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# Local self-determination, process-focus and subordination of environmental concerns

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## Abstract

Globalization and region enlargement has increased the emphasis of local authorities on being competitive for inward investment and taxpayers. This can lead to a subordination of environmental concerns. In order to secure environmental and other national interests, planning and regulation at supra-local level is required, especially if the local authorities have different motivations and goals than the central government. The Central Government Policy Guidelines of the Norwegian planning system and the possibility for regional state authorities to make objections is an apparatus to protect national interests in planning. However, there has been a significant change in the central government's practice when deciding on objections by regional state authorities against municipal plans since the new right-wing Norwegian government came into power. The losers from the changed practice is the environmental interests, widely defined. The new government's prioritization of local self-determination and planning processes rather than contents resonates with key features of neoliberalism, but also with important elements of communicative planning theory.

## Keywords

Local self-determination, national interests, planning process, plan contents, environmental concerns, neoliberalism

# 1 Introduction

The Norwegian planning system gives at the outset the authority over land use to the municipalities. This has been the situation all since Norway's first Building Act was adopted in 1924 and corresponds to the situation in most European countries. The municipal authority over land use planning is, however, only a conditional authority. If municipal plan proposals are at odds with important national or regional interests, the municipalities' authority to approve their own plans is expelled. The plan will then have to be finally adopted by the ministry responsible for planning; currently the Ministry of Local Government and Modernization. Usually this is subsequent to a formal objection raised by a state sectoral agency, the county governor (who is the central-state representative at the regional level) or the politically elected county council. Such objections are often raised pursuant to Central Government Policy Guidelines<sup>i</sup> adopted by the government by authority of the Planning and Building Act<sup>ii</sup>.

This paper illuminates how the maintenance of the national interests in municipal planning has changed since a new, more neoliberal Norwegian government came to power after the parliamentary elections in the fall of 2013, and how these changes have produced winners and losers. More specifically, the paper analyses the priority given to national versus local interests across two dimensions: a) the neoliberal shift from focus on outcome to process, and b) the neoliberal shift from interdependency to self-determination. The next section (Section 2) provides a theoretical perspective on environmental management and level of governance, drawing on elements from planning theory, game theory and principal-agent theory. Section 3 points at tensions between the needs for supra-local environmental management discussed in Section 2 and key characteristics of neoliberalism as a political ideology. Section 4 presents how the most recent version of a governmental policy document about national expectations to municipal and county planning has changed its emphasis from the outcome of planning to the planning process. Section 5 presents empirical findings about the treatment by the new Norwegian government of objections against municipal plans raised by public expert authorities, based on document studies mainly available at the websites of relevant Norwegian ministries. This investigation includes all opposition proceedings dealt with during the period from November 2013 to July 2015. Section 6 rounds off the paper with a few concluding remarks.

## 2 The need for supra-local influence on local land use decisions

Municipal decision on land use and infrastructure development can sometimes have impacts reaching far beyond the border of the municipality in question. For example, within continuous job and housing markets stretching over several municipalities, the prioritizations of each separate municipality sometimes result in an unfavourable regional pattern of development, judged against goals of reducing car dependency and greenhouse gas emissions from transportation. Among other things, inter-municipal competition for business establishments and tax revenues can contribute to this. Such competition has increased as businesses have become more 'footloose' due to globalization and region enlargement (Brenner, 2003; Brenner & Theodore, 2002). Today, local authorities' possibilities for securing employment and avoiding population decline are increasingly dependent on inward investment and attracting 'good tax payers'. This creates an incentive structure for the municipalities where lax environmental regulations become a comparative advantage.

In order to counter negative impacts of such competition, planning and regulation at supra-local level is required, especially if the local authorities have different motivations and goals than the central government.

According to Naustdalslid (1992), environmental problems can be divided into four categories depending on where the problems are generated and where the impacts occur (Figure 1). The top left square comprises of the genuinely local problems that are generated locally and also have their main impacts locally. An example within this category is provision of on-site parking for each individual dwelling, which leads to more traffic and increased risk of accidents within the residential area. The lower left square comprises supra-local problems generated locally, such as a local factory emitting pollutants into a nearby river or the air affecting the environment at a wider scale. The upper right square denotes a situation where pollution originating from numerous supra-local sources have their main impact within one particular locality, for example a sea polluted by outlets from a number of upstream municipalities. The lower right square refers to the clearly supra-local problems that are both generated and have their main impacts within a wide geographical area. Greenhouse gases emitted from municipalities all over the world and affecting the global climate are the most obvious example.

		Problem generation	
		Concentrated	Scattered
Distribution of impacts	Concentrated	Genuine local problems	Local accumulation from scattered sources
	Scattered	Point sources with a large impact area	Diffuse sources, regional or global impacts

Figure 1: Different types of environmental problems. Source: Naustdalslid, 1992.

According to Naustdalslid, local governments should decide autonomously only on the problems belonging to the upper left square. The problem types in all the other squares call for at least some extent of influence on local decisions from higher-level authorities, for example in the form of information, negotiations or regulations.

Planning theory has acknowledged for long the need to regulate the actions of individual landowners and developers in situations where these actions affect third parties or society at large negatively, or result in an unacceptably unfair distribution of burdens and benefits (Klosterman, 1985). Arguments in support of such limitations of individual freedom can be found in classical as well as neoclassical economic theory, since market processes alone are neither able to counteract so-called externalities<sup>iii</sup> nor ensure a socially acceptable distribution of burdens and benefits. Drawing on game theory, Klosterman also shows how public planning and regulation is necessary in order to resolve ‘prisoner’s dilemma’ conditions<sup>iv</sup> (Klosterman, *ibid.*).

Both Klosterman’s arguments for interventions into individual freedom of action in the form of public planning and the economic theories he draws on focus on the need to correct ‘market failures’ resulting from the action of individual market agents. But a similar logic can also be applied to the need for limitations set by national (or regional) authorities on local authorities’ freedom to decide on land use and infrastructure development. Similar to the way planning is necessary in order to prevent ‘externalities’ and protect common resources within a municipality, higher-level coordination is necessary at regional, national or international scale in order to resolve the ‘prisoner’s dilemma’ facing individual local communities in relation to global and national environmental problems<sup>v</sup>. Such planning is also necessary to avoid that the dispositions made by local authorities shift problems on to other local communities, whether the latter are located in the neighbour municipality or at the other side of the globe (Næss, 2001). This does not mean that detailed control from above should replace local democracy in the municipalities. However, local planning should take place

within frames ensuring that consequences primarily manifesting themselves at other scale than the local are also taken into consideration<sup>vi</sup>.

Municipalities sometimes have a self-interest in giving priority to the same objectives as those set by the national government. For example, the municipality of Oslo has a strong 'internal' motive for avoiding sprawl since this would imply encroachments on outdoor recreation areas valued highly by its inhabitants. There is thus in this case no conflict between national-government policies of transport-reducing urban development and the municipality's own prioritizations (Næss, Næss & Strand, 2011). In other cases, the local and central levels of governance may have diverging and sometimes conflicting objectives.

According to principal-agent theory, two conditions must be met if a lower-level authority is to implement the objectives set by a higher-level authority. Firstly, the lower-level authority must have the resources or possibilities required to carry out the actions necessary to reach the goal. Secondly, the lower-level authority must see some self-interest in carrying out these actions. Otherwise, it will be unlikely to implement the requested policies unless being obliged to do so by higher-level regulations (Naustdalid, 1992).

In the case of supra-local environmental problems such as greenhouse gas emissions, central government is arguably situated closer to the international negotiations and discussions about the need to curtail Norway's global environmental impacts than are local authorities. They may thus be more committed than local authorities to pursue such goals. Local authorities are on their hand facing an incentive structure created by a wish to secure tax revenues and improve the employment opportunities of local residents, cf. above. They are therefore likely to prioritize business attractiveness higher than reducing the local contribution to global environmental problems. Regarding the resources/possibilities criterion, the municipalities are, through their authority pursuant to the Planning and Building Act, authorized to adopt land use regulations in conformance with the national objectives. In this situation, regulations by central authorities would be necessary, according to principal-agent theory, to make the decisions of local authorities conform to national goals. Since such regulations would apply to every municipality, a separate municipality wishing to act in a globally solidary way would not run the risk that other municipalities increased their economic competitiveness by abstaining from doing their part to reduce emissions.

On this background, the Norwegian national government adopted a number of Central Government Policy Guidelines in the years subsequent to the enactment of the 1985 Planning and Building Act introducing this legal instrument. The perhaps most influential among these regulations are the so-called Central Government Policy Guidelines for Coordinated Land Use and Transport Planning adopted in 1993 and updated in 2014. These regulations have played an important role in conditioning the 'farewell to urban sprawl' that has

characterized the largest Norwegian cities over the last couple of decades (Næss, Næss & Strand, 2011). Promoting patterns of land use and transport infrastructure favourable in terms of greenhouse gas emissions reduction is an important national concern reflected in the Government Policy Guidelines. According to a Climate Agreement in 2012 between six of the by then seven parties represented in the national parliament, all growth in the amount of travelling in the larger Norwegian urban regions is to take place as public and non-motorized transport.

The Planning and Building Act includes regulations requiring the government to publish National Expectations to regional and municipal planning each fourth year. This document shall present objectives, tasks and interests that the national government expects the counties and municipalities to emphasize to a particular extent in planning. The present government (Solberg) presented different expectations to regional and local planning than did its predecessor (Stoltenberg II). Whereas the latter presented expectations to the contents of the plans, the expectations expressed by the present government are mainly about planning processes (Strand, 2015).

### **3 Decentralization and process-focus as neoliberalism**

As mentioned in Section 2, arguments for supra-local intervention to counteract negative external effects of the actions of separate municipalities can be seen as a special case of the general need to correct market failures in a society characterized by economic competition. In a more and more open and globalized economy, municipalities find themselves increasingly pushed to compete for inward investments and influx of 'good taxpayers', or at least to offer a 'business climate' that can prevent existing businesses from moving away.

While there may be broad agreement about the existence of 'externalities' and the need for certain corrections of 'market failures', there is more disagreement about the *extent* of planning needed to compensate for such effects. This of course depends on how important these effects are considered to be. For example, in a society aiming to ensure a high degree of equality in the distribution of goods among its members, more ambitious planning efforts will be called for than in a society where the opportunity for individuals to gain success is valued higher than equality. Likewise, what is considered unacceptable externalities that must be counteracted by planning depends on the society's level of ambitions in environmental policy.

According to Bengs (2005, p. 7), "a new planning regime with a minimum of predefined restrictions and guidelines and ample possibilities for striking deals on the local level is in conformity with the neo-liberal ideals". The emphasis on

devolution and decentralization that has characterized the planning discourses and planning legislation since the late 1970s has coincided with an increasing influence of neoliberal ideas on planning practice. We understand neoliberalism as a historically specific revival of the influence of economic liberalism on theories within economics and on policy-making practices. Neoliberalism thus encompasses certain neoclassical economic theories, some right-wing libertarian political philosophies, as well as a political rhetoric depicting public regulation of the economy and the development of society as inefficient and generally undesirable.

Fainstein & Fainstein (1996) consider incremental decisions as the kind of planning that follows logically from the liberalist political theory formulated by the philosopher John Locke and developed further by a number of 19<sup>th</sup> century thinkers. According to incremental planning theory (Lindblom, 1959), public planning authorities should create the frameworks for negotiations between individual agents and maintain the results of these negotiations, but should not exert any strong influence on the outcome. This has a direct parallel in the view of John Locke on the public authorities as someone who have as their primary task to warrant legal protection, defend agreed procedures and act as an impartial arbitrator. For the question of local versus central decision-making, the incremental model implies a laidback role for the state, without much intervention into local prioritizations apart from legal control and facilitation of inter-municipal negotiations when required.

Neoliberalism has also entailed a transition from political-administrative regulation of land use and urban development ('government') towards a greater influence of networks of powerful interest groups ('governance'), where the decisions on important issues are negotiated – and in practice already decided – before entering the formal political decision-making process (Sager, 2011). Sehested (2002), Sager (2011, 2013) and Olesen (2014) show Scandinavian examples of this. Since these processes usually concern developments taking place within one specific municipality, greater municipal autonomy relative to the state will be favourable from the perspective of network governance.

Much of the literature on neoliberalism within the field of planning studies has emphasized issues other than the relationship between central-government and local decision-making, such as its commitment to “market-like governance systems, non-bureaucratic modes of regulation, privatisation, and corporate expansion” (Peck et al., 2009:104); public-private partnerships and urban development geared toward attracting the 'creative class' (Sager, 2011) or the creation of 'soft spaces' in growth-oriented strategic planning (Houghton et al., 2010; Olesen, 2012). For example, in his literature review of fourteen neoliberal urban planning policies over two decades, Sager (2011) does not include the central-local decision-making dimension. Other authors have, however, pointed at the link between neoliberalisation and devolution of decision-making power



from central government to local authorities as an important element (Elwood, 2002; Brenner & Theodore, 2002; McCarthy, 2005; Bengs, 2005; Purcell, 2006).

The neoliberal preference for decentralized decision-making has gained support from a political rhetoric depicting central-governmental regulations as by nature less democratic than decisions taken locally. Among proponents of communicative and collaborative planning theories, there has been a tendency to “impose assumptions upon the process, such as participatory democracy ‘good’, representative democracy ‘bad’” (Tewdwr-Jones & Allmendinger, 1998), and regulations imposed by the national government as the worst among the bad. However, without serious efforts by the planners to contain the strong and empower the weak, participatory planning processes run the risk of bringing “more power to the powerful” (Naustdalslid, 1991), for example, those with vested interests in unsustainable ways of developing land use and mobility.

According to Purcell (2006), favouring local concerns above national objectives is just as likely to make decisions less democratic as more democratic. In Purcell’s view, too strong belief in local at the cost of supra-local planning and management can result in the opinion of the majority of the population being subordinated to the opinions of a comparatively low number of locals (Purcell 2006). In line with this, communicative and collaborative planning theories supporting network-based planning, have been characterized as providing highly attractive opportunities for neoliberalism to retain its hegemony while securing political stability (Bengs, 2005; Purcell, 2008).

Communicative planning theories generally place their emphasis on planning processes rather than on the contents and consequences of the spatial solutions promoted in urban planning (Healey, 1996; Fainstein, 2010). According to Bengs (2005), the communicative planning theories also casts doubt about the very notion of public interest, often declaring themselves as being contrary to the idea of a public interest. If there are no public concerns that planning should try to promote through its chosen spatial solutions, there will be little need for focusing on outcomes apart from indirectly through the preferences of different stakeholders. Such focus on process rather than content is in line with the traditional focus of liberalism on decision-making processes rather than the outcomes of the decisions (Fainstein, 2010). According the libertarian philosopher Robert Nozick (1974), any outcome is acceptable if it has been reached by an acceptable process and given some initial set of rights. Processes are here seen as ends in themselves, whereas outcomes are downgraded to a position of little or no ethical interest.

In Norway, municipal master plans as well as local development plans had to be approved by the ministry until 1985, when the municipalities obtained the right to ‘self-approve’ their plans. The possibility to issue Central Government Guidelines was introduced in the 1985 Planning and Building Act as a measure to counteract too excessive prioritization of local interests over national concerns,

which might otherwise result from the abolishment of the mandatory ministerial approval of municipal plans. In Denmark, the abolishment of regional land use planning in 2007 by the neoliberal Fogh Rasmussen government is an even more pronounced example, since no compensatory mechanism to secure national concerns accompanied this devolution of more decision power to the municipal level (Olesen & Richardson, 2012; Galland, 2012).

As can be seen, neoliberalism has led to more ad-hoc-style, process-oriented and fragmented land use planning. However, in tandem with this there has also been a concentration of planning efforts aiming to strengthen the economic competitive power of cities and regions (Nielsen, 2009). This latter tendency is particularly pronounced for transport infrastructure development. This may be part of the explanation why no formal objections from county or state sectoral authorities were raised against proposed highway development during the investigated period, despite an objective stated in the Climate Agreement, between the political parties to the left, centre and right, that all growth in the amount of travel in major urban regions is to take place by public transport and non-motorized modes.

## **4 From outcome to process**

In June 2015, the Ministry of Local Government and Modernization presented the document “National expectations to regional and local planning”. Pursuant to the Planning and Building Act, Section 6-1 it is mandatory for the ministry to issue such a document each fourth year. The intention of the legislator is that the expectations outlined in the document be used as the point of the departure by the newly elected county councils and municipal councils in their preparation of regional and municipal planning strategies and plans, as well as for the cooperation of central-government authorities in such planning. The Norwegian government’s website emphasizes that follow-up by all sides will contribute to better consistence between national, regional and municipal planning and make the planning more predictable and goal-oriented.

More predictable and goal-oriented planning might be good, but for the municipalities, the new document does not represent predictability. The present conservative/liberalist government (Solberg) presents different expectations to regional and local planning than did the precedent social democrat/centre government (Stoltenberg II). A comparison of the recently presented national expectations with those presented four years earlier shows radical differences between the two governments in terms of their approaches to national expectations. Whereas the previous government presented national expectations to the contents of the plans, the expectations of the present government mainly evolve around planning processes.

The orientation toward process rather than content in 2015 may be illustrated by the different ways in which the word 'efficient' is used in the two documents. In the 2011 document, this term was used 1) in conjunctions such as increasing energy efficiency, efficient land utilization, effective logistics nodes, and efficient reuse of existing cable lines, etc. All these formulations are about the contents of planning. The first and third of these conjunctions are used about expectation in the 2015 document as well. In addition, the concept 'efficient' is used in 2015 about two kinds of processes: efficient handling of private plan proposals, and effective processes and fast handling of sectoral municipal plans and zoning plans for transport projects. The narrow specification on transport projects is probably due to a specific focus during recent years on a perceived need to reduce the duration of planning processes in the road sector.

Another example of the process orientation in 2015 is the ways in which Sami interests are discussed. In the 2011 document, the government expects planning to aim at promoting health, quality of life and a good environment to grow up for the Sami population, with particular emphasis on the concerns of Sami children. The attention toward health, quality of life and environment of adolescence for the Sami population and the particular focus on Sami children has disappeared from the National Expectations document in 2015. Instead, topics related to planning processes have entered the document: to ensure participation for Sami interests and the obvious – in the context of municipal and regional planning – requirement that the interests of reindeer keeping must be balanced against other societal concerns. This is the only occasion in the 2015 document where such a formulation is used. In the 2011 document no formulation like this occurs.

Additional examples of the different orientation in the two documents exist in the ways in which they deal with the topics of health, design for universal accessibility, and energy.

As illustrated by this brief comparison, great differences exist between the two National Expectations documents. There is not much continuity between the central-governmental expectations from one period to another one or from one government to the next. The virtually only thing that is similar in the two documents is a chapter heading; The Role of National Expectations in the Planning System. The two versions have simply been written according to two fundamentally different principles.

## **5 Objections overruled**

On February 18, 2014, the Minister of Local Government and Modernization sent a letter to the ministries, county governors, county authorities and municipalities stating that he wanted fewer formal objections on planning issues according to the Planning and Building Act (Norwegian Government, 2014a). He

had then been in office for three months as a member of the right-wing (Solberg) government who won the national election in the fall of 2013.

The Objections Statistics for 2014 published by the Ministry of Local Government and Modernization (2015a) documents that the number of opposition proceedings has decreased under the present government. Since this government came into power, about three out of four opposition proceedings have ended with a result in favour of the municipal decision, compared to about one out of four cases during the preceding social democrat led government (2005-2013). Local self-government, i.e. the local interests, has been emphasized to a considerably greater extent under the present than the previous government (75 percent versus 40 percent, respectively, in favour of the local community).

In a press release in February 2014, the Minister of Local Government and Modernization stated that “more importance will be attached to broad political decisions locally” (Ministry of Local Government and Modernization, 2014). The question that has so far not been systematically illuminated is what interests will be the sufferers when local interests are to influence decisions more strongly at the costs of national and regional interests.

Our study of all decisions in opposition proceedings under the regime of the Minister of Local Government and Modernization during the period from November 2013 to July 2015 indicates that the guardians of environmental concerns in a wide sense (soil protection champions, those who wish to avoid any kind of pollution, the interests of reindeer keepers, etc.) are the losers of this planning game. The winners are the polluters and those who want to build in areas where their construction activity results in the conversion of nature into building sites.

As mentioned above, the Minister of Local Government and Modernization has expressed the intention of being more responsive to local voices on planning issues. We were therefore interested in shedding light on how the respective ministries respond to objections against local plan proposals at odds with national concerns from public expert agencies entitled and obliged to put forth such oppositions. A key question is whether the sectoral ministries direct their loyalty towards their own directorates or towards the signals of the minister responsible for planning about higher responsiveness to local judgment.

It is interesting to notice that the national expert authorities (directorates) keep maintaining their professional integrity. The Directorate for Cultural Heritage promotes the cultural heritage interests; the Norwegian Public Roads Administration wishes to limit the amount of transport and the noise nuisances to which people are exposed; and the County Governor’s department for Agriculture and Food promotes protection of fertile soil, just to mention three such authorities. Distinct from this, the ministries appear to follow the appeal by

the Minister of Local Government and Modernization for responsiveness to the local judgments. Largely, the ministries refrain from supporting their expert authorities.

In Table 1, the objections of a few of the objection-raising authorities are coupled with the responses of different ministries to the respective objections. The table shows that the ministries, as a main trend, do not support their expert directorates. During the time when the present Minister of Local Government and Modernization has been in charge, the four ministries included in the table have put forth 30 requests for rejection, compared to only seven requests for the objections to be obliged. Rejection and support occurs in somewhat different combinations from each ministry. The Ministry of Agriculture and Food requests the ministry responsible for planning (the Ministry of Local Government and Modernization) to reject all the objections from the County Governor's department for Agriculture and Food and the Norwegian Agriculture Agency, whereas the Ministry of Transport and Communications asks the Ministry of Local Government and Modernization to reject three out of four objections raised by the Norwegian Public Roads Administration. In the cases where the Ministry of Climate and Environment and the Ministry of Agriculture and Food make statements in cases where the Norwegian Public Roads Administration has raised the objection, they reject these objections.

*Table 1: The recommendations of four selected ministries to the Ministry of Local Government and Modernization on objections raised by six selected public expert authorities during the period from November 2013 to July 2015*

Objector	Utterance-giving ministry							
	Transport and Communication		Climate and Environment		Agriculture and Food		Health and Care Services	
	Supports	Rejects	Supports	Rejects	Supports	Rejects	Supports	Rejects
Norwegian Public Roads Administration	2	6		2		2		
Directorate for Cultural Heritage			3	3		1		
County Governor's department for Environment		1			-	4		
County Governor's department for Agriculture and Food/the Norwegian Agriculture Agency				1		4		
Sami Parliament/Regional Board for reindeer keeping		1		1		4		

Norwegian Food Safety Authority							2	-
<b>Total</b>	<b>2</b>	<b>8</b>	<b>3</b>	<b>7</b>	<b>-</b>	<b>15</b>	<b>2</b>	<b>-</b>

The Ministry of Agriculture and Food asks the Ministry of Local Government and Modernization to reject all the objections raised by the Sami Parliament and the Regional Boards for reindeer keeping. The ministry dealing in the most loyal way with the objections raised by the expert authority directorate is the Ministry of Health and Care Services. This ministry supports the Norwegian Food Safety Authority in both of the two opposition proceedings raised and decided on during the two-year reign of the present national government. These cases were about land use conversions potentially damaging the quality of drinking water – a topic of vital importance it must be safe to say, and arguably one where it is problematic to leave decisions to local judgment.

The review of the objection documents during the investigated period shows that farmland protection and the efforts in reducing the establishment of new built-up areas outside existing urban settlement demarcations has been weakened. A few examples follow below.

On the National Government’s website, the following text is found under the heading of Soil Protection:

Compared to many other countries, Norway has limited areas of arable land. Safeguarding food production requires strong soil protection measures, combined with better utilization of available farmland. However, soil conservation must be balanced against other requirements. Facing future challenges, therefore, requires a comprehensive soil protection strategy. (Norwegian Government, 2015)

What the last sentence of the quote above refers to appears somewhat unclear. However, the opposition proceedings during as the period of the present Minister of Local Government and Modernization show that the Ministry of Agriculture and Food has generally refrained from supporting its expert agencies in cases where the latter have acted in order to prevent conversion of farmland into, for example, sites for residential development. In line with the advice from the Ministry of Agriculture and Food, the Ministry of Local Government and Modernization rejects the objections that seek to protect high-quality farmland. The letter from the Ministry of Local Government and Modernization where the objections to the municipal master plan for Trondheim are discussed and decided on is a strange reading seen in the light of the above-mentioned objective of strong farmland protection. The plan includes seven agricultural areas that are proposed to be converted into residential areas. According to the letter from the Ministry of Local Government and Modernization (2015b), the Ministry of Agriculture and Food recommends “the objections to be rejected, with reference to the wish of the municipality to prepare building site reserves”.

This is the formulation regardless of whether the area in question is large or small, and the formulation is the same for areas located differently in relation to the urban structure. The Ministry of Local Government and Modernization's own formulations can hardly be characterized as outstanding examples of impeccable logic. Regarding the area named Kastbrekka the letter states, for example, that "the area is marked in a long-term urban developmental strategy as a high-priority LNF area" (i.e. an agricultural, natural and outdoor recreation area). Under the heading "The Ministry's considerations", the text reads:

The Ministry is of the opinion that the planned residential area does not support municipal and national objectives of urban densification and that it will contribute to a diffuse demarcation between built-up areas and agricultural, nature and outdoor areas in this part of the city. Since the area is small and built on already, the Ministry nevertheless finds that the conversion can be approved.

The other six areas are discussed with a similar low level of consistency. Here, too, the support by the Ministry of Agriculture and Food for rejecting the objections is utilized actively by the Ministry of Local Government and Modernization.

National concerns within the field of municipal land use planning are expressed in, among others, the above-mentioned Central government Policy Guidelines issued in 1993. These guidelines have recently been revised, but the signals of locating new development close to existing urban settlements remain (Norwegian Government, 2014b). In several opposition proceedings subsequent to letter from the Minister of Local Government and Modernization about fewer formal objections and greater emphasis on local judgment, these central government policy Guidelines are challenged. The Norwegian Public Roads Administration loyally fall into line with the text of the policy guidelines and raise objections against the land-use element of the municipal master plan of the municipality of Flesberg as well as against a proposal by the municipality of Oppegård for residential development in the Svartskog area.

The decision to support the wishes of the municipality of Oppegård for residential development in an area without public transport infrastructure must be considered clearly at odds with the Central Government Planning Guidelines for coordinated residential, land use and transport planning, as well as with the 2012 Climate Agreement according to which all increase in travel in the larger urban regions is to take place as public and non-motorized transport. Municipal self-governing was emphasized when the zoning plan for Svartskog was approved despite objections from the County governor of Oslo and Akershus. The Ministry of Climate and Environment considered the plan to be at odds with central-government policy guidelines but still recommended approval, based on concerns about strengthening local democracy. The Minister of Local Government and Modernization chose to downplay the unfortunate aspects of

the plan, seen in relation to the ministry's own policy guidelines, and instead emphasized that the development in question was of a limited size.

In the Flesberg case, the Ministry of Local Government and Modernization justifies the departure from the intentions of the central government policy guidelines by referring to a wish to strengthen local democracy. The Flesberg case concerns the establishment of a new residential area 10 km away from the village of Lampeland and 12 km from the town of Kongsberg. In its utterance, the Ministry of Transport and Communications clearly expresses that

On a general base, one should prepare for residential development to take place in and close to existing urban settlements, in line with the Central government Policy Guidelines for coordinated land use and transport planning. The planned residential area may particularly conflict with section 3.1 of these guidelines about coordinated planning of the pattern of development and the transport system, as well as with section 3.2 about utilizing the possibilities for increased concentration of the development to construction areas in urban settlements.

After such formulations, a support by the Ministry of Transport and Communication of the objection raised by its own expert authority agency might seem obvious, but no. The Ministry of Transport and Communication instead emphasizes that the case is about "a small developmental area that will have limited impacts on urban development, traffic pattern and traffic safety in the municipality", and recommends the objection to be rejected. A small area here violating the signalled desirable development, and a small area there conflicting with the national expectations – such practice does not add up to a concentrated urban development around the country. However, the Ministry of Local Government and Modernization got the utterance they wished for and needed. They could therefore support the wishes of the municipality by approving the local plan, referring to the statement from the Ministry of Transport and Communication.

The Norwegian Public Roads Administration is not concerned only with trying to prevent undesirable scattered residential development but also with avoiding to build ourselves into unfortunate noise situations. There are two such cases in the portfolio of the present Minister of Local Government and Modernization – one in the municipality of Oslo and one in Asker, a suburban municipality close to Oslo. In both cases, the noise situation is belittled during the treatment of the case, and new residential development is approved in red and yellow noise zones, referring to the developments as cases of densification in nodes with good public transport provision.

Two years after the foreboded policy shift in opposition proceedings, we find that the ministries have largely fallen loyally into line with the wish for a greater responsiveness to local prioritizations expressed in the planning processes. To a great extent, the ministries disavow the objections raised by their own directorates by rejecting these objections. The losers are the environmental



interests, widely defined, and the national and regional concerns no longer considered to be so important.

## 6 Concluding remarks

This paper has provided empirical examples of how a shift to more neoliberal national-government policies emphasizing local self-determination and planning processes rather than contents has privileged local strategies for growth and competitiveness at the cost of environmental interests, widely defined. These changes have occurred without any changes worth mentioning in the legal frameworks of planning. Instead, they represent changed decision-making practice reflecting more pronounced neoliberal political prioritization within existing legal and administrative frameworks.

Due to the great variation in natural, social, political and cultural conditions across municipalities, the possibility of coordinating different local and supra-local concerns is greater through municipal land use planning than through central-government top-down detailed land use regulation. One of the main ideas of local and participatory planning is that everyone knows best where their own shoe pinches. However, activities in the local communities have several impacts that are not mainly local. Some of the activities manifest themselves primarily at higher geographical scales. Not the least, this applies to global environmental problems such as greenhouse gas emissions. For such problems, it is far from certain that ones who know best where the shoe pinches are the inhabitants of Norwegian municipalities.

The Norwegian system with Central Government Policy Guidelines and the possibility for regional state authorities to make objections is an apparatus to counteract the effects of an incentive structure encouraging municipalities to prioritize local economic competitiveness above environmental concerns. For this system to work, the central authorities must utilize it. However, neoliberal politicians tend to downplay the so-called externalities, be they at local or global scale. If problematized at all, externalities are often considered less important than the expected economic growth resulting from the activities causing the externalities.

The orientation toward process rather than content in the document expressing national expectations to regional and local planning sends the signal that the present government considers national concerns regarding the contents of the plans less important than earlier. Although the present government updated and adopted anew the Central Government Policy Guidelines in 2014, the omission of any explicit expectations to the contents of municipal and regional plans in the 2015 National Expectations document creates ambiguity as to how seriously the Central Government Policy Guidelines are meant to be taken.

The examples in Section 5 of municipal land use decisions violating different kinds of national concerns illustrate how environmental interests tend to be sacrificed on the altar of local competitiveness. This paper shows that there has been a significant change in the central government's practice when deciding on objections by regional state authorities against municipal plans since the new right-wing Norwegian government came in office. In the government-level dealing with the objections, there has also been self-censorship by sector ministries (such as the Ministry of Agriculture), triggered by signals from the ministry responsible for spatial planning. Fewer formal objections have also been raised against local plans violating national or regional concerns since the new government came to power, which might suggest self-censorship also at the regional level.

The above examples of neoliberalisation in spatial planning practice are not unique to the Norwegian context. Similar trends have been observed in, among others, Denmark and the United Kingdom (Næss, 2009, Olesen & Richardson, 2012). The strength of the neoliberal influence varies to some extent with the political parties holding governmental power, as shown in the empirical examples of this paper. For example, the neoliberal imprint on urban planning policies appears to have been stronger in Denmark than in Norway during the first decade of the 21<sup>st</sup> century (Næss, 2009). However, neoliberalisation is not confined to declared right-wing politics, as witnessed in, for example, the spatial planning policies under the Blair social democrat government in the United Kingdom (Barry & Paterson, 2003). Neoliberal ideas have gained foothold across a wide range of the political spectrum, and together with various international free trade institutions, the dominance of the neoliberal discourse makes it a serious political challenge to break with these ideas. There is still, as we have seen in this paper, some space for manoeuvre for governments, where the present Norwegian government has chosen to increase the opportunities for local entrepreneurial strategies, also when these strategies are at odds with national policy guidelines.

The losers of these changed practices are the environmental interests. Such prioritization of local interests over national and global concerns is a very short-sighted strategy in a world characterized by environmental and climate crisis.

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## Figure caption

Figure 1: Different types of environmental problems. Source: Naustdalslid, 1992.

## Table caption

Table 1: The recommendations of four selected ministries to the Ministry of Local Government and Modernization on objections raised by six selected public expert authorities during the period from November 2013 to July 2015.

## Notes

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<sup>i</sup> <https://www.regjeringen.no/no/dokumenter/Statlige-planretningslinjer-for-samordnet-bolig--areal--og-transportplanlegging/id2001539/>

<sup>ii</sup> <https://www.regjeringen.no/en/dokumenter/planning-building-act/id570450/>

<sup>iii</sup> Externalities are social costs not included in the profitability analyses of the agents of the market, but shifted on to other people or the environment. Pollution is an example of such costs  
<sup>iv</sup> Situations where the efforts of individuals to promote their own interests lead to non-optimal results both for society and for the individuals involved.

<sup>v</sup> Municipalities that might wish to act in a globally solidary way, for example by reducing their carbon dioxide emissions by abstaining from potential economic growth, may see such efforts as useless as long as they cannot trust that other municipalities will also do their part to reduce emissions.

<sup>vi</sup> Brenner (2003:309) points at attempts by national-scale state institutions to reassert regulatory control as a counter-trend in response to the increasingly decentred or relativized national-scale political-economic governance generally characterizing neoliberalism.