

# Chapter 6

## Why Municipal Cooperation Matters: Diversity and Research Agendas

**Filipe Teles**

*University of Aveiro, Portugal*

**Pekka Kettunen**

*Abo Akademi University, Finland*

### ABSTRACT

*It is a common phenomenon that municipalities cooperate with each other. Cooperation eventually brings about the gains of efficiency or makes it possible to deliver services. We can however assume that cooperation may also fail, cause unwarranted negative side-effects and diminish the democratic capacity of the participating municipalities. The aim of this paper is to present the literature and available scholarship on the topic, and discuss the research agenda on inter-municipal cooperation, especially through the analysis of its scope, motivations, and perceived costs and benefits. The approach to the problem will be based in multidisciplinary contributions of existing research, which involves theoretical arguments related to the advantages of cooperation, the impact on democracy and accountability, as well as the discussion of public vs private provision of services. The conclusions should enable a serious reflection about Inter-Municipal Cooperation state of the art.*

### INTRODUCTION

It is a common phenomenon that municipalities cooperate with each other. Cooperation as such can be either voluntary, initiated by the municipalities themselves, or compulsory, demanded by the national government or as a way of accessing specific policy instruments or funding. One of the obvious reasons for cooperation is the insufficient size or resources to deliver services or fulfil obligations. The second reason is a desire to create the tools for regional development, improving the access to funds, gaining prestige and promoting local economy. Cooperation eventually brings about the gains of efficiency or makes it possible to deliver services. We can however assume that cooperation may also fail, cause

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negative externalities and diminish the democratic capacity of the participating municipalities. Both institutional approaches and network theories suggest that the institutional arrangements of cooperation are crucial dimensions of success, mainly if the satisfaction of the participating actors is to be assured.

Inter-municipal cooperation varies among countries not only because of differences in the political and legal systems but also as a consequence of territorial diversity and of plural upscaling strategies (Kuhlmann & Wollmann 2014). Functional urban areas, cross-border areas, rural areas or peripheries influence the schemes of cooperation in their particular ways. Wealth, traditions, leadership, planning systems or even environmental factors affect, as well, the ways inter-municipal cooperation structures itself (Hulst & Van Montfort, 2007).

In many European countries – particularly since the 1950s – there has been a public discourse about the relationship between the territorial scope of socio-economic processes and the size of administrative territorial units and political-administrative control over these processes. Inter-municipal cooperation is often considered as a competitive model of local government development in relation to a model based on the amalgamation of territorial units. This dichotomy needs however further investigation, broader conceptual framework and more empirical evidences. In the last couple of decades, cooperation between local authorities, both in the provision of public goods and services and in strategic planning, has become a common practice in Europe and worldwide. This form of cooperation appears, among other institutional solutions, as a way of dealing with economies of scale and efficiency in the provision of public services. However there is a significant lack of research on its operation and acting.

One of the most obvious findings of research on inter-municipal cooperation is its complexity and diversity: from the different empirical evidences (as an alternative to privatization or to amalgamation, as an instrument of efficient service delivery or policy), to the diverse implementation strategies. The multiplicity of approaches also result from divergent theoretical viewpoints, implementation mechanisms (i.e. voluntary or enforced cooperation) and the scope, motivations, and perceived costs and benefits of the collaborative arrangements.

Though diversity in inter-municipal cooperation seems to create too many constraints for researchers to engage in comparative analysis, one could claim the same problems with ‘simple’ local government comparisons. It faces the same challenges of institutional diversity, cultural and administrative multiple traditions, numerous societal functions, and dissimilar competencies. Though challenging, these were exactly one of the main appeals for researchers to engage in comparative analysis. Despite national contexts, comparison and broader analysis of local government and politics phenomenon has become its most common arena.

The aim of this chapter is to briefly analyse literature and overarching trends in inter-municipal cooperation in Europe and discuss the research agenda on inter-municipal cooperation, especially through the analysis of its scope, motivations, and perceived costs and benefits. It provides a more balanced understanding of the motives, trends, characteristics and diversity of inter-municipal cooperation mechanisms. The approach to the problem will be based in multidisciplinary contributions of existing research, which involves theoretical arguments related to the advantages of cooperation, the impact on democracy and accountability, as well as the discussion of public versus private provision of services. The conclusions provide a reflection about inter-municipal cooperation state of the art and present an argument in favour of further comparative research.

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