Claire Kaiser

Top-down versus Bottom-up: Comparing Strategies of Municipal Mergers in Western European Countries

Abstract
Some countries have reduced the number of local units in a drastic way (e.g., Germany, United Kingdom, Denmark). In other countries, there have been no major territorial reforms (e.g. Switzerland, France). The purpose of this paper is to investigate the following main research question: What are the factors that influence a country's merger activities? To answer this question, an analytical framework considering the institutional context, territorial structure, incentives for mergers, and so-called policy windows has been developed. 16 Western European countries have been selected for the analysis. Using Crisp-Set Qualitative Comparative Analysis (csQCA), this paper shows what configurations of factors are associated with a high merger activity: a) an open policy window when municipalities are small, b) an open policy window in municipalities with a low degree of local autonomy, or c) incentives given by higher-ranking state levels for amalgamations in small municipalities with a low degree of local autonomy.

Key words: Municipal merger, amalgamation, strategy, Crisp-Set Qualitative Comparative Analysis (csQCA)

Zusammenfassung
Top-down versus Bottom-up: Ein Vergleich von Gemeindezusammenschlussstrategien in westeuropäischen Ländern
Während einige Länder die Zahl der lokalen Gebietseinheiten drastisch reduziert haben (z.B. Deutschland, Vereinigtes Königreich, Dänemark), gab es in anderen Ländern keine großangelegten Territorialreformen (z.B. Schweiz, Frankreich). Mit diesem Artikel soll die folgende Forschungsfrage untersucht werden: Welche Faktoren beeinflussen die Fusionstätigkeit in diesen Ländern? Zur Beantwortung dieser Frage wurde ein analytischer Rahmen entwickelt, welcher den institutionellen Kontext, die Territorialstruktur, Anreize für Gemeindezusammenschlüsse sowie sogenannte ‚Politikfenster' berücksichtigt. Für die Analyse wurden 16 westeuropäische Länder ausgewählt. Mittels der Methode Crisp-Set Qualitative Comparative Analysis (csQCA) zeigt der Artikel die Kombinationen von Faktoren auf, welche mit einer hohen Fusionsaktivität assoziiert sind: entweder a) ein offenes ‚Politikfenster' bei kleinen Gemeinden, b) ein offenes ‚Politikfenster' in Gemeinden mit wenig Autonomie oder c) Anreize für Zusammenschlüsse in kleinen Gemeinden mit geringer Autonomie.

Schlagworte: Gemeindezusammenschlüsse, Gemeindefusionen, Strategie, Crisp-Set Qualitative Comparative Analysis (csQCA)

Introduction

Since the Second World War, territorial reforms of local government have taken place in many European countries (e.g., *Kersting/Vetter* 2003). Of high importance are amalgama-

tion reforms, which can either be approached top-down or bottom-up. While several countries have drastically reduced the number of local units in one or several major territorial reforms (e.g., Germany, United Kingdom, Netherlands, Sweden, Denmark), other countries have chosen partial up-scaling strategies (e.g., Switzerland) or have not conducted territorial reforms at all (e.g., France, Italy) (*Baldersheim/Rose* 2010).

Existing literature on territorial reform strategies and processes, often descriptive, case-based, and limited to single countries, is extensive (*Steiner* 2002; *Swianiewicz* 2010; *Vrangboek* 2010; *Wollmann* 2010; *De Ceuninck* et al. 2010, etc.). The advantages and disadvantages of territorial up-scaling have been discussed frequently among these scholars (e.g., *Keating* 1995; *Council of Europe* 2001; *Fox/Gurley* 2006). Reasons in favour of mergers are often related to more efficiency and effectiveness in service provision and the strengthening of municipal autonomy (*Steiner* 2002; *Reingewertz* 2012), whereas arguments raised against mergers are that smaller units have a higher input legitimacy (*Ladner/Bühlmann* 2007; *De Ceuninck* et al. 2010). Some comparative work on local government reforms is also available (e.g. *Kersting/Vetter* 2003; *Baldersheim/Rose* 2010; *Wollmann* 2012). *Kuhlmann/Wollmann* (2013) find that European subnational territorial structure displays persistent differences and divergence in relation to fragmentation and size. However, within country clusters, there seem to be cross-national trends and thus, convergence. An upscaling reform strategy has been chosen by countries of Northern Europe (England, Denmark, Sweden and some German *Länder,* for example, North Rhine-Westphalia and Hesse). On the other hand, a 'Southern European' reform pattern, the so-called 'trans-scaling' strategy (*Baldersheim/Rose* 2010) with inter-municipal cooperation, instead of mergers, can be found in France (*Marcou* 2010), in some Swiss cantons, and some German *Länder* (for example, Rhineland-Palatinate, Schleswig-Holstein) but also in Italy, for example.

While we know from previous research that factors like the institutional context (*Kersting/Vetter* 2003), incentives (*Steiner/Kaiser* 2013), or policy windows matter for local government reforms (*Bundgaard/Vrangbaek* 2007), it is yet largely unexplored how these factors play together and in what combinations of causes influence the merger activity in a country.

Therefore, the purpose of this paper is to investigate the following question: what combinations of causes influence the merger activities in the selected countries? Based on an analytical framework, the amalgamation strategies in 16 selected Western European countries are compared. Using Crisp-Set Qualitative Comparative Analysis (csQCA), this paper aims to show what configurations of factors may be associated with a high merger activity in the selected countries.

For the purposes of this paper, the term 'merger', as understood by Steiner as the 'complete surrendering of independence by one or several municipalities' (*Steiner* 2003, p. 554), is used synonymously with the term 'amalgamation'. The focus lies on municipal amalgamation reforms and not territorial reforms, such as inter-municipal cooperation or regionalisation.

Comparative research approach and case selection

The knowledge we gain by the comparative research approach applied in this paper 'provides the key to understanding, explaining and interpreting diverse historical outcomes

and processes and their significance for current institutional arrangements' (*Ragin* 1987, p. 6). For this comparative cross-national study, the 16 major Western European countries have been selected, which are included in the categorisation of European local government systems by *Hesse* and *Sharpe* (1991) and its amendment by *Kersting* and *Vetter* (2003). Even though the number of as many as 16 countries may seem high for a comparison in a research paper, it helps to address the 'many variables, small N' problem (*Lijphart* 1971).

The data for the paper was collected through literature review and an expert survey. For the literature review, both international comparative works on local governments as well as country specific literature was studied. The expert survey was mailed to academic experts specialised in local government research in the 16 countries included in the analysis.[1]

Because territorial reforms in Western European countries began to spread after World War II, the period of examination for this study ranges from 1950 to 2010.

The data is analysed using the Qualitative Comparative Analysis (QCA) method (*Rihoux/Ragin* 2009). QCA is suited for this study not only because it can be applied in this 'small-N' research design (*Berg-Schlosser* et al. 2009). QCA embeds features from both qualitative and quantitative approaches: while being based on the logic of Boolean algebra, it is still case-oriented, meaning that 'each individual case is considered as a complex combination of properties' (*Berg-Schlosser* et al. 2009, p. 6). Instead of focusing on causation of individual variables only, QCA allows the examination of a combination of conditions, which is highly relevant for the research context of this study. Despite there being the advanced QCA version with fuzzy sets, this paper sticks to a crisp set analysis in order to reduce the danger of arbitrary coding (*Sager* 2008). In crisp-set QCA, each condition has a binary code (1 for presence of the attribute and 0 for absence of the attribute). This implies that qualitative differences between cases that are more in or out of a set need to be established (*Schneider/Wagemann* 2012), which is done by calibration.

Amalgamation strategies

In the context of this paper, strategies are defined as 'the procedures of decision-making adopted by policymakers in order to accommodate interests and stakeholders affected by policy initiatives' (*Baldersheim/Rose* 2010, p. 12). Strategies for municipal amalgamations may be distinguished along two dimensions: from bottom-up to top-down and from comprehensive to incremental. A bottom-up merger strategy may be defined as an idea and proposal of boundary change that is generated at the municipal level affected by a potential merger (*Steiner/Kaiser* 2013). As a rule, these mergers are voluntary, that is, it is the municipalities or their citizens, respectively, that decide autonomously whether they want to amalgamate with one or more neighbour municipalities, without threats of intervention or law enforcement by the superior state level, in case the merger fails. Top-down, on the other hand, means that an intervention is made by central government (or by the superior state level) and changes are imposed on local governments (*Baldersheim/Rose* 2010, p. 13). Top-down approaches usually involve coercion, that is, the higher-ranking state level can force a municipality to merge with one or more neighbour municipalities against the will of the municipality concerned or the majority of its citizens (see also *Drechsler* 2013). In reality, however, merger strategies may not always be encoun-

tered in their pure top-down or bottom-up form. Mixed strategies are possible and common, too. A mixed strategy may be a semivoluntary 'carrot and stick' strategy: in a first phase, bottom-up proposals for amalgamation perimeters are made by the local government. In a further phase, if municipalities fail to formulate bottom-up proposals, top-down interventions will follow (see, for example, *Wollmann* 2010). A further distinction can be made between comprehensive and incremental approaches (*Baldersheim/Rose* 2010, p. 13): a comprehensive strategy involves the analysis of the local government structure in the country at one time and can therefore be seen as a conceptual and normative approach. In the incremental approach, only part of a country's territorial structure is considered for reform, which may occur in steps. A reform may be considered more or less radical, depending on the cultural norm and the initial situation in a country (*Kersting/Vetter* 2003, p. 334). Different countries have chosen different reform strategies for their territorial structure for various reasons. Thus, this means that organising the territorial structure of local government is not 'merely a random outcome from the toss of some unseen dice' (*Baldersheim/Rose* 2010, p. 9).

Table 1 provides an overview of the state structure, subnational government structure and main amalgamation strategy of the selected countries.

Table 1: State structure, subnational government, and amalgamation strategy of the selected countries

Country	State structure	Subnational government[2]	Amalgamation strategy[3]
Austria	federal	2,357 municipalities, 9 states *(Länder)*	no amalgamation strategy, except Land Styria
Belgium	federal	589 municipalities, 10 provinces, 6 communities and regions	mixed strategy
Denmark	unitary	98 municipalities, 5 regions	top-down with 'voluntary' choice of partner, comprehensive
Finland	unitary	415 municipalities, 1 province	top-down, comprehensive
France	unitary	36,683 municipalities, 100 départements, 26 regions	trans-scaling
Germany	federal	12,312 municipalities, 323 counties, 16 states *(Länder)*	mixed strategy
Greece	unitary	1,034 municipalities, 50 prefectures	top-down, comprehensive
Ireland	unitary	114 local authorities	no amalgamation strategy
Italy	unitary	8,101 municipalities, 108 provinces, 20 regions	trans-scaling strategy, incremental
Netherlands	unitary	443 municipalities, 12 provinces	mixed strategy, incremental
Norway	unitary	430 municipalities, 19 county councils	bottom-up, incremental
Portugal	unitary	4,251 parishes, 308 municipalities, 2 autonomous regions	no amalgamation strategy
Spain	federal	8,112 municipalities, 50 provinces, 17 autonomous communities	top-down, incremental
Sweden	unitary	290 municipalities, 18 county councils, 2 regions	no amalgamation strategy
Switzerland	federal	2,596 municipalities, 26 cantons	mixed, incremental
United Kingdom	unitary	434 local governments, 35 county councils, Greater London Authority, 3 devolved nations	top-down, incremental

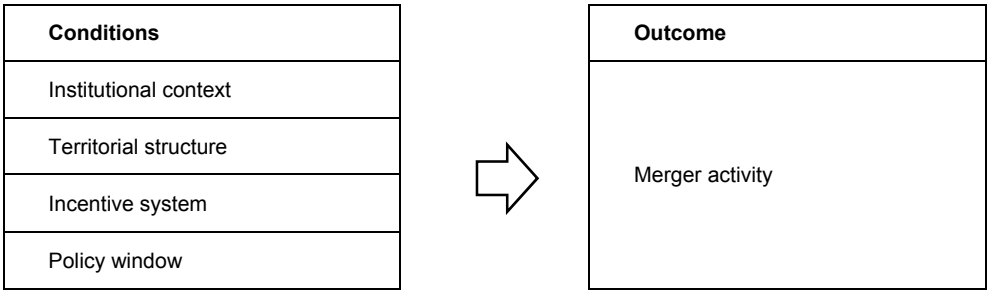
Source: *Loughlin /Hendriks/Lidström* 2011 and expert survey 2014

It becomes evident that the range of merger strategies reaches quite wide, from cases where mergers are implemented quite easily, such as England (*Copus* 2010; *John/Copus* 2011; *John* 2010), to countries where territorial mergers pushed by superior state levels were unimaginable for a long time, such as in France (*Hertzog* 2010). It is only with a Reform Act of 2010 that a simplification of the amalgamation procedure is discussed again in France (*Kuhlmann/Wollmann* 2014).

Analytical framework

To analyse the amalgamation strategies in different countries, an analytical framework is developed, including four conditions and one outcome variable[4]. Reforms can have different goals or consequences depending on the setting within which they occur (*Kersting/Vetter* 2003, p. 19), so it is important to consider the specific circumstances of the country. This is done here by including the four conditions 'institutional context', 'territorial structure', 'incentive system' and 'policy window' as factors influencing the merger activity in a country (see figure 1).

Figure 1: Analytical framework



The analytical framework in this study builds on the framework describing the process of territorial choice by *Baldersheim* and *Rose* (2010)[5].

Conditions

Institutional context: As a theoretical explanation for territorial reforms, *Kuhlmann/Wollmann* (2013, p. 166) use historical institutionalism as a line of theory. Historical institutionalism applied to administrative reforms implies that 'decisions are always to be viewed in the light of long-term institutional developments of the political-administrative systems because these are effective as path dependencies' (*Kuhlmann/Wollmann* 2014, p. 47; *Kaiser* 1999). The condition 'institutional context' is aligned with the theory of historical institutionalism, because it is often historically shaped. Facilitation or blockage of local government reforms may be affected by a country's institutional context (*Kersting/Vetter* 2003, p. 347). The local context is concerned with central-local relations and the importance of local government (*Baldersheim/Rose* 2010, p. 16 et seqq.). Local government in Western Europe plays a crucial role, as it has a relatively high degree of control

about a certain territory. However, the function and role of local government systems in the political systems vary between Europe's states (*John* 2001, p. 7). To assess the countries under consideration, the *Hesse/Sharpe* (1991) typology of Western European local government systems is used, which categorises them according to their constitutional status, political and functional role, and their degree of local autonomy (*Hesse/Sharpe* 1991, p. 606 et seqq.). Three country groups are identified: First, local governments in countries of the Franco-group (France, Italy, Belgium, Spain, Portugal, and, partly, also Greece) have a high constitutional status. Control from above is strong, dependency on the central state is high, and the degree of local autonomy is low. Second, in the Anglo-group (United Kingdom and Ireland), local government only has a low constitutional status on the national level. Still, control from the higher-ranking state level is small in day-to-day policy making, and local government possesses a medium degree of autonomy. Third, the Northern and Middle European country group unite the Scandinavian countries (Norway, Sweden, Finland, and Denmark), the German-speaking countries (Austria, Germany, and Switzerland) as well as the Netherlands. Decentralisation is most distinct in these countries and local democracy per se has a high significance. Local government possesses a high constitutional status and a high degree of autonomy in decision and policy making. Accordingly, control from above is rather low (*Hesse/Sharpe* 1991, p. 606 et seqq.; *Kersting/Vetter* 2003, p. 22). With the selected cases, all three country groups of this typology are represented. In federal countries like Germany and Switzerland, local government reform is not a matter for central government, but for the county level, i.e. *Länder* and cantonal authorities. The number of municipalities and their size in the States is, therefore, often diverse (*Kersting* et al. 2009; *Walter-Rogg* 2010; *Ladner* 2011; *Steiner/Kaiser* 2013).

In order to operationalise the institutional context for the QCA analysis, the presence or absence in the set of countries with a high degree of local autonomy (AUTON) is used in this study. Local autonomy may be understood in terms of functional responsibility of local authorities and local governments' degree of discretion when deciding about public services (*Page/Goldsmith* 1987; *Kersting/Vetter* 2003). Municipalities in countries where local autonomy is high would, thus, rather try to stay 'autonomous'. Therefore, hypothesis 1 assumes a negative effect of local autonomy on amalgamation reforms: AUTONlow → MERGER (where AUTONlow stands for low degree of local autonomy). For the condition institutional context/local autonomy (AUTON), according the *Hesse/Sharpe's* typology presented above, the countries are dichotomised into countries with a low or medium degree of local autonomy (AUTONlow) on the one hand, and countries with a high degree of local autonomy on the other hand.

Territorial structure: The size of political entities matters, because it is believed to affect citizen effectiveness and system capacity (*Dahl/Tufte* 1973, p. 20 et seqq.). The territorial profile of local government in the intergovernmental setting is looked at in regard to state levels, number of units, and average population in order to gain an overview. For the QCA analysis, the mean size of the municipalities in the year 1950 is therefore selected to operationalise the territorial structure. The average size is easily comparable between countries, whereas the number of municipalities would also depend on the size of the country. Based on the argument that mergers are intended to achieve more efficient and effective service provision (e.g., *Reingewertz* 2012), and empirical findings which indicate that smaller municipalities are more likely to merge (*Steiner/Ladner/Reist* 2014), hy-

pothesis 2 assumes a negative relationship between the size of local units and merger activity: SIZElow → MERGER. Table 3 shows the average municipal population size of each country in the year 1950.

Table 2: Average size of municipalities 1950

	Population size of municipalities 1950 (mean)
Austria	1,706
Belgium	3,242
Denmark	3,286
Finland	7,367
France	1,115
Germany	2,011
Greece	1,250
Ireland	27,092
Italy	5,926
Netherlands	9,879
Norway	4,368
Portugal	27,859
Spain	3,046
Sweden	2,819
Switzerland	1,516
United Kingdom	24,959

Source: *Steiner* 2002, p. 176

For the population size of local units (where SIZElow stands for low average size of the municipalities), the threshold for the calibration is set at an average population size of 10,000 inhabitants because there is a massive distance between the countries with relatively smaller municipalities–with a maximum average population size of 9,879 in the Netherlands–and the United Kingdom, Ireland, and Portugal, which already in 1950 had municipalities with an average population size of over 25,000 inhabitants, which legitimises this threshold.

Incentive system: Incentive systems may be defined as conditions knowingly designed by a higher-ranking state level to influence municipalities' merger activities. Given that local governments react to incentives according to the system's design, the incentive system set by the superior state level is decisive for the municipalities' reform behaviour (*Steiner/Kaiser* 2013; *Kaiser* 2014). As a 'carrot', some higher-ranking governments offer financial incentives to their municipalities in the case of merger. Positive incentives, such as financial contributions, or negative incentives, such as a reduction of transfer payments in the fiscal equalisation, may impose some pressure on municipalities. In the case of financially weak municipalities, these negative incentives can have some coercive character. The distinction between voluntary and coercive amalgamation can therefore be fuzzy in cases (*Swianiewicz* 2010, p. 20). The incentives are assumed to lead to more merger efforts (*Steiner/Kaiser* 2013), thus the following hypothesis 3: INCENT → MERGER. Countries in which financial incentives for mergers (INCENT) exist are coded as 1, countries without financial incentives as 0.

Policy window: 'The policy window is an opportunity for advocates of proposals to push their pet solutions, or to push attention to their special problems' (*Kingdon* 1995, p. 165). A window often opens because political actors change or because a new problem captures

their attention. According to the policy window model by *Kingdon*, a policy window is open when three 'streams' are joined: the problem stream (is the condition defined as a problem?), the policy stream (are there alternative solutions?), and the politics stream (is the political climate positive for change?). An open policy window facilitates policy change, and major changes in public policy have resulted from such windows of opportunity. However, it might only open infrequently and for a short time period (*Kingdon* 1995). With such a policy window, mergers are more likely assumed to occur. Without an open policy window, issues are less likely to come into real action and are therefore not taken up (*Kingdon* 1995). Hypothesis 4 is therefore WINDOW → MERGER. For the calibration, countries in which a policy window for mergers (WINDOW) is existent, that is all three streams (problem, policy and politics) according to Kingdon's policy window model are open, are coded as 1, countries without it as 0.

Outcome

The *merger activity* (MERGER) of a country refers to the number of municipalities that disappear during a given time period. Whereas in most countries, the reform periods are rather short (e.g., a couple of years), they extended to decades in other cases. Table 2 illustrates the number of municipalities and amalgamation activities of the selected countries between 1950 and 2010.

Table 3: Change of the territorial structure

	1950	2010	Δ1950-2010
Austria	4,065	2,357	-42.0
Belgium	2,669	589	-77.9
Denmark	1,303	98	-92.5
Finland	547	415	-24.1
France[6]	37,997	36,683	-3.5
Germany[7]	33,932	12,312	-63.7
Greece	5,975	1,034	-82.7
Ireland	109	114	4.6
Italy	7,802	8,101	3.8
Netherlands	1,015	443	-56.4
Norway	744	430	-42.2
Portugal	303	308	1.7
Spain	9,214	8,112	-12.0
Sweden	2,498	290	-88.4
Switzerland	3,097	2,596	-16.2
United Kingdom	2,028	434	-78.6

Source: Loughlin/Hendriks/Lidström 2011; Steiner 2002

The outcome merger activity (MERGER) is operationalised as the percentage change in the number of municipalities between the years 1950 and 2010. The threshold is set at minus one half (-50 per cent), which is legitimised by the fairly large gap between Norway (-42.2%) and the Netherlands (-56.4%).

Even though not all factors that possibly explain the municipalities' merger activities can be included in the QCA, some further variables should at least be born in mind at this point due to their importance for an international comparison of territorial reforms with a

long period of examination: demographic situation, financial performance and technological progress should be mentioned. Also, the access (*Page/Goldsmith* 1987) of local political actors at higher-ranking state levels (e.g. 'cumul des mandats'), which is characteristic for the Southern European countries (*Kuhlmann/Wollmann* 2013), and possible change in the political culture within a country over the years. Furthermore, the patterns of conflict, which are concerned with advocacy coalitions and alliances of opposition of territorial reforms, may have an influence on the merger activity (*Baldersheim/Rose* 2010).

Qualitative Comparative Analysis: Truth Table and Results

Table 4 shows the crisp-set truth table. Contradictory configurations were resolved (using "good practices" by *Rihoux/Ragin* 2009) and Boolean minimization was conducted using the software fsQCA 2.0. The model is specified as MERGER = f (AUTONlow, SIZElow, INCENT, WINDOW). For an easier interpretation of the results, codes in crisp-set QCA are assigned in the correct direction, that is the presence ([1] values) is theoretically associated with a positive ([1] values) outcome, which is why countries with a high degree of local autonomy are assigned a [0] and countries with a medium or low degree of autonomy a [1]. Correspondingly, countries with large municipalities are assigned a [0] and those with small municipalities a [1]. There are 16 possible combinations (2^4) of which eight constellations of the four conditions occur in this sample, so there is limited diversity and logical remainders, which often occur in social science data (*Schneider/Wagemann* 2012). The specification of the model in this paper (the ratio of conditions to cases) meets the recommended contradictions and consistency benchmarks (*Marx/Dusa* 2011).

Table 4: Truth Table

Country	**Outcome**	**Conditions**			
Concept	**Merger activity**	**Institutional context**	**Territorial structure**	**Incentives**	**Policy window**
Abbreviation	**MERGER**	**AUTONlow**	**SIZElow**	**INCENT**	**WINDOW**
Austria	0	0	1	1	0
Belgium	1	1	1	1	0
Denmark	1	0	1	0	1
Finland	0	0	1	1	0
France	0	1	1	0	0
Germany	1	0	1	1	1
Greece	1	1	1	0	1
Ireland	0	1	0	0	0
Italy	0	1	1	0	0
Netherlands	1	0	1	0	1
Norway	0	0	1	1	0
Portugal	0	1	0	0	0
Spain	0	1	1	0	0
Sweden	1	0	1	0	1
Switzerland	0	0	1	1	0
United Kingdom	1	1	0	0	1

Crisp-set analysis provides us with the following complex, parsimonious, and intermediate solutions[8] (tables 5, 6, 7, 8, 9 and 10):

Table 5: Complex Solution of csQCA

Solution	Outcome	Raw coverage	Unique overage	Consistency
~AUTONlow*SIZElow*WINDOW	MERGER	0.57	0.57	1.00
AUTONlow*~INCENT*WINDOW	MERGER	0.29	0.29	1.00
AUTONlow*SIZElow*INCENT*~WINDOW	MERGER	0.14	0.14	1.00

Table 6: Summarised Complex Solution of csQCA

Summarized Solution	Outcome	Consistency	Coverage
~AUTONlow*SIZElow* WINDOW + AUTONlow* ~INCENT*WINDOW + AUTONlow*SIZElow* INCENT*~WINDOW	MERGER	1.00	1.00

Table 7: Parsimonious Solution of csQCA

Solution	Outcome	Raw coverage	Unique coverage	Consistency
WINDOW	MERGER	0.86	0.86	1.00
AUTONlow *INCENT	MERGER	0.14	0.14	1.00

Table 8: Summarised Parsimonious Solution of csQCA

Summarized Solution	Outcome	Consistency	Coverage
WINDOW + AUTONlow *INCENT	MERGER	1.00	1.00

Table 9: Intermediate Solution of csQCA

Solution	Outcome	Raw coverage	Unique coverage	Consistency
WINDOW*SIZElow	MERGER	0.71	0.57	1.00
WINDOW*AUTONlow	MERGER	0.28	0.14	1.00
INCENT*SIZElow*AUTONlow	MERGER	0.14	0.14	1.00

Table 10: Summarised Intermediate Solution of csQCA

Summarized Solution	Outcome	Consistency	Coverage
WINDOW*SIZElow + WINDOW*AUTONlow + INCENT*SIZElow* AUTONlow	MERGER	1.00	1.00

The complex solution, that is the solution barring counterfactuals, shows that higher merger activities occur when a) local autonomy is high, the size of municipalities is small, and there is an open policy window or b) in the absence of incentives when autonomy is low and there is an open policy window or c) when local autonomy is low, the size of municipalities is small and there are incentives for merging in the absence of an open policy window. This formula is quite complex and can be simplified using counterfactual analysis. The parsimonious solution, which also incorporates logical remainders, gives us

the following result: either a) an open policy window or b) incentives for the municipalities to merge when local autonomy is low are associated with a high merger activity. The intermediate solution shows that merger activity is higher a) in small municipalities when there is an open policy window, b) in municipalities with a low degree of local autonomy when there is an open policy window, or c) in small municipalities when autonomy is low and there are incentives given by higher-ranking state levels for amalgamations. While none of the variables is a necessary condition, WINDOW is a sufficient condition for the outcome in the parsimonious solution. Both fit measures 'consistency' and 'coverage' show a value of 1.00 in all summarised solutions.

Discussion

Based on an analytical framework, this study analysed and compared amalgamation strategies in 16 Western European countries. Merger strategies as well as merger activities vary a lot between the Western European countries. Whereas the number of municipal units was often reduced drastically in top-down reforms, such as the Greek territorial consolidation (*Hlepas* 2010), the Danish structural reforms (*Blom-Hansen/Heeager* 2011; *Vrangboek* 2010) or the UK amalgamations (*John* 2010), the effects are much smaller for example in Switzerland where many cantons pursue a participatory bottom-up approach (*Steiner/Kaiser* 2013) or in France, where a trans-scaling strategy is applied (*Cole* 2011). Using Qualitative Comparative Analysis (QCA), this paper contributes to the discussion concerning what combinations of factors influence the country's amalgamation activities.

The intermediate solution–the most interpretable of the three solutions provided by csQCA–showed that merger activity is higher in small municipalities when there is an open policy window. This result is not surprising, because amalgamation reforms in Europe were often introduced to create rationalised and more efficient local government units which are able to appropriately and independently fulfil their tasks (*Steiner/Kaiser* 2013). This was the case for example in the Danish structural reform 2007–2009, which was introduced because small municipalities which were not able to adequately handle complicated social issues and lacked the necessary expertise in financial affairs (*Vrangboek* 2010). The dual aim of the territorial reforms in the German regional states was typically to increase the administrative capacity and efficiency of local government on the one hand and to strengthen local democracy on the other (*Wollmann* 2010). In line with *Kingdon*'s policy window model (1995), the results of this study emphasise the importance of an open policy window for the implementation of amalgamation reforms. If the timing and the circumstances are not right, as was the case in the French consolidation trial in 1972 (when the 'Marcellin' law which foresaw a drastic reduction of the number of municipalities failed; *Kerrouche* 2010), there is the threat of a blockage for territorial reforms for a very long time. In Denmark, on the other hand, a couple of problems in the systems acted as a trigger for acceptance of a radical reform (*Vrangbaek* 2010; *Bundgaard/Vrangbaek* 2007). It could thus be said that the success of a territorial reform also depends on whether the timing is right.

Furthermore, the analysis showed that merger activity is higher in municipalities with a low degree of local autonomy when there is an open policy window. Mergers are more easily introduced when municipal autonomy is low. This result is in line with the corresponding hypothesis in this paper, assuming a negative effect of local autonomy on mer-

ger reforms, reasoning that municipalities with a high local autonomy would rather try to stay 'autonomous' instead of amalgamating with one or more neighbour municipality.

According to the intermediate solution, there are also more mergers when municipalities are small, autonomy is low and there are incentives given by higher-ranking state levels for amalgamations. It is not surprising that where incentives for mergers are given by higher-ranking state levels, they seem to play a certain role, as they are designed to influence the municipalities' behaviour and the local decision authority includes the possible benefits when discussing merger (*Kaiser* 2014).

To put the paper into a larger context, it should be said that amalgamation strategies, upon which the focus was laid in this paper, are by no means the only reform strategy pursued when modernising local governments (see, for example, *Kuhlmann/Wollmann* 2014). In some countries, inter-municipal cooperation was established as an alternative to mergers. Also, territorial reforms often go along with functional reforms. Regionalisation is also an important topic on many countries' reform agenda. Amalgamation reforms may also be part of larger reform projects comprising new layers of government, functional and/or financial changes between the levels of government and others (*Kersting/Vetter* 2003, p. 336).

Anmerkungen

1 These experts are all participants of the COST action IS1207 'Local Public Sector Reforms: An International Comparison'. For further information see www.cost.eu/domains_actions/isch/Actions/IS1207

2 Data 2010

3 Data 2014

4 QCA uses the term 'condition' and 'outcome' for what is referred to as 'independent' and 'dependent' variables in quantitative methods.

5 In their framework on the process of territorial choice, *Baldersheim* and *Rose* (2010) describe the four elements 'institutional context', 'framing and choice of amalgamation strategy', 'pattern of conflict' and 'reform outcome' and the interactions between these elements. First, they distinguish the element 'institutional context' according to the two contextual dimensions 'national' (consociatal/majoritarian) and 'local' (low importance/high importance). With focus on the local context, the institutional context is also included in this study here. Second, they describe 'framing', which is about what arguments are presented by policy entrepreneurs in favour of reforms, and 'strategies', where they distinguish between the scope of the reform (comprehensive/incremental) and the room for local voice (top-down/bottom-up). In this paper, this element is represented in the chapter about amalgamation strategies, where the countries' amalgamation strategies are specified. Third, the element 'patterns of conflict' is about advocacy coalitions and alliances of opposition of territorial reforms. Even though not explicitly considered as a condition in this paper's QCA, it is mentioned as a possible influencing factor and is supposed to be associated with the 'politics stream' which is considered in the condition 'policy window' in this paper. Fourth, the element 'reform outcome' in the *Baldersheim/Rose* framework is understood as upscaling, downscaling or trans-scaling movements. In this paper's analytical framework, the 'reform activity' is included as the outcome variable, considering changes of the territorial structure towards larger or smaller units. Detailed analysis of trans-scaling movements, i.e. cooperation between units, would go beyond the scope of this paper, which is why they are only mentioned marginally here.

6 Number of municipalities in 1952 (instead of 1950).

7 In 1950, BRD counted 24,156 municipalities and DDR 9,776. For comparison reasons between the counties, the BRD and DDR data have been added up.

8 In QCA, the complex solution makes no assumption about logical remainders, the parsimonious solution contains all simplifying assumptions and the intermediate solution only allows easy counterfactuals to be included. The complex solution results in complicated interpretations. The parsimonious solution often rests on numerous counterfactual claims about logical remainders, which is why its interpretation should

be treated with care. The intermediate solution uses theory as a guide as to which logical remainders are assumed to be associated to the outcome. The intermediate solution term lies between complexity and parsimony and is often the most interpretable one (*Schneider/Wagemann* 2012).

References

Baldersheim, Harald/Rose, Lawrence E. (Eds.), 2010: Territorial Choice. The Politics of Boundaries and Borders, Basingstoke: Palgrave Macmillan.

Baldersheim, Harald/Rose, Lawrence E., 2010: Territorial Choice: Rescaling Governance in European States, in: *Baldersheim, Harald/Rose, Lawrence E.* (Eds.), Territorial Choice. The Politics of Boundaries and Borders, Basingstoke: Palgrave Macmillan, p. 1-20.

Berg-Schlosser, Dirk/De Meur, Gisèle/Rihoux, Benoît/Ragin, Charles C., 2009: Qualitative Comparative Analysis (QCA) as an Approach, in: *Rihoux, Benoît /Ragin, Charles C.* (Eds.), Configurational Comparative Methods. Qualitative Comparative Analysis (QCA) and Related Techniques. Applied Social Research Meth-ods Series, Volume 51, Los Angeles/London/New Delhi/Singapore: Sage, p. 1-18.

Blom-Hansen, Jens/Heeager, Anne, 2011: Denmark: Between Local Democracy and Implementing Agency of the Welfare State, in: *Loughlin, John/Hendriks, Frank/Lidström, Anders* (Eds.), The Oxford Handbook of Local and Regional Democracy in Europe, Oxford: Oxford University Press, p. 221-240.

Bundgaard, Ulrik/Vrangbaek, Karsten, 2007: Reform by Coincidence? Explaining the Policy Process of Structural Reform in Denmark, in: Scandinavian Political Studies, 30, 4, p. 491-520.

Cole, Alistair, 2011: France: Between Centralization and Fragmentation, in: *Loughlin, John/Hendriks, Frank/Lidström, Anders* (Eds.), The Oxford Handbook of Local and Regional Democracy in Europe, Oxford: Oxford University Press, p. 307-330.

Copus, Colin, 2010: English Local Government: Neither Local Nor Government, in: *Swianiewicz, Pawel* (Ed.), Territorial Consolidation Reforms in Europe, Budapest: Open Society Institute, p. 95-126.

Council of Europe (Ed.), 2001: Relationship between the size of local and regional authorities and their effectiveness and economy of their action, Strasbourg: CDLR.

Dahl, Robert A./Tufte, Edward R., 1973: Size and Democracy, Stanford: Stanford University Press.

De Ceuninck, Koenraad/Reynaert, Herwig/Steyvers, Kristof/Valcke, Tony, 2010: Municipal Amalgamations in the Low Countries: Same Problems, Different Solutions, in: Local Government Studies, 36, 6, p. 803-22.

Drechsler, Wolfgang J. M., 2013: Coercive Municipal Amalgamation Today – With Illustrations from Estonia, in: Halduskultuur – Administrative Culture, 14, 1, p. 158-165.

Fox, William F./Gurley, Tami, 2006: Will Consolidation Improve Sub-National Governments? World Bank Working Paper, 3913, p. 1-45.

Hlepas, Nikolaos-K., 2010: Incomplete Greek Territorial Consolidation: From the First (1998) to the Second (2008-09) Wave of Reforms, in: Local Government Studies, 36, 2, p. 223-249.

Hertzog, Robert, 2010: Intermunicipal Cooperation: A Viable Alternative to Territorial Amalgamation?, in: *Swianiewicz, Pawel* (Ed.), Territorial Consolidation Reforms in Europe, Budapest: Open Society Institute, p. 285-308.

Hesse, Joachim J./Sharpe, Laurence J., 1991: Local Government in International Perspective: Some Comparative Observations, in: *Joachim J. Hesse* (Ed.), Local Government and Urban Affairs in International Perspective, Baden-Baden: Nomos, p. 603-621.

John, Peter, 2001: Local Governance in Western Europe, London/Thousand Oaks/New Delhi: Sage.

John, Peter, 2010: Larger and Larger? The Endless Search for Efficiency in the UK, in: *Baldersheim, Harald/Rose, Lawrence E.* (Eds.), Territorial Choice. The Politics of Boundaries and Borders, Basingstoke: Palgrave Macmillan, p. 101-117.

John, Peter/Copus, Colin, 2011: The United Kingdom: Is There Really an Anglo Model?, in: *Loughlin, John/Hendriks, Frank/Lidström, Anders* (Eds.), The Oxford Handbook of Local and Regional Democracy in Europe, Oxford: Oxford University Press, p. 27-47.

Kaiser, André, 1999: Die politische Theorie des Neo-Institutionalismus. James March und Johan Olsen, in: *Brodocz, André/Schaal, Gary S.* (Eds.), Opladen: Leske + Budrich, p. 189-211.

Kaiser, Claire, 2014: Functioning and Impact of Incentives for Amalgamations in a Federal State: The Swiss Case, in: International Journal of Public Administration, 37, 10, p. 625-637.

Keating, Michael, 1995: Size, Efficiency and Democracy: Consolidation, Fragmentation and Public Choice, in: *Judge, David/Stoker, Gerry/Wolman, Harold* (Eds.), Theories of Urban Politics, London/Thousand Oaks/New Delhi: Sage.

Kerrouche, Eric, 2010: France and Its 36,000 Communes: An Impossible Reform?, in: *Baldersheim, Harald/Rose, Lawrence E.* (Eds.), Territorial Choice. The Politics of Boundaries and Borders, Basingstoke: Palgrave Macmillan, p. 160-179.

Kersting, Norbert/Caulfield, Janice/Nickson, Andrew R./Olowu, Dele/Wollmann, Hellmut, 2009: Local Governance Reform in Global Perspective, Urban and Regional Research International, Volume 12, Wiesbaden: Spinger.

Kersting, Norbert/Vetter, Angelika, 2003: Reforming local government in Europe, Opladen: Leske + Budrich.

Kingdon, John W., 1995: Agendas, Alternatives, and Public Policies, USA: Longman Publishing Group.

Kuhlmann, Sabine/Wollmann, Hellmut, 2013: Verwaltung und Verwaltungsreformen in Europe – Einführung in die vergleichende Verwaltungswissenschaft, Wiesbaden: Springer.

Kuhlmann, Sabine/Wollmann, Hellmut, 2014: Introduction to Comparative Public Administration. Administrative Systems and Reforms in Europe, Cheltenham: Edward Elgar.

Ladner, Andreas/Bühlmann, Marc, 2007: Demokratie in den Gemeinden. Der Einfluss der Gemeindegrösse und anderer Faktoren auf die Qualität der lokalen Demokratie, Zürich/Chur: Rüegger.

Ladner, Andreas, 2011: Switzerland: Subsidiarity, Power-Sharing, and Direct Democracy, in: *Loughlin, John/Hendriks, Frank/Lidström, Anders* (Eds.), The Oxford Handbook of Local and Regional Democracy in Europe, Oxford: Oxford University Press, p. 196-220.

Lijphart, Arend, 1971: Comparative Politics and the Comparative Method, in: The American Political Science Review, 65, 3, p. 682-693.

Loughlin, John/Hendriks, Frank/Lidström, Anders, (Eds.), 2011: The Oxford Handbook of Local and Regional Democracy in Europe, Oxford: Oxford University Press.

Marcou, Gérard, 2010: La réforme territoriale. Analyse du nouveau projet de réforme des collectivités territoriales, in: *Némery, Jean-Claude* (Ed.), Quelle nouvelle réforme pour les collectivités territoriales françaises?, Paris: Harmattan, p. 21-80.

Marx, Axel/Dusa, Adrian, 2011: Crisp-Set Qualitative Comparative Analysis (csQCA), Contradictions and Consistency Benchmarks for Model Specification, in: Methodological Innovations Online, 6, 2, p. 103-148.

Page, Edward C./Goldsmith, Michael J. (Eds.), 1987: Central and Local Government Relations. A Comparative Analysis of Western European Unitary States, London: Sage.

Ragin, Charles C., 1987: The Comparative Method: Moving Beyond Qualitative and Quantitative Strategies, Berkeley/Los Angeles/London: University of California Press.

Rihoux, Benoît/Ragin, Charles C. (Eds.), 2009: Configurational Comparative Methods. Qualitative Comparative Analysis (QCA) and Related Techniques. Applied Social Research Methods Series, Volume 51, Los Angeles/London/New Delhi/Singapore: Sage.

Reingewertz, Yaniv, 2012: Do municipal amalgamations work? Evidence from municipalities in Israel, in: Journal of Urban Economics, 72, p. 240–51.

Sager, Fritz, 2008: Institutionelle Bedingungen kollektiver Handlungsfähigkeit im urbanen Raum: Eine QCA von siebzehn europäischen Entscheidungsfällen, in: Zeitschrift für vergleichende Politikwissenschaft, 2, 1, p. 3-28.

Schneider, Carsten Q./Wagemann, Claudius, 2012: Set-Theoretic Methods for the Social Sciences. A Guide to Qualitative Comparative Analysis, Cambridge: Cambridge University Press.

Steiner, Reto/Ladner, Andreas/Reist, Pascal (Eds.), 2014: Reformen in Kantonen und Gemeinden, Bern: Haupt Verlag.

Steiner, Reto/Ladner, Andreas/Reist, Pascal, 2014: Kommunale Reformprojekte und deren Auslöser, in: *Steiner, Reto/Ladner, Andreas/Reist, Pascal* (Eds.), Reformen in Kantonen und Gemeinden, Bern: Haupt Verlag, p. 83-109.

Steiner, Reto/Kaiser, Claire, 2013: Rolle der Kantone bei Gemeindefusionen in der Schweiz, in: Zeitschrift für Verwaltung und Management, 19, 3, p. 144-149.

Steiner, Reto, 2003: The Causes, Spread and Effects of Intermunicipal Cooperation and Municipal Mergers in Switzerland, in: Public Management Review, 5, 4, p. 551-71.

Steiner, Reto, 2002: Interkommunale Zusammenarbeit und Gemeindezusammenschlüsse in der Schweiz, Bern/Stuttgart/Wien: Haupt.

Swianiewicz, Pawel, 2010: Territorial Fragmentation As a Problem, Consolidation As a Solution?, in: *Swianiewicz, Pawel* (Ed.), Territorial Consolidation Reforms in Europe, Budapest: Open Society Institute, p. 1-24.

Swianiewicz, Pawel (Ed.), 2010: Territorial Consolidation Reforms in Europe, Budapest: Open Society Institute.

Vrangboek, Karsten, 2010: Structural Reform in Denmark, 2007-09: Central Reform Process in a Decentralised Environment, in: Local Government Studies, 36, 2, p. 223-249.

Walter-Rogg, Melanie, 2010: Multiple Choice: The Persistence of Territorial Pluralism in the German Federation, in: *Baldersheim, Harald/Rose, Lawrence E.* (Eds.), Territorial Choice. The Politics of Boundaries and Borders, Basingstoke: Palgrave Macmillan, p. 138-159.

Wollmann, Hellmut, 2010: Territorial Local Level Reforms in the East German Regional States (Länder): Phases, Patterns, and Dynamics, in: Local Government Studies, 36, 2, p. 251-270.

Wollmann, Hellmut, 2012: Local Government Reforms in (Seven) European Countries: Between Convergent and Divergent, Conflicting and Complementary Developments, in: Local Government Studies, 38, 1, p. 41-70.

Anschrift der Autorin:
Dr. Claire Kaiser, Universität Bern, Kompetenzzentrum für Public Management, Schanzeneckstrasse 1, CH-3001 Bern
E-Mail: claire.kaiser@kpm.unibe.ch