Balancing governance capacity and legitimacy - how the Norwegian government handled the COVID-19 crisis.

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Introduction

In these turbulent times, the organization of societal security and crisis management is an important and highly relevant topic for public administration studies. The world is perceived as increasingly insecure and dangerous and characterized by almost insurmountable problems. Societal security and crisis management are politically salient issues and are often the subject of public criticism and debate. Crisis management is thus an important policy area for political leaders, administrative executives and public administration in general (Boin et al. 2017). Major crises strike at the core of democracy and governance and hence constitute challenges not only for capacity but also for legitimacy and trust. Planning and preparing for the unexpected and unknown, dealing with uncertainty and ambiguity, tackling urgent issues, and responding to citizens demands and expectations are crucial and difficult tasks for the public authorities.

Two core questions arise in connection with organizing for societal security and crisis management (Christensen, Lægreid and Rykkja, 2016):

- *The question of governance capacity.* This is about coordination, regulation and implementation capacity and involves issues of hierarchy, networks and lead agency to deliver efficient and effective crisis management.

- *The question of governance legitimacy.* This is about citizens' trust in government and concerns such issues as accountability, support, expectations, and reputation. A key challenge is to uphold and restore trust in government arrangements for dealing with crises.

In a well-functioning crisis management system there is a difficult trade-off between capacity and legitimacy, but the relationship is also a dynamic one. Capacity is important, but it is also crucial that measures taken to handle a crisis are accepted by citizens so that they follow the government's advice and instructions (Boin and Bynander, 2015; Lægreid and Rykkja, 2019). Thus, crisis management is also a question of perception. The coronavirus crisis poses an acute

threat to basic structures and fundamental values all over the world. It is an extremely complex, transboundary mega crisis on a global scale; and because so little is known about the coronavirus, major decisions are being taken under conditions of deep uncertainty and public measures have an experimental quality.

This paper describes and analyzes how the Norwegian government has handled the corona pandemic. To assess the crisis response, we must ask how prepared the authorities were; how they made sense of the unfolding situation; how they collaborated across vertical and horizontal boundaries and made crucial decisions on handling the crisis; and how they made sense of the crisis and communicated with citizens (Boin, Brown and Richardson, 2019; Boin et al., 2017).

We will first give some Norwegian context and describe the main measures taken. We will then address governance capacity and legitimacy issues before we conclude by formulating some lessons learned.

Context

Norway has a strong public sector, a well-developed welfare state and open and transparent government. It is also a high trust society. Citizen trust in government is high and mutual trust relations between government authorities is higher than in many other countries (OECD, 2017). It has also a strong economy due to oil and gas revenues and a big pension fund to ensure responsible and long-term management of these resources.

The Ministry of Health and Care Services (MH) is the central crisis management ministry in Norway for handling an epidemic, and the main expert bodies are its subordinate agencies: the Norwegian Directorate of Health (NDH) and the Norwegian Institute of Public Health (NIPH). When the epidemic started, MH was the lead ministry but as the crisis expanded to other policy areas the Ministry of Justice and Public Security (MJ) was assigned this role. In addition, the prime minister and the cabinet are central actors in collaboration with parliament, since the current government is a minority coalition government.

The quality of the Norwegian health care services is high compared to many other European countries. Almost all hospitals in Norway are public and are run by regional health enterprises with quite a large degree of autonomy. Nevertheless, the hospitals are owned by MH, which also has overall responsibility for the health enterprises. The share of old people in the Norwegian population is lower than in many other European countries and the population density is also lower than elsewhere, with a total population of only 5.37 million living in a vast territory.

On April 6, three weeks after the government had introduced draconian measures, the minister of health stated that the corona epidemic in Norway was under control, with each infected person passing the virus on to only 0.7 other persons on average. This secondary spreading factor, or R, was about 2.5 when the epidemic started five or six weeks earlier (NIPH, 2020). The minister asserted that the government's measures to fight the spread of infection had worked and on April 22 NIPH confirmed that the epidemic was really decreasing. In spite of this good news, the authorities warned against reducing the various social distancing measures too fast to avoid a resurgence of the disease.

The initial cases of the COVID-19 (C-19) in Norway were brought back by Norwegian vacationers who had been skiing in Northern Italy and Austria. The first case of infection was registered on February 26. The geographical spread of the disease in Norway was very uneven, reflecting social status, vacation habits and population density. After three weeks, Oslo, the capital, had by far the highest number of cases per capita, 2.49 per 1,000 inhabitants, while the region with the lowest incidence was Nordland with 0.34. As of April 22, 7345 people were infected and 180 deaths had been registered; the average age of those who died was 84. A total of 152095 people were tested for coronavirus, a very high percentage of the population compared with other countries; about 5 percent of them tested positive.

The number of infected and hospitalized patients increased rapidly until March 28, but after that it decreased. On April 23, there were 84 new cases and 123 people were in hospital. A total of 917 persons with corona virus have been hospitalized of which 201 have been in intensive care. The estimated number of infected citizens was 14000, which is 0.26% of the overall population. The death rate was 31,8 pr million citizens which is much lower than in Spain (468,8), Italy (415,1), Sweden (190,2) and USA (143,0) , but also lower than in Denmark (66,2) and Germany (61,4) but slightly higher than Finland (27,0) and Iceland (28,3).

The main measures: a suppression strategy followed by economic measures

Up until March 12, the government hesitated and took a wait-and-see approach to the epidemic, with the director of NDH, in particular, seeking to reassure the public. But on that day draconian regulations were implemented. Initially, these consisted of major restrictions on social contact, which on March 24 were extended to April 13. They were followed by four rounds of economic compensation packages and then by a decision to pass a law granting exceptions, which represented a watering down by parliament of the government's initial proposal.

The most important C-19-related central regulations to combat the spread of the coronavirus during the first month of the outbreak were (NOGOV, 2020):

- Advice on washing hands and controlled sneezing, keeping a distance of 1-2 meters from other people and limiting gatherings to not more than five persons. In addition, quarantining those infected, securing hospital capacity, forbidding health personnel to go abroad, increasing authority to track contagion, etc.
- Avoiding all not strictly necessary journeys, avoiding public transport and other places frequented by many people. All Norwegians returning from abroad were required to go into quarantine for fourteen days after their arrival.
- Stricter border controls. The Norwegian border was closed to foreign nationals without a Norwegian residence permit.
- Mandatory closure of all kindergartens, schools, colleges and universities. Closure of all training and competitions in sports clubs, cultural events, etc.
- Mandatary closure of all hairdressers, gyms, hotels, etc.; grocery stores, pharmacies and shopping malls were allowed to stay open.
- More stringent rules governing the transportation of goods and the movement of people to businesses across geographical borders.
- The so-called 'cottage-rule', stating that people with second homes in another municipality were not allowed to stay overnight in their cottages.
- In addition to the rules issued by the central government, local governments also introduced rules regulating access to certain geographical areas – e.g., imposing a quarantine requirement for those entering certain cities in northern Norway.
- On April 8, the government decided to lift the COVID-19 restrictions gradually and cautiously. The kindergartens reopened from April 20 and primary school classes for grades 1–4 from April 27. The ban on using holiday properties was lifted from April 20. Hairdressers, physiotherapists and other businesses involving one-to-one contact were allowed to resume operations.

291000 people − or 10.4 percent of the labor force − had registered as fully unemployed by March 24. By comparison, two weeks earlier the

unemployment rate was 2.3 percent. To mitigate the negative economic effects of the strong restrictions, the Norwegian government introduced measures in several steps:

- On March 13, immediate measures were introduced to support jobs and to help viable companies avoid unnecessary layoffs and bankruptcies.
- On March 16, NOK 100 billion worth of guarantees and loans in crisis support for businesses was made available followed by a compensation scheme for culture, the voluntary sector and sports.
- On March 27, the government approved additional financial measures to otherwise sustainable businesses that had been severely affected by measures to contain the pandemic.
- On April 3, additional measures were introduced directed at businesses that had been hard hit during the pandemic, including cash support for enterprises. The fiscal measures so far add up to more NOK 139 billion, corresponding to around 4.6 percent of mainland GDP.

The law of exceptions process, aimed at giving the government extraordinary powers in the crisis situation, was relatively controversial. Initially, it was supposed to last for half a year, but after being discussed in parliament, this was reduced to a month, the powers became more limited, and parliament stipulated that certain parts of the law could be suspended if 1/3 of the representatives were against it. Even though the opposition made major changes in the government's original proposal, the debate was marked by an atmosphere of collaboration, trust and standing together in a crisis situation.

Governance capacity

How prepared were the authorities?

The Norwegian authorities were in some ways not particularly well prepared to handle the crisis, even though the Norwegian health care system is very good and overall resources are abundant. This was a crisis with advance warning that took some time to develop in other countries, but relatively little was done in Norway to build up specific capacity to deal with such an epidemic. National risk assessments had warned that the risk of a major pandemic was

high, but reserves of emergency medicine and infection control equipment were insufficient. Responsibility for this preparation was delegated to the regional health enterprises, which had problems building up robust emergency preparedness. On the local level, 74 out of 356 municipalities did not have an operational plan for infection control, and training was lacking. Overall, the crisis revealed that the necessary resources, a central part of governance capacity, had not been invested in preparedness for an epidemic. The main bottleneck was lack of infection control equipment, respirators and also testing equipment.

Regarding the economic measures, there were no major budget or finance issues. This was due to Norway's solid economy based on oil and gas. Budgets were revised and resources ramped up as quickly as needed.

Handling and decision-making: collaboration and coordination

The decision-making process in the crisis in Norway was characterized by a need to make major decisions under conditions of great uncertainty and urgency. The major decisions of the national government on how to respond to the corona pandemic were taken by the cabinet in close collaboration with NDH and NIPH, even though the political leadership deviated in some major decisions from the advice it was given and generally opted for more radical measures, such as closing schools, following a 'precautionary principle' and reflecting strong pressure from the media. The government initially pursued a mitigation strategy, which was later changed to a suppression strategy, without changing the basic regulations.

Political, administrative and professional leaders worked as a team during the process, reflecting a traditional collaborative style. The early proposals for economic measures from the minority government were prepared in close collaboration with employers' and employees' organizations.These decisions were made via bipartisan collaboration in parliament which resulted in a crisis settlement with an expanded crises package. The decision-making process was extremely fast. As a strategy to bolster legitimacy, the decisions on easing the regulations were based on advice from two ad hoc expert committees on economic issues and kindergarten/schools.

The apparently successful models and experiences of governments and professional bodies inspired the Norwegian strategy, such as positive learning from some Asian countries like South Korea, China and Singapore, but also negative learning from Italy and later Spain (Tian et al., 2020). Lessons from international public health organizations and institutes, such

as WHO and Imperial College London, also influenced the Norwegian strategy for fighting the pandemic.

In the last week of March, a conflict emerged regarding the tension between central and regional/local regulations. 134 municipalities, most of them in northern Norway and with few C-19 cases, established local restrictions on movement into the municipalities or regions to avoid infections in areas with low health care capacity. The down-side of these rules was that people coming from outside the municipality had to go into quarantine for fourteen days, which caused problems for local businesses. The executive political leadership struggled with this question. At first they did not recommend these local rules, but few municipalities listened to them. Then national guidelines were established that were strongly supported by the employers' and employees' organizations, but the government stopped short of making them mandatory, seeing this as politically costly. As a result, some municipalities decided to keep their own, local rules.

Overall, the main decision-making style and handling of the outbreak was consensual and based on a pragmatic collaborative approach combining argumentation and feedback. The expert bodies' advice was often quite cautious, but they accepted the political leadership's decision to take stronger measures, because these balanced a wider range of considerations. The executives tried measures that they thought might work, the experts assessed the consequences and the course was adjusted if necessary. Such an approach makes sense given that there was a lack of evidence-based knowledge and much uncertainty regarding the efficacy of measures to fight the pandemic (Ansell and Boin, 2019). This applied both to the introduction of draconian measures and to the strategy employed in relaxing them.

Implementation

The government measures were implemented through a joint strategy of advice, guidelines and mandatory directives, the latter followed up by potential penalties for non-compliance. Although the measures were pretty strong, the most draconian measures, such as a full shut down of businesses, a curfew, full border closure or isolation of infected citizens in designated buildings, were not imposed. The authorities appealed to citizens' solidarity, their trust in government and their willingness to help out in a national emergency, and the response was generally loyal and positive.

Overall the approach was top-down and based on collaboration between political, administrative and professional central authorities. National frameworks and policies were

stronger than local discretion, but the biggest implementation challenges were related to the tension between central and local government. When the various control measures were relaxed on April 7, the political leadership signaled that the pandemic would need to continue to be controlled for a longer period by using massive testing, data-assisted tracking, quarantine for those infected and special measures for vulnerable members of the population.

Governance legitimacy

Making sense of the crisis: appealing to solidarity - united we stand

The prime minister and the other ministers involved played an important role in communicating with citizens and the media through daily media briefings together with NHD and NIPH, and there was extensive media coverage of what might be called a horizontal or societal accountability effort (Schillemans, 2008). The executives decided on a paternalistic strategy, defining the situation as dramatic and maintaining that drastic measures would lead to a better long-term outcome. They alluded to the virus threatening Norwegians' way of life, completely overwhelming the health system, and to the existence of widespread and untraceable cases, which came quite close to scaremongering. They argued that 'life and health' and the 'precautionary principle' should be dominant. Even though an expert from FIPH admitted that this was a rather ambiguous principle to follow, it seems to have been accepted.

The health arguments from the top executives were the most important ones for justifying the draconian measures taken. Overall, they explained in some detail the reasons for certain specific control and quarantine measures, but were rather vague about whether an overall precautionary strategy based on health criteria was the best one. Supported by epidemiologists, they also stressed that many people could be affected, that many were vulnerable and that the health system might experience capacity problems, which did not in fact happen before new cases started to decrease.

Many of the press briefings addressed the compensation packages for struggling businesses. The main message was that the government really cared about these problems, but the reactions were somewhat mixed, depending on how satisfied different sectors and businesses were with the packages. Overall, however, these packages earned the government solid political gains.

The process of making sense of the crisis played out in a context of high mutual trust between political and administrative authorities and between ministries and central agencies. The process also followed the Norwegian governance style of collaboration and involvement with affected stakeholders and the political opposition. The political leadership seems to have succeeded rather well in connecting governance capacity and legitimacy using the argument that Norway had sufficient resources to deal with the crisis.

High and increasing trust in government

Overall citizens' trust in government increased significantly from an already high level during this crisis. Trust in government, in the health authorities, parliament and national and local politicians increased as it did in the prime minister (Medborgerpanelet 2020). This general increase in trust reflects the communication strategy in which political, administrative and professional executives appeared to take a common stance. In contrast to authoritarian regimes in which the focus is on a strong leader, the Norwegian approach was based more on working together across political parties, across the political and administrative divide, across central and local government and across the public and private sectors. Another indication of the citizens trust in government is that when the government launched an app to help the health authorities to limit the transmission of coronavirus 60 % of the citizens above 18 years old had voluntarily downloaded the app after one week. The app provides anonymized data about movement patterns in society in order to develop effective infection control measures.

On the other hand, interpersonal trust among citizens seems to have decreased somewhat, probably due to the focus on infections and isolation and on how to enact the strict social distancing regulations. Confidence in the Norwegian economy decreased, reflecting the large increase in unemployment.

Conclusions and lessons learned

Norwegian crisis management in response to the corona pandemic so far is an example of rather effective decision-making, handling and making sense of the situation. After three weeks of draconian measures, Norway became the first European country to claim that the situation was under control as the number of hospitalized covid-19 patients decreased and the number of deaths remained low. This must be understood in the context of competent politicians, a high

trust society with a reliable and professional bureaucracy, a good economic situation and a big welfare state.

The government was able to make sense of the unfolding situation and to collaborate across administrative levels, policy areas and sectors. Fundamental political decisions were not delegated to experts and professionals alone but were taken in collaboration, thus enhancing the ability to make sense of the situation as it unfolded. The debate on how to regulate during the corona crisis addressed the blurred borders between democracy and technocracy and how to handle the balance between political control and professional autonomy. Together, political and professional actors were able to formulate and communicate a rather convincing and enabling understanding of what was happening and what needed to be done to minimize the consequences of the crisis. Thus, the authorities' making sense of the situation seems to have enhanced citizens' trust in government and governance legitimacy.

The main lesson learned from the Norwegian case is that, despite a lack of preparedness, the government managed to control the pandemic rather quickly and effectively by adopting a suppression strategy based on a collaborative and pragmatic decision-making style, successful communication with the public, a lot of resources and a high level of citizens' trust in government. The alleged success of the Norwegian case is about the relationship between crisis management capacity and legitimacy. Crisis management is most successful when it is able to combine democratic legitimacy with government capacity.

Another lesson is about the trade-off between protecting citizens from the pandemic and protecting the economy. Successful management of a pandemic needs to give priority to protecting citizens from becoming infected, but this also needs to be followed up by measures to reduce the negative economic side-effects of radical measures. The Norwegian approach placed a heavy emphasis on the health aspect but at the same time was able to earmark what it deemed sufficient government resources and stimulus packages to help support those affected and to restart the economy; the effect of this imbalance has yet to be seen.

A third lesson is that successful crisis management must involve appropriate and transparent processes and decisions that reduce the effects of the crisis and as such should enhance politicians' reputations, citizens' expectations of the government authorities and their support and trust in government. Most of this is the case in Norway, but there were some challenging debates about the process related to the exception law and the local regulations.

A fourth lesson is that transboundary collaboration between countries, policy areas, and administrative levels, and between political authorities and

professional expert bodies, is necessary. Hybrid and complex organizational forms in which different actors work together in networks and teams in the shadow of hierarchy can be an appropriate way of managing this kind of crisis. A main challenge is to match the pace of the crisis development with a requisite level of political attention (Boin, Ekengren and Rhinard, 2020).

The challenge ahead is to follow up on the long-term effects of the suppression strategy in a way that both protects the economy and avoids a new outbreak of the pandemic. To meet such challenges, cultural factors such as trust and loyalty, structural factors such as coordination and regulatory capacity, and stronger evidence-based knowledge about the corona pandemic will be needed.

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