

# ***An institutional analysis of CULCI***

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## **1. Introduction**

This paper deals with the institutional analysis of Complementarity of Urban Leadership and Community Involvement (CULCI). The purpose is fivefold:

- To provide a short description of the framework we use in institutional analysis, including a possible operationalisation of the key variables;
- To link the key forms of political legitimation we use in PLUS to the variables in the institutional analysis;
- To present an institutional analysis of the possible functions of leadership for problems of community involvement on a theoretical level;
- To provide a practical example of the institutional analysis of combinations of leadership and community involvement that might be seen as CULCI, illustrating both the usefulness of the approach in describing CULCI and the way in which the operationalisation can be transformed into descriptions on a case level;
- To provide an example of institutional redesign as of form of meta-governance by leaders.

These aspects will be dealt with in the subsequent sections.

## **2. Conceptual framework**

An analysis of the institutional arrangements and practice of CULCI presupposes a conceptual framework as a tool for the description of institutional arrangements and actual behaviour. Elinor Ostrom's *Institutional Analysis and Development (IAD) Framework* provides such a tool. The IAD framework combines actor-centred and institution-centred approaches to the analysis of policy-making processes. In this respect it is related to e.g. the Scharpf/Mayntz's actor-centred institutionalism (e.g. Scharpf 1997). In this section we will outline the major elements of the framework and provide some suggestions for conceptualisation and operationalisation.

The central unit of analysis in the IAD framework is the 'action arena'. Action arenas include an 'action situation' and the actors involved in that situation. The action arena can be represented schematically as in Figure 1 (Ostrom et al., 1994: 28-29).

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AN ACTION ARENA IS COMPOSED OF

- \* An action situation involving
  - Participants in
  - Positions who must decide among diverse
  - Action in the light of the
  - Information they possess about how actions are
  - Linked to potential
  - Outcomes and the
  - Costs and Benefits assigned to actions and outcomes
- \* Actors, the participants in Action Situations who have
  - Preferences
  - Information-processing capabilities
  - Selection Criteria, and
  - Resources

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**Figure 1** *The action arena*  
Source: *Ostrom et al., 1994: 29*

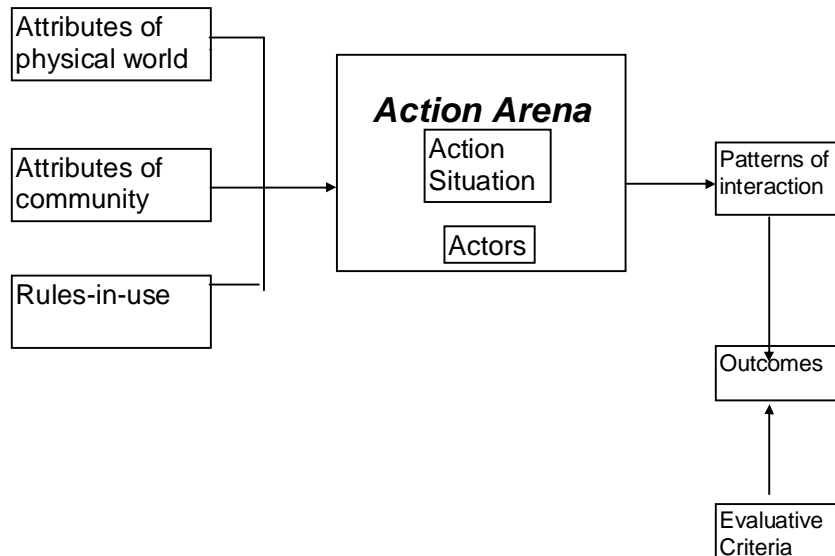
Ostrom provides a short explanation for each of these elements, which we will quote here (idem: 29-33). The action situation consists of seven elements:

1. "The first element of an action situation includes actors who have become participants in a situation [...];
2. Positions are simply place holders to associate participants with an authorized set of actions (linked to outcomes) in a process. Examples of positions include first movers, bosses, employees, monitors, voters, elected representatives [...];
3. The third element is the set of actions that participants in particular position can take at different stages of a process (or, nodes in a decision tree) [...];
4. The fourth element is the outcomes that participants can potentially affect through their actions [...];
5. The fifth element of an action situation is the set of functions that map participants (and/or random action) at decision nodes into intermediate or final outcomes [...];
6. Closely allied to the type of information function is the sixth element - the set of information available to a participant in a position at a stage in process. Many situations generate only incomplete information because of the physical relationships involved or because they preclude making all information available [...];
7. The seventh element is the set of payoffs that assign benefits and costs to actions and outcomes [...]."

For the explanation of the behaviour of actors (either individual or composite actors; for further distinctions: Scharpf 1997: 52-58), Ostrom distinguishes four attributes of actors:

1. "the preference evaluation that actors assign to potential actions and outcomes;
2. the way actors acquire, process, retain and use knowledge contingencies and information;
3. the selection criteria actors use for deciding upon a particular course of action; and
4. the resources that an actor brings into a situation." (idem: 33-35).

The action arena is not situated in an analytical vacuum, it is part of an institutional context: society. Ostrom et al. (idem: 37) distinguish three factors that influence this arena: the rules individuals use to order their relationships, the attributes of a physical world, and the attributes of the community. In figure 2 this is summarized graphically.



**Figure 2**      *The action arena*  
 Source:        *Ostrom et al., 1994: 37*

Subsequently Ostrom provides the concepts to be used in describing the (institutional) rules. The seven types of rules she distinguishes are linked to the seven constitutive elements of the action situation.

- Position rules establish positions, assign participants to positions, and define who has control over tenure in a position;
- Boundary rules set the entry, exit, and domain conditions for individual participants;
- Authority rules specify which set of actions is assigned to which position at each node of a decision tree;
- Aggregation rules specify the transformation function to be used at a particular node, to map actions into intermediate or final outcomes;
- Scope rules specify the set of outcomes that may be affected, including whether outcomes are intermediate or final;
- Information rules specify the information available to each position at a decision node;
- Payoff rules specify how benefits and costs are required, permitted, or forbidden in relation to players, based on the full set of actions taken and outcomes reached.

These rules are important elements that structure the action situation. These rules themselves can be considered as outputs of a 'collective action' arena. In this arena the rules are set (are decided upon) that govern the arenas at the operational level. As political leaders are often part of these collective action arenas, it is important to notice that these arenas exist and to identify the functions that they perform for operational arenas: the formulation of the rules of the game.

As the description of these different types of rules is still rather abstract, we would like to present the following suggestions for operationalisation:

Rules	operationalisation and manifestation
Position	<p>Prescribe which positions are to be distinguished in a particular (sub-)arena. For example: councillor, alderman, chairman, member of a party group; spokesman for the party group, citizen, organizational representative, etc. These rules define positions, whereas other types of rules link these positions to responsibilities, formal powers, weights in decision making etc. Apart from a 'name' these rules provide actors with an identity.</p> <p><i>Manifestation: There is/are...(position)</i></p>
Boundary	<p>Prescribe how the various positions in an arena become occupied. For example: a councillor will be chosen through a four-annual municipal election. An alderman is chosen by and from among the councillors. The mayor is appointed by central government et cetera.</p> <p>On the one hand these rules determine the accessibility of various positions and thereby the openness of an arena. On the other hand, these rules also determine the identity of particular positions (e.g. by providing the basis for normative role expectations). These identities are of course also determined by the contents of other types of rules that are linked to particular positions. Councillors, for example, have particular prerogatives because they are directly elected popular representatives. Interested parties have a right of say precisely because they hold a particular stake in an issue; experts are being consulted on particular issues on the basis of their specific expertise et cetera.</p> <p><i>Manifestation: Actors become ...(position) by ...(condition/procedure)</i></p>
Authority	<p>Prescribe the allocation of rights and obligations for every position. These rules determine the means available for a position holder to perform his duties (e.g. chairman, secretary, process manager) and defines the (legitimate) behavioural alternatives that are open to an actor.</p> <p><i>Manifestation: If .. (condition), ...(position), operator (should or is allowed to), ...(behaviour)</i></p>
Scope	<p>Prescribe the possible outcomes of decision making in a particular arena. The exchange of information and preliminary consultations in a committee meeting, is of a different nature than the final decisions being made in the plenary council meeting, and different again from a decision in the court of mayor and aldermen et cetera. These rules are also important because they provide insight in the relations between various sub-arenas: in a committee meeting preliminary positions are being taken by spokesmen for the different party groups but the final decision is preserved to the meeting of the plenary council. An agreement in principle with an aldermen is not a formal decision by the court of mayor and aldermen nor a formal decision by the council, unless this power has explicitly been delegated to this official.</p> <p><i>Manifestation: The scope of ...(arena) is ...(possible outcome)</i></p>
Aggregation	<p>Prescribe how (collective) decisions and other outcomes in an arena are being made on the basis of the contributions of different position holders. For every outcome the realisation is prescribed by means of this type of rules. Because there is a variety of possible outcomes, there is also a pluriformity of aggregation rules: decisions are made by unanimity, simple or qualified majority rule; through weighted voting systems. But there may also be other 'outcomes' e.g. committee reports in which it may be prescribed that it contains either a verbatim report of the stance taken by every actor or merely a summary of the majority position.</p> <p><i>Manifestation: ... (outcome) is obtained by ...(aggregation mechanism)</i></p>
Information	<p>Prescribe which information is available to the various position holders; thereby it is also prescribed how various incumbents should relate to one another in terms of providing and granting access to information. These rules also pertain to the public nature of meetings and the requirement to provide explicit and written justification for decisions.</p> <p><i>Manifestation: as rights and obligations (like authority rules; but now pertaining to information or to rules of conduct relevant for the arena in its relations with third parties).</i></p>
Pay-off	<p>Prescriptions regarding:</p> <ul style="list-style-type: none"> <li>- the costs and benefits generated in the arena itself (e.g. the municipality pays for the meeting costs; council members receive a reimbursement of expenses etc.)</li> <li>- the costs and benefits that are part of an outcome (for example: injured parties should receive adequate compensation; or the costs will be distributed on a per capita, according to everyone's ability to pay or on the basis of a benefit principle).</li> <li>- The consequences of decisions (for example: councillors are or are not personally liable for the financial implications of council decisions).</li> </ul> <p><i>Manifestation: a specification (per position or per arena) of costs and benefits or of compensations or required contributions.</i></p>

### 3. Legitimation and institutional analysis

In the first chapter of this book three forms of democratic legitimation were described: input-legitimation through participation, throughput-legitimation through transparency and output-legitimation through effectiveness (Haus & Heinelt, 2002). These forms of legitimation can be linked to specific rule types in the IAD-framework.

*Input-legitimation through participation* is linked to the position, boundary and authority rules. Together these rules guide which actors have access to the arena (and which actors are excluded), in which position they will be able to interact in the arena and what their legitimate actions are. This implies that different models of input-legitimation will be reflected in different configurations of these rules. In an open participatory model, where all citizens can participate (boundary rule), the authority rules will reflect that they can only 'speak for themselves'. In a representative model, where a limited number of council members are chosen by elections (boundary rule), the council members will have the right to speak for the citizens that elected them. In directing our case studies we will therefore have to pay specific attention to the combinations of these rules when looking for input-legitimation. We will not only have to look for these rules, but also for the actual actions of actors (the practice) that evolves around them. It is nice to have a rule that every citizen can participate, but if certain groups do not participate in practice, this has important consequences for the amount of input legitimation that is provided.

*Throughput-legitimation through transparency* is linked primarily to the information and aggregation rules. Transparency implies that actors in and outside of the arena know what decisions are made, how they are related to the actions and opinions of the decision-makers and how these decisions are motivated. Democratic models that aim for throughput-legitimation would therefore have open access to information and even rules that public motivation of decisions is obligatory. Likewise, clear and highly formalised aggregation rules are essential. Examples are voting rules or the rule that one actor in a certain position (e.g. the mayor) has the right to take a decision. Tough in this last example there is no 'aggregation' in the taking of the decision in the sense of acts of different actors, it is indeed an example of an aggregation rule for it specifies how the outcome comes about (and if the decision-maker makes up his mind he or she would probably have to take the opinions of other actors into account). Democratic models based on cooperation and corporatism would generally have less clear aggregation rules and sometimes even closed information rules. They would therefore have more problems in providing legitimation through transparency. Again this implies that we have to look for these rules and the practice that develops around it in our case studies to find different ways of achieving (or not achieving) legitimation.

After the discussion above it would be tempting to link *output-legitimation through effectiveness* to scope and pay-off rules. Scope rules do refer to the outcomes that can be decided upon in the arena and pay-off rules refer to the way in which costs and benefits are divided among actors. However, legitimation through effectiveness refers not to what is possible inside the arena, but what are the results of the outcomes (better would be to speak of outputs) of the arena. Since these results depend on the actual content of the outputs and the way in which they produce outcomes outside the arena, effectiveness can not be linked to specific formulations of these rules. Attempts to improve output-legitimation can be linked to all the rules of the IAD-framework. E.g. the need for direct participation of citizens is often motivated with the expectation that through the use of their knowledge better policy proposals will be adopted, that address problems in a more effective way. Or, a strong position of a leader in an aggregation rule is thought to improve the quality of the policies that are decided upon. This implies that attempts to improve the output-legitimation can be found in all the rules in our case studies.

As has been indicated in the discussion above, different types of rules are important for different forms of legitimation, but eventually the actual behaviour of actors is essential. This draws attention to the importance of rule compliance and the ways in which rule compliance can be achieved. Strangely enough this seems to be an aspect that is missing in the IAD-framework. The rules that guide authoritative interpretation of the rules (what do they mean in concrete situations and who has to decide in case of conflicting interpretations) and the rules that enable the possible use of sanctions in case of deviant behaviour, are not seen as a separate category. This is especially important for our research, as the need to secure both authoritative interpretation and compliance is often seen as a central function of leadership. Of course the IAD-framework is flexible enough to find a way out of this 'blank spot'. Both functions can be linked to a position (or a number of positions) in the arena, that has (or have) the authority rule to interpret the rules or to secure rule compliance. We can make this an additional point of attention in our guide for data collection.

#### 4. Problems of community involvement, functions of leadership

In the first chapter of this book a number of problematic aspects of community involvement have been described. Here we will extend this list (without the assumption of being exhaustive) and analyse possible functions of leadership that could help ameliorate these problems. With this we analyse the possible *complementarity* of leadership and community involvement on a theoretical level with the IAD framework. Of course we could also analyse the functionality of community involvement for problems of leadership. However, as community involvement is more easily described in terms of arenas than leadership (often related to actors rather than arenas) we will describe the complementarity in this way. This does not imply that it is unnecessary to study the relation the other way around.

The following problematic aspects of community involvement can be discerned:

- *Selective involvement of citizens.* Arenas might be institutionally closed to some actors (as the result of boundary rules) or actors with certain characteristics are in practice not willing or able to participate;
- *Unequal positions of actors in participation.* Actors with high levels of skills and other resources dominate actual practice in arenas;
- *Lack of transparency in policy processes.* Due to insufficiently formulated aggregation rules it is unclear who is accountable for the outcomes of arenas. This problem might not only arise inside arenas, but could also be the result of unclear relations between subsequent sub-arenas (decisions are e.g. fixed in closed 'pre-meetings', reducing formal decision making to a 'ritual dance').
- *Biased outcomes towards the interests of actors that participate.* Interests that are not represented 'at the table' (e.g. long term interests of future generations or interests of other neighbourhoods) do not receive adequate attention;
- *Inconclusiveness of deliberative processes.* Processes aiming at the creation of mutual understanding and consensus do not always result in these outcomes, with stalemate as a possible result;
- *Open conflict.* Intensified interactions might result in increased understanding, but might also result in intensified conflict;
- *Increased power of public officials.* The introduction of participatory arenas alongside the traditional representative arenas might result in the 'empowerment' of the actors who are in many cases the 'linking pins' between these arenas: public officials.

Using the IAD-framework we can discern the following possibilities for leadership to ameliorate these problems. They come in two broad categories: institutional design (formulating the institutional rules) and direct leadership involvement in operational arenas.

*Selective involvement of citizens* can be first addressed by formulating boundary rules that give actors the right to participate and by ensuring compliance of these rules (preventing actors to exclude other actors). It can also be addressed by organising sub-arenas that are specially geared to actors that are known to be lacking in common arenas. E.g. in the case of rebuilding Roombeek former inhabitants from ethnic minorities were mobilised through their own networks to participate in special meetings for their own groups, including special meeting for women (who are most notably absent in common participation settings). In case the perceived lack of skills or other resources contribute to the absence of actors, providing these resources (e.g. expert support) might contribute to participation.

*Unequal positions* of actors in participation processes can also be addressed by providing resources. It can be addressed by formulating special authority rules that empower actors in underprivileged circumstances. This can also be done by giving them a special status in the aggregation rules of the arena.

*Lack of transparency* in policy processes can be prevented by formulating clear aggregation rules in combination with clear boundary rules (who is to participate in producing the output). Participative, consensual and deliberative arenas are however seldom equipped with clear aggregation rules. The basic idea of deliberation is that actors gradually reach mutual understanding in the course of the debate. At what point in the process this mutual understanding is to be regarded as sufficient for an 'outcome' to be reached is in most cases hard to observe (unless under the aggregation rule of 'consensus', in which each actor has a veto possibility). As has been indicated in the first chapter of this book, transparency can also be created by designing a separate arena (with clear boundary and aggregation rules!) that transforms the outcomes of deliberative arenas into formal decisions.

*Biased outcomes* towards the interests of actors that participate can be prevented to some extent by defining scope rules that exclude certain biased outcomes or that fix certain elements to be a necessary part of the outcome. E.g. a neighbourhood is allowed to design its own redevelopment plan, but certain facilities for minority groups have to be part of it. Biased outcomes can also be remedied by decisions of subsequent arenas that do take interests of non-participating actors into account.

*Inconclusiveness of deliberative processes* or even *open conflict* can be addressed by leaders (or representatives of them) participating in the arena themselves. Within these arenas all kinds of actions can be taken to propose acceptable solutions or to cool down emotions in conflicts. These problems can however also be addressed by changing the institutional rules of the arena, to make them more conducive to producing outcomes or consensus. Sometimes small changes in the rules might suffice, but in other instances an entire redesign of the arena might be called for.

*Increased power of public officials* can be prevented by formulating clear information and authority rules. Leaders have to make sure that all actors are aware of the roles that public officials should play and the actual practices that they develop in these roles. This calls for some form of 'eyes and ears' (perhaps even their own) of leaders in the participative arenas.

As has been indicated in the previous section, the task of ensuring that actual behaviour of actors is in compliance with the institutional rules, is one that could be specially linked to the tasks of leadership. This implies that leaders will have to be sure that some institutional provision is made to produce rule compliant behaviour. Of course this is equally important for the basic institutional structure of the arena as for the possible institutional solutions to the problems described above. Without enactment all institutional solutions are either unwarranted pieces of paper or meaningless intentions.

## 5. Interactive arenas in Roombeek as an example

In this section we will give an example of what a description of the institutional structure of leadership and community involvement could look like. We will use the case of the rebuilding of the Roombeek area after its destruction by the fireworks explosion in Enschede in May 2000.

The institutional structure of the 'citizen participation process', its links to other arenas and the role of leadership will be described in this section. We will concentrate on the first phase of the process, which resulted (in the fall of 2001) in a formal decision of the municipal council on a general plan for rebuilding the area. It should be remembered that what is discussed in this paper is only the first round of the planning process. The plan provides the basis for more detailed plans and the subsequent realisation of these plans.

### Participation in a configuration of arenas

In order to facilitate 'maximum feasible participation' by the numerous victims of the explosion, the participation process was designed as a set of arenas, each geared towards the needs of different groups. We will first describe these participation arenas, followed by a description of the other arenas that provide the institutional framework for the first phase of the programme's development.

### Participation arenas

The first phase comprises of two stages: in February/March 2001 an open inventory of opinions on rebuilding the area was made; and in June 2001 participants were able to express their opinions on the first draft of the redevelopment programme.

#### *First stage*

The core of the first stage was a series of eight sessions with former residents of different areas in Roombeek and its immediate surroundings. For these sessions the (former) residential location served as criterion for inclusion (boundary rule). Other 'arena's' were open to participants from the entire city (anyone could drop his ideas in ID-boxes that were placed all over the city) or open to anyone connected to the Internet and able to understand Dutch (an internet-site was constructed where anyone could express his or her opinions). The latter 'arena's', however, offered no opportunities for interaction between participants: they just provided a channel to express people's opinions.

In addition to these locality-based arena's, special sessions were organised for functional groups. Workshops were organised for schoolchildren, and for migrants from different ethnical backgrounds, as well as for artists (who were a characteristic segment of the population of Roombeek), entrepreneurs and older people.

In terms of the institutional rules these arenas can be described as ones that gave an open access to participatory opportunity and expression of opinions. In a formal sense selection of participants (boundary rule) resulted from invitation based on location or through addresses known by organisations of ethnical or occupational groups. However, through the whole set of arenas, all relevant actors will have had an opportunity to participate.

The main **positions** in the arenas were the one's of 'participant' and 'process facilitator'. Participants had the rights to express their opinions either in an entirely open way, or related to a large number of important topics that were previously discussed with 'key-persons' from the area. The 'process facilitator' was an independent expert on participation processes who was hired by the city to organise the participation process and ensure that the outcomes would truly represent the opinions of the participants. Another key position in some of the arenas is the 'city-planner', an external expert, hired by the municipality of Enschede to prepare a first draft of the redevelopment plan (more on his role follows in the description of the other arena's). In the eight central sessions the external city-planner was present to discuss participants' opinions and to state some general points of departure for his work.



Councillors held a minor position in the sessions, fulfilling the role of 'table-host' at discussion tables, facilitating discussion and listening to the participants. They were explicitly instructed not to express their own opinions.

As can be seen from this description, the role of *leadership* is very limited in this arena: leaders, be it the responsible aldermen or council members, are only present to listen. There is however a distinctive element of leadership in the design of the positions in the different arenas: they are formulated in order to result in maximum participation by citizens from every possible background. The presence of leaders as listeners is supposed to indicate that they take the participation process very seriously. In this way leaders also make sure that they are well informed in early stages of the process.

With regards to the **scope** of the arenas, the eight central sessions were slightly 'pre-structured'. The organisers provided the participants with cues (in the form of series of photographs and accompanying short texts) for reflection and subsequent discussion on a predetermined list of topics about the future of the redeveloped neighbourhood. The number of these topics (about eighty), however, was so high and the range of issues so wide, that the participants were able to address almost any topic they might have deemed relevant. Moreover, the short notes written in reaction to the clues the participants were absolutely unconstrained (also enabling participants to raise topics different from those initially provided), and the entirely open ID-boxes and internet-site provided further opportunities to address any issue a participant would like to raise. From the perspective of the openness of the arena may be considered as an asset. The other side of the coin, however, is that the participatory process has thus lead to an enormous variety of opinions about the future of the neighbourhood. In the light of this diversity, it would presumably be not too difficult to supply advocates of virtually any possible conception of the new neighbourhood with a useful anthology of statements made by participants to legitimise their point of view.

**Information** rules were also quite open: participants were informed of the possibility to participate, they were informed on the general structure of the different arenas, and they were promised that a written report on the sessions would be provided to attendants. Moreover, reports were to be published on the Internet. Drafting the reports on the results per arena was a major responsibility of the process facilitator. Implicitly this also indicates the main **aggregation** rule used to 'produce' the results for each of these sessions. The participants' notes with their opinions were collected, described on a one-to-one basis and these subsequently served as input for a general summary of the opinions by the facilitator. For the next steps in the process, a full report was produced by the process-facilitator, summarising the output of the first stage of the participation process. This report consists of a general summary and short summaries of all the different sessions.

Costs and benefits of redevelopment options were as yet no topic for discussion, so it is for this moment not necessary to specify a **pay-off** rule (all costs of the process were covered by the city).

Again, we see that *leadership* does not play an active role in these rules. It did however play a role in their construction. The role of the process-facilitator was specially geared towards maximum representation of the views of the participants. This was made clear in his mandate (his authority rules and his central role in the aggregation rule) as well as in his selection, being an experienced 'expert' in participation processes, with a social profile that would make him trustworthy in the eyes of participants from many backgrounds.

### *The second stage*

In June 2001 a second stage of the participation process was organised, very much along the lines of the first stage. However, there were less different sub-arenas: all in all 5 central sessions were organised. The scope rules were however different, as a draft version of the programme was available, and the discussion concentrated on the question whether this draft truly represented the opinions of the participants or not. Participants had more structured possibilities to express their opinions on issues using coloured balls to indicate

whether they agreed or disagreed to certain aspects of the plan. However, there was also an open possibility to express any opinion a participant would like to bring to the attention. At the end of the sessions the participants were asked (by raising their hands) whether they agreed or disagreed to use this plan as the basis for development of subsequent plans. This can be seen as an additional aggregation rule, which enabled a clear conclusion about the general opinion on the proposal. A printed version of the plan was distributed widely before the meetings to inform the participants. During meetings posters represented central elements of the plan.

As in the first round of the citizen participation, the direct role of *leadership* was very limited. At the start of each session, after the city planner had presented some highlights of the proposal, interviews were held with key actors representing organisations that played an important role in the process. Among these was always one political leader (an alderman or the mayor). In the interviews the key actors could present their preliminary opinion on the proposal. Subsequently participants could ask questions to these key actors or enter into debate. However, it was stressed that the objective of the meetings was to discover the opinions of the participants, the meetings were not intended to 'defend' opinions held by the key-actors.

### **Other arenas**

Alongside the participation arenas, where (former) residents play the central role, a number of other arenas were constructed to provide input into the redevelopment programme. Three **panels of experts** were invited to present their views on the programme. In one of these meetings, experts on social policy presented their opinions on the social policy programme, in another the economic policy options were discussed and in a third the physical programme (building/infrastructure) was the focus. This division in three broad policy areas stems directly from the way in which the Dutch national government's urban policy (in which Enschede together with 24 other urban municipalities participates) is structured. This national urban policy has invited municipalities to develop a strategic scenario for urban redevelopment based on three pillars: social policy, economic policy and policies for the built environment/infrastructure. The notion of the three pillars is also at the heart of the city's approach to the plans for redeveloping Roombeek-West. For every 'pillar' a policy programme will have to be developed under the direction of a programme-manager who has been appointed to co-ordinate all activities regarding this part of policy or programme development.

For all three expert-panels, participants were selected on the basis of known expertise in this field (boundary rule). Discussions in these expert panels have had a rather unstructured character, each participant having an opportunity to state his or her views on topics they deemed of importance. Municipal employees working in the policy sector wrote summary reports (aggregation rule). At each expert panel the programme-manager of the relevant programme was present. The results of the panels were intended to provide expert advice for the further development of the plans for the three 'pillars' (scope rule).

These three programme managers are key members of the **programme development group (PDG)**, which can be seen as an arena where the general programme for the redevelopment of Roombeek is drafted. This group had to write a draft version of a document that describes which functions should be accommodated in the redeveloped neighbourhood (housing, economic activity, infrastructure, etc.) and the policies needed to achieve the programmes' goals for the area (e.g. in terms of its social structure and social cohesion).

Where this group focused on 'what' should be done, the '**planning group (PG)**' developed proposals for 'how' these functions should be incorporated in the area. This planning group was centred round the previously mentioned 'city-planner'. The PG typically produced maps and visualisations of the functions proposed for the area.

One of the complications of the process was that the programme development (PDG) and the planning group (PG) had to do their work simultaneously. This was a result of the understandable desire to start rebuilding the area as soon as possible. Normally one would probably decide to determine the basic goals for the redevelopment programme first and subsequently develop the plan for the neighbourhood and draw the relevant maps. The simultaneous deliberations in these arenas (PDG and PG) produced co-ordination problems. In some cases maps were drawn based on the planners' images of the functions needed for the area, whereas programme managers were still debating these.

When looking at the institutional design of the two arenas (PDG and PG), the **boundary rules** are clearly based on professional expertise. In the planning group (PG) the external town planner was accompanied by staff members of his firm and by town planners from within the municipal administration. In the PDG, the programme-managers convened with the deputy-director of the project bureau responsible for rebuilding the area and the officer in charge of the participation process. The group also comprised of a staff supplied by the external town planner's firm. This staff did the bulk of the writing and informed their colleagues in the planning group.

When looking at the **authority rules** for these position holders, two aspects are important. As we have shown elsewhere (Denters and Klok, 2001), authority rules might reflect the more or less binding results of preceding arenas. In this case it is important to see to what extent the outputs of the participatory arenas provide constraints for the choices that position holders, in for instance the programme development group (PDG), could legitimately make. The institutional design of the decision-making process was far from unambiguous in this respect. On the one hand it was clearly indicated that the outcomes of the participation process should provide a very important input into the programme development group (PDG). On the other hand, it was also stated that the results of the expert panels and previous council decisions should be considered as important. This implied considerable discretion for position holders in the programme development group (PDG). For much the same reasons the planning group (PG) members had considerable discretion.

The constellation of the position holders in the programme development group (PDG) is such that each of them has to consult a 'constituency'. In the case of the sectoral programme managers: they had to consult relevant segments of the standing municipal organisation and other relevant governmental, quasi-governmental and social organisations in their sector. Moreover, the programme managers had to consider the basic principles of the general municipal scenario for urban redevelopment that is the basis for Enschede's participation in the national government's urban policy initiative. Finally they had to take the priorities of their political principals (especially the aldermen responsible for the three 'pillars' and the co-ordinating aldermen for the rebuilding of the area) into account. The officer in charge of the participation process had special responsibilities for heeding the outputs of the participatory process. As such he formed a tandem with the 'process facilitator'. The staff members of the consultancy firm were closely linked to the planning group and were expected to represent the external planner's perspective.

On the one hand this constellation of 'linking-pins' in the PDG ensured that relevant perspectives were brought to the table. On the other hand the heterogeneity of interests in the PDG put severe pressure on the **aggregation rules** in this arena, as different perspectives suggested different outcomes in the programme. One of the characteristics of the PDG arena, however, was that no explicit aggregation rule had been formulated. The group had a collective responsibility for writing a concept version of the programme, but no mechanism was available for resolving conflicts between the different perspectives. This has resulted in a situation in which the draft programme on many points of crucial importance merely formulated 'points for further discussion'. Under these conditions, the results achieved

in more decisive arenas, especially the preliminary planning results in the PG, could have been more influential in guiding the redevelopment plans than the inputs from the PDG. This is not unlikely since the heterogeneity of interests represented in the PDG stands in marked contrast to the relative homogeneity of the planning group (PG). Although the PG, just like the PDG, lacked explicit aggregation rules, here this institutional weakness posed no major threat to the arena's decisiveness. The homogeneity of interests within the PG arena and the central role of the 'high profile' external city-planner reduced the need for a mechanism for conflict resolution.

In order to assess whether this state of affairs could have resulted in a really problematic situation, it is necessary to give attention to the **scope rules** of the arenas. The scope of the options available as outcomes was on the one hand limited to some extent by the results of the first stage participation process. However, we already indicated that this result provided ample discretion to the actors in the PG and PDG. On the other hand the scope was limited to outcomes that were to be acceptable in the subsequent representative arenas, most notably the court of mayor and aldermen (CMA) and the municipal council. It was clear that the outcomes of PG and PDG had to be approved by the CMA first, in order to be presented to the second round participation after which they were to be approved by the council.

This is a point in the process where *leadership* is directly involved for the first time (apart from its involvement in the institutional design). At different points in the process the programme managers consulted the responsible aldermen on possible options to check whether these would be acceptable or not. Towards the end of this phase there were informal meetings with the entire CMA to resolve most of the points for discussion that came out of the PDG and to discuss a first draft proposal from the PG. These informal meetings were necessary because of the tight time schedule in which the formal meeting of the CMA was embedded. This formal meeting was scheduled close to the presentation of the draft plan for the second phase of the citizen participation process. This implied that there was little room for alterations of the proposal between the formal meeting and the presentation. In order to prevent a 'do or die' scenario for this CMA meeting, it had to be consulted timely on an informal basis. In this way the responsible aldermen and the CMA as a whole could play a role in the PDG and PG arenas without formally being part of them and ameliorate some of the problems that might have resulted from flaws in the institutional design of the PDG and PG arenas.

As has been indicated above, the results of the PDG and PG arenas had to be approved by the **CMA**. The basic institutional rules of this arena are part of a general description of the institutions of the political system of the city (Denters and Klok, 2001). Here we will concentrate on the scope rules. Normally the outcome of the CMA would be a formal proposal to the community council. In this process it would be a proposal that was sufficiently supported by the CMA to be sent to the second round participation process. This status was very well articulated in the second round participation: it was not to be seen as a proposal by the CMA, but to be seen as a draft plan, that could be changed as a result of this participation process. In this way the leadership made sure that not all options for change were taken from the second round participation (scope rule). It also created some room in its own scope rule for its meeting on the proposal that had to be sent to the council after the participation process. However, the possibilities for substantial change would be limited in case of overwhelming approval of the plan in the participation process.

We don't have space to present a description of the actual behaviour of the participants in the different arenas. It is however important to note two results of the second round of citizen participation. On the one hand there was overwhelming support for the draft plan, as indicated by many supportive (and only few critical) reactions and by massive raising of hands in support of the plan at the end of all but one of the meetings with former inhabitants. This severely limited the scope rules of the subsequent CMA and council arenas, as there

was hardly any other option than to approve of and to proceed with the current plan. Under the time pressure of the process, and taken into account that this support could be a first step in the restoration of citizens' trust in the political and administrative actors, this was an option that was taken with a great sense of relief.

There was however one meeting where there was no massive support, but an antagonistic atmosphere between the city-planner that presented the plan and inhabitants of a special area called 'het Roomveldje'. Here the basic consensual and deliberative institutional structure of the participation arenas had not resulted in mutual understanding, but in a stalemate and a possible situation of intensified conflict. This called for an act of leadership, which was found in an institutional redesign that will be described in the next section.

## **6. Institutional redesign as challenge and opportunity for leadership**

In May and June of 2001 the development of a possible conflict threatened to disrupt the policy design phase. Former inhabitants of a sub-area called 'het Roomveldje' disagreed strongly with the view of the city-planner to preserve and restore as many old houses as possible. Both the majority of the inhabitants and the owner of the houses, a housing corporation, were in favour of building entirely new houses. A permit to demolish the houses, that was already provided by the city, was not effectuated under strong pressure of the city-planner and some members of the city council. In the first phase of the participation process the committee of inhabitants of the sub-area presented its case with ample force. However, a significant number of other participants, mostly from other parts of Roombeek, but also some from 'het Roomveldje', supported the idea of restoration, presented with much determination by the city-planner. The committee of inhabitants and the housing corporation tried to settle the matter by conducting a written survey among all former inhabitants asking whether they were in favour of demolition and building new houses or in favour of restoration of the old houses. A majority indicated that they were in favour of demolition. The validity of this survey was however questioned by the city-planner and other actors that were in favour of restoration: the phrasing of the questions was thought to have been biased towards building new houses. When the city-planner indicated that he was not convinced that demolition of the remnants of the houses was to be included in the plan he was to propose, the committee of inhabitants publicly declared their distrust in this 'arrogant, non-responsive', expert from out of town. The city-planner on his part was of the opinion that the housing corporation was 'strategically using' the inhabitants to pursue the corporation's own interest (building new houses would be far more cost-effective). At the second round of the participation process in June, the atmosphere between the parties was hostile. In order to prevent that this issue would disrupt the entire process (which altogether developed in a good atmosphere), a solution was badly needed.

In consultation between the alderman, the office responsible for the process (the project-bureau), the city-planner, the housing corporation and other key position holders it was concluded that four different city-planners would be invited to develop and present a plan for the area. The former inhabitants were given the role of jury in this competition: they had the right to vote on the different plans and the 'winning' plan was going to be implemented. This institutional redesign prevented the outburst of open conflict and emotions were cooled down as a result.

This institutional design had a number of features that are important to mention here. Inhabitants were given one vote per household, not one per person. A rule was defined that in case of only a minority of 40% or less of the households would use their vote, additional votes (10 each) would be granted to three actors: the housing corporation that owned the buildings, the project-bureau responsible for rebuilding Roombeek (also representing the city), and a review committee consisting of independent experts and representatives of the

professional actors involved. This review committee was constructed to check whether the proposals developed by the four city planners would fit within the proposals for the entire programme (developed mainly by the central city planner) and would meet financial and other constraints. There were no more 'open sessions' between planners and inhabitants, the planners were to develop their plans in 'solitude', present them to the inhabitants and interested actors in two sessions and wait for the verdict.

In terms of the institutional rules of our framework, the new 'sub-arena' on the plan for 'het Roomveldje' can be described in the following way.

The following **positions** can be discerned:

- The position of 'household' of the area, being the former inhabitants that would have the right to vote on the plans;
- The position of 'review committee', a group of experts that was to check whether to proposals would meet the scope rules;
- The positions of 'project-bureau' and 'housing corporation', who would have a number of votes if participation of inhabitants was below certain standards;
- The position of 'plan developer', a city planner that was asked to develop a plan for the area.

The **boundary** rules were, contrary to the rules for the entire process, very restrictive:

- Only former inhabitants of 'het Roomveldje' were allowed access to the position of household;
- Access to the positions of housing corporation was defined by property ownership, access to the position of project bureau was already decided by the public administration and access to the review committee was decided in mutual understanding between the participating organisations for the independent chairman and by the organisations own decision for their representatives;
- Four city planners were asked to perform the role of plan developer. Three parties were allowed to name one each: the housing corporation, the central city planner and the project bureau. A fourth one was picked by consensus between these three actors.

The **authority** rules were also very restrictive, but far reaching in their consequences:

- Households had the right to vote and the right to ask information on the presentation meetings. They had the right to discuss plans with each other, but no opportunity for extensive 'organised' deliberation was given.
- The review committee had the right to check the four plans and remove them from the competition in case they would not meet the scope rules and they had the right to inform the inhabitants on what the committee thought were the pro's and con's of the plans that were in competition;
- The housing corporation, the project bureau and the review committee had the right to 10 votes each, in case less then 40% of the inhabitants used their votes.

The **scope** rules were on the one hand restrictive, but in terms of the entire process enlarged:

- It was set that the proposals of the city planners had to fit well within the proposal made by the central city planner for the entire programme. This included that a certain part of the area had to be used for shops and apartments in a building of four stories, the roads in the area were fixed in advance and they were not to be used for parking spaces. Of course the scope was also limited to the area of 'het Roomveldje' and participants had to choose from only 4 alternatives (the plans in the contest).
- Plans had to meet financial and other constrains defined by the city. These included 'normal' standards for building quality, energy consumption etc. and a minimum number of houses and minimum seize requirements.

- In terms of the scope related to other, subsequent, arenas in the process, it can be concluded that the scope was enlarged in a substantive way: the plan winning the contest would be implemented, irrespective of the formal right of the city council to take this decision. The right to take the decision was, although perhaps not in a formal, but certainly in a 'de facto' way, transferred from the council to the arena where the inhabitants could vote.

The **aggregation** rules were clearly defined in advance:

- The plan with the most votes would win the contest. In case less than 40% of the households used their votes, three actors would get 10 additional votes each.

The **information** rules implied a subsequent enlargement of the actors that would be informed by the plans:

- First, the review committee would be informed about the four plans, in order to enable the check on the scope rules.
- Then, the remaining plans were presented only to the former inhabitants, enabling them get informed in a quiet way, without any possible fuss from other participant in the entire participation process.
- Subsequently the plans were presented in open meetings, enabling all people that were interested to be informed.
- On the evening of the actual vote the chairman of the review committee presented the pro's and con's of the plans according to the analysis by the committee.

The following **pay-off** rules can be defined:

- The housing corporation will bear the costs of the implementation of the plan;
- The households will pay a rent when they live in the houses to be build that does not exceed a fixed amount of around € 350 a month. This maximum was however fixed for all corporations in the entire Roombeek area.
- The project bureau and the housing corporation share the costs of the process (meetings, hiring experts etc.).

The institutional structure of the arena for the development of a plan for 'het Roomveldje' differs remarkably from the structure of the original process. The basically 'deliberative' and 'open' structure (both in terms of access of actors and in terms of scope of the alternatives to be considered), was substituted by a far more closed one based on voting as an aggregation mechanism. However, this enabled a change in decision-making status of the output from a collection of opinions to be used as an input to the programme of the central city planner to a final decision on which plan was to be implemented! This extended form of community involvement can be seen as an example 'par excellence' of 'power to the people'.

It has to be noted however that this power was given to some people (the former inhabitants of the area) and not to others (former inhabitants of other areas or other citizens of Enschede). It also has to be noted that the role of some other actors was restricted. The central city planner had to take a step back, as he was not in direct control anymore of the plan that was going to be developed. The city council and the alderman in his important position of 'gatekeeper' had to mandate their decisional power de facto to the inhabitants. These actors however agreed that this institutional redesign could perform a vital function in the entire process: the resolution of an issue that could easily develop into an open conflict that would harm the entire process. With this they provided us with a clear example of leadership.

Moreover, the power was not given unconditionally to the people. Several institutional safeguards were build into the structure:

- the formulation of scope rules that would guarantee a plan that would fit in the entire programme (and thus the central concerns of the city planner);
- additional scope rules that would exclude plans with undesirable results;

- a review committee that would make sure that these rules were to be obeyed;
- the possibility for the review committee to inform the inhabitants of an 'expert view' of pro's and con's of the plans;
- the additional votes for three 'interested parties' in case a small minority of the inhabitants could be in a position to have an important impact on the decision;
- the selection of the 'plan developers', were the 'interested parties' including the central city planner had an important say.

With these characteristics we have a possible example of a *Complementarity* of Urban Leadership and Community Involvement in two ways: an example where an act of leadership prevents the outburst of open conflict by institutional redesign, and an example of an institutional design where community involvement is very strong, but embedded in a set of rules that constrain the outcomes to the ones that are within the vital interests defined by leaders and other interested parties. However, this is still only a *possible* example until we know what interactions actually took place in the arena.

As has been indicated at the start of the description of the institutional structure: the first result of the institutional redesign was a cooling down of emotions. All participants were inclined to make this competition work well, as they were all aware of the disastrous consequences of failure. The four city planners were recruited without problems and they delivered their plans according to schedule. The review committee assessed the plans and concluded that one of them did not meet the scope rules (mainly in terms of financial and seize (of houses) constraints). The three remaining plans were presented to the former inhabitants in a meeting where approximately 50% of them were present. At the evening of the vote, the chairman of the review committee held a presentation that indicated that the three remaining plans fitted well within the scope rules and were more or less evenly balanced in a matrix of different pro's and con's. When the vote was conducted it appeared that the threshold of 40% was missed by only a couple of votes. The 30 votes of the three interested parties were used, but they did not change the outcome of the vote. The plan that won the contest was the plan that proposed to restore only four of the old houses (other plans proposed to restore considerably higher numbers of houses). The announcement of the winning plan resulted in loud cheering from most parts of the inhabitants present, most notably from those active in the inhabitant committee that was in favour of demolition of all the houses. The result was seen by them as a clear 'victory' over those that were striving for restoration. The housing corporation was satisfied with the result as they were also in favour of building new houses. Political and public administration actors were satisfied because the plan was well within their range of acceptable outcomes and a possible outburst of conflict was transformed into an example of 'giving power to the people', in a careful designed way. The city planner resented the fact that most of the houses were going to be demolished, but was satisfied with the opportunity to prevent open conflict, to be able to move ahead with the rest of the programme and to retreat from his position in an elegant way (he did not have to 'give in': somebody else's plan had been victorious over plans of other developers). So at least in terms of the criteria: 'does a policy proposal get decided upon?' and 'is the decision legitimate?', we can speak of an example of CULCI indeed.

## 7. Conclusions

The examples of the institutional design of rebuilding Roombeek and the redesign of the arena for 'het Roomveldje' show the usefulness of the institutional analysis to describe and analyse combinations of leadership and community involvement.

- They show that the careful and balanced design of an institutional structure is an essential part of leadership itself. We can find examples of good leadership in well



balanced institutional designs and examples of absence of good leadership in imbalanced or insufficiently articulated institutional structures.

- They show that the 'acts' of leadership in an arena do not necessarily take the form of the actions of leaders themselves. They might be disguised as scope rules, limiting the possible outcomes to the ones acceptable to leaders or the common interests they represent; they might be found in the acts of a special positionholder (such as the review committee), that has the authority to maintain or interpret the rules. They might also be found in the selection of actors that become holder of a certain position (e.g. the city planners to develop a plan).
- An important notion in the IAD-framework is the idea of configurations of rules. This implies that certain choices for one type of rules will only work well if other rules are well adapted to these choices. For example the choice for a system of voting as an aggregation rule has consequences for the boundary and authority rules: it has to be very clear which actors can come in the position to vote and what this vote stands for. It also has implications for the scope rules: actors have to be very clear what the (limited number of) alternatives are that they are going to be voting on.
- This notion of configurations also has to be applied to the configuration of (sub)arenas. The choice of giving the outcome in the participation process a 'decision-making' status has de facto implications for the scope of the subsequent formal decision-making arena: the number of its alternatives is reduced to one: accepting the decision by the inhabitants.
- They show that changes in the positions of relevant actors (both leaders, citizen and other actors) can be simultaneously described as changes of the rules of the arena.
- They show that such a description can be used as a frame of reference for the description of the actual behaviour of actors in the arena: Which actors did actually participate in the process? Which alternatives came to be discussed? How were scope rules interpreted and maintained by the actors? Which information was provided by certain actors? Which proposal got the majority of the votes? etc.

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