situation where authority is concentrated in a department or directorate general\(^1\) headed by a political executive, and it reaches its maximum if administrative authority is delegated to an agency head who reports to a board of directors or to a collegiate board served by a secretariat placed outside the ministerial hierarchy. Autonomy is strengthened if the agency head or head of the executive secretariat is appointed by the board of directors or the collegiate board and not the departmental minister.

In operational terms, we distinguish between three types of regulatory administrations:

1. Ministerial departments and directorates general headed by permanent secretaries, respectively director generals, who report directly to ministers, and who act as their chief advisors in policy and administrative issues.
2. Agencies organized as separate administrative units outside ministerial departments or directorate generals and headed by agency heads, who depending on the organization may report to
   a. The departmental minister through the department/directorate general.
   b. A collegiate board in all or certain legally defined matters of policy.
   c. A board of directors to which the agency head reports on all aspects of agency business.
3. Collegiate boards to which executive authority has been delegated.

Even these simple distinctions demonstrate how complex the organization of regulatory administration can be. The complexity increases further when we take into consideration the possibility that all three types of regulatory bodies may be endowed with either decision-making or advisory authority or a mixture of both. Finally, as soon as executive authority is delegated to collegiate boards, or boards of directors are inserted into and thus modify the ministerial hierarchy, the composition of the boards becomes interesting – especially if representatives from political parties or interest organizations are represented. Each is taken as indicators that law-makers delegate authority to a regulatory administration that is made to respond to other political interests than those of the departmental minister. An alternative solution is to emphasize the autonomous status of a collegiate board by appointing judges as members or as chairs.

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\(^1\) In the Danish and Swedish central government these organizations are called departments; in the Dutch central government the name is directorate general. In this paper we use department as the generic term.
Research Questions and Comparative Research Design

There is a clear limit to this way of analyzing delegation in regulatory administration. The conceptualization of bureaucratic autonomy and the operationalization set out above rely only on the formal traits of the organization. This means that we ignore informal procedures, organizational and political culture (Yesilkagit, 2004). However, formal structure remains one important parameter for policy-makers, and even small changes in formal structure and procedure may frame the operational field differently for political and administrative actors (Hammond & Thomas, 1989; Hammond, 1996).

In this analysis the basic question is to what extent regulatory and administrative reforms undertaken since the 1980s and up through the 1990s have increased bureaucratic autonomy in the sense defined above and as consequence weakened the integrative capacity of government. We expect these effects to be limited compared to the period from 1950 to 1980. First and foremost we assume that political executives have a strong and consistent preference for hierarchical forms of governance that preserve their option to intervene in administrative matters if situational contingencies induce them to do so. Second, we also expect that in parliamentary systems of government, parties in parliament belonging to the opposition will care about their possibility to hold the cabinet as well as individual ministers accountable for any decision within their portfolio. Therefore, we expect them to have a consistent preference for hierarchical forms of organization that allow them to hold incumbent ministers accountable.

Even if we assume the ministerial and party political preference for hierarchical governance to be a universal trait in parliamentary systems of government, decisions to design new or redesign existing administrative arrangements are not made in an institutional vacuum. There are national traditions of government and administration as well as varying constitutional provisions as to the relationship between parliament, government, and the administrations. We argue that these institutional traditions create political transaction costs that policy-makers have to consider when deciding to change regulatory administration and thus to divert it from its trodden institutional path. We don’t think that these transaction costs block adaptation and reform, but rather that they create a strong political incentive to rely on organizational forms and inventions that fit into the traditional pattern. Organizational solutions that are compatible with national administrative tradition have important advantages. They will easily come to the mind of policy-makers and their advisers, and they may in addition limit the uncertainty as to the consequences of reorganizations and the creation of new regulatory authorities. Therefore, we expect changes in national systems to preserve their distinct institutional traits even if the changes observed point in one and the same direction across national borders.
While this line of argument justifies the expectation of a high degree of vertical integration with authority concentrated with ministers, ministerial departments or in agencies whose heads report to the minister through his department, it is less clear what to expect along the horizontal dimension. The debate here is predominantly normative and prescriptive. Its focus is on the organization of regulatory agencies to which administrative authority has been delegated, and that preferably enjoy bureaucratic autonomy. What is at issue is whether these agencies should be specialized along functional or sector lines or consolidated in organizations with comprehensive responsibilities. Particular attention is paid to the relationship between competition authorities and specialized units responsible for the regulation of public utilities that now operate on market conditions (OECD, 1999). The ambiguity of this debate is underlined both by advocates for delegation and autonomy and by advocates for the integrative role of the hierarchy. Both groups bring forward arguments for organizations with a comprehensive scope of tasks and policy responsibilities. The former do so because they fear capture by regulated interests if the policy scope becomes too narrow and branch-specific, and because they want to facilitate policy coordination while keeping the regulatory authorities out of micromanagement of the regulated branches. The advocates for the integrative view have the same concern for policy coordination, but they emphasize both its horizontal and its vertical dimension.

The recent interest in the organization of regulatory administration stems from international developments. They take two forms: First a broad international discussion on the proper forms of organization within regulatory policy. As emphasized above, it is a movement that is connected with international cooperation. It covers 3rd world countries, transition countries as well as industrialized and democratic countries. Even if the impulses that stem from organizations like the World Bank and the OECD are unambiguous in their emphasis on the need for credibility in regulatory administration and in their recommendation that such credibility is achieved through delegation to independent regulatory authorities, it is important to remember that the effect of these recommendations depends on their normative appeal and on diffusion and emulation of policies between countries. From a comparative perspective it is also important that it is impossible to determine the precise strength of this normative pressure. Still, we must not forget that it is a normative factor that meets e.g. all countries in the OECD with the same strength, and ideas about the advantages of regulation by so-called non-majoritarian authorities are vivid in all of them (Thatcher & Stone-Sweet, 2002; Levi-Faur, 2002).

Within the EU, the international dimension in principle takes on another character. With the EU being a supra-national regime whose main responsibilities lie primarily within the field of regulation, it has the power to issue binding regulations and
directives. The former have legal force at the national level and thus form part of the basis for national regulatory administration. The latter presuppose the transposition into national law, but in as far as they contain administrative provisions they may influence the organization of national regulatory administration. There is no doubt that the general international debate on the proper organization of regulatory administration has also reached the EU (see e.g. Pollack, 2003). However, it is equally clear that the EU has used its formal power to give binding prescriptions on the design of national regulatory administration in a cautious and hesitant way. First, the EU has only approached these sensitive issues when it came to implementing the part of the internal market project that gradually aims at opening the old national utility-monopolies to competition from private suppliers and from suppliers from other EU-countries. Second, so far the EU has only met its member countries with one legally binding request, namely that they have to separate operational and ownership responsibilities from the regulatory task. This has happened for utility services like telecommunications, energy, postal services and railways. But even if this demand for organizational separation approaches the very issue of establishing a credible commitment to independent regulation, it implies in no way the mandatory delegation to independent regulatory authorities that enjoy a well-defined amount of structural and legal autonomy vis-à-vis the political executive. Moreover, it only affects a minor even if new and important part of national regulatory administrations.

Denmark, Sweden and The Netherlands have been exposed to these international influences in the same way and to the same extent. They are all long-term participants in cooperation within the OECD, and with Sweden as the late-comer (since 1995) also members of the EU. By implication it is fair to expect that they were inspired, alternatively committed to regulatory and administrative reform during the 1980s and the 1990s. But for all three countries these ideas of and demands for reform have to be processed through national political institutions. The literature on delegation and regulatory administration generally assumes that the institutional structure as well as the distribution of political power are important for the willingness to delegate. A distinction is made between presidential and parliamentary systems. In this regard particular attention has been given to the difference between the American checks-and-balances variant of presidentialism and the Westminster variant of parliamentary government. In the former case, delegation is expected to be a prominent strategy to ensure a separation of powers that limits presidential control of the bureaucracy. In the latter case, the existence of a strong parliamentary majority and cabinet rule gives the government no incentive to give up control and the opposition no power to enforce delegation (Epstein & O’Halloran, 1999; Horn, 1995; Huber & Shiman, 2002).
But neither Denmark, Sweden nor The Netherlands falls into any of these clear-cut categories. They all have parliamentary government, but none of the countries have the strong political executive associated with the cabinet government within the Westminster-family. Rather, throughout the entire 1950-2000 period investigated here, parliamentary government has in none of the countries been characterized by executive dominance (Lijphart, 1999; Siaroff, 2003). The three countries share other political-institutional traits. In spite of disagreements as to the precise characteristics of corporatist or neo-corporatist government, there is widespread agreement that Denmark, Sweden, and The Netherlands all have a strong and similar tradition for involving organized interests in policy-making and administration (Lijphart & Crepaz, 1991). Alan Siaroff (1999) has brought this debate further by systematically comparing and re-analyzing the numerous studies that have tried to determine the degree of corporatism in industrial democracies. His comparative reanalysis further distinguishes between four points of observation ranging from the late 1960s to the late 1990s. His conclusion is that at any of these points in time, the three countries range high among the countries with strongly integrated as opposed to more pluralist economies.

There are two implications of these comparative analyses. The first is certain: The three countries are very similar with parliamentary government marked by weak executive dominance and with corporatist traits that provide for extensive integration of organized interests into policy-making. What is also certain is that these combined traits have prevailed throughout the period. The second implication is less certain. It might be argued that parliamentary government with weak executive dominance creates a situation not unlike the situation under checks-and-balances. If delegation to independent regulatory authorities is the outcome under checks-and-balances, the same might be true for this kind of parliamentary government (Epstein & O’Halloran, 1999). However, it is equally logical to argue that parliamentary government makes the political executive accountable to parliament and with a relatively weak executive parliament rather maximizes its influence on regulatory administration by insisting on forms of organization that ensure hierarchical integration. With this form of organization, the majority can hold departmental ministers accountable for any administrative detail; this is not the case if they allow for delegation to independent regulatory administrations.

Similar uncertainty arises when it comes to the implications for regulatory administration of strong corporatist integration. On the one hand, it can be argued that interest organizations will have a preference for delegation to independent regulators, but this both presumes that they can gain reasonable control over, maybe even capture them, and that a strong parliament will accept such delegation with the negative consequences this has for the parliament’s own possibility of holding the
executive accountable. On the other hand, if interest organizations are not in a position to gain full or dominant control over regulatory administration, delegation to independent authorities implies that they forgo their access to bringing disagreements up to executive or parliamentary decision.

These uncertainties as to the consequences of both parliamentary government without executive dominance and strong corporatist traits are ultimately empirical issues. But there is a third variable at play. Change and reform in regulatory policy and administration do not take place in an administrative void. All three countries have central government bureaucracies that rest on strong institutional and organizational traditions. The basic distinction is between Swedish central government and central government in Denmark and The Netherlands. This is a distinction between a dualist system of government that rests on constitutional separation of policy and administration and a monocratic system of government, where ministers are political executives with the authority to decide any matter within their portfolio. The differences can be set out like this:

1. In the case of Sweden there are even constitutional provisions with strong historical roots that set constraints for changes in delegation and administrative organization. The Swedish constitutional tradition, which in this respect dates back to the 17th century, makes Sweden unintendly modern. Its central government is organized according to a dualist principle. A distinction is made between the government, its ministers and their departments and then the agencies. Decisions in any specific case are delegated to the agencies, and departmental ministers and the government are not allowed to interfere in specific cases. The government can only influence policy implementation through general prescriptions to the agencies. Another important trait in the Swedish administrative system is that the administrative agencies are still perceived as performing a judicial or semi-judicial function. Finally, the dualist principle limits the accountability of departmental ministers for decisions made at agency level (Premfors et al., 2003: 51-58; see also Jacobsson, 1984 and Lindbom, 1997).

2. Even if Sweden like Denmark and The Netherlands has a system of parliamentary government, the constitutional provisions for the organization of central government implies that Swedish departmental ministers unlike their Danish and Dutch colleagues are not political executives in the strict sense of parliamentary government. This marks a clear and important difference between Sweden and the two other countries. However, there are also apparent, although much more subtle differences between the organization of Danish and Dutch central government:
a. Dutch directorates general are integrated organizations that report directly to departmental ministers. They have comprehensive tasks covering any aspect of government work: policy-planning and analysis, policy and political support and advice as well as administrative case-work and managerial operations. But historically the principle of ministerial governance has been modified by other institutional elements that mirrored the pillarization of a society with strong religious and cultural cleavages (de Vries, 2001; van der Meer, 2004).

b. In Danish central government there has always been a distinction between ministerial departments reporting directly to ministers and agencies reporting to ministers through the department. However, these agencies are subject to political supervision through the department and eventually the minister and the line of demarcation between departments and ministers at any time has varied strongly from department to department and agency to agency (Christensen, 1980: 199-247; Christensen, Christiansen & Ibsen, 1999).

c. Dutch central government also knows of agencies (agentschappen), but their administrative portfolios seem more narrow and specialized due to the predominant role of directorate generals that are responsible for both policy advice and the handling of a considerable administrative case load (Smullen et al 2002; Pollitt et al 2004). Dutch central government is extended by a series of so-called ‘functionally decentralised bodies’. Best known are the Independent Administrative Bodies (‘Zelfstandige Bestuursorganen’), and they are among the oldest forms of governance in the Netherlands (van Thiel 2004). Of a more recent date but equally qualified as functionally decentralised bodies are the so-called Statutory Trade Associations (‘Publiekrechtelijke Bestuursorganen’) (Van Waarden 2002; Dijkstra et al 1995). These authorities are established by law or cabinet decree and perform regulatory tasks in socio-economic sectors.

3. Finally, both the Dutch and the Danish systems of government have a tradition for using boards to which administrative and regulatory tasks have been delegated. These boards (‘Zelfstandige Bestuursorganen’ or ‘ZBOs’ in The Netherlands, ‘råd og nævn’ in Denmark) have, as indicated by the name, a collegiate structure on which external actors, like interest organizations, are represented. Sweden has similar collegiate boards as part of its central government. While in the Danish tradition boards are public law entities, the Dutch ZBOs have traditionally been organized according to private law. While both the Dutch and the Swedish boards often seem to be organized as a kind of board of directors for agencies, the Danish tradition is to have boards
organized as collegiate units that are served by ministerial departments or agencies. To add to the already complex organization, such independent boards (nämnder) also exist in Sweden.

Data
In this paper we conduct an empirical analysis of the issues raised in the literature. The primary goal is to shed light on the interaction between the reform wave described above, the distinct administrative traditions of the three countries, and politicians, whom we assume are reluctant to weaken their capacity to govern through delegation to autonomous regulatory authorities. The analysis is comparative and involves a long-term analysis of trends in Danish, Dutch and Swedish regulatory administration from 1950 to 2000.

Data have been collected from the official government handbooks in Denmark, The Netherlands and Sweden from 1951, 1961, 1971, 1981, 1991 and 2001. Information on national legislation has been retrieved from both printed statute books and modern legal databases that have been set up in all three countries. A full description of the data collection procedure and the data is available on www.ps.au.dk/jgc (see also Christensen, 2005).

Delegation and autonomy in a long-term perspective
In all three countries, the basic structure of central administration rests on three organizational layers: ministerial departments, agencies and boards. Government work is organized rather differently. Sweden has a consistent tradition for keeping the number of ministerial portfolios low, i.e. around ten throughout the relevant period. In Denmark and The Netherlands the number of portfolios oscillates around 20, a number that rests on an equally consistent tradition. As table 1 shows many, at certain times most portfolios in the three countries have some extent of regulatory responsibilities. The table also shows that irrespective of national administrative tradition, delegation of authority to non-departmental bodies is a phenomenon with strong historical roots and not a phenomenon that has accompanied recent reforms inspired by either new regulatory paradigms or NPM.

But apart from this, there are three distinct national patterns. They show us a seemingly lean, but expansive Swedish regulatory administration. There are comparatively few agencies and boards, but still their number has increased since the 1970s. Yet a strong increase in the number of boards in this and the following decade has since been superseded by a period of consolidation. The Dutch pattern is very different. Even if the main policy and administrative tasks are concentrated at the departmental level, the number of both agencies and boards has consistently increased throughout the period. Finally, Denmark displays a differentiated development. While the number of agencies increased during the 1970, their number
has since been reduced by nearly a third. Contrary to this pattern, collegiate boards
with a permanent status have kept and even expanded their place within regulatory
administration.

Table 1. Basic structure of regulatory administration 1950-2000. Absolute numbers.

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All three countries are governed according to the principle of the rule of law. From
the standpoint of both classic bureaucratic theory and modern rational choice theory
that emphasizes the importance of credible commitment in regulatory
administration, the extent to which extent the basic structure of regulatory
administration has been prescribed by general and binding legal rules is therefore
important. Such rules may vary in specific content, but an important aspect will often
be both a commitment to set up a specialized agency and a specification of the
authority and tasks delegated to it. According to the Swedish dualist tradition, this is
basic to the operation of central government. But for Denmark and The Netherlands
the combination of parliamentary and ministerial governance makes it a matter of
specific political choice for the executive. The government or individual
departmental ministers can decide to organize and reorganize a specific part of their
portfolio on an entirely discretionary basis. It is only when it comes to delegating
authority to collegiate bodies that bring in non-governmental agents in a decision-
making capacity that legal authorization is required. Still, as discussed in both
bureaucratic and regulatory theory, the political coalition that has enacted a
particular policy or legislation may have an incentive to freeze a particular
organizational solution by law (Moe, 1990; Horn, 1990). Table 2 shows the legal basis
for agencies, table 3 for boards.

There are two ways of creating this kind of commitment, one harder than the
other. The first is to regulate delegation by statute. This implies a vote in parliament,
and ministers can only change it by going back to parliament. The softer form is to
use a decree, which can be changed at the minister’s discretion. Still it ties his hands, as he will not be able on a discretionary basis to repeal the original delegation ad hoc if he is tempted to interfere into a specific decision where authority has been delegated by decree to one of his agencies. Self-regulation is theoretically a third way to ensure the credibility of regulatory administration. It can be an entirely private affair if e.g. professions set up their own boards of standards and conduct; however, it is possible to see them integrated into official regulatory administration. The criterion to include them therefore has been their listing under the formal organization of their respective departmental ministries. As any of the three countries’ range is renowned for their relatively strong corporatist traditions, it is import to include the possibility that regulatory authority has been delegated to bodies that are set up according to an intra-sectoral, private agreement. This doesn’t change their private law character, but nonetheless endows them with a dose of public administrative legitimacy.

Table 2. The Legal Basis of Regulatory Agencies 1950-2000. Percentages*

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<td><strong>Ministerial decision</strong></td>
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<tr>
<td><strong>Intra-sectoral agreement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>2</td>
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<td>2</td>
<td>5</td>
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</tr>
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<td>5</td>
<td>8</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Sweden</td>
<td>0</td>
<td>0</td>
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</tr>
</tbody>
</table>

Sources:
* Excludes a few Dutch and Swedish cases on which there is no information.

The Swedish constitutional tradition sets the country apart compared to Denmark and The Netherlands. With very few exceptions, agencies and boards have a distinct legal basis with their authority and tasks laid down in either a statute or a government decree. The Danish and Dutch patterns are much more complex. Take first the agency level. In spite of the strong executive position of Danish departmental ministers, agencies have traditionally had their basic tasks and

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2 The main categories are Danish bekendtgørelser, Dutch Koninklijk Besluit and algemene maatregelen van bestuur, and Swedish förordningar as decrees.
responsibilities defined by law. However, it is noteworthy that this tradition has been under gradual revision since the 1980s, and in 2000 almost half (44 per cent) of the agencies rested on delegation by ministerial decision. This happened during the same period that agencies were merged into larger organizational units. The Netherlands went through the exact opposite development. Agencies were traditionally set up by and regulated through ministerial discretion rather than by binding and general law. However, since the 1980s there has been an inclination to regulate their organization and authority by law. In 2000 this was the case for 52 per cent of the Dutch agencies against only 17 per cent 50 years earlier.

Table 3. The Legal Basis of Regulatory Boards 1950-2000. Percentages*

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Act and cabinet or ministerial decree</strong></td>
<td></td>
<td></td>
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<tr>
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<td>82</td>
<td>82</td>
<td>84</td>
<td>83</td>
<td>73</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>41</td>
<td>53</td>
<td>55</td>
<td>50</td>
<td>44</td>
<td>37</td>
</tr>
<tr>
<td>Sweden</td>
<td>83</td>
<td>88</td>
<td>84</td>
<td>76</td>
<td>85</td>
<td>96</td>
</tr>
<tr>
<td><strong>Ministerial decision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>15</td>
<td>16</td>
<td>15</td>
<td>13</td>
<td>15</td>
<td>17</td>
</tr>
<tr>
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<td>45</td>
<td>42</td>
<td>49</td>
<td>54</td>
<td>59</td>
</tr>
<tr>
<td>Sweden</td>
<td>18</td>
<td>12</td>
<td>13</td>
<td>22</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td><strong>Intra-sectoral agreement</strong></td>
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<td></td>
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</tr>
<tr>
<td>Denmark</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>10</td>
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<tr>
<td>The Netherlands</td>
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<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Sweden</td>
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<td>0</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Sources:
* Excludes a few Dutch and Swedish cases on which there is no information.

Although delegation of administrative authority to collegiate bodies presumes legislative authorization, many Dutch boards are set up according to a decision by ministers. It is, however, telling that Denmark at the end of the period approaches the Dutch pattern, meaning that ministers enjoy increasing discretion when it comes to giving collegiate boards a role in regulatory administration.

In spite of the general strength of corporatism in all three countries, the existence of agencies and even boards is rarely based on intra-sectoral agreements. Sweden – which again has a more principled practice – doesn’t even know of agencies set up on a private basis, and boards of this kind have only been occasional. Denmark and in particular The Netherlands have a more varied practice. Especially in Holland it is fairly common to see regulatory authority executed by an agency whose existence and powers rely on an agreement between the parties in a particular sector of the economy and society. This Dutch practice is the result of complex interactions between on the one hand private sector actors, on the other hand government and
parliament. It often makes the distinction between organizations set up by law and organizations set up via an intra-sectoral agreement very artificial. Still, the dominant practice in all three countries has been and still is that regulatory authority is firmly integrated into governmental bureaucracy, but the way this integration is ensured varies according to fairly distinct traditions.

The long-term perspective applied here sets out the Swedish administrative tradition where delegation to agencies rests on a dualist principle that goes far back into Swedish constitutional history. Its original rationale rested on the lower nobility’s successful attempt to tie the king’s hands, but it is in full accordance with present-day ideas about delegation to autonomous agencies to maximize credible commitment in regulatory administration (Premfors, 2003: 61; North & Weingast, 1989). Ministerial governance also plays a limited role in The Netherlands, but in the Dutch case the practice does follow from constitutional doctrine. It is rather the heritage from a tradition of corporatist governance – in the classic European sense – that relies on a considerable dose of self-governance. In contrast, Danish regulatory administration relies heavily on the parliamentary chain of governance and thus on ministers as political executives with notable powers to shape the administration within their portfolios. However, regulatory administration in any of the countries mixes bureaucratic and collegiate principles as boards have played a role throughout the period. On the assumption that the political executive and politicians in general may have a desire to have strong hand in regulatory administration, the question for Sweden is whether they have been able to introduce institutional mechanisms that soften the strict separation of policy and administration that follows from the dualist principle. For Denmark and Holland, the question is to what extent political parties and affected interests rely on parliamentary accountability or on institutional provisions constraining ministers’ executive authority.

Hierarchical Coordination and Bureaucratic Autonomy

In both the scholarly and the policy debate, two concerns have to be balanced against each other. If priority is given to political integration and democratic accountability, there is a preference for a regulatory administration integrated into the ministerial hierarchy. If priority is given to the credibility of regulatory administration, there is, on the contrary, a preference for bureaucratic autonomy. However, both schools of thought seem to agree that since the 1980s and 1990s, we have seen a trend towards delegation of executive authority to agencies that enjoy a structural autonomy in the sense defined above (see e.g. Gilardi, 2002). To which extent this claim holds is not clear.

Table 4 shows the hierarchical integration of agencies in the three countries, and how it has developed since 1950. The distinction is between agencies that are fully
integrated into the ministerial hierarchy and agencies with a board, sometimes a virtual board of directors. In the former case, the agency head reports to the minister through the department; in the latter, the agency head reports to the board or board of directors. In the Swedish case it is important to stress that the operationalization is different, as agencies never report to individual ministers. According to the constitution they report to the government, whose principal responsibility it is to provide them with general policy guidance. But the option is that a board has been inserted to which the agency head reports. In the Swedish case the agency head may chair this board; this is never seen in Denmark and Holland.

Table 4. Hierarchical integration of agencies 1950-2000

<table>
<thead>
<tr>
<th></th>
<th>Denmark: Agency head reporting to</th>
<th>The Netherlands: Agency head reporting to</th>
<th>Sweden: Agency head reporting to</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Decision-making board N</td>
<td>Decision-making board N</td>
<td>Decision-making board N</td>
</tr>
<tr>
<td>Minister</td>
<td>Minister</td>
<td>Government¹</td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>94 6 48</td>
<td>66 34 82</td>
<td>54 46 37</td>
</tr>
<tr>
<td>1960</td>
<td>94 6 49</td>
<td>44 56 96</td>
<td>58 42 36</td>
</tr>
<tr>
<td>1970</td>
<td>94 6 50</td>
<td>41 59 110</td>
<td>22 78 37</td>
</tr>
<tr>
<td>1980</td>
<td>93 7 57</td>
<td>46 54 107</td>
<td>17 83 46</td>
</tr>
<tr>
<td>1990</td>
<td>89 11 46</td>
<td>42 58 111</td>
<td>14 86 56</td>
</tr>
<tr>
<td>2000</td>
<td>93 8 40</td>
<td>25 75 131</td>
<td>23 77 64</td>
</tr>
</tbody>
</table>

¹ Swedish agencies without a board report to the government, not to individual ministers, cf. the text.

The contrast between the preferred solutions in the three countries is striking. The typical Danish agency is integrated into the ministerial hierarchy with its head reporting to the minister. In aggregate this practice has changed very little over time. This is very different in both The Netherlands and Sweden. In both countries the insertion of a board to which the agency head reports is a well-known form of organization that has gained increasing popularity over time. However, this development started during the 1950s for Holland, the 1960s for Sweden. But the Dutch and Swedish practices are quite different as Dutch agencies are numerous, small and specialized, while Swedish agencies are few and often have comprehensive responsibilities within a broadly defined policy sector. Finally, it is important to stress that at this stage neither regulatory reform, nor NPM-reform were placed on the reform agenda. Specifically, in a European context there was no explicit discussion of the use of independent regulators. It was a phenomenon exclusively

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3 This is a necessary simplification. Some agency heads report to the departmental minister in certain matters, to the board in other matters. For examples drawn from Denmark, see Christensen, 2001.
associated with the American administrative and regulatory tradition (Jordana & Levi-Faur, 2004; Gilardi, 2004). But this analysis shows that it also has strong roots in the administrative history of at least some European countries with the caveat that here the policy discourse was entirely different.

From a political perspective the preliminary conclusion is that Denmark has consistently upheld a system of regulatory administration that is fully anchored within the parliamentary chain of delegation. This ensures a high formal capacity for both political guidance and control through departmental ministers and given the prevalence of minority governments for parliamentary accountability. The contrast to especially Sweden is striking. Constitutionally, government capacity for the integration of policy and administration is weak, and the agencies are increasingly placed under the supervision of boards to which the agency head reports in matters of principle and political sensitivity. Even without the Swedish constitutional provisions, Holland has moved in exactly the same direction. In formal terms, this trend has had similar negative consequences for the coordinative capacity of the government.

In the perspective set out above, political integration and policy coordination are seen as correlates to the executive hierarchy. But policy-makers can also rely on network strategies for coordinative purposes. This is at the core in both theories of governance and realistic institutional theory, in either case analytic reasoning that has been at the fore in European political science (Rhodes, 1997; Scharpf, 1999). The point is that this kind of reasoning brings together the coordinative and the credibility concern. Traditional hierarchical reasoning that has made its imprint on modern theories of delegation, including arguments about the parliamentary chain of delegation, sees democratic governance and coordination as something to be achieved through a politically controlled executive hierarchy that is accountable to parliament. However, coordination is also possible through more subtle institutional mechanisms where administrative authority is delegated to collegiate boards. To find out to what extent this option is used in regulatory administration, table 5 gives information on the structure of regulatory boards. The table shows the representation of organized interests, political parties, and members of the judiciary.

As indicated, the structure of the boards is not easily interpreted. They may be seen as a coordinative device that involves organized interests, representatives of the political parties or both in the administration of regulatory policy. In this way, it is possible to tailor institutional procedures that allow for indirect party-political control or direct control by affected interests. It may, however, also be a device that demonstrates the credible commitment of policy-makers to the general policy laid down in the law. For the regulated interests such an arrangement may be attractive as it involves them and their representatives in policy implementation and thus may
Table 5. Board structure and political integration 1950-2000. Percentages

<table>
<thead>
<tr>
<th></th>
<th>Denmark</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Corporatist integration</td>
<td>Parliamentary integration¹</td>
<td>Judicial integration</td>
<td>N</td>
<td>Corporatist integration</td>
<td>Parliamentary integration¹</td>
<td>Judicial integration</td>
<td>N</td>
<td>Corporatist integration</td>
<td>Parliamentary integration¹</td>
<td>Judicial integration</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>77</td>
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<td>15</td>
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<td>33</td>
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<tr>
<td>1970</td>
<td>76</td>
<td>10</td>
<td>25</td>
<td>169</td>
<td>35</td>
<td>0</td>
<td>11</td>
<td>113</td>
<td>44</td>
<td>16</td>
<td>38</td>
<td>77</td>
<td></td>
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<tr>
<td>1980</td>
<td>79</td>
<td>6</td>
<td>28</td>
<td>172</td>
<td>39</td>
<td>0</td>
<td>9</td>
<td>170</td>
<td>47</td>
<td>24</td>
<td>30</td>
<td>127</td>
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<tr>
<td>1990</td>
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<td>7</td>
<td>27</td>
<td>167</td>
<td>48</td>
<td>0</td>
<td>8</td>
<td>160</td>
<td>56</td>
<td>32</td>
<td>36</td>
<td>101</td>
<td></td>
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<td>234</td>
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<td>71</td>
<td>37</td>
<td>19</td>
<td>39</td>
<td>83</td>
<td></td>
</tr>
</tbody>
</table>

1. MPs or members appointed by political parties.
protect them against sudden changes in practice initiated by a political executive that is sensitive to changes in the political agenda. A further way to strengthen the autonomy and thus the credibility of regulatory administration is through the appointment of judges as members and chairs of regulatory boards.

Given the strong corporatist traditions in the three countries, interest representation is expected to be a general trait. It is less clear whether to expect party-political representation or not. On the one hand, it is against the principles of parliamentary government. On the other hand, the solution might have clear political attractions in systems of coalition and minority government. Finally, judicial representation might both be a solution that is compatible with the Swedish tradition and with the presumed trends in regulatory reform that emphasizes the importance of political independence. For exactly the same reason it can also be argued that over time we should see a fall in both interest and party political representation.

Once more we find three distinct patterns of stability and change. Each of the countries has traits that define a particular set of solutions. It is along this historically defined path that change and reform take place. This comes out most clearly in the case of corporatist integration. Denmark has a strong and unbroken tradition for the representation of organized interests on permanent boards in central government. This in no way implies that the role of interest organizations in politics and administration has been uncontroversial, nor that it has been stable over time. But the changes have only affected the ad hoc representation of organized interests on policy-preparing committees, not their participation in administrative boards with permanent status (Christiansen & Nørgaard, 2003). Table 5 shows that around 75-80 per cent of these boards have interest representatives among their members. Compare this to The Netherlands and Sweden, which share the same corporatist tradition, where interest representation is also strong, but at a significantly lower level than for Denmark. Both countries have further seen first an increase, then a decrease in the representation of organized interests on administrative boards. In the Dutch case, the share of boards with interest representation rose 24 per cent in 1950 to 48 per cent in 1990, but decreased in 2000 to 32 per cent. In the Swedish case, representation in the 1950s was at the same low level, but increased to 56 per cent in 1990; it has since fallen to 37 per cent. In both countries these fluctuations mirror a critical debate over the role of interest organizations in public administration. The Dutch debate was linked to the economic reform program initiated in the 1980s (van der Meer, 2004). The Swedish debate resulted from a vehement discussion that started when the Swedish employers’ association in the early 1990s decided to withdraw their representatives from the boards of many Swedish agencies (Rothstein & Bergström, 1999). Note, however, that this step was taken in a system where the
presence of interest representatives in both policy-preparing committees and administrative boards is traditionally weak (Hermansson, 1993: 426-475).

There is another conspicuous difference between the three countries: At the beginning of the period, party political representatives were to a limited extent members of Danish regulatory boards. This practice was given up during the 1970s, and it is now an exception in Denmark and The Netherlands. Sweden started at the same low point, but party political representation increased up throughout the 1980s, and it only started to fall in the 1990s. With party political representatives on many Swedish boards, it is possible to compensate for the reduced capacity for executive coordination that follows from the dualist principle in Swedish central government.4

Finally, judicial integration is a clear and distinctive trait in both Danish and Swedish regulatory administration, but weak in Dutch practice. It is equally striking that the Danish and Swedish patterns are relatively stable over time. But as expected for a system that sees administrative decision-making as conceptually related to judicial procedures, the comparatively high level for judicial representation is no surprise.

**Fragmentation and Horizontal Coordination**

Bureaucratic autonomy and the creation of independent regulatory agencies are exclusively a matter of breaking the executive hierarchy by limiting departmental ministers’ authority to interfere in specific regulatory decisions. By definition it will limit the coordinative capacity of executive ministers, as they will have to rely on general means of coordination. While this debate rests on relatively explicit theoretical reasoning, this is not the case, at least not to the same extent, with the debate over the scope of regulatory authorities. Still, as set out above, there is a mostly policy-related debate over the advisability to either specialize regulatory authority to several small and separate units or to concentrate it with very few authorities with comprehensive, ideally generic authorities. This debate is related to the debate over the balance between hierarchical governance versus bureaucratic autonomy. So, the literature that is concerned over the loss of integrative capacity because of delegation to independent regulators is also concerned if regulatory tasks are spread over many units at the same level, be it within or outside the executive hierarchy. For the literature that sees delegation and autonomy as ways to establish a credible commitment, problems are less easy, and arguments are found for both specialization and consolidation. So, consecutive regulatory reforms in the UK were based on the creation of specialized offices to which the administrative authority was

4 It is worth noting that party-political representation is equally strong when it comes to policy-making committees, and that the trend has run in the same direction (Hermansson, 1993: 446-447).
delegated. These reforms were enacted when the market for network services was liberalized and the old utilities privatized (Baldwin & Cave, 1999: 69-72). New Zealand, which pursued an equally radical strategy of regulatory reform, based it on a different strategy concentrating market-regulating powers in a commerce Commission with generic responsibilities for the operation of the market (Commerce Commission, 2003). In both countries the initial policy seems to some extent to have been challenged.

Table 6. Regulatory agencies within policy areas, 1950-70 and 1980-2000¹

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and industry, construction and housing</td>
<td>23.7</td>
<td>19.3</td>
<td>44.3</td>
<td>53.0</td>
<td>16.7</td>
<td>22.7</td>
</tr>
<tr>
<td>Agriculture and fisheries</td>
<td>10.7</td>
<td>7.3</td>
<td>29.0</td>
<td>25.3</td>
<td>7.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Labour market</td>
<td>4.7</td>
<td>4.3</td>
<td>3.3</td>
<td>9.0</td>
<td>4.3</td>
<td>5.7</td>
</tr>
<tr>
<td>Environment and planning</td>
<td>3.0</td>
<td>5.3</td>
<td>1.7</td>
<td>4.0</td>
<td>1.3</td>
<td>5.3</td>
</tr>
<tr>
<td>Consumer protection</td>
<td>0.7</td>
<td>3.3</td>
<td>2.0</td>
<td>4.0</td>
<td>2.0</td>
<td>3.7</td>
</tr>
<tr>
<td>Justice and internal affairs</td>
<td>5.0</td>
<td>7.0</td>
<td>6.7</td>
<td>8.7</td>
<td>4.3</td>
<td>10.0</td>
</tr>
<tr>
<td>Social affairs</td>
<td>2.0</td>
<td>2.0</td>
<td>9.0</td>
<td>11.3</td>
<td>1.0</td>
<td>3.7</td>
</tr>
</tbody>
</table>

1. Average number of agencies over three observation points.

Table 6 shows the average number of agencies for the main regulatory policy areas in respectively the period prior to 1970 and the period since the 1970s. Once more it is clear that the three countries represent distinct forms of regulatory administration, and consequently that they approach change in different ways. Consecutive Danish governments have in recent decades implemented a consolidation strategy where smaller agencies have merged into larger and more comprehensive agencies. But it is not a general trend. It has been followed with particular care in policy areas covering economic and business regulation, and it is in sharp contrast to the Dutch and Swedish strategies. Simultaneously, table 6 makes clear that agency organization is not only a matter of designing agencies that balance specialization and comprehensiveness in a way that optimally supports either the coordination of several strings of regulatory policy or the credible handling of regulated interests. It is just as important for governments to set up a regulatory administration that mirrors the political agenda of the day and its current priorities. Prime ministerial portfolio management is important here, but the creation and closure of agencies may play a similar role at the administrative level. In all three countries the administration of agriculture and fisheries is shrinking, while during the same period the governments have set up new agencies within the policy areas of consumer protection and especially justice and internal affairs.
In the policy debate, the issue of agency specialization and coordination has been vivid in several policy sectors. There is hardly evidence that these choices have an impact on the performance of regulatory administration. The above analysis indicates that the actual choices made by governments in this respect balance specific managerial concerns against politically perceived needs to design a regulatory administration that signals responsiveness to and priorities in accordance with the political agenda of the day. Thus agency design from the perspective of the political executive is to a large extent about carving the right political niche into which individual agencies have to be fitted. From the perspective of political coordination, regulatory boards represent a complementary institutional device in this respect. When departments and agencies are fully integrated into the executive hierarchy, it may have consequences for both intra-departmental and inter-departmental policy-coordination. However, the installation of regulatory boards opens for coordination with relevant actors in the agency’s political environment. Boards may therefore be used as a way in which regulatory administration can be fine-tuned to the political situation in particular policy sectors. So, it is imaginable that a reform strategy that relies on the consolidation of agencies into super-authorities with comprehensive responsibilities may have difficulties matching the many separate in the environment. But by allowing for the existence and even the creation of specialized boards, governments are in position to fit the structure of regulatory administration to the many small niches in the political environment.

Table 7. Growth ratios¹ for regulatory boards within policy areas.

<table>
<thead>
<tr>
<th>Policy areas</th>
<th>Denmark</th>
<th>The Netherlands</th>
<th>Sweden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and industry, construction and housing</td>
<td>1.37</td>
<td>0.9</td>
<td>1.68</td>
</tr>
<tr>
<td>Agriculture and fisheries</td>
<td>1.34</td>
<td>1.13</td>
<td>1.5</td>
</tr>
<tr>
<td>Labour market</td>
<td>1.13</td>
<td>2.61</td>
<td>1.83</td>
</tr>
<tr>
<td>Environment and planning</td>
<td>1.36</td>
<td>2.59</td>
<td>2.79</td>
</tr>
<tr>
<td>Consumer protection</td>
<td>2.7</td>
<td>1.77</td>
<td>2.17</td>
</tr>
<tr>
<td>Justice and internal affairs</td>
<td>1.44</td>
<td>1.35</td>
<td>1.65</td>
</tr>
<tr>
<td>Social affairs</td>
<td>1.0</td>
<td>0.94</td>
<td>0.85</td>
</tr>
</tbody>
</table>

¹ Number of boards 1980-2000/1950-70.

Barth et al. (2003) have conducted a comparative analysis of national bank supervisory frameworks. They conclude that it is of no consequence whether the tasks are concentrated in one or dispersed over several supervisory authorities. By the way, they also conclude that structural autonomy and eventually regulation by an independent central bank have no consequences for supervisory performance.
In table 7 this hypothesis is put to a test. The table shows within each policy area the ratio of boards 1980-2000 as compared to 1950-1970. The expectation of a political trade-off between agency and board structure does not gain unconditional support. The Netherlands combines a proliferate agency structure with an equally differentiated board structure. For Sweden the pattern is the opposite. However, two other observations indicate that organizational choices in these respects are politically interdependent. First, in Sweden the consistent reliance on a few, comprehensive agencies has been accompanied by the creation of an increasing number of boards, although still less frequent than in Denmark and The Netherlands. Similarly, the rather strong trend towards structural rationalization in Danish regulatory administration has been followed by an expansion in the number of regulatory boards. Second, for Holland with its complex regulatory structure of integrated departments, many but small agencies, and equally frequent recourse to regulatory boards, the rate of change in the use of boards is both lower and displays more variation as changes in political priorities have bolstered especially boards engaged in environmental regulation and planning activities.

Conclusions

This comparison of Danish, Dutch, and Swedish regulatory administrations took a long-term perspective on organizational and institutional developments. In all three countries regulatory administration has undergone quite dramatic changes and reforms. But an equally important observation is that these changes in all three systems have been undertaken within the confines of a distinct institutional path that dates far back in national administrative and even constitutional history.

Theoretically, the analysis was inspired by the vivid and fruitful debate over the balance between political coordination and integration vis-à-vis regulatory independence, bureaucratic autonomy and credible commitment. Our empirical analysis has shown that these rival theories gain modest empirical support. This is due to two things: First, policy-makers have always to some extent relied on delegation to non-majoritarian institutions in regulatory administration, but this has mostly served the purpose of integrating the political environment into executive administration. Second, the conclusion is that departmental ministers and governments have been able to secure themselves a strong platform when it comes to providing leadership and control to regulatory administration. This is even more interesting as we have to do with countries with comparatively weak governments with little resemblance to the strong governments usually associated with ideal-type parliamentary governance.
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