

# *Regional Policy-Making in Finland: Governance of Networks or Just Top-Down Steering*

*Pekka Kettunen*<sup>\*</sup>

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Regional policy-making in Finland is analysed in the paper. The aim is to analyse the characteristics of a specific regional organisation, the Regional Management Committee (RMC). The organisation is a tri-party cooperative discussion arena and resembles a network. An overview of the governance network theory is given. Three specific features shared by governance networks are discussed: autonomy, significance and informal internal relationships. The characteristics of the RMC have been analysed on the basis of a survey. The results of the analysis are the following: the RMC has been found to have some characteristics of networks, but it does not fully correspond to the definition of governance networks. It seems that the RMC, though a network, suffers from the uneven distribution of power which applies particularly to the social and economic partners. Thus, if the RMC is supposed to be a forum for an open, interactive debate, its management should more

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<sup>\*</sup> Pekka Kettunen, University of Tampere, Finland

clearly emphasize the network characteristics and aim at guaranteeing an open debate.

*Key words:* governance networks, regional policy, autonomy, partnership

## 1. Introduction

Networks are becoming more common as organisations for implementing public policies. There is plentiful literature on networks and governance, but the empirical reality is not always so clear. Rather, hierarchies and networks are the extreme ends and real-world-organisations locate often themselves between these ends. Regional policy-making offers a good example of modern governance. In terms of actors, the key players represent »vertically« different layers of government, as well as »horizontally« functionally different public, private and collective institutions. Hence one can ask whether this network-kind-of-organization functions in a novel way escaping the usage of traditional tools of interpretation and analysis. Should we apply similar kind of criteria of efficiency, democracy and effectiveness as with individual public organizations, or do (the assumed) networks make a difference?

The paper is linked to a Scandinavian comparative project on democratic network governance and empirically based on a survey conducted in August and September 2007 (Kettunen et al., 2007). The data consist of 135 answers, representing about 35% of the members of the Regional management committees (RMC), i.e. regional institutions for coordinating the usage of EU funds and for advocating regional development. The survey focused on the perceived goals of the members, their perceptions of the role of e various members, and of the RMC's legitimacy and effectiveness. The members were also asked about different ways of improving the functioning of the RMC, and whether they conceived the composition of the RMC required changes. The survey reveals, in line with a number of earlier studies, that the members, representing the state regional agencies, local government units and social partners, are not equal. At the same time, the members did not see major problems in the legitimacy or the composition of the RMC. While the members representing different background groups did advocate their own goals and interests, this was not surprising, as networks are generally kept together by the exchange of ideas and resources rather than by mutual interests.

The paper presents a more detailed analysis of the survey results and, on the basis of these, discusses the governance of network-kind-institutions, with the help of institutional theory. Regional management committees are not public authorities *per se*, but explicitly institutions of partnership. From the viewpoint of management, the question is to what extent the functioning of a partnership, including the balance of power, can be affected by institutional design.

The paper proceeds with a brief overview of the recent discussion on governance networks and their characteristics. The aim of this section is to find the criteria for assessing empirical cases of network-kind-phenomena. Thereafter, the paper moves to the case study and reviews some of the findings of the survey, which has been sent to the members of the Finnish regional management committees. From the survey we have chosen findings dealing with the autonomy and significance of the committee, and we analyse how the committee members experience the internal relationships in the committees. The paper concludes with a summary of the findings and further comments on governance networks in general.

## 2. Theoretical background

Networks and governance are buzzwords of the present. The formulation and implementation of public policy increasingly takes place in and through interactive forms of governance involving a plurality of public, semi-public, and private actors. Furthermore, in order to compensate for the limits and failures of both state regulation and market regulation in real life, new forms of negotiated governance have mushroomed through the formation of public-private-partnerships, strategic alliances, dialogue groups, consultative committees and inter-organisational networks (Sørensen, Torfing, 2007: 2). However, as many scholars have pointed out, networks are not similar to each other and do not always play an important role in policy making. Networks have existed for a long time if one includes, for example, corporatist arrangements of economy policy-making within the concept. Even implementation network as a concept dates back to the late 1970s when implementation as a focus of interest gained prominence. Policy networks can more recently be connected to the weakening of traditional Weberian bureaucracies and as a part of the NPM-oriented and other reforms, which have increased the role of the private sector and the civil society in relation to the state.

An already classical definition by Hjern and Porter (1981: 215) refers to horizontal policy networks, which are characterised by the commitment of the network members, i.e. by their common interest in the policy. An implementation structure is comprised of subsets of members with organisations that view a programme as their primary (or an instrumentally important) interest. To these actors, an implementation structure is as much an administrative structure through which purposive actions are taken, as are the organisations in which they are employed. Compared to networks as informal contacts, the policy network is more focused on inter-organisational, horizontal networks.

Recently Sørensen and Torfing (2007: 9) have defined governance networks as:

»Relatively stable horizontal articulation of interdependent but operationally autonomous actors which interact through negotiations, which take place within a regulative, normative, cognitive and imaginary framework that is self-regulating within limits set by external agencies and which contributes to the production of public purpose.«

Compared to organisations, networks are more fluid. Compared to social movements they are more goal-oriented. Governance networks are focused on public policy-making, yet they are not created by public authorities. More precisely, the public members of a network can be encouraged by public authorities to participate, but beyond this, the members are rather seeking membership than being nominated (Bogason, 2006).

This implies that if the co-operation does not satisfy a member, exit is a viable option. Herting (2007) criticises functional explanations which argue that fragmentation in society automatically creates a need for co-operation and networks. This is not enough and more detailed accounts are needed. Herting's own approach is a rational choice variant, and he emphasises that rational network members are always at the edge of leaving the network, because of assurance games, for example. In the similar vein, Peters (2007: 67–72) argues that networks can fail, too. According to Peters, the crucial factor for internal effectiveness of a network is the capacity to create common commitment toward the network content, even if actual approaches to that content may be substantially different. At the same time, a high degree of consensus may mean that there is no room for deviating perceptions, preferences, and interests, innovations, competition, and excellence. Conflicts may fulfil a number of positive functions, too (Koppenjan, 2007: 136–137).

Next, governance networks differ from social movements in that they have rules. As Klijn and Edelenbos (2007: 207) pinpoint, networks are not only patterns of social relationships between mutually dependent actors, but also systems of rules. These rules are often ambiguous and require translation in interactions. Networks are usually to a certain extent informal, ad hoc arrangements. This is the Hjern and Porter variant. Nevertheless, we have networks which are initiated by public authorities and left alone, i.e. given a certain kind of autonomy through contracts and other means. In both cases we are talking about structures that are clearly different from the well-integrated organisations that can give orders. However, networks are not totally autonomous but require some internal or external management. Reviewing the recent network literature, one is inclined to conclude that networks left completely alone do not manage to »stay alive« for a long time. At the same time, the idea of the sovereign state governing society top-down through comprehensive planning, programmed action and detailed regulations is losing its grip, and is being replaced by new ideas about pluricentric governance based on interdependence, negotiation, and trust. (Sørensen, Torfing, 2007: 3).

Summing up the above discussion, we can conclude that networks differ from hierarchies in many respects. As with many social science definitions, we probably cannot find pure hierarchies and networks but mixtures between these two extremes. The literature often refers to networks as a new phenomenon, which accomplishes or replaces the Weberian hierarchy and markets. Others, for example Bogason and Toonen (1998), argue that networks have existed for a long time, in different forms. Similarly, Pollitt (2003) criticizes the assumption that networks somehow represent a more advanced form of democracy than the traditional representative democracy. Sørensen and Torfing (2007: 4), on the other hand, argue that the new thing (in networks research) is that political theorists and central decision-makers to an increasing extent tend to view governance networks as both an effective and legitimate mechanism of governance.

In order to analyse the real-world networks empirically, one needs a more specific definition with which to assess the characteristics of empirical networks. It seems that the central characteristics of networks are autonomy, significance and inner relationships. In the following part these network elements are discussed in more detail.

### *Autonomy*

Autonomy is probably the strongest network element, a characteristic which clearly differs from the usual hierarchy. While the latter forms a

structure where higher levels of the organisation control the lower ones, networks are to a certain extent »left alone«. Thus, what degree of autonomy a specific network enjoys is an empirical question. The point with governance networks is that they participate in producing public policies and thus the political-administrative system hardly leaves them outside any concern. However, the questions like who is included as a member in a network and what a network does, are usually not regulated in detail by external actors.

### *Significance*

Networks are becoming more common in public policy-making, but what is their real role in policy-making? This connects to the question of policy-making in general. Modern governments are not closed systems but interact with both internal and domestic actors in many ways, and at many levels. Thus, any kind of interaction does not fulfil the requirement of *policy-making*. Network arrangements can also be part of a public strategy to respond to citizen participation, openness and transparency. Without a real role in policy-making we can, however, talk about consultancy rather than a new way of public policy-making. Thus, in order to confirm that networks are becoming an elementary part of modern policy-making we have to be able to identify networks that use delegated power to both draft and/or implement public policies.

### *Inner relationships*

Policy actors join a network because they wish to advocate their interests through the membership. At the same time, networks attract actors who share similar interests (policy areas). The crucial question here is the nature of similarity. Some authors argue that networks do not need to aim at a total consensus, but rather find a balance between some conflicts and consensus. Unlike hierarchies, networks characteristically determine their own rules. If the membership is voluntary, as it usually is, each member is inclined to constantly compare the costs and benefits of the membership. Benefits can be in the form of resources. Power struggles as such are not typical for networks only, but it would be naïve to assume that the members of a network would always be equal.

In sum, the analysis in the following is based on the above themes and the further-on analysed survey was designed explicitly to tackle these issues. In other words, the case study explores the character of the regional manage-

ment committee (the degree of autonomy, inner relations, significance) and thereafter discusses the governance of regional development. Is the committee a network and should it be governed as such, or is it rather a part of the administrative hierarchy and should be governed as such?

### 3. Regional management committee – a network or not?

The following data is based on a recent survey which was sent to the members of Regional Management Committees in Finland. Regional policy is an often-used example of network-kind-of-activity. This is because the EU explicitly demands that regional programs be drafted and implemented in partnership. Next, the recent changes in regional policy have emphasised growth and innovations as the accelerators of regional development, rather than distributing ear-marked support to the less developed regions. This paradigmatic change implies an increased openness towards the economic system and civil society from the viewpoint of the state. State hierarchies are not known for innovativeness, thus modern-day regional policy is more and more interplay, a partnership, between the different actors in the region. There is a wider debate on regional policy networks (Rhodes et al., 2006; Bache, 1998) but this article is more related to the debate on governance networks *per se* and treats regional policy as a case among others.

The case organisation in the following is an example of partnership. In a Finnish region, the main actor formally is the Regional council. These are formed by municipalities and the legislation recognises their role as the coordinators of regional development. However, their real role in relationship to the EU funds is more a rather limited one. At the national level, there are several ministries which deal with EU Structural Fund appropriations and they usually have their own regional administration. A particularly powerful actor is the regional Employment and Economic Development Centre, which controls the major share of EU funds available within a region. In other words, the Regional council can persuade the state agencies to follow a particular regional strategy, but, at the end of the day, the agencies decide themselves what kind of applications they approve (Kettunen, Kungla, 2005).

The organisation which we have sent the survey to is the Regional Management Committee. The RMC is supposed to coordinate the use of EU

structural funds and through discussion contribute to regional development. Formally, the RMC is not allowed to make decisions on specific project applications, this is done by the regional and state authorities, but particularly big projects require the approval of the RMC also. According to the law (Law on Structural Funds 2006/1401), the RMC has to aim at consensus in its decisions. If it cannot be reached, a 2/3 majority is required.

It has a tri-party structure, whereby one third of the seats go to the representatives of municipalities and regions, one third to the state, and one third to social and economic partners. The latter are representing local business, trade-unions, and civil society associations. Typical representatives in this group are also chambers of commerce and environmental associations. The law (*ibid.*) defines broadly that the social and economic partners have to be the most relevant stake-holders of regional development.

The RMC is not a genuine network because the members are not attending it on voluntary basis but rather are chosen to represent a certain organisation (Valle, 2002). Nevertheless, it represents different types of actors, who are explicitly supposed to *cooperate*. Regional Management Committee is a central body for the implementation of the Structural Funds programs in Finland (Valle, 2002: 6).

The survey was sent to the members of all Finnish RMCs (in total 454 people), and we received 138. These divided so that there were 49 respondents from the state sector, 32 from the local and regional sector, and 57 representing the social and economic partners. As the numbers are small, we do not analyse the individual regions separately, but discuss the data at two levels: the total response and the response of the three groups. However, we have divided the group of local and regional actors into two. This is because regional actors can be seen as representing regional councils, which means coordinating regional development, whereas local government representatives can be seen as stake-holders.

In the following review of the findings, we present the answers on the basis of four groups of actors: state agencies (S), regional council (R), municipalities (M) and associations (A). The main difference between the four groups is that the state and regional actors (S and R) are in charge of running the EU programs, whereas the municipal and associational actors (M and A) are attending the RMC as stake-holders or interest groups.

## *Autonomy*

The first issue reviewed is the one of autonomy and steering. The purpose is, on one hand, to see how the members of the network interpret the degree of autonomy, and on the other hand to analyse the differences between the reactions of the four groups of members. Steering involves the question of autonomy, i.e. to what extent the network is steered from above (governed, meta-governed) and to what extent it is allowed to work in peace. Some degree of autonomy is an essential part of the whole idea of a network. On one hand, networks are autonomous, self-organising, and on the other hand they require some form of management, often from above.

We surveyed the RMC members and asked them the following questions.

We asked whether the *RMC would reach its goals with lighter rules and procedures*. All four groups agreed, the municipal and state members stronger (73%, 71% approving) and the regional and associational members milder (53%, 45%).

We claimed that *networks should not be steered too politically*. Here the stronger members (state and regional actors running projects and controlling funds) had the same understanding, state 69%, regions 60% approved, but only 53% of the municipal representatives approved the argument. What was surprising was that associations were strongly in favour of cutting political steering, 81% of the representatives though that there was too much political steering. So they did not conceive political steering as a safeguard. A related question was *whether the political decision-makers did not control the network enough*. Here, not surprisingly, the RMC members did not agree. The state representatives in particular perceived there to be quite enough of steering, whereas 40% of the municipal representatives agreed. The state representatives are not institutionally connected to political steering (as are local and regional actors), but come from a ministerial organisational structure.

How should the network then be controlled and by whom? We asked *whether the network should rather be loyal to the formal decision-makers than the public at large*. The municipal and regional members agreed, 64% and 65%, but state (38%) and association (28%) representatives did not agree. Here the institutional affiliation of the respondent clearly determines the standpoint. The local actors (representatives of municipalities and regional councils, who are part of local governance) defended the formal decision-makers, while neither of the actors that were not directly con-

nected to local political structure (state, associations) valued the formal decision-making so much.

Next we asked *whether the members thought the external evaluation and control worked well*. Of all members, only the regional representatives agreed (59%) while the others reacted more mildly, municipal 43% and state 40% while associations disagreed (only 20% in favour). Finally, we claimed that *this kind of network should work without public control*, in other words, have an ultimate autonomy. This was too much for all the members and all disagreed, municipalities milder (73%), associations 85% and state and regional strongly against, both 95%. We also asked *if the RMC should have more politicians as members in order to make it more democratic*. A clear majority of the respondents in all groups denied this. To sum up the answers dealing with autonomy and steering, we can state that while the RMC is to some extent steered from above, it wishes more freedom and sees that there is already quite enough of steering. However, at the other end of the continuum, the members did neither prefer total autonomy nor distance from the formal system. Also, the members did not conceive the autonomy in similar terms but seemed to assess steering and autonomy from their own, strategic viewpoints.

### Significance

Networks can fail, too. The question of significance is important because networks without results and footprint in policy-making do not support the argument that networks are a new policy-making option. Maybe policy-making occurs mostly in hierarchies and networks are just the cosmetic scene? In order to test this, we analysed the significance of the RMC. But how do we measure significance? An obvious dimension is the effectiveness in terms of goal-achievement. A second option is responsiveness towards needs. We aimed at grasping both of these.

We had several questions, claims that focused on the external relationships of the RMC. Below is the table which summarises the answers (percentage of those approving the argument).

Table 1 The significance of the RMC

	M	S	R	A
The private sector is not interested in RMC	73	78	77	62
The RMC decisions reflect people's needs	69	60	70	54
The RMC cannot sufficiently affect regional development	60	34	53	54

The media are not interested in RMC	60	53	65	51
The RMC decisions do not reflect business interests	36	37	25	23
The RMC can affect the way projects are implemented	27	22	29	29

The answers support a conclusion according to which the RMC is not a very visible part of regional policy-making. The only reverse findings are that the members see that people's needs are served after all, and that they reject the argument that the decisions would not reflect the interests of local business. RMC is not in charge of running the projects and hence the linkage to »the way projects are implemented« seemed to be weak. One major difference between the respondents focused on the argument that the RMC could not affect regional development. While most of the respondents agreed, the state agencies, which control a considerable share of the development funds, did not.

### *Internal relationships*

Networks are not organisations or social movements. They are composed of members who are committed to join, but do not necessarily share all the views with their co-members. What about the RMC? We approached the question of internal relationships from different angles, starting from the aims. We asked *whether the RMC has mutual goals which it has self determined*. Three out of four member groups agreed; the regions (65%), state (71%) and municipal (71%) representatives clearly, but the representatives of associations slightly disagreed (42%). Overlapping with the first one, we asked *whether the RMC can determine its own agenda*. Here we find a similar division the three stronger member groups agreeing (59-63%), and the associations disagreeing (33%). It seems that the third partner, the associations, is not well integrated into the network, or alternatively, simply has different goals and agenda that are not approved by the others.

Thirdly, the networks are often consensually oriented, but is this approved by the members? We asked the RMC members *whether they think that decision-making in the RMC emphasises too much consensus*. In an interesting way only the municipal representatives agreed, mildly (57%) while the three others disagreed in about similar numbers.

Asked directly who has power in the RMC, we could see big differences in the relative positions of the members. Not surprisingly, the two powerful groups of actors were the regional councils and state agencies, i.e.

the organisations in charge of the most of regionally available EU funds. However, contrary to the expectations, we found out that even in the drafting of regional plans, which is an open process, these two actors were the most influential.

We also analysed a traditional characteristic of the network, its internal relationships in terms of contacts. The findings support the earlier finding (Valle, 2002) that the RMC members do not have equal positions. We asked all four groups of respondents how often they contacted each other. The answers reveal that by and large regional officials are the most contacted group, followed by the state agencies. The social partners and representatives of municipalities are contacted by the others almost to an equal degree.

Table 2 The internal relationships of the RMC

	Contacted by the representatives of the RMC		
	Frequently	Occasionally	Seldom
Regional councils	60%	27%	13%
State agencies	37%	51%	12%
Municipalities	24%	34%	42%
Social partners	35%	22%	44%

Do the members feel that the right members are making the decisions? *We asked whether it would be better if there were fewer members in the RMC.* The associations were most critical with the argument, only 19% agreeing while a few more municipal members (33%) and regions (35%) approved the argument. Interestingly, about one half of the state representatives (43%) thought that this would be a good way to reorganise. One sees a clear pattern: the weaker the institutional position of the partners, the less inclined they are to cut the number of members.

We also asked if the respondents wished the RMC could invite new members. *If there were new members would these represent:*

- universities and research institutes: approved by municipal (80%), state (59%), region 53 (%), and associations (73%)
- employer and employee associations: approved by municipal (73%), state (64%), regional (71%) and associations (83%).

But is this only wishful thinking as the members are nominated rather than chosen freely. At the same time, it shows that the members do not

merely represent their home organisations, but try to see things from the viewpoint of the policy problem: regional development.

*Asked which new members they would like to include*, and divided into two dimensions (efficiency and democracy) we got the following answers:

*For improving efficiency* the most preferred new (or new type of) actors were private actors, enterprises and business associations (mentioned 13 times). Inviting regional actors and universities and other educational institutions was supported by 8 respondents, inviting trade unions by 7, inviting state actors and local government officials both supported by 6 respondents, and inviting local government politicians and associations both supported by 5 respondents. If one considers that the ultimate goal of regional policy is regional development in terms of, for example, a larger number of working places and higher level of education, the priority between the various actors seems well-grounded.

*For improving democracy* there were fewer proposals, 23 compared to 58 for improving efficiency. These proposals were divided in the way that the associations were the most frequently suggested actor (10), followed by local government politicians (8), state (2), trade unions (2) and regional actors (1). In an interesting way, citizen associations were seen as an even stronger guarantee for improving democracy as perhaps an obvious choice of local government politicians.

The survey ended with an open-ended section which revealed some critical remarks.

»Under current circumstances, the RMC is a paper tiger and does not have a real interest in influencing regional development. This is caused by the bureaucratic rules and by the fact that all members represent strictly their own interests and there is no time to get into matters deeply.«

»My impression is that the members only advocate their own interests and are not open towards the society.« (Association)

»The RMC is and will be a corporatist organ, no matter which group sits there.« (State agency)

To sum up, the RMC seems to be a mixture of hierarchy and network. The RMC is not a part of the hierarchy because it has certain autonomy and prefers to have more. That is why it was interesting to see how it uses this autonomy. Is the RMC a group of equals? We have found out that the members of the RMC are not equal and that this is not a requirement. However, it seems that some of the members dominate the decisions strongly thus ignoring the other RMC members. Social partners, i.e. representatives of the local business, and associations, were particularly

unhappy with their own role. As the whole purpose of the RMC is to discuss and coordinate regional development, the modest role of associations raises doubts about the usefulness of the arrangement.

The members of a network have different kinds and amounts of resources available, thus the power structure of a network moulds accordingly. In the case of the RMC, we analysed this issue from different angles and noted that there were two powerful member groups and two less powerful ones. In a way this could be anticipated because the RMC discusses project applications, but the final decisions are made by the regional and state authorities.

## 4. Discussion

This paper began with a number of critical points. We should be careful when talking about networks. Now it is the time to review the survey results. With the help of research literature some essential characteristics of governance networks were listed and a survey was conducted on top of that.

First, even formal organisations have an informal life. This is why it was interesting to begin with assessing the role and internal relationships of the RMC, which is formally supposed to act as a partnership of three types of actors and which is at the same time firmly connected to the formal political-administrative system.

Second, the RMC was found to have some characteristics of networks, but it did not fully correspond to the definition of governance networks. The characteristics in support were mostly internal as the members are required to discuss and create the working culture of a RMC. Although the paper has emphasised the importance of control over EU funds as a power resource, nothing would prevent the actors to generate other sources of power, argumentation for example. What we have found is the formal partnership turning into an asymmetric system, which favours the resourceful state agencies and regional councils and leaves a marginal role to the municipal actors and associations, in particular. What makes the RMC less of a network is a certain formal status it has in the political administrative system. We cannot talk about the members voluntarily seeking a membership and thereafter calculating the benefits versus the costs of membership. The members are selected and do their best to advocate the interests of the parent organisation.

Third, the significance of the RMC is connected to the specific tasks it is supposed to look after. Regional policy is not about public control but rather about furthering regional development, creating new ideas, etc. However, some public involvement is needed as the RMC decides on a considerable sum of public money. In other words, there is a typical tension between openness and control. In a similar vein, Guy B. Peters (2005) refers to an increased need of control as fragmentation within the public sector continues. Networks have often been seen as a kind of solution to the increased need of coordination.

In the case of the RMC, the democratic surveillance seemed to be accepted by the members to some extent. It seems that the RMC cannot fail even if some of the members are dissatisfied. Even the critical remarks made by the members concerning the weak linkage to the business and the media do not shake the arrangement. This is because the RMC is simply assumed to discuss the projects, generate ideas, which can be done in a variety of ways. We could imagine that unhappy members would simply exit the RMC, but to our knowledge this has not taken place.

Fourth, in terms of meta-governance, one could think how the problems of internal relationships of the RMC could be improved. As long as the EU funds are divided to various organisations that can themselves decide which projects to support, the partnership at regional level can be problematic. At the beginning of this paper we asked whether regional policy-making in relation to the RMC requires something else except top-down steering. Here one can conclude that the tools of meta-governance might just work better. If external actors can identify unexpected trends in the network action, they can intervene. In the examined case, a relatively weak role of associations has also been detected, but the parliament has not considered it a sufficient reason to introduce stronger rules for inclusion. If the »social partners« would speak louder and contrast the central role of the formal actors and the wished-for open approach to regional policy-making, changes might occur. Finally, as L. O'Toole (2007: 228) reminds us, amid the institutional intertwining characteristics of a networked world, public authorities are neither in control nor impotent, nor do they operate as merely another participant in interdependent action.

To return to the title of this paper, one can conclude that the Finnish regional policy has been introduced with a new management tool, and if this tool works well, we can argue that the regional policy-making is in the hands of more actors than before. If the tool does not work well but returns to the model characterized by vertical loyalty, non-co-operation,

and low trust, the benefits of the new tool may stay unrealized. It seems that the RMC, though a network, suffers from the uneven distribution of power, which applies particularly to the social and economic partners. Thus, if the RMC is supposed to be a forum for an open, interactive debate, its management should emphasize the network characteristics more clearly and aim at guaranteeing an open debate.

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## REGIONAL POLICY-MAKING IN FINLAND: GOVERNANCE OF NETWORKS OR JUST TOP-DOWN STEERING

### Summary

*The article analyses regional policy-making in Finland. More precisely the aim is to analyse the characteristics of a specific regional organisation, the Regional Management Committee (RMC). The organisation is a tri-party cooperative discussion arena and resembles a network. The article thus begins with an overview of the governance network theory. This section of the paper closes with discussing three specific features which are argued to be shared by governance networks: autonomy, significance and informal internal relationships. The empirical analysis thereafter discusses the characteristics of the RMC, with the help of a survey. The results of the analysis are the following: the RMC was found to have some characteristics of networks, but it did not fully correspond to the definition of governance networks. It seems that the RMC, though a network, suffers from the uneven distribution of power, this applies particularly to the social and economic partners. Thus, if the RMC is supposed to be a forum for open, interactive debate, the management of it should more clearly emphasize the network characteristics and aim at guaranteeing an open debate.*

Key words: *governance networks, regional policy, autonomy, partnership*

OBLIKOVANJE REGIONALNE POLITIKE U FINSKOJ:  
UPRAVLJANJE MREŽAMA ILI PUKO VOĐENJE  
ODOZGO PREMA DOLJE

Sažetak

*U radu se analizira regionalna politika u Finskoj. Cilj je istražiti karakteristike specifične regionalne organizacije: odbora za regionalno upravljanje. Riječ je o tripartitnom forumu za suradnju i raspravu koji nalikuje mreži. Prikazuje se mrežna teorija i raspravlja o tri karakteristike upravljačkih mreža, samostalnosti, važnosti te neformalnim unutarnjim odnosima. Na temelju rezultata ankete na empirijskoj se osnovi raspravlja o karakteristikama odbora za regionalno upravljanje. Rezultati empirijskog istraživanja pokazuju da to tijelo ima neke karakteristike mreža, ali nema sva obilježja upravljačkih mreža. On pati od nejednake raspodjele moći, premda ima obilježja mreže, što se naročito odnosi na društvene i gospodarske partnere u odboru. Ako se želi postići da odbor za regionalno upravljanje bude tijelo za otvorenu i aktivnu raspravu, moraju se jasnije naglasiti i ojačati njegova mrežna obilježja te osigurati uvjeti za otvorenu raspravu.*

*Ključne riječi: upravljačke mreže, regionalna politika, samostalnost, partnerstvo*