

Vincent Hoffmann-Martinot
Hellmut Wollmann (Eds.)

State and Local Government Reforms in France and Germany

Divergence and Convergence

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Vincent Hoffmann-Martinot · Hellmut Wollmann (Eds.)

State and Local Government Reforms in France and Germany

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Preface

This volume is based on the revised contributions to the French-German workshop that was held on May 14 and 15, 2004 in Bordeaux, France, and was convened by Vincent Hoffmann-Martinot (from CERVL at Institut d'études politiques de Bordeaux) and by Hellmut Wollmann (from Institut für Sozialwissenschaft at Humboldt-Universität zu Berlin). The conference was financially supported primarily by Fritz Thyssen Stiftung, with a complementary and generous contribution of DAAD (German Academic Exchange Service, Paris office) and the Fondation Maison des Sciences de l'Homme.

In line with the original purpose of the French-German Workshop the articles assembled in this volume are meant to analyse, under a comparative perspective, major trends which have marked the development of State organization and the public sector in France and Germany. The "cases" of France and Germany appears to be particularly challenging. On the one hand, the institutional trajectories seem to be rooted in distinctly institutional and political traditions ("path-dependencies"), such as "Napoleonic" centralism versus federal decentralism or "intercommunalité" versus comparatively strong local government. On the other hand, both national institutional systems have recently and currently come under similar pressures, such as "globalisation", "Europeanisation". So, one of the guiding questions that have inspired this volume is whether the institutional trajectories of the two countries have shown "convergence" or whether they continue to be (perhaps even increasingly) "divergent".

In order to "map" the development a number of issue areas and topics have been selected ranging from the intergovernmental/subnational setting to the local government level, highlighting public finance and public personnel and treating, as policy areas and as cases in point, local social and unemployment policies. In order to explore the cross-country perspective most of these issue areas are treated in "parallel" articles for which we were fortunate enough to be able to commit first rate national experts. In an introductory piece the "state organization" of the two countries is put in a comparative perspective.

While such themes have been, not doubt, been dealt with in the pertinent academic and political debate in both countries, a more comprehensive treatment, in a comparative perspective, is until now hardly available in the relevant literature. Contributing to fill this "gap" has been a prime motive for initiating and organizing the French-German Workshops as well as for assembling and bringing out this volume.

Our decision to publish in English a book that deals with France and Germany may to some seem surprising if not irritating and may need some explanation. The simple and irresistible reason is that the relevant international debate has come to be conducted almost exclusively in the English language and that, in order to make the "cases" of France's and Germany's public sector developments and reforms better known and noticed in the international debate, outside and beyond these two countries' national arenas, there is realistically no other way than to turn to an English language publication, however regrettable some, of not

many may find this as setting still another step towards recognizing and even adding to this “Anglophone” dominance. We hope and are confident that, notwithstanding its appearing in English, the book will find and reach an interested readership and audience also in France and Germany.

We wish to thank Fritz Thyssen Stiftung for having supported the preparation and the organization of the workshop in May 2004 as we are grateful to CERVL and the Bordeaux-Stuttgart European Associate Laboratory CODE (Comparing Democracies in Europe) for having provided valuable organizational and financial support for conducting the workshop as well as for preparing the publication. Last but by no means not least, we want to emphatically thank Armelle Jézéquel for the highly competent work she did in text-editing.

Thanks go also to VS Verlag für Sozialwissenschaft, Wiesbaden, for publishing the book in its English language book series Regional and Urban Research International which, we hope, will prove a far-carrying vehicle for the French-German message of the volume.

May the book find an interested readership in France and Germany as well as in the international community and may it contribute to the national as well as international discourses on public sector reforms.

Vincent Hoffmann-Martinot and Hellmut Wollmann
Bordeaux/Berlin, June 2006

State Organisation in France and Germany between Territoriality and Functionality

1. Introduction

In this introductory chapter the attempt shall be made to identify and to compare some of the basic principles on which the intergovernmental and interorganisational setting of France and Germany has been traditionally built as well their recent development.

A heuristically and analytically promising approach for such a discussion is seen in drawing on territory/territoriality and function/functionality as underlying basic organisational principles and premises (Wagener 1981; Wagener/Blümel 2001; Benz 2002; Wollmann 2005).

In the constitutional and institutional design of the intergovernmental setting and arrangement of a country the concept of territoriality focuses on the establishment, in the intergovernmental space, of territorially defined (horizontal) arenas to which a plurality of functions may be assigned and, inasmuch as these arenas are established as self-standing political and administrative entities, the actors may be put in charge of carrying out that plurality of functions.

By contrast, the concept of functionality focuses on single and specific tasks which are carried out in the intergovernmental setting by a single actor/institution or a vertical chain of actors/institutions.

A key question is to what extent territory and function are still guiding principles, separately and combined, how these principles are operationalised, and what the main tendencies are within and between France and Germany.

Our comparative discussion of the intergovernmental worlds of the two countries aims at identifying to what degree and in which “mix” the intergovernmental design and practice has been guided by either of these principles.

The frame of reference of this comparative exercise will also have to describe and explain the dynamics of co-ordination (Wollmann 2003a). It is crucial to look at the task of co-ordinating the implementation of policies at the local level.

In the debate on co-ordination, a triad of principles and mechanisms has often been pointed out which may serve to bring about the co-ordination of activities among a plurality of actors and institutions (Kaufmann *et al.* 1986):

- *hierarchy* which refers to a hierarchical arrangement of actors (be it an interorganisational or an intra-organisational setting) in which the co-ordination of actors (with possibly divergent interests) can be effected, in the last resort, by hierarchical direction and instruction;

- *interaction/network* relates to a setting of actors and institutions in which neither of the actors is formally subordinated to another actor and in which co-ordinated action is achieved through persuasion, bargaining etc.;

- *market* refers to the market model in which the co-ordination between different actors and possibly divergent interests is brought about by the “hidden hand”-type mechanism.

As a consequence the territoriality/functionality discussion is connected to the governance discussion.

2. Methodological Issues and Conceptual Framework

There is a methodological question associated with describing and explaining the degree and the shifts of territoriality and functionality.

Just like in the study of *quangos* one could ask what is available and what is missing in the study of territorial and functional decentralisation (Bouckaert/Peters 2003).

There are definitional problems, and for the purpose of international comparison, there are additional problems of accurate translations of concepts and terms. The traditional terms of decentralisation and deconcentration are amended with devolution or delocation and may be asymmetrical from a political/administrative point of view, or may be more or less in a competitive context. Definitions do matter in this field, especially if they are historically determined, legally embedded and culturally contingent. It is clear that French and German historical, legal and cultural differences have made them “path-dependent”.

Limited and non-random samples of case studies are developed on single entities (a policy field) or areas (one *Land*, or *région*, or *département*). Micro studies may be detailed and very useful but they are limited and may be subject to specific contingencies. Macro studies, in many countries, except for some general institutional data, lack data on variance of realities, and on *e.g. de facto* functioning of networks and co-ordination through informal political mechanisms (*e.g.* the power-based informal mechanism of the *grands élus* in France). Variations within France (*régions, départements*) and within Germany (*Länder*) demonstrate this clearly.

A structurally, or institutionally biased focus, results in a considerable *terra incognita*. If one focuses on organisational formats with legal personality, and on legal frameworks or major policy documents it is possible to have a selective perception. Information on steering, control, and evaluation of policy and management, of resources (finance and personnel), of responsibility and accountability and its administrative and political division of labour, let alone on effectiveness of arrangements should also remain in the picture.

An NPM focus also has even further encouraged a bias in the wrong direction by looking merely at single organisations instead of a consolidated set of organisations at *e.g.* a specific region, or how local governments fit into an institutional macro-perspective. A key question of NPM has ignored how a single organisation, or a type of organisation at a specific level of government (*e.g.* local government) is an instrument of policy and management and politics, and fits into a consolidated picture of governance. Linkages with private sector, social profit, national and international, become increasingly important.

On top of the methodological elements of describing territoriality and functionality, five problems of evaluating reform obviously emerge here too

(Pollitt/Bouckaert 2003). Units of analysis are different (East Germany is different from West Germany), units of meaning are different (a municipality is not a municipality), scarcity of key data (numbers of organisations are proxies), the multiplicity of data (there are no coherent data sets), and the elusiveness of change (the existence of a decree is not necessarily mirrored by an administrative reality).

If a static picture is difficult to describe, a comparative static, let alone a dynamic picture is even more difficult.

A simple mechanism to describe change is to look for the action/re-action, or stimulus/response, or problem/solution mechanisms in administrative reform (Verhoest/Bouckaert 2005). In many cases there is a problem which is being solved. In some cases the solution may turn into a problem which itself requires a new solution. The problem of specialisation, territorial and functional, has been a solution for particular problems of organising service delivery at a reasonable scale in a context of, at least in Western democracies, subsidiarity, political control, democratic participation, and accountability.

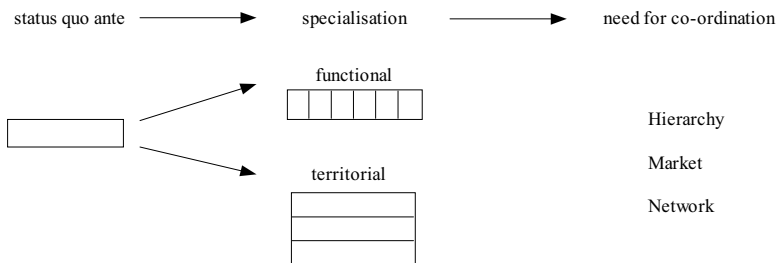
The call for specialisation, whether territorial or functional, immediately requires a sufficient degree of co-ordination. Mechanisms based on hierarchy, market and networks may provide an answer to this need.

Figure 1 gives an idea of this sequence starting with a problem (how to organise efficient and effective service delivery in a state), solving the problem (by establishing territorial and functional decentralisation), creating a new problem (of co-ordination of policies) in solving the problem, and solving this problem (by establishing mechanisms of hierarchy, markets, and networks). This sequence is analytical, but may also have chronological aspects. This almost suggests a grand shift from a centralised system (*Jacobin*), to a territorial and functional decentralised (*Girondin*), to a re-co-ordination through predominantly non-hierarchical mechanisms of markets and networks, which is neo-territorial/neo-functional decentralised governance system.

In a hierarchical, tier structured state, two pure models may emerge, territorial decentralisation, and functional decentralisation (figure 2). Realities of course provide mixed models (juxtaposed pure models) or hybrids (“impure” models) which result in variations and combinations of territorial and functional designs.

A key issue is what has been decentralised and what remains central. The division of labour, of responsibilities, of competencies (strategic and/or just oper-

Figure 1: A Simple Model of Change



ational), of resources (personnel, finance), and of accountability is increasingly complex. This complexity is organised through intentionally allocating similar competencies to multiple actors. This happens in France and Germany. Describing the administrative level of gravity differs according to policy fields and focus of attention.

2.1 Territorial and Organisational Setting

Table 1 shows a format of pure types of territorial organisation, based on the quantity of a certain criterion (*e.g.* personnel, or finance).

If this is applied to France and Germany and their numbers of institutional arrangements as an indicator of the level territorial specialisation, one observes a pyramid of organisations with certain levels of autonomy and dependency (table 2).

It is clear that this is subject to dynamics and change as demonstrated in table 3.

In general, central levels are shrinking, and intermediate, sometimes local levels are increasing.

2.2 Personnel

With regard to personnel two aspects in particular should be highlighted under comparative perspective, to wit, first, the number of public personnel in general,

Figure 2: Two Pure Models

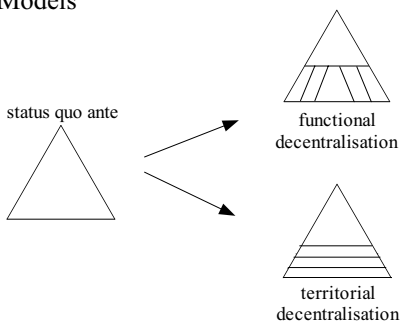


Table 1: Pure Types of Territorial Decentralisation

Criteria for territorial decentralisation	Type			Reality
	one: Central	two: Intermediate	three: Decentral	
Central	98	1	1	A
Intermediate	1	98	1	B
Local	1	1	98	C

Table 2: Distribution of Institutional Arrangements

Territorial levels	France	Germany	
Central	1	1	Federal
<i>Régions</i>	22	16	<i>Länder</i>
<i>Départements</i> ¹	100	23	<i>Bezirksregierungen</i> ²
<i>Départements</i> ¹	100 (averaging some 450,000 inhabitants)	343 (averaging between 150,000 and 200,000 inhabitants)	<i>Kreise</i> (counties)
		117	<i>kreisfreie Städte</i> (county-free towns) ³
Inter-communal bodies ⁵	18,267	up to 200 (in some <i>Länder</i>), total of some 1,000	<i>Verwaltungsgemein-</i> <i>schaften</i> usw ⁶
<i>Communes</i>	36,676 (averaging some 1,700 inhabitants) ⁶ no territorial reform ⁴	13,400 (averaging some 6,100 inhabitants) territorial reforms in the individual <i>Länder</i> ⁴	<i>Gemeinde</i> (city, town, village, municipality)
<i>General remark: Organisational and personnel “presence” of central State on local level</i>	<i>significant</i> (<i>services extérieurs</i>)	<i>small</i> (<i>only few Sonderbehörden</i>)	

Notes for this table:

¹ In France, the *départements* provide the territorial basis both for the *département*-based state administration (under the direction of the central government appointed *préfet*) and for the department-based *collectivité territoriale/locale* (local self-government with the elected departmental council, *conseil général*, and its council-elected chairman, *président*).

² In Germany, in an administrative tradition which, originally drawing on the French model of *département*-based deconcentrated state administration, dates back to the XIXth century, the larger *Länder* have the practice of establishing “administrative districts” (*Regierungsbezirke/Bezirksregierungen*) on the meso/intermediary level between the *Länder* government and the local government levels (Stöbe/Brandel 1996: 19 ff.). Currently a total number of 23 *Regierungsbezirke* exist in five *Länder* (between 7 and 3 respectively). Following administrative reforms between 1999 and 2004 a total number of 10 *Regierungsbezirke* were abolished in 3 *Länder*.

³ In Germany’s two tier local government system consisting of the counties (*Kreise*) and the municipalities (*Gemeinden*) the larger towns/cities have traditionally been given the special status of *kreisfreie Städte* (“county-free” towns) in that they, besides exercising the “ordinary” local self government/municipal responsibilities, also discharge the county functions. In this they are analogous to what in the British local government system are called “unitary” local authorities. (Wollmann 2000: 117 ff.).

⁴ In France where, except for an abortive attempt in the early 1970s, no territorial reform of the some 35,000 *communes* has been carried out, the average population size of the *communes* is 1,700. In Germany where the territorial reform of the local government levels falls under the responsibility of the *Länder*, territorial reforms were carried out during the 1960s and 1970s in the